

# Factsheet 2.9

## Conflicts of Interest



WDO sponsors are required to administer and make decisions about eligibility for WDOs in a fair and impartial way. The administration of the WDO scheme should not be influenced by self-interest, private affiliations or the likelihood that WDO sponsors (or those close to them) will be unfairly advantaged or disadvantaged in any way (financially or otherwise).

A conflict of interest exists when you are in a position to be influenced, or appear to be influenced, by your private interests. A conflict of interest can involve avoiding personal disadvantage as well as gaining personal advantage. Your private interests may include social and professional activities with individuals and groups including family and friends as well as financial interests. Conflicts of interests are not necessarily wrong in themselves. The important thing is to manage them properly by declaring any situation or arrangement that may lead to actual, potential or perceived conflicts. While such conflicts should be avoided, if this is not possible, they must be identified, disclosed and managed effectively. Non-disclosure risks undermining the integrity of the WDO scheme.

## 1. How to identify if a conflict of interest exists?

Most people want to do the right thing and sometimes it can be difficult to know if a conflict of interest really exists. There are four questions you can ask yourself to determine if a conflict of interest exists:

	Question	Details
1	Do I have a personal interest in this?	Will I or my family, friends, close associates, community members, colleagues or acquaintances benefit personally from this?
2	Do I have a duty as a WDO sponsor?	Do I have an obligation to ensure that the rules of the WDO scheme are properly followed? This includes ensuring that I understand and properly apply the WDO rules – verifying that the WDO applicant is eligible and engaged in appropriate and suitable WDO activities, and retaining records of eligibility and compliance.

	Question	Details
3	Is there a connection between my personal interest and my duty as a WDO sponsor?	Is it possible that my personal interest may affect my duty to properly administer the rules of the WDO scheme.
4	Might a reasonable person perceive that my decision making may be influenced by my personal interest?	If someone who didn't know me looked at this situation, is it possible they would think my decision making and obligations to comply with the rules of the WDO scheme may be influenced by my personal interest?

## 2. How do I manage a conflict of interest?

If you cannot avoid it, you should declare a conflict of interest, give details of the situation and advise how it will be managed. Your manager or primary administrator should be aware of the conflict. Declaring a conflict will let Revenue NSW know that you are being careful to ensure that your obligations are not conflicted. Follow these steps:

- **Declare** – tick yes on the conflict of interest box on the Self-Service Portal and describe the situation.
- **Manage** – put in place an arrangement to manage the conflict. For example, make sure your manager or portal administrator knows about the details of the conflict, ask another portal user to set up the WDO and do the reporting, have procedures in place to manage such situations within your service.
- **Monitor** – Ensure your primary administrator is aware of the situation, keep all necessary records including fines details, proof of client eligibility and compliance with activities, respond to any investigations or audit requests from Revenue NSW or DCJ.

## 3. What happens if I fail to declare a conflict of interest?

A conflict of interest does not prevent you from supporting a person on a WDO. But it must be declared. If you conceal, understate or fail to declare a conflict of interest, consequences may include:

- A compliance investigation or audit
- Revocation of the WDO and reinstatement of the fines
- Suspension or revocation of your WDO sponsor status

## 4. Examples

Situation	Conflict of Interest?	How to manage
<b>Your cousin gets a speeding ticket and asks to do a WDO (volunteer work) at the neighbourhood centre you work at. He is a student and you have work available.</b>	Yes – someone close to you is benefitting from a WDO	<p>Talk to your manager. Even if another person from your service enters the WDO, they should also declare a conflict – see example 2.</p> <p><b>Declare:</b> Tick yes on the portal and explain how you will manage it.</p> <p><b>Manage:</b> Keep proof of eligibility and activity compliance such as an Activity Timesheet.</p> <p><b>Monitor:</b> Tell the manager or a co-worker about the WDO and check the WDO Guidelines to understand your obligations.</p>
<b>A family friend of a co-worker asks to do a WDO</b>	Yes – someone close to your service is benefitting from a WDO	<p>Talk to your manager.</p> <p><b>Declare:</b> Tick yes on the portal and explain how you will manage it.</p> <p><b>Manage:</b> Ensure the WDO applicant is eligible and you have a suitable activity available. Keep records of eligibility and compliance such as an Activity Timesheet.</p> <p><b>Monitor:</b> If in doubt talk to the WDO Hotline or Legal Aid WDO service.</p>
<b>The volunteer co-director of your not-for profit charity get a parking fine and wants to enter a WDO for his volunteer hours</b>	Yes – someone close to your organisation is benefitting from a WDO.	<p><b>Declare:</b> Tick yes on the portal to conflict if interest, describe the conflict and how you will manage it.</p> <p><b>Manage:</b> In this case the co-director is a volunteer eligible for a WDO as he receives an Aged pension. Keep a record of the Centrelink income statement and an Activity timesheet verifying the hours he has worked.</p> <p><b>Monitor:</b> Keep records and provide information if audited</p>

Situation	Conflict of Interest?	How to manage
<b>You are a psychologist and a fellow psychologist (also a WDO sponsor) in your practice asks you to enter a WDO for mental health treatment</b>	Yes – an employed colleague is seeking to benefit from a WDO. The WDO scheme is intended for people experiencing hardship.	<p><b>Avoid:</b> Is the person eligible? Can they do a WDO elsewhere? Can they pay the fine?</p> <p><b>Declare:</b> If you are satisfied that your colleague is in hardship declare the conflict and advise how you will manage it</p> <p><b>Manage:</b> Keep records</p> <p><b>Monitor:</b> Keep records and provide a response to any queries from Revenue NSW</p>
<b>A patient you have been providing mental health therapy to, gets a fine and asks you to get approved as a sponsor, so they can clear fines on a WDO.</b>	No – this is a professional relationship	This is a professional relationship and you are helping this person to clear their fines in a professional context. Although you may receive a Medicare rebate or payment for your professional fees this is not a conflict of interest and such payments are allowed under section 2.7 of the Guidelines.

To ask questions about conflict of interest call 1300 478 879 or email [wdo@legalaids.nsw.gov.au](mailto:wdo@legalaids.nsw.gov.au)