

CONFLICT OF INTEREST PROCEDURE

OBJECTIVE

The aim of this procedure is to provide a framework to properly manage possible and perceived conflicts of interest employees may encounter in the conduct of their role in Council.

DEFINITIONS

CEO	Chief Executive Officer.
Council	Banana Shire Council.
The Act	The <i>Local Government Act 2009</i> (as amended).
The Regulation	The <i>Local Government Regulation 2012</i> (as amended).
Employees	Members of staff who are employed on a permanent, part time, fixed term or casual basis under award and enterprise bargaining agreement conditions. It also includes managers, contracted staff and volunteers.
PSEA	<i>Public Sector Ethics Act 1994</i>

PROCEDURE

LEGISLATIVE AND POLICY

The specific legislative head of power for this policy is found in the *Public Sector Ethics Act 1994* which sets the ethical values that Queensland public sector employees must follow in the performance of their role (Div 2) and requires Council to draft an employee Code of Conduct (Section 15).

The local government principles contained in section 4 of the *Local Government Act 2009* provide the basis and intent of the application of the *Public Sector Act 1994*.

The local government principles are:

- (a) Transparent and effective processes, and decision making in the public interest
- (b) Sustainable development and management of assets and infrastructure, and delivery of effective services; and
- (c) Democratic representation, social inclusion and meaningful community engagement;
- (d) Good governance of, and by, the local government; and

- (e) Ethical and legal behaviