



2021-22 Investigation Mawson

Sector	Local Government
Respondent level	Public Officer
Principal allegations	Failure to declare and manage a conflict of interest in procurement and misuse of public resources

Description

Investigation Mawson considered allegations that a manager of a major public facility issued favourable supplier contracts to friends without proper process and without managing or declaring conflicts of interest. Similar long term arrangements with other suppliers (who are also friends) were identified during the investigation.

The primary lines of inquiry were that the manager failed to declare and/or manage conflicts of interest with, and made improper use of their position to gain an advantage for, his friends. Other lines of inquiry included whether the manager had solicited gifts and benefits from suppliers, and whether the manager's colleague (who assisted them with procurement and other matters) was complicit in the alleged conduct.

A key aspect of the matter was that, for a substantial period, the facility was managed by a 'controlling authority' established under the public authority's legislation. The controlling authority had a number of functions, including to provide facilities or services, and to manage or administer any property, on behalf of the public authority. This meant oversight of the manager during this period was limited.

The investigation found that the manager made decisions that were conflicted by his associations with some of the service providers. These associations included close friendships and publicly known connections established through the community, and were not declared or managed.

While the service providers benefitted financially from their arrangements with the precinct, the evidence suggested that the manager's decisions in relation to the arrangements were based on what was in the best interests of Council and the ratepayers, and not for personal financial gain.

The manager's colleague was found not to be complicit in these decisions.

The manager and their colleague showed a lack of understanding of what a conflict of interest is, when to declare it, how to manage it, and the underlying risks of not doing so. The public authority's conflict of interest policy has improved in recent years, however awareness of such policy and the rationale behind it did not seem to have trickled down to the manager or their colleague.

Outcome

Referred to Principal Officer for action
Also referred to Auditor-General and relevant Minister