

FACT SHEET

CONFLICTS OF INTEREST

All public officers are responsible for identifying and managing conflicts of interest.

The Tasmanian community expects, and has a right to expect, that public officers will put the interests of the community first. Failure to identify, declare and manage conflicts of interest can lead to a loss of confidence in the individual officer, the organisation and the public sector as a whole.

It's good to have interests

All of us have private interests. These interests arise from our private or non-work life and can bring financial or other benefits. These can include:

- private personal or business relationships
- the responsibilities we have to our families, friends and community
- membership of associations, clubs and organisations, and
- financial or economic interests, including direct and indirect assets and business interests.

Our private interests can also include the interests of close associations and connections, such as, relatives, friends, competitors or adversaries.

There is nothing wrong with having interests. In fact, our interests are a key part of what we bring to our roles. Our passions and expertise benefit our public sector organisation and the broader community.

As public officers, we need to make sure that our private interests do not impact (and are not seen to impact) our ability to make decisions that deliver the best possible outcomes for the community.

Conflicts of interest

A conflict of interest arises from a conflict between a public duty or responsibility and a private or personal interest, including a person's family, friends and associates.

Examples include:

- interviewing a family member or friend for a job
- allocating contracts to a family business
- receiving meals and gifts from private contractors
- being involved in outside employment that potentially conflicts with an officer's public duties or responsibilities; and
- using public resources to support your outside employment.

A conflict of interest may be actual, perceived or potential.

Actual

An actual conflict of interest occurs when there *is* a conflict between an official duty or responsibility in serving the public interest, and their personal interest.

Perceived

A perceived conflict of interest occurs when a reasonable person, knowing the facts, would consider that a conflict of interest may exist, whether or not this is the case.

Potential

A potential conflict of interest occurs where a person has a personal interest that could conflict with their official duties in the future.

CASE STUDY

The Board of the Integrity Commission undertook an own motion investigation into an alleged conflict of interest and improper use of position by a manager in the Department of Education.

A key allegation was that the manager improperly awarded contracts for the production of digital education resources to companies associated with his friend. This included: failing to adequately declare a conflict of interest, to identify the nature of the friendship, or the way in which the friend and/or his business was advantaged.

CASE STUDY

The Commission conducted an assessment into allegations that a senior executive who was a member of an internal panel failed to properly declare and manage a conflict of interest.

The conflict arose when it was discovered that the senior executive and one applicant in the process were members of the same board.

Our assessment showed that the senior executive had in fact declared the conflict and it had been managed appropriately.

Don't be afraid of conflicts of interest – manage them

It is not always possible to avoid conflicts of interest in the course of our work. It is important to remember that conflicts of interest do not, in themselves, lead to misconduct. **The issue arises when a conflict of interest is concealed, understated, not managed or abused.**

The key is not to fear conflicts of interest but to manage them – as soon as they arise. When conflicts of interest come up, let your organisation know.

Declaring and documenting your private interests is a good starting point. From here, you can work with your organisation to find a suitable management strategy. Together, you can monitor and, where necessary, adjust this strategy depending on any changes in circumstance.

Public authorities have guidance (such as policies and procedures) available to help you in deal with conflict of interest.

Being open about conflicts of interest will help your organisation identify any areas work areas that are high-risk, ensure correct systems and procedures are in place, deal with any misconduct and educate and support staff.

No matter what our role is, all of us as public officers have a responsibility to effectively manage conflicts of interest.

The Commission can help

The Commission is available to provide support and assistance on identifying managing areas of misconduct risk, including conflicts of interest.

Call us on 1300 720 289 or email prevention@integrity.tas.gov.au.