

CHECKLIST FOR IDENTIFYING RISKS OF CONFLICT OF INTEREST IN CLIENT AND CONTRACTOR RELATIONSHIPS



The information on this page assists organisations to identify conflict of interest risks arising from client and contractor relationships.

Should specific policies exist for some of the issues raised below (e.g. management of confidential information), they may need to be amended to ensure they are consistent with the organisation's conflict of interest policy.

If any of the areas listed below raise specific risks for your organisation, check that your policy provides appropriate management strategies.

Clients

Conflict of interest risks can emerge from the relationships employees have with clients. This risk is heightened where employees are involved in:

- collecting, assessing, using, distributing or holding confidential information
- working alone with clients
- updating and changing personal information
- exercising discretionary authority
- providing professional advice
- licensing, assessing or regulating client activities
- providing qualifications or certification
- testing
- allocating funding, public resources or access to public equipment (particularly where demand exceeds supply).

Contractors

Conflict of interest risks can emerge from the relationships employees have with contractors. This is especially the case where employees are involved in contracting and procurement. In this respect, conflict of interest risks can result from:

- receipt of gifts and other forms of benefit
- access to confidential information
- consensual personal relationships that may exist between contractors and an employee of the organisation
- allocation of contracts under the tender threshold
- any pre-tender, market-sounding activities
- tender evaluation and the bidding process
- secondary and post-separation employment
- contract administration.

Strategies

If your organisation is involved in any of the following activities, consider whether these risks are being managed by any of the following strategies:

- providing information about public sector values and business ethics to your community, clients and contractors
- distributing a statement of business ethics to external business parties
- conducting regular audits of client relationships and/or contract administration
- maintaining robust case and file management systems.