

CIRCULAR 2018-02 | CONSENSUAL PERSONAL RELATIONSHIPS IN THE WORKPLACE [CONFLICT OF INTEREST]



Circular Number	2018-02
Issue date:	27 August 2018
Application:	All Victorian public sector bodies
Resources:	Conflict of interest guidance for organisations at https://vpsc.vic.gov.au/resources/conflict-of-interest-guidance-for-organisations/
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Key points

- Following consideration by the Victorian Secretaries Board (VSB), the Model Conflict of Interest Policy (Model Policy), issued by the Victorian Public Sector Commission (VPSC), has been updated. The Model Policy now includes high-level processes for the management of consensual personal relationships in the workplace. A Practice Guide to support implementation has also been prepared.
- Consensual personal relationships may, in many cases, occur without any concerns arising around potential or actual conflicts of interest in the workplace, and may continue privately without any need for disclosure. However, relationships should be confidentially disclosed where an actual, potential or perceived conflict of interest cannot be appropriately avoided.
- Consensual personal relationships involving people in a direct hierarchical relationship (i.e. in the same reporting line, where one person has supervisory or decision making authority over the other) represent a potential conflict of interest. To manage this conflict, the Model Policy requires employees to confidentially declare such relationships. This allows any necessary arrangements to be put in place, which may include changes to reporting or supervisory arrangements.
- The risks of potential conflict of interests are likely to be heightened for officers in senior leadership positions.
- Processes must avoid discrimination or action that unfairly impacts upon a person's employment and should be commensurate with the seriousness of the identified risk. Any decision to move one of the individuals should not automatically preference the senior individual and each case should be considered on its own merits. Processes should also protect personal privacy.

Updates

The updates to the Model Policy include:

- a definition of consensual personal relationships;
- reference to a designated disclosure officer and human resource representative as points of contact to discuss conflict of interest;
- a section that details the process for management of consensual personal relationships; and
- an appendix that provides further detail.

Requirements

Departments and public sector bodies should now review and revise their policies and procedures on identifying, reporting and managing conflicts of interest to reflect the updates to Model Policy.

When updating policies and procedures, departments and public sector bodies should take into account the potential impacts on employees, including avoiding discrimination and breaches of privacy.

The Model Policy requires employees to declare consensual personal relationships where a direct hierarchical relationship exists. This declaration can be made to either the employee's manager, a designated disclosure officer (e.g. human resources officer) or a designated management representative. Departments should now ensure such processes are in place.

Departments should also establish arrangements that can be put in place to manage the conflict of interest, following disclosure. These arrangements may include temporary or permanent changes to reporting or supervisory arrangements.

Background

Consensual personal relationships include consensual sexual, intimate and/or romantic relationships between adults of any sex or gender identity. Relationships of this kind may be on a casual, periodic or regular basis and may or may not constitute a primary relationship. A familial relationship of spouse or de facto partner also constitutes a consensual personal relationship.

Employees are required to conduct themselves in a manner consistent with the public sector values and employment principles set out in the *Public Administration Act 2004*. These values and principles are further defined through the [Code of Conduct for Victorian Public Sector Employees](#) and the [Code of Conduct for Employees of Special Bodies](#) and [Standards](#) issued by the Victorian Public Sector Commissioner.

Scope

This Circular applies to Victorian Public Sector employers.

The VSB has agreed that compliance with the policy changes is required for public service departments.

Public sector entities in the Victorian Public Sector should aim for workplace policies that provide consistency across the sector. Public sector entities are encouraged to revise their policy and procedures on identifying, reporting and managing conflicts of interest, ensuring these are informed by the Model Policy and supporting guidance.

Date of Application

The Model Conflict of Interest Policy came into effect 19 July 2016.

The updated Model Policy was published 27 August 2018.