



Government of Western Australia
Public Sector Commission
Office of the Commissioner

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18 January 2010

Ms Stephanie Buckland
Acting Chief Executive Officer
Tourism WA
Level 9
2 Mill Street
PERTH WA 6000

Stephanie
Dear Ms Buckland

CONFLICT OF INTEREST MATTER - REPORT (IN CONFIDENCE)

I refer to a request made by the former CEO of Tourism WA on 27 November 2009 for the Commission's assistance in dealing with conflict of interest allegations made by the Member for Perth concerning an employee of Tourism and the One Movement music festival.

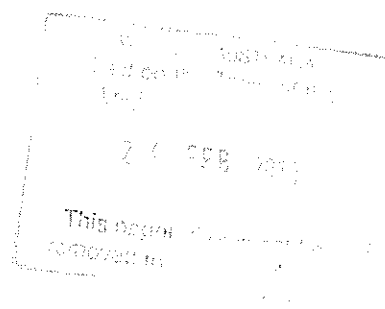
Ms Fiona Roche of my office has undertaken a review into this matter with the assistance of your Mr David Lowe, the Executive Director of Corporate and Business Services. I am aware you were provided with a briefing note on 11 January 2010 regarding the review, and that this was the subject of discussion between yourself, the Chair of the Board of Commissioners of the Western Australian Tourism Commission and the Minister for Tourism.

I now provide to you Ms Roche's report into the matter. I draw your attention, in particular, to the recommendations in the report for your consideration and action.

Should you wish to discuss any aspect of this report you may contact Ms Roche directly on 9219 6102 or myself on 9219 6000.

Yours sincerely

M C Wauchope
M C Wauchope
COMMISSIONER



**REPORT ON ALLEGATIONS OF A CONFLICT OF INTEREST INVOLVING A
TOURISM WA EMPLOYEE AND THE ONE MOVEMENT MUSIC FESTIVAL**

IN CONFIDENCE

Public Sector Commissioner
15 January 2010

REPORT ON ALLEGATIONS OF A CONFLICT OF INTEREST INVOLVING A TOURISM WA EMPLOYEE AND THE ONE MOVEMENT MUSIC FESTIVAL

EXECUTIVE SUMMARY

Background

In Parliament on 25 and 26 November 2009, the Member for Perth, Mr John Hyde MLA, made claims relating to Tourism WA and its involvement with the One Movement Festival Perth (One Movement). It was alleged that:

- The amount of funding Tourism WA provided to One Movement is problematic because it relies on attendance numbers that have been reported by festival organisers;
- Key decisions around One Movement were made during the Caretaker period of Government in August/September 2008; and
- A conflict of interest existed in that an employee of Tourism WA who worked on the approval process for One Movement went on to work for festival organisers.

On 27 November 2009 the Chief Executive Officer (CEO) of Tourism WA contacted the Public Sector Commissioner and requested assistance in examining the matters raised by Mr Hyde and to seek advice on:

- i. whether a conflict of interest existed involving a Tourism WA employee, Ms Saskia Doherty, and her later employment at One Movement;
- ii. whether this conflict of interest was handled appropriately by Tourism WA; and
- iii. the implications of the alleged conflict of interest for Tourism WA and any actions that should be taken if appropriate.

Focus of the review

This review undertaken by the Public Sector Commission concerns the conflict of interest allegations regarding Tourism WA and One Movement. The allegations regarding funding arrangements for One Movement and decisions made during the Caretaker period have been examined and responded to separately by Tourism WA.

The focus of the review was therefore to examine whether a conflict of interest involving an employee of Tourism WA did in fact exist, to consider what actions (if any) were taken to manage the conflict if it did exist, and to draw conclusions as to whether those actions were reasonable and appropriate in all the circumstances.

The review considered information provided by Tourism WA, including that related to funding decisions and processes, and involved interviews with those individuals directly concerned with the alleged conflict of interest situation.

Conclusions

The review concluded:

- There was both an actual and perceived conflict of interest in that an employee of Tourism WA, Ms Doherty, who worked directly on approval arrangements for the One Movement Music Festival, then went on and worked for a majority stakeholder in that event (Sunset Events).
- There was a high level of understanding of the existence of a conflict of interest by Ms Doherty. She was open in discussing it with her Director, Executive Director and CEO, and was mindful of the perceptions created. This was consistent with her obligations under Tourism's Code of Conduct.
- All substantive issues regarding the One Movement music festival contract were finalised prior to Ms Doherty's employment at Sunset Events. The Executive Director ensured outstanding negotiations were handled in an even more rigorous manner after Ms Doherty took up her position.
- Tourism WA and Ms Doherty genuinely sought to manage the situation in a way that did not advantage any party or compromise overall business outcomes. Measures were put in place at the local level to manage the conflict of interest to this end. However, there was an absence of any transparent/documentary record of those measures.
- Although guidance in the form of a Code of Conduct and a draft policy existed to assist in recognising and managing conflicts of interest, there were no indications that the individuals concerned referred to these.
- Concerns regarding the conflict of interest were raised in November 2008 by a third party. This should have resulted in a heightened awareness and appreciation of the need to manage issues with due diligence, and better documentation of the management of the conflict.
- The failure to adequately document the declaration and management of the conflict of interest has had a negative impact on the reputation of the agency and the event itself.
- The decision to allow Ms Doherty to take leave to attend an event in London in October 2008 at the request of Sunset Events, after she had tendered her resignation but before it took effect, was inappropriate.
- The attendance at the London event while continuing to be employed by Tourism WA was the only direct benefit to Ms Doherty. There was no evidence that she used her position at Tourism in order to gain employment with Sunset Events, and no evidence that once she had received the offer she tried to gain an advantage for Sunset Events.

- There was no evidence that Sunset Events received a benefit as a result of the existence of the conflict of interest. They secured an employee who had sound knowledge of the internal workings of Tourism. However, this would have occurred even were the conflict of interest managed in a more open and transparent manner.

Recommendations

It is recommended that Tourism WA:

1. Review the current draft Conflict of Interest policy to ensure guidance is offered in situations where a Tourism WA employee is offered (and possibly later accepts) employment with a private sector company that has a clear commercial relationship with Tourism WA.
2. Add detailed procedural requirements in relation to the declaration and management of conflicts of interest to the draft Conflict of Interest policy to ensure individual and managerial responsibilities are clear.
3. Develop an implementation plan (as part of the finalisation of the Conflict of Interest policy) which involves management and employees being informed of the requirements under the policy, and action that plan.
4. Raise awareness of how to recognise, declare and manage conflicts of interest by continuing to roll out the Accountability and Ethical Decision Making Training Program developed by the Public Sector Commission (which contains a module on conflicts of interest) to all Tourism employees. This should start with the attendance of the acting CEO at the next CEO training session run by the Commission (currently scheduled for 11 February 2010) and the immediate scheduling of training for Tourism WA's Corporate Executive group.
5. Ensure that as a matter of policy any future requests for leave to undertake employment with, or attend significant events run by, private sector companies who have, or are likely to have, an ongoing commercial relationship with Tourism WA go through a formal approval process whereby the appropriateness of the request is given full and considered attention by the CEO.

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REPORT ON THE CONFLICT OF INTEREST BETWEEN MS DOHERTY, AN EMPLOYEE OF TOURISM WA, AND ONE MOVEMENT MUSIC FESTIVAL

1. INTRODUCTION

This review was undertaken by the Public Sector Commission at the request of the Chief Executive Officer of Tourism WA following claims made by the Member for Perth, Mr John Hyde MLA, during Parliamentary debates on 25 and 26 November 2009 and in a radio interview with Howard Sattler on 26 November 2009 concerning Tourism WA and the One Movement Festival Perth (One Movement). These were later reported in The West Australian newspaper on 2 December 2009.

Specifically, these claims centered around the following issues:

- The amount of funding Tourism WA provided to One Movement is problematic because it relies on attendance numbers that have been reported by festival organisers;
- Key decisions around One Movement were made during the Caretaker period of Government in August/September 2008; and
- A conflict of interest existed in that an employee of Tourism WA, who worked on the approval process for One Movement, went on to work for festival organisers.

This Report focuses on the claim that a conflict of interest existed between a staff member at Tourism WA and One Movement Pty Ltd, the organisers of the One Movement Festival Perth (definitions of conflicts of interest are provided Attachment 1). The allegations regarding funding arrangements for One Movement and decisions made during the Caretaker period have been examined and responded to separately by Tourism WA.

2. BACKGROUND

2.1. Funding and event plans already in place

On 25 August 2006, the Tourism WA Board approved a recommendation to allocate \$1.5 million to "In the City Access all Areas". On 22 February 2007, the Board approved a recommendation that "In the City Access all Areas" be postponed from 2007 to 2008 following one of the event holders being diagnosed with cancer. In September 2007, EventsCorp (a division of Tourism WA) received advice that "In the City Access all Areas" would no longer take place due to the death of this person, and no funding was paid towards the project.

On 28 March 2008, the Board approved a recommendation to provide funding to establish "In the City Perth", which effectively re-instituted the Board's original decision to support the "In the City Access all Areas" event. The decision was made in line with Tourism WA's strategic plan to diversify the tourism calendar with cultural events and showcase local elements. Funding of \$2.95 million to Sunset Events between 2009 and 2011 was approved by the Board. The \$2.95 million included a \$2.7 million event fee (paid to One Movement) and \$275 000 to be used by Eventscorp for research and event leveraging.

2.2. Organisation involved in conflict of interest: One Movement Pty Ltd

On 29 August 2008, the Board approved the request for Sunset Events to change the international event partner from In the City to MUSEXPO. This resulted in the name change from "In the City Perth" to "One Movement Festival Perth".

Sunset Events is the majority stakeholder in the company One Movement Pty Ltd (the other partners being Michael Chugg Entertainment and A & R Worldwide). One Movement Pty Ltd is the event holder with whom Tourism WA has a sponsorship agreement to run an event under the name of One Movement Festival Perth (referred to throughout this report as One Movement).

2.3. Public servant involved in conflict of interest: Ms Saskia Doherty

Ms Saskia Doherty was employed initially by Tourism WA as a permanent employee in the role of Event Development Manager until her resignation with effect from 14 November 2008. Ms Doherty commenced employment with Sunset Events on 19 November 2008. Prior to her cessation with Tourism WA, Ms Doherty requested, and was subsequently granted, five days annual leave during which time she visited MUSEXPO in London at the request of Sunset Events.

Ms Doherty has subsequently been re-employed by Tourism WA in the same role within the EventsCorp division following an open and competitive recruitment and selection process that began on 22 July 2009 and concluded on 15 September 2009. Ms Doherty commenced her new period of employment with Tourism WA on 30 November 2009.

The key dates of relevant events/actions are provided at Attachment 2.

2.4. Event: One Movement Festival Perth

The One Movement Festival Perth event comprises three major components:

- A Music Industry Convention consisting of panels, forums, interviews and networking opportunities for industry leaders and executives to exchange views, participate in discussions relating to the latest industry trends, discuss new opportunities, and network with peers from various aspects of music, media and technology sectors.

- A Music Festival to showcase signed and unsigned acts, both local, national and international. The music festival aims to attract local, national and international music fans that are attracted by break through artists and international showcases.
- A Trade Show/Expo for companies to exhibit their products with the entertainment and music industry decision makers. It was not intended to run the Trade Show in the first year of the Event.

3. METHODOLOGY

The Public Sector Commission sought, and was provided with, the results of a desktop review of the event development and event contract files relating to the One Movement Festival event.

A chronological sequence of events was prepared (Attachment 2) to assist in understanding the facts and circumstances at the time of Ms Doherty's change of employment from Tourism WA to One Movement.

Individual interviews were conducted with Ms Saskia Doherty; Mr Glenn Hamilton, the Director Event Development and Contract Management (Ms Doherty's line manager); Mr David van Ooran, the Executive Director of EventsCorp (a division of Tourism WA and a second tier Corporate Executive member).

4. INTERNAL POLICIES AND GUIDELINES

4.1 Code of Conduct

Tourism WA's Code of Conduct is consistent with requirements under the *Public Sector Management Act 1994* and has remained largely unchanged for the last six years. It has been available to management and employees on the intranet in its current form since 2006, and contains the following information on conflicts of interest:

It is unrealistic to expect that employees, as individuals and citizens, will not have private interests which may, from time to time, conflict with their duties. At the same time, however, there is a reasonable expectation that where such conflict occurs it will be resolved in favour of the public interest rather than in the interest of the employee concerned.

The difficulty lies in determining under what circumstances particular interests may lead to conflict and how such conflicts may be dealt with. Apart from obvious cases covered by the Criminal Code, the issues involved in conflicts of interest are not often clear. Conflicts of interest should be determined in terms of the application of 'acceptability' criteria, involving the likelihood that employees possessing a particular interest could be influenced in the

performance of their duties on a particular matter, or might reasonably be thought to be influenced. To this end employees should:

- avoid situations in which their personal interests, or those of their immediate family, whether pecuniary or otherwise, conflict with their duties;*
- where they possess, or their immediate family possess, a direct or indirect interest which conflicts, or might reasonably be thought to conflict, with their duties, voluntarily disclose that interest to their General Manager; and*
- not allow the pursuit of their private interests to interfere with the proper discharge of their public duties.*

Conflicts of interest can generally be classified as either pecuniary or non-pecuniary. Pecuniary interest occurs where the employee's involvement in a work-related issue provides a financial gain or reward. An example could be where the employee is involved in tendering for particular goods or service and a tender is received from a family member. The employee is obliged to declare the pecuniary interest immediately and exclude himself/herself from the process.

