



<b>Conflict of Interest Policy</b>						
<b>Version no</b>	4	<b>CM Reference</b>	C500-000-01 (1673952[v4])			
<b>Approved by</b>	Corporate Finance					
<b>Last review date (if applicable)</b>	16/07/2019	<b>Next review date</b>	<b>Select review period</b>			
		12/05/2022	1yr		2yr	
<b>Policy owner</b>	Chief Financial Officer					

## Purpose

Employees of Council have a number of professional and personal interests and roles. Conflicts of interest sometimes cannot be avoided but they need not cause problems when promptly disclosed and well managed. This Policy has been developed to provide guidance to employees of Council and to set some rules around disclosing actual, potential and perceived conflicts and around accepting gifts and other benefits. One of the key objectives of this Policy is to preserve the reputation of Council and its staff.

## Scope

This policy applies to all employees, whether full-time, part-time or casual. This policy may also apply to contractors or consultants engaged by Council where the contract or engagement agreement specifies that this policy applies.

## Definitions

For purposes of this policy, unless otherwise stated, the following definitions shall apply:

<b>Term</b>	<b>Definition</b>
Conflict of Interest	<ul style="list-style-type: none"> <li>• If an employee's official duties or responsibilities to Council could be affected or compromised or perceived to be by some other interest or duty that the employee may have.</li> <li>• The other interest or duty might be:               <ul style="list-style-type: none"> <li>– The employee's own financial or business affairs;</li> <li>– A relationship (family or otherwise) or other role the employee has; or</li> <li>– An opinion or view held by the employee.</li> </ul> </li> <li>• The question to keep in mind is "might the employee's other interest create an incentive for them to act in a way that may not be in the best interests of Council?"</li> </ul>
Prohibited Activities – employees may not be involved in	<ul style="list-style-type: none"> <li>• The decision to appoint or employ a person with whom the employee has a personal connection (familial or otherwise).</li> <li>• The decision to conduct business with a person with whom the employee has a personal connection (familial or otherwise).</li> <li>• Influencing or participating in a decision to award grants or contracts where the employee is connected to a person or organisation that submitted an application or tender.</li> <li>• Influencing or participating in regulatory decisions (such as to grant a consent, certificate or licence) where the employee is connected to the applicant or a person who opposes the application.</li> <li>• Investigating a complaint where the employee has a</li> </ul>

Term	Definition
	personal connection (familial or otherwise) with either the complainant or the person or entity complained about.
Limited Activities – activities which employees must have the consent of their manager to be involved in	<ul style="list-style-type: none"> <li>• Owning shares in or working for organisations that have dealings with Council.</li> <li>• Making public submissions to Council in a private capacity.</li> </ul>

## Statements

1. This policy is breached if an employee:
  - (a) Has a conflict of interest and knowingly becomes involved or continues to be involved in a limited activity without consent of their manager.
  - (b) Accepts a gift, discount or hospitality without following the process set out in this policy.
2. A breach of this policy may give rise to disciplinary action.

## Disclosing the conflict

3. All employees are expected to disclose all actual, potential or perceived conflicts of interest they have. Employees should err on the side of caution in deciding whether to make a disclosure. If they are unsure whether there is a conflict, they should discuss the matter with their manager or with a Fraud Advisory Officer (see Fraud Policy).
4. Disclosure must be made to their manager at the earliest possible opportunity after the conflict arises. If required by the manager, the disclosure must be in writing.

## Managing the conflict

5. The manager, if the conflict is particularly sensitive or serious, must involve their manager and the Human Resources Manager. The manager must undertake a written assessment of the conflict to determine if it warrants management.
6. The assessment will take into account factors such as the following:
  - (a) The type or size of the employee's other interest.
  - (b) The nature or significance of the particular decision or activity being carried out by Council.
  - (c) The extent to which the employee's other interest could specifically affect, or be affected by, Council's decision or activity.
  - (d) The nature or extent of the employee's current or intended involvement in Council's decision or activity.

**Remember ratepayers may operate from a different value perspective than professionals and that one of the key objectives of this Policy is to preserve the reputation of Council and its staff.**

7. The manager will decide whether any changes to the employee's role or any other measures are required to manage the conflict. The manager will report this decision, in writing, to their manager and the Manager Human Resources.
8. The types of changes or other measures that may be appropriate in particular circumstances could involve:
  - (a) Seeking consent of all other affected parties or an exemption to the involvement of the employee.
  - (b) Imposing additional oversight or review over the employee.
  - (c) Withdrawing from discussion or decision-making on a particular issue.

