



CONFLICT OF INTEREST POLICY

July 2016

PURPOSE

The purpose of this Policy is to ensure that conflicts of interest are identified and managed effectively so they do not adversely affect the operation of Broken Bay systemic schools or the CSO. Staff members are required to avoid conflicts of interest if possible and disclose any perceived or actual conflict of interest as soon as they become aware of the conflict. The Policy is intended as a safeguard for staff employed in the DSS and a strategy for the DSS to ensure it is compliant with the requirements of s83C of the Education Act.

SCOPE

This policy applies to all staff employed by the DSS and all volunteers.

WHAT IS A CONFLICT OF INTEREST?

There are three types of conflict of interest: actual, perceived and potential.

Actual Conflict of Interest	Perceived Conflict of Interest	Potential Conflict of Interest
You hold a position where right now you can be influenced by your private interests when doing your job.	You hold a position where you appear to be influenced by your private interests when doing your job.	You hold a position where you may in future be influenced by your private interests when doing your job.

Staff members have an obligation to ensure that they address any actual, perceived or potential conflict between their personal interests and professional duties.

Conflicts of Interest are not wrong in themselves. It is how they are managed that is important. There are three key stages in managing conflicts of interest:

- Report
- Resolve
- Register

Conflicts of interest may lead to biased decision making which results in the decision maker or a relative or friend receiving a financial benefit or other personal advantage. For a conflict of interest to have been found to have occurred, a reasonable person would conclude that the professional actions of a staff member have been unduly influenced by their personal interests.

REPORTING A CONFLICT OF INTEREST

When a staff member becomes aware that they may have a conflict of interest they must report that fact to their manager. Reporting a conflict allows the staff member to work with their manager to agree strategies and actions to resolve it. If not managed properly, any conflict can be damaging to the individual's and the DSS's reputation. Conflicts of interest must be reported as they arise as well as part of an annual declaration.

Examples of conflicts of interest:

- Purchasing goods or services supplied by a staff member's family business, relative or close friend.
- Participating in a tender for goods or services where a relative or friend will be submitting a bid.

- Directly negotiating for a friend or relative to provide goods or services to a school or the CSO for payment.
- Involvement in selection processes for a relative or friend as an employee.
- Sale of a DSS asset without an equitable process.
- Enrolment decisions relating to a relative's or friend's child.

RESOLVING A CONFLICT OF INTEREST

If a conflict of interest is declared it can be resolved or managed in a variety of ways, depending on the significance of the conflict. The main strategies for resolving a conflict are:

Strategy	Action to take	When is this strategy most suitable?
Register	Staff member formally registers details of the existence of an actual, perceived or future conflict.	<ul style="list-style-type: none"> ○ This may be the only action required for very low-risk conflicts. ○ Where recording the conflict is sufficient to maintain transparency.
Restrict	Restrictions are placed on the staff member's participation in decision making processes. This could include: <ul style="list-style-type: none"> ○ Not participating in any critical criteria setting role. ○ Withdrawing from discussion about the plan or proposal. ○ Limiting access to information. ○ Abstaining from voting on the decision. 	<p>It is practicable to separate the staff member from parts of the activity or process.</p> <p>The conflict is not likely to arise frequently.</p>
Recruit	Recruiting an independent person eg Schools Consultant, Head of Service, to oversee all or part of the process. This could include: <ul style="list-style-type: none"> ○ Arranging for a Schools Consultant or Head of Service to make the decision. ○ Requiring another person in the school or CSO to obtain three written quotes to compare against quote by family member. ○ Increasing number of people involved in the decision making process if there is a special reason why the person needs to continue to be involved. This would need to be approved by the staff member's manager and documented. 	Conflict is more significant and needs to proactively managed but the staff member with the conflict has particular expertise and cannot be easily replaced.
Remove	<ul style="list-style-type: none"> ○ Remove person with the conflict from any involvement. ○ Person abstains from any formal or informal discussion about the matter. ○ Re-arranging duties and responsibilities to a non-conflicting function but not to a person who is supervised by the person with the conflict. ○ Transferring the person to another school or team. 	There is ongoing serious conflict of interest and restriction or recruitment is not practical or feasible.
Relinquish	Person gives up the private interest that is creating the conflict.	The person's commitment to their role in the DSS outweighs their attachment to their private interest.
Resign	Person with the conflict resigns from their position.	No other options are workable. Person cannot or will not relinquish their conflicting private interest.

CONFLICTS OF INTEREST REGISTER

All conflicts of interest must be registered in the DSS Conflicts of Interest Register. This Register is kept by the Office of the Director and helps to show that the conflict has been declared and resolved. It adds transparency to the management of the conflict.

The Register records:

- the name of the staff member declaring a conflict of interest;
- the nature of the conflict and how it is being managed;
- the period of time the conflict exists for; and
- the person to whom it was reported.

The template form which staff members should use to report a conflict is in Appendix 1. The Head of Financial Services is notified of every conflict of interest that is declared in order to ensure that the related party component of s83C is adhered to.

BREACH OF POLICY

Failure to disclose a conflict of interest may result in disciplinary action ranging from informal counselling, increased supervision or monitoring, coaching or mentoring, through to informal or formal disciplinary action. Serious breaches may result in demotion, termination or referral to an external agency or the police for investigation.

RELATED POLICIES AND GUIDELINES

Code of Conduct
Complaints Handling Policy and Procedures
Financial Management Policy
Fraud Policy
Gifts and Hospitality Policy
Policy for Addressing Employee Performance and Disciplinary Matters
Policy for Addressing Performance of Principals and Disciplinary matters
Travel Policy

This Policy supersedes the Conflicts of Interest Policy Stage 1 Procurement Processes.

POLICY REVIEW

This policy will be reviewed not less frequently than once every five years.

POLICY DATES

Date policy originally issued	May 2015
Date of current version	July 2016
Date of next review	July 2021

authorised by
Peter Hamill
Director of Schools

DECLARATION OF A CONFLICT OF INTEREST

- Conflicts of interest to be included on the form may be actual, perceived or potential.
- After submission of the declaration, should a new conflict of interest arise during the year, a new declaration should be submitted.
- A separate form must be submitted for each conflict of interest.
- The completed, signed declaration should be scanned and emailed to the Manager Executive Support, Office of the Director.

Employee Name			
Position			
School/Service Area			
Nature of the Conflict of Interest – why there is a conflict			
Period of Conflict			
Start date:		End date:	
		(or tick)	If ongoing
How will the conflict be managed?			
e.g. why there is a conflict, how the risk could be mitigated, other factors to consider			
<ul style="list-style-type: none"> ○ Register ○ Restrict involvement\ ○ Recruit disinterested third party ○ Remove self from situation ○ Relinquish private interest ○ Other 			
Provide details of management option selected			

I declare that the above details are correct and I make this declaration in good faith.

Employee Signature	Date

Declarant's Supervisor	
Name	
Position	
School/Service Area	
Comments	
Signature	Date