A non-pecuniary interest is one where there is no financial reward or gain. An example could be where the employee is required to participate in a selection panel and the employee may have, or may have had, a personal relationship with one of the applicants. In this situation the employee should exclude themselves from the process.

Where a conflict of interest is deemed to exist the employee concerned will be given these options of:

- if considered practicable and appropriate by the Chief Executive Officer, transfer to where such a conflict will not arise or continue to exist;*
- divest those interests causing the conflict; or*
- resign when the conflict cannot be resolved in any other way.*

4.2 Draft Conflict of Interest Policy and Guidance Notes

A draft Conflict of Interest policy, supported by comprehensive guidelines, was placed on the intranet for consideration and comment from all employees on 25 July 2008. These have a commendable considerable amount of information and detail regarding the need to recognise, declare and manage conflicts of interest.

The policy requires all employees who have concerns that their personal or private interests may be in conflict with their duties at Tourism WA to, in the first

instance, report their concerns to their manager. They must also complete the appropriate Conflict of Interest Declaration Form. However, this policy remains in draft form and as a result the obligations on employees contained within it have not been made formal requirements.

4.3 Governance Workshops

During 2009 Tourism WA ran a number of customised governance workshops, facilitated by an external facilitator and largely designed around the Accountable and Ethical Decision Making training program developed by the Public Sector Commission. These workshops included information on conflicts of interest. The Executive Director of EventsCorp, Mr van Ooran, and the Director Event Development and Contract Management, Mr Hamilton, both attended a workshop. Ms Doherty did not attend one of these governance workshops as she had already ceased employment with Tourism WA.

5. DECLARATION AND MANAGEMENT OF CONFLICT OF INTEREST

5.1 Offer of Employment to Ms Doherty

- In late September Ms Doherty was directly approached with a verbal offer of employment by Mr David Chitty of Sunset Events. The "Heads of Agreement", the non-legally binding name of the agreed contractual arrangements between Tourism WA and Sunset Events relating to One Movement, had been finalised on 12 September and was signed in late September 2009. In early October 2009 Ms Doherty received a written letter of offer from Sunset Events.
- Ms Doherty spoke with Mr Hamilton, Mr van Ooran and Mr Richard Muirhead, the CEO of Tourism, almost immediately after receiving this written offer to seek their career guidance on whether or not she should take up the opportunity.
- At this time, discussions mostly centred on whether the employment offer was a positive career move for Ms Doherty. Mr Muirhead, Mr van Ooran and Mr Hamilton confirmed that they encouraged Ms Doherty to accept the offer and expected Ms Doherty's career to progress and blossom in the future beyond Tourism WA.
- Ms Doherty, however, was clear that it was always her intention to return to Tourism WA and saw the employment offer as an opportunity to gain direct experience in event management, which would in turn benefit any future career she may have at Tourism WA. In fact, Ms Doherty initially explored the option of gaining approval for twelve months leave without pay to take up the opportunity, but this was refused.
- Given the One Movement event was still evolving, having Ms Doherty as the event manager at Sunset Events was seen by EventsCorp management as a positive given her understanding of Tourism WA's objectives. Mr Hamilton and Mr van Ooran both stressed that they

believed Ms Doherty's employment with Sunset Events would be a favourable outcome for Tourism WA because she would be able to communicate and explain Tourism's objectives and rationale while working there. In essence, they saw Ms Doherty's employment at Sunset Events as having the potential to increase the likelihood of success of the event.

- Ms Doherty was concerned at the time of the offer that her acceptance may jeopardise her chances of re-employment with Tourism WA, but was assured by the individuals she sought career guidance from that would not be the case.
- This evidence accords with Ms Doherty's recent decision to apply for a position at Tourism WA, and Tourism's decision to re-employ her after she was the recommended applicant from an open, merit based process.

