



Better Practice Guide on Conflicts of Interest

Metadata

Date of initial endorsement:	23/07/2019
Date of last review:	new instrument
Endorsed by:	Manager Professional Standards
Owner:	Professional Standards
Contact:	PRS-Policy-and-Governance@afp.gov.au
Identifier:	MPRS003
IPS status	Full

Disclosure and classification

This document is classified **UNCLASSIFIED** and is intended for internal AFP use. Disclosing any content must comply with Commonwealth law and the AFP National Guideline on information management.

Compliance

This instrument is part of the AFP's professional standards framework. The [AFP Commissioner's Order on Professional Standards \(CO2\)](#) outlines the expectations for appointees to adhere to the requirements of the framework. Inappropriate departures from the provisions of this instrument may constitute a breach of AFP professional standards and be dealt with under Part V of the [Australian Federal Police Act 1979](#).

This document is a functional governance instrument as defined under section 4 of the [AFP Commissioner's Order on Governance \(CO1\)](#).

Introduction

This Better Practice Guide provides guidance to AFP personnel for the identification, reporting and management of conflict of interest matters, including those related to a declarable association and when providing a personal or commercial reference for a commercial entity (a private affiliation with an individual, including a family member, a group, an event or organisation that could adversely impact on the reputation and/or integrity of AFP personnel or the AFP or affect AFP activities).

What is a conflict of interest?

A conflict of interest is a conflicting obligation, loyalty or other improper influence to which an individual is subject in the course of a relationship or activity. It may involve an actual, perceived or potential conflict between the responsibilities of AFP personnel in serving the public interest/official AFP duties, and the private interests of AFP personnel. Conflicts of interest can arise from both avoiding personal losses and gaining personal advantage – whether financial or otherwise. Examples of behaviour that involve a conflict of interest are:

- **self-dealing** – can occur where AFP personnel have a capacity to use their AFP position to affect a personal interest (e.g. taking official action which involves dealing with oneself in a private capacity).
- **undue influence** – can occur when a family member, friend or associate of AFP personnel exercises influence over the performance by AFP personnel of their official AFP duties.
- **abuse of office** – using AFP employment/position to coerce others to provide an advantage to the AFP, an AFP operation, AFP personnel, his/her associates or oneself.
- **acceptance of benefits and gratuities** – either nominal or significant, can increase the likelihood of a conflict of interest breach, thereby providing a possible source of motivation for neglect of duty concurrent with the acceptance of a benefit, now or in the future.
- **use of confidential information** – can occur when AFP personnel have a personal interest in a matter that motivates them to access confidential information (e.g. looking up a former partner, checking up on friends or enemies, looking up information at the request of a friend).

Determining the likelihood of a risk being realised is usually more difficult for a potential conflict than for an actual conflict.

Conflicts of Interest can result in a serious breach of the AFP Code of Conduct. Abuse of office can result in criminal charges pursuant to section 142.2 of the [Criminal Code Act 1995](#).

Providing a personal or commercial reference

AFP appointees providing a personal reference, either in their private capacity or on behalf of the AFP, must ensure the information given does not compromise the integrity and reputation of the AFP.

AFP appointees must not provide commercial references other than in exceptional circumstances in accordance with the [AFP National Guideline on conflicts of interest](#).

What are the risks to me and the AFP arising from a conflict of interest?

Conflicts of interest present personal, operational and organisational risks, they need to be identified, reported, assessed and managed appropriately. The mere perception of impropriety or the potential for impropriety may be sufficient to undermine public confidence in the AFP and AFP personnel.

Behaviour involving a conflict of interest may create a negative public opinion of the AFP, regardless of whether any risks are realised or if there is any improper action. The mere perception of impropriety may be sufficient to undermine confidence in the probity and integrity of AFP personnel to act properly and may cause significant criticism and adverse consequences for personnel.

How do I identify an interest that may lead to a conflict?

Numerous conflicts of interest, including declarable associations and providing personal or commercial references can arise for any individual. AFP personnel must take personal responsibility for ensuring they carefully manage all relationships they have. AFP personnel must avoid real or perceived bias or actions that are to the advantage of individuals or organisations and are inconsistent with the values and purpose of the AFP. This includes involvement in any relationship that appears to involve, partiality, preferential treatment or improper use of rank or position, including a position of power or trust.

Types of interest are more fully explained in the [AFP National Guideline on conflicts of interest](#). AFP personnel should familiarise themselves with the guideline and various types of conflicts of interest and declarable associations.

What are the reporting requirements for a conflict of interest?

Through various governance instruments, the AFP has specific guidelines and reporting requirements which require AFP personnel to consider their integrity. These include, but are not limited to, matters relating to human resources (e.g. selection and recruiting processes), contracts and procurement, financial management, property and exhibits, hospitality, gifts, operational outcomes and providing personal or commercial references. It is incumbent on AFP personnel to be familiar with AFP governance, policies and guidelines and continuously self-assess, and report as appropriate, their personal and professional relationships and whether they create or may be perceived to create a conflict of interest or undermine their integrity.

