

## Conflicts of Interest

Conflicts of interest, whether they be real or perceived, can occur in the course of your duties, and it is critically important you know what to do if such a situation arises.

### Conduct

The Welsh Government is committed to ensuring the highest standard of conduct from all staff. The Civil Service Code sets out the behaviour expected from all civil servants.

### Conflicts

A conflict of interest is a set of circumstances that creates a risk which impairs an individual's ability to apply judgement, carry out official/professional duties, or where an official could be influenced by secondary interests (e.g. benefiting personally from, or placing bias towards, a transaction). The perception of competing interests, impaired judgements or undue influence are also conflicts of interest.

Examples of conflicts of interest:

- **direct or indirect financial interest** - officials could influence public spending decisions
- **non-financial or personal interest** - contracts with companies or individuals with which officials have some kind of relationship
- **competing loyalties** - between the organisation to which a primary duty is owed and some other person or entity
- **accepting gifts or hospitality** - accepting gifts or hospitality creates a perception of biased decision making, even if the gift has no bearing on judgement.

### Consequences

Failing to manage conflicts of interests adequately could result in:

- reputational damage
- undermining public confidence in the integrity of the organisation

- legal action arising from, for example, fraud, bribery and corruption.

### **Management of Conflicts**

Conflicts of interest are common and sometimes unavoidable. The Welsh Government recognises the importance of maintaining and building effective networks in order to support the aims and objectives of the organisation, and to gain understanding of the views of its stakeholders. It is, therefore, not feasible to completely eliminate the risks of such conflict. Measures should be established, however, to identify and manage conflicts of interest when they arise.

In an organisation such as ours, responsibilities for individual projects change frequently between staff. We therefore need to ensure that when this does happen, proper and thorough handover arrangements are made so staff taking on projects afresh appreciate the issues associated with them, and know to whom they should address any questions.

Officials are responsible for reporting to their line manager and/or their HR Advisor any relevant business or other potential conflicts of interest. More detailed guidance is set out in the HR policy, and can be found in Annex 3.2 of Managing Welsh Public Money.