5.2 Action Taken after Acceptance of Offer by Ms Doherty

- Ms Doherty formally tendered her resignation with Tourism WA on 12 October 2008 in order to take up the employment offer with Sunset Events. She commenced employment with Sunset Events on 19 November 2008.
- Ms Doherty raised with Mr van Ooran and Mr Hamilton that she felt her situation to accept employment with Sunset Events put her in a difficult position. Mr van Ooran confirmed that Ms Doherty was sensitive to the issues of potential conflicts and perceptions and that she had raised these with him. He stated that he, more so than Mr Hamilton, had already been and continued to be actively involved in most aspects of the event development. This was in addition to his oversight role as the Executive Director.
- It was confirmed that the decision was made by Mr van Ooran and Mr Hamilton that Ms Doherty would not be involved in any critical work associated with the One Movement festival. All decisions were made by her Executive Director, Mr van Ooran, who subsequently assumed more direct involvement in the event than would otherwise have been the case. Also, once Ms Doherty took up the position at Sunset Events a new employee was brought on to work on the festival arrangements with the Director.
- A formal declaration of a conflict of interest was not undertaken by Ms Doherty in writing. However, all parties accepted that the nature and extent of discussions concerning the offer and acceptance of employment constituted a declaration and recognition of the conflict of interest.
- The changes in working arrangements put in place after Ms Doherty accepted the offer of employment were, in effect, an acceptance that a conflict of interest existed and an agreement regarding the manner in which the conflict was to be managed.

6. INVOLVEMENT OF MS DOHERTY IN EVENT DEVELOPMENT AND CONTRACT MANAGEMENT

Tourism WA have advised that the standard process for event development and contract management occurs in four main stages:

1. pre-feasibility assessment;
2. full feasibility assessment;
3. reaching a Memorandum of Understanding; and,
4. negotiating a formal sponsorship contract.

Evidence presented to the review confirmed that:

- Ms Doherty did not undertake any work required in these stages without others being involved and had no delegated authority to act without referral to the Director of Event Development & Contract Management, the Executive Director EventsCorp, the CEO and/or the Board of Commissioners on any of these steps.
- All substantive issues in relation to the negotiations with Sunset Events were completed before Ms Doherty was made the offer of employment. She worked directly on the Heads of Agreement, which was forwarded to the CEO for approval on 12 September 2008. This was some two weeks before she received the offer of employment from Sunset Events. As Mr van Ooran commented, the concept and funding for One Movement was very much locked in prior to the situation arising.
- There were three outstanding matters in the negotiation of the sponsorship contract after Ms Doherty was approached with the offer of employment, and these continued to be outstanding after Ms Doherty left Tourism WA to join Sunset Events. These related to: a milestone figure on number of international artists each year; definition of the term 'delegate'; and the percentage of budget allocation to be directed to marketing.
- Ms Doherty did not take an active role in the negotiation of these matters either whilst with Tourism WA or whilst with Sunset Events. All negotiations were undertaken with the involvement of Mr van Ooran, and to a lesser extent Mr Hamilton, who provided evidence that this occurred with added rigour given the situation with Ms Doherty.

Notwithstanding the above, evidence showed that:

- After receiving the written offer of employment from Sunset Events, Ms Doherty continued to work for Tourism WA on the One Movement Festival event. However, this work was limited to communicating already known facts such as preparing a Briefing Note for the Minister. This is supported by documentary records and the interviews conducted.

- From the 26 to 31 October 2008, while still a Tourism WA employee and after she had tendered her resignation, Ms Doherty took five days of approved annual leave in order to visit MUSEXPO in London at the request and expense of Sunset Events. Ms Doherty stressed, and no evidence was presented to the review to the contrary, that she acted as an observer only at the event and made no representations during this time.
- After she took up employment at Sunset Events, Ms Doherty continued to have an involvement in the interactions between Tourism WA and Sunset Events on the One Movement music festival. Tourism "cc'ed" Ms Doherty into email exchanges, but all decisions were made by management within Tourism WA.

7. PREVIOUSLY RAISED CONCERNS REGARDING CONFLICT OF INTEREST

Concerns regarding Ms Doherty changing employers from Tourism WA to Sunset Events, given her involvement in the One Movement music festival, were raised on 19 November 2008 by a third party from the entertainment industry. This date coincided with Ms Doherty's first day of employment at Sunset Events. The allegation concerning Ms Doherty implied that she had secured the funding so that she could then go and work on the event for the private company.

Mr Hamilton addressed each of the concerns in an email directly to the third party on 25 November 2009, and forwarded his response to the Executive Director EventsCorp for his information. In relation to Ms Doherty, Mr Hamilton provided assurance that she had acted professionally and correctly and that her work was completed and signed off by the Board prior to her being offered employment at Sunset Events.

8. CONCLUSIONS

In light of the evidence presented, the review concludes that:

- There was both an actual and perceived conflict of interest in that an employee of Tourism WA, Ms Doherty, who worked directly on approval arrangements for the One Movement Music Festival, then went on and worked for a majority stakeholder in that event (Sunset Events). This presented a situation which raised competing interests and a perception that there was the potential for the individual concerned and/or Sunset Events to receive an unfair advantage.
- There was a high level of understanding of the existence of a conflict of interest by the employee concerned, Ms Doherty. She was entirely open in advising her Director, Executive Director and CEO of the offer of employment made to her by Sunset Events and her later acceptance of the offer. Ms Doherty was mindful of the perception this created and was instrumental in ensuring arrangements were in place with management so that she did not

continue to work on any outstanding contractual issues once she decided to take up employment with Sunset Events.

- Ms Doherty's actions in raising her concerns that her private interest in the employment opportunity offered by Sunset Events may be in conflict with her duties at Tourism WA with management was consistent with her obligations under the Code of Conduct.
- There was a degree of openness surrounding Ms Doherty's employment with Sunset Events which mitigates against any perception of advantage to her. While it is reasonable to assume that Sunset Events offered Ms Doherty employment at least in part due to the nature of her work and experience work at Tourism WA, this was not something Ms Doherty actively sought.
- All substantive issues regarding the One Movement music festival contract were finalised prior to Ms Doherty's employment at Sunset Events, and there was evidence the Executive Director ensured negotiations were handled in even more rigorous manner after the conflict of interest arose.
- Tourism WA and Ms Doherty genuinely sought to manage the situation in a way that did not advantage any party or compromise overall business outcomes. Measures were put in place at the local level to manage the conflict of interest, however there was an absence of any transparent/documentary record of those measures.
- The lack of proper documentation is more concerning when the range of corporate guidance on this issue within Tourism WA is considered. Tourism's Code of Conduct includes information on the need to declare and manage conflicts of interest, and a draft Conflict of Interest policy and guidelines (available to management and employees via the agency's intranet) provide a commendable degree of detail on the need for conflicts of interest to be managed.
- Although documentation existed within the agency in relation to recognising and managing conflicts of interest, there were no indications that the individuals involved in this situation referred to these documents for guidance. The draft policy required Ms Doherty to declare the conflict of interest verbally "and in writing". A declaration in writing did not occur, however given the policy was in draft form the requirement to do so was not clear. Further, neither the CEO, Executive Director or her Director indicated to her such an obligation existed.
- Concerns regarding Ms Doherty working for Sunset Events were raised at the time of her change in employment in November 2008. Those allegations were responded to at the time by management, and assurances were given the situation was handled professionally and correctly. This should have heightened awareness and appreciation of the need to manage issues with due diligence, and better documentation of the management of the conflict.

Had this occurred, Tourism WA would have been in a much better position to respond to these recent allegations.

- The failure to adequately document how the conflict was managed, particularly given Tourism WA's ongoing relationship with the One Movement music festival, has had a negative impact on the reputation of the agency and the event itself.
- The decision to allow Ms Doherty to take leave to attend an event in London in October 2008 at the request of Sunset Events, after she had tendered her resignation but before it took effect, was inappropriate. It suggests the level of awareness and appreciation of the perception of a conflict of interest was not well understood. The only option that should have been made available to Ms Doherty if she wished to attend the event was to bring forward her resignation date so that she finished at Tourism WA prior to attendance at the event.
- The attendance at the London event while continuing to be employed by Tourism was the only direct benefit to Ms Doherty. There was no evidence that she used her position at Tourism in order to gain employment with Sunset Events, and no evidence that once she had received the offer she tried to gain an advantage for Sunset Events.
- There was no evidence that Sunset Events received a benefit as a result of the existence of the conflict of interest. They secured an employee who had sound knowledge of the internal workings of Tourism. However, this would have occurred even were the conflict of interest managed in a more open and transparent manner.

9. RECOMMENDATIONS

It is recommended that Tourism WA:

1. Review the current draft Conflict of Interest policy to ensure guidance is offered in situations where a Tourism employee is offered (and possibly later accepts) employment with a private sector company that has a clear commercial relationship with Tourism.
2. Add detailed procedural requirements in relation to the declaration and management of conflicts of interest to the draft Conflict of Interest policy to ensure individual and managerial responsibilities are clear.
3. Develop an implementation plan (as part of the finalisation of the Conflict of Interest policy) which involves management and employees being informed of the requirements under the policy, and action that plan.
4. Raise awareness of how to recognise, declare and manage conflicts of interest by continuing to roll out the Accountability and Ethical Decision Making Training Program developed by the Public Sector Commission (which

contains a module on conflicts of interest) to all Tourism employees. This should start with the attendance of the acting CEO at the next CEO training session run by the Commission (currently scheduled for 11 February 2010) and the immediate scheduling of training for Tourism's Corporate Executive group.

5. Ensure that as a matter of policy any future requests for leave to undertake employment with, or attend significant events run by, private sector companies who have, or are likely to have, an ongoing commercial relationship with Tourism WA go through a formal approval process whereby the appropriateness of the request is given full and considered attention by the CEO.

Definitions of Conflicts of Interest

For the purposes of this report the following definition of terms have been adopted:

Conflict of Interest

A conflict of interest is a situation arising from conflict between the performance of public duty and private, or personal interests.

Conflicts of interest may be actual, or be perceived to exist, or potentially exist at some time in the future.

Potential Conflict of interest

Where a public official has private interests that could conflict with their official duties in the future.

Perceived Conflict of interest

The perception that a public official's private interests could improperly influence their public duty.

These definitions have been adopted from The Integrity Coordinating Group website.

Key Dates & Events/Actions

| | |
|----------------|---|
| 2008 | |
| 28 March 2008 | Tourism WA Board decision to fund "In the City Perth" event. |
| 11 Apr 2008 | Letter to Sunset Events advising of Tourism WA Board's in-principle approval to fund 2009/2010/2011 \$800,000; \$900,000; \$1,000,000 for "In the City Perth" |
| 7 Aug 2008 | Start date of caretaker period (parliament dissolved) |
| 29 Aug 2008 | Tourism WA Board meeting where they considered the request for Sunset Events to change the international event partner from In the City to One Movement Perth/MUSEXPO. |
| 6 Sep 2008 | Date of Western Australian State election |
| 8 Sep 2008 | Out-of-Session Board approval to recommendations to note new terms of contract that had been negotiated, approve a request to change event partners, note a change in event name and note a change in event timing. |
| 9 Sep 2008 | Funding letter to Sunset Events signed by Ms Doherty. (This related to details of funding arrangements. The funding allocation to the event remained unchanged) |
| 12 Sep 2008 | Ms Doherty refers draft One Movement Heads of Agreement to CEO for review |
| 23 Sep 2008 | End date of caretaker period (Ministers sworn in) |
| 24 Sep 2008 | Heads of Agreement signed |
| Late Sep 2008 | Ms Doherty approached by Sunset Events with a job offer |
| Early Oct 2008 | Ms Doherty formally offered a job by Sunset Events |
| 10 Oct 2008 | Ms Doherty prepared briefing note for Minister on One Movement Festival – update as at 10 Oct 2008 |
| 12 Oct 2008 | Ms Doherty tendered resignation from Tourism WA |
| 21 Oct 2008 | Tourism WA approved annual leave request for Ms Doherty for the period 26-31 October 2008 |
| 26-31 Oct 2008 | Ms Doherty travels to London to visit MUSEXPO at request of Sunset Events during her annual leave from Tourism WA |

| | |
|-------------|---|
| 28 Oct 2008 | Media announcement by Minister – Perth secures major music event |
| 10 Nov 2008 | Ms Doherty prepared briefing note for Minister on West Australian Music Industry Association's application for funding under the Arts and Cultural Events Scheme |
| 14 Nov 2008 | Ms Doherty ceased employment with Tourism WA |
| 19 Nov 2008 | Ms Doherty commenced employment with Sunset Events |
| 19 Nov 2008 | The potential conflict of interest surrounding Ms Doherty changing employers was raised with Project Manager Event Development by a third party from the entertainment industry |
| 25 Nov 2008 | Director Event Development responds to allegation and forwards copy to Executive Director EventsCorp |

| | |
|----------------|---|
| 2009 | |
| Jan 2009 | Number of international artists for each year as a milestone agreed between One Movement and Tourism WA |
| 23 Jan 2009 | Agreement reached on the term 'delegate' within the contract |
| 3 Feb 2009 | Agreement reached on issue of percentage of budget allocation for marketing |
| 23 Feb 2009 | State Solicitor's Office 'sign-off' to sponsorship agreement |
| 9 Mar 2009 | Sponsorship Agreement signed by all parties |
| 22 July 2009 | Tourism WA advertises position of Events Development Manager |
| 16-18 Oct 2009 | One Movement Festival |
| 30 Nov 2009 | Ms Doherty commences new period of employment with Tourism WA having been the successful applicant for the position of Events Development Manager |