Conflicts of interest, including declarable associations are to be recorded in an [Integrity Report](#) as per the [AFP National Guideline on integrity reporting](#). Where the conflict of interest relates to a declarable association, a [Change of circumstances form](#) must also be submitted as per the [AFP National Guideline on personnel security](#). The forms are to be used to detail the nature of the conflict of interest and contain information as required in the [AFP National Guideline on integrity reporting](#).

A conflict of interest may be reported, recorded and resolved immediately and a single integrity report may suffice. However, circumstances may arise that require ongoing management and reporting to the [PRS Early Intervention Team](#). Once a conflict of interest is identified, a supervisor must work with the individual to

develop, implement and record a conflict of interest management strategy and have it approved by the Manager one removed.

Consideration should also be given to the perceived conflict of interest which may arise from instances where AFP personnel hold supervisory positions which have managerial responsibility for a position held by a family member and/or an AFP appointee/AFP personnel with whom there is an intimate relationship.

What treatment options are available when a conflict of interest is identified?

All management strategies must address the conflict of interest in proportion to the identified risk. The following practical approaches to address conflicts of interest can be used independently or in combination and are not listed in any preferential order. All management strategies should be implemented in consultation with AFP personnel.

Option	Description	Considerations
Report	All conflicts of interest must be reported through an integrity report.	<ul style="list-style-type: none"> • Required for all conflict of interest situations
Record	Record the details of the conflict of interest with ongoing monitoring of the situation.	<ul style="list-style-type: none"> • Record in Integrity Report form • Required for all conflict of interest situations • This alone might be enough to manage low-risk perceived or potential conflicts of interest by maintaining transparency, accountability and operational integrity.
Restrict	Restrictions are placed on the involvement of the individual subject of the conflict of interest in the investigation/matter.	<ul style="list-style-type: none"> • This approach is appropriate where the: <ul style="list-style-type: none"> ○ AFP personnel can be effectively separated from parts of the investigation/matter ○ AFP personnel can perform regular duties in a normal manner ○ the conflict is not likely to recur frequently ○ the conflict is not likely to affect operational integrity.
Recruit	An independent person oversees part or all of the investigation/matter.	<ul style="list-style-type: none"> • This approach might be appropriate where it is not feasible or desirable to remove AFP personnel from the investigation/matter (e.g. expertise required or not easily replaced due to remote/small location).
Remove	The individual is removed from any involvement in the investigation/matter and/or transferred to another role.	<ul style="list-style-type: none"> • This approach: <ul style="list-style-type: none"> ○ is most appropriate for ongoing conflicts of interest where restrictions or recruitment are not appropriate and other feasible or workable options are not available ○ may require consultation beyond the individual's supervisor.

<p>Relinquish</p>	<p>The individual relinquishes the private interest that is causing the conflict.</p>	<ul style="list-style-type: none"> • This approach: <ul style="list-style-type: none"> ○ is most appropriate where other options are not workable or suitable and the individual is willing to forgo the private interest ○ can be requested by a functional manager. • AFP personnel should not be asked to relinquish a significant private interest in a low-risk conflict where the effects are not significant. • The maintenance of an interest which constitutes a serious conflict of interest may affect the ability to hold a security clearance and possibly an individual's ability to maintain their employment with the AFP.
<p>Resign</p>	<p>The individual resigns from their position.</p>	<ul style="list-style-type: none"> • This approach might be appropriate when: <ul style="list-style-type: none"> ○ no other options are workable ○ AFP personnel cannot or will not relinquish the cause of the conflict of interest and changes to their responsibilities or work environment are not feasible ○ the individual prefers this course.

What are the management requirements for a conflict of interest?

Supervisors and AFP personnel are required to manage any integrity issue and work collaboratively to ensure conflicts of interest are appropriately identified, reported and managed. Supervisors are required to make decisions about the risks posed by any identified matter and take steps to manage the individual, organisational and operational risks.

AFP personnel and their supervisors must consider the risks posed by any identified conflict of interest in accordance with the general principles of the [AFP National Guideline on risk management](#). When assessing the risk, AFP personnel and respective supervisor/s must consider various potential outcomes.

The supervisor may seek advice from Professional Standards through the [PRS Early Intervention Team](#) to determine appropriate action. The supervisor will notify the individual of the outcome. Procedural fairness must be afforded to any AFP personnel who may be subject to such considerations.

Supervisors must also ensure that:

- they are aware of the risk of conflicts of interest in their work area
- their team is aware of the relevant policy and procedures
- they monitor their team and the risks they are exposed to
- they maintain all records/reports in accordance with the [AFP National Guideline on information management](#).

On receipt of a reported conflict of interest from AFP personnel, the supervisor must:

- assess the risk posed by the conflict
- cause the effected individual to submit an integrity report and include
 - whether a risk assessment has been conducted and, if so, by whom, noting the risk level identified (low/medium/high/significant)

- the actions to be taken by the effected individual and supervisor in managing the conflict of interest using the options table above
- a review date if the conflict requires ongoing monitoring
- personally record the circumstances in an official AFP notebook, diary or field book detailing the:
 - conflict of interest or declarable association
 - nature of the conflicting AFP duty, role or responsibility
- where appropriate, inform line management of the conflict of interest and seek their advice on management options.

