

## Purpose

To outline the department's policy for identifying, declaring and managing conflicts of interest.

## Scope

This policy applies to all department employees and workplace participants.

This policy implements requirements of the Victorian public sector values of impartiality and integrity, as outlined in the Code of Conduct for Victorian Public Sector Employees, and the Public Sector Values and Employment Principles as specified in the *Public Administration Act 2004 (Vic) (PA Act)*.

This policy sets out:

- key principles of conflict of interest management.
- the key categories of conflicts of interest.
- expectations for declaring and managing conflicts of interest.

## Policy statements

1. Public servants must put the public interest above their private interests when carrying out their public functions.
2. A conflict of interest occurs where there is conflict between the public duty and private interests of a public official and is expected to be managed in accordance with department principles and procedures.
3. Conflict of interest management principles:

Where unavoidable, conflicts of interest must be identified, declared and managed. The considerations and management of a conflict of interest may vary depending on the nature of the conflict. The department guidance sets out further information about circumstances where a conflict of interest may arise.

Six management principles apply to conflicts of interest at the department. These are:

- **Prevent:** conflicts of interests must be avoided where possible, however the department recognises there are instances where they are unavoidable.
- **Identify:** conflicts must be identified and discussed with managers
- **Declare:** employees and other workplace participants must disclose and report any actual, potential or perceived conflict of interest to their manager using the appropriate form as soon as practical upon being identified
- **Assess:** declarants and managers must assess conflicts of interest to identify risks
- **Manage:** managers must work with declarants to ensure any conflicts of interest are properly declared and managed. Where a conflict occurs, it is expected to be resolved in favour of the public interest as a priority.
- **Monitor:** conflicts must be monitored regularly, and any changes captured in an updated or new declaration.

4. **Breaches:** Poorly managed conflicts of interest raise the risk of bias and can facilitate corrupt conduct. This in turn can impact delivery of public services, infrastructure and other important public projects.

Failure to avoid a conflict of interest where possible or identify, declare or manage a conflict of may constitute misconduct and lead to disciplinary action including dismissal.

### *Speak up!*

Instances of undeclared or inappropriately managed conflicts of interest should be reported to the Integrity Unit: [integrity@delwp.vic.gov.au](mailto:integrity@delwp.vic.gov.au). Reports can be made anonymously.

**Note:** The source of authority for this policy can be found in the Policy Register.

### **Additional guidance**

Special requirements may apply to managing conflicts of interest when they arise through different circumstances. A summary is outlined below. Links to further information can be found in the policies and supporting documents sections of this policy.

#### *Finance/Procurement*

5. Procurement: Declare any conflict of interest when participating in procurement or contract negotiation and management processes. For procurement, this includes a special requirement to make a declaration even where you have no conflict to declare.
6. Grant management: Employees involved in grant application assessment, recommendation and acquittals must declare any personal interest they may have with grant projects or applicants.
7. Authorised officers and Financial delegates: Authorised officers and people with a financial delegation of \$20,000 or more must complete a declaration of private Interests upon their appointment to the relevant role and annually thereafter.

#### *Employment*

8. Recruitment and selection: Declare any conflict of interest when participating in a recruitment process and ensure the recruitment process is fair and transparent.
9. Outside Employment: Department staff are required to seek approval prior to engaging in any other employment outside of the department. This includes volunteer work or other interests. This process allows managers to consider and manage any potential conflicts of interest with a person's role at the department.
10. Public Sector Boards: Department staff are required to seek approval prior to appointment to some Public Sector Boards.
11. Political activities including running for elections: Department employees can be involved in political activities including standing for local council elections or for state and federal government.

#### *Offers of gifts, benefits and hospitality*

12. Department staff must not use their position to obtain favour or to improperly influence any decision that may favourably impact themselves, a relative, friend or business acquaintance.
13. Avoid accepting any individual or bulk offers of a gift, benefit or hospitality or those that could be perceived as a conflict of interest.

## *Relationships*

14. Family members: In the situation where a direct work reporting relationship between a manager and family member exists, or will exist, and this cannot be avoided, any approval action with a financial outcome must be approved by the manager's immediate manager. This includes approvals of:
- financial expenditure and reimbursements, such as approvals via Oracle petty cash and purchasing card transactions
  - performance and progression outcomes
  - payment of bonuses
  - higher duties arrangements
  - training and other educational opportunities
  - performance management activities
  - recruitment and appointment decisions or changes to employment arrangements.
15. Consensual personal relationship in the workplace: Where a staff member is in a consensual personal relationship with another staff member with managerial responsibilities for that person, the person in the most senior role must complete a declaration to advise their manager of the relationship.
16. Declarable associations: This includes a relationship with a person who has been in jail or charged with an indictable offence or someone involved in unlawful activity and must be disclosed. Any membership or participation in a group perceived to be involved in unlawful activity must be disclosed.
17. Lobbyists: Department employees have certain obligations when contacted by lobbyists.
18. Previous employees: Connections with previous employees who become suppliers to the department must be disclosed by the current employee and managed throughout the procurement and engagement of the previous employee.

## **Key related policy, legislation and other documents**

### ***Policies***

[Conflict of Interest Framework](#)

[Code of Conduct \(VPSC\)](#)

[Appropriate workplace behaviour policy](#)

[Declaration of private interest policy](#)

[Department employees on public sector boards policy](#)

[Financial code of conduct policy](#)

[Fraud and corruption control policy](#)

[Gifts, benefits and hospitality policy](#)

[Grants management framework policy](#)

[Information security policy](#)

[Integrity in procurement policy](#)

[Outside employment policy](#)

[Recruitment and selection policy](#)

## **Procedures**

N/A

## **Forms**

Conflict of interest declaration

Declaration of private interest form

Gifts, benefits and hospitality declaration

Outside employment application form

Public sector board application form

## **Templates**

N/A

## **Supporting documents**

Guidance material listed below is available on the [Col ECM page](#).

Guidance on conflict of interest principles

Guidance on procurement

Guidance on grants assessments or applications

Guidance on declarations of private interests

Guidance on recruitment and selection

Guidance on outside employment

Guidance on department employees on public sector boards

Guidance on involvement in political activity/ standing for council elections

Guidance on responding to or providing gifts, benefits and hospitality

Guidance on family, friends and associates

Guidance on consensual personal relationships

Guidance on declarable associations

Guidance on lobbyists

## **Definitions**

The key terms underlined and used throughout this policy are defined or in the [Policies and procedures online glossary](#).

## **Approval and review**

<b>Approved by</b>	Executive Director, People and Culture
<b>Policy owner</b>	People and Culture
<b>Contact</b>	Integrity Unit Email: <u><a href="mailto:integrity@delwp.vic.gov.au">integrity@delwp.vic.gov.au</a></u>
<b>Date issued</b>	MAY 2021



# Conflict of Interest Policy

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**Last review date**      APRIL 2023

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**Review schedule**      Biennially

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**Replaces**                Conflict of Interest Policy

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