Key Dates & Events/Actions

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| 2008 | |
| 28 Mar 2008 | Tourism WA Board decision to fund "In the City Perth" event. |
| 11 Apr 2008 | Letter to Sunset Events advising of Tourism WA Board in-principle approval to fund 2009/2010/2011 \$800,000; \$900,000; \$1,000,000 for "In the City Perth" |
| 7 Aug 2008 | Start date of caretaker period (parliament dissolved) |
| 29 Aug 2008 | Tourism WA Board meeting where they considered the request for Sunset Events to change the international event partner from In the City to One Movement Perth/MUSEXPO. |
| 6 Sep 2008 | Date of Western Australian State election |
| 8 Sep 2008 | Out-of-Session Board approval to recommendation to: note new terms of contract that had been negotiated; approve a request to change event partners; note a change in event name; and, note a change in event funding. |
| 9 Sep 2008 | Funding letter to Sunset Events signed by Ms Doherty. (This related to details of funding arrangements. The funding allocation to the event remained unchanged.) |
| 12 Sep 2008 | Ms Doherty refers draft One Movement Heads of Agreement to CEO for review |
| 23 Sep 2008 | End date of caretaker period (Ministers sworn in) |
| 24 Sep 2008 | Heads of Agreement signed |
| Late Sep 2008 | Ms Doherty approached by Sunset Events with a job offer |
| Early Oct 2008 | Ms Doherty formally offered a job by Sunset Events |
| 10 Oct 2008 | Ms Doherty prepared briefing note for Minister on One Movement Festival – update as at 10 Oct 2008 |
| 12 Oct 2008 | Ms Doherty tendered resignation from Tourism WA |
| 26-31 Oct 2008 | Tourism WA approved annual leave request for Ms Doherty for the period 26-31 October 2008. |
| 26-31 Oct 2008 | Ms Doherty travels to London to visit MUSEXPO at request of Sunset Events during her annual leave from Tourism WA |

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| 28 Oct 2008 | Media announcement by Minister – Perth secures major music event |
| 10 Nov 2008 | Ms Doherty prepared briefing note for Minister on West Australian Music Industry Association's application for funding under the Arts and Cultural Events Scheme |
| 14 Nov 2008 | Ms Doherty ceased employment with Tourism WA |
| 19 Nov 2008 | Ms Doherty commenced employment with Sunset Events |
| 19 Nov 2008 | The potential conflict of interest surrounding Ms Doherty changing employers was raised with Project Manager Event Development by a third party from the entertainment industry. |
| 25 Nov 2008 | Director Event Development responds to allegation and forwards copy to Executive Director EventsCorp |

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| 2009 | |
| Jan 2009 | Number of international artists for each year as a milestone agreed between One Movement and Tourism WA |
| 23 Jan 2009 | Agreement reached on the term 'delegate' within the contract |
| 3 Feb 2009 | Agreement reached on issue of percentage of budget allocation for marketing |
| 23 Feb 2009 | State Solicitor's Office 'sign-off' to sponsorship agreement |
| 9 Mar 2009 | Sponsorship Agreement signed by all parties |
| 22 Jul 2009 | Tourism WA advertises position of Events Development Manager |
| 17 Sep 2009 | Ms Doherty was advised she was the recommended applicant for the Event Development Manager Role |
| 16-18 Oct 2009 | One Movement Festival |
| 25 & 26 Nov 2009 | The Member for Perth, Mr John Hyde MLA, made claims that a conflict of interest existed in that an employee of Tourism WA worked on the approval process for One Movement went on to work for the festival organizers. |
| 27 Nov 2009 | CEO of Tourism WA requests assistance from Public Sector Commissioner to investigate issues raised in Parliament. |
| 30 Nov 2009 | Ms Doherty commenced a new period of employment with Tourism WA having been the successful applicant for the position of Events |

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| | Development Manager. |
| 9 Dec 2009 | Briefing note to Minister on the employment details of Ms Doherty with Tourism WA and Sunset Events. |

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| 2010 | |
| 11 Jan 2010 | Briefing note to the Minister prepared by a representative from the Public Sector Commissioner. |
| 5 Feb 2010 | Final report from Public Sector Commissioner provided to Minister. |