If circumstances such as an emergency situation delay a written report, the AFP personnel must report the conflict to their supervisor or a senior AFP appointee verbally and consult on appropriate management strategies. The details of the conflict and the attempts to resolve it must be recorded as soon as practicable in an [Integrity Report](#).

AFP personnel must provide Professional Standards and, where appropriate, their supervisor with regular updates on the status of unresolved conflicts of interest.

Approving

AFP managers one removed must consider each management strategy on a case-by-case basis. Their primary considerations should be to:

- consider the effected individual's current role and welfare
- maintain the integrity of the AFP
- minimise the potential for misconduct
- ensure the efficient performance of the AFP.

If necessary, AFP managers one removed may vary or revoke a management strategy after consultation with the relevant AFP personnel.

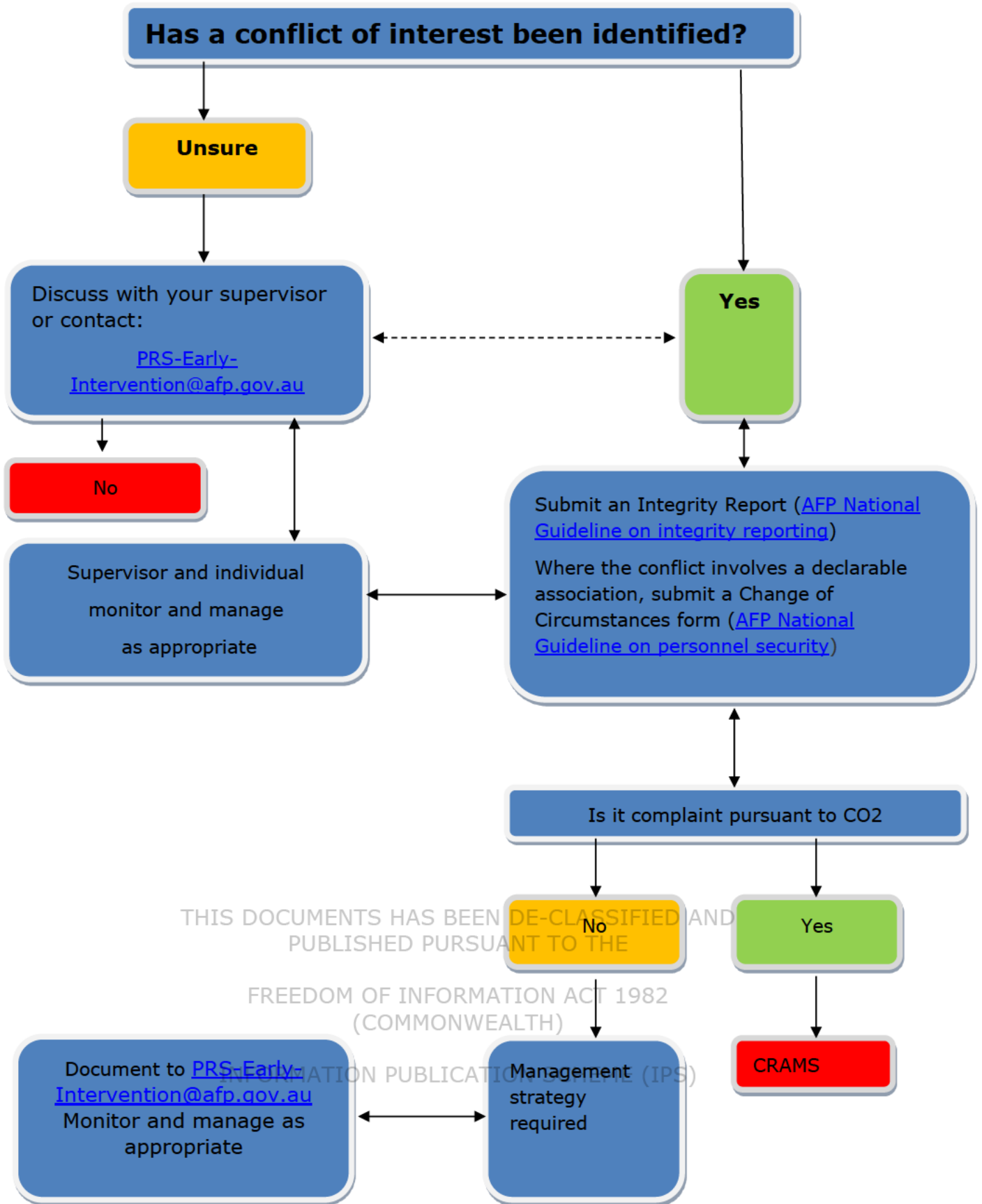
Further advice

Queries about the content of this document should be referred to the [PRS Early Intervention Team](#).

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