- (d) Exclusion from a committee or working group dealing with the issue.
  - (e) Withholding certain confidential information or placing restrictions on access to information.
  - (f) Transferring the employee (temporarily or permanently) to another position or project.
  - (g) Relinquishing the private interest.
  - (h) Resignation or dismissal from one or other position or entity.
9. The manager will inform the employee, in writing, of the changes or measures to be put in place and will monitor and review these changes or measures. The manager will report, in writing, on the monitoring and review to their manager and to the Manager Human Resources.
10. If the conflict does not justify taking any action because it is too indirect or insignificant, the manager will record the disclosure and assessment and the decision to take no further action. All conflicts to be notified to the HR manager for recording.

**Gifts of cash prohibited**

11. No employee may accept any gift of cash of any value in relation to the performance of their duties. Any offer of such a gift, whether accepted or not, must be reported immediately to the employee’s manager or to a Fraud Advisory Officer. In the eyes of the public there is no difference between a cash gift and a bribe.

**Disclosure of gifts, discounts and hospitality**

12. Employees must disclose to their manager, within 7 days of the offer or receipt of:
- (a) All gifts of a value over \$100.00.
  - (b) All discounts offered to employees (other than those offered via any staff purchasing scheme or those offered to all customers of a business).
  - (c) All hospitality offered by a person or organisation that the employee has dealings within the performance of their duties.
13. The manager must advise the HR Manager of all gifts, discounts, hospitality, etc over \$100 for inclusion in the ‘Gift Register’.

**Decision whether gift, discount or hospitality can be accepted**

14. Where an employee has been offered or received a gift of a value over \$100.00, a discount from a business or hospitality, the manager, after consultation with their manager and the Human Resources Manager, may decide whether it is appropriate for the employee to accept or keep the gift, discount or hospitality. If it is decided that a gift cannot be accepted, the gift will be returned to the donor or, with the approval of the donor, given to charity.
15. In making this decision the following factors are relevant:
- (a) The value and nature of the gift, discount or hospitality.
  - (b) The extent of personal benefit to the employee from the gift, discount or hospitality.
  - (c) The context, reason or occasion for the gift, discount or hospitality.
  - (d) Any imminent decisions to be made by Council that could be seen to be affected by the acceptance of the gift, discount or hospitality.

**Responsibilities**

Function	Responsibilities
Employees	Expected to disclose all actual, potential or perceived conflicts of interest they have.
Managers	If the conflict is particularly sensitive or serious, must involve their manager and the Human Resources Manager. The manager must undertake a written assessment of the conflict

	to determine if it warrants management.
HR Manager	Keep a register of staff conflicts of interest.

## Questions

Chief Financial Officer, Human Resource Manager, Fraud Advisory Officer or Team Manager

## References

Name	Location
<i>To open the documents below, please use the CM number including * and open the latest version.</i>	
Staff Handbook	CM Reference Number 16116145*
<i>This Policy should be read together with the following other policies and processes</i>	
Staff Code of Conduct	CM Reference Number 164854*
Fraud and Corruption Policy	CM Reference Number 1673954*
Protected Disclosures Policy	CM Reference Number 1673958*
Recruitment of Relatives Policy	CM Reference Number 1674063*
Sensitive Expenditure Policy	CM Reference Number 1673962*
Tender Evaluation Team Guidelines	<a href="#">Tender Evaluation Team Guidelines</a>
Building Consent Authority Quality Manual – Chapter 4.2	MDC Admin 2010 – BTM0054
MDC Website	<a href="#">MDC Mission Statement</a>
Managing Conflicts of Interest; Guidance for Public Entities” issued by the Office of the Controller and Auditor-General.	<a href="#">Managing Conflicts of Interest: Guidance for Public Entities</a>

## Record of Amendments/Revisions

Record any revisions/amendments which have been made and when.

Details	Approval by whom	Date
Updated to Council template	Chief Financial Officer	28/09/2015
Policy Reviewed	Chief Financial Officer	12/05/2016
Policy reviewed. Notification to HR Manager of conflicts of interest and gifts, discounts, etc. added. Responsibility for register of staff conflicts of interest added.	Chief Financial Officer	16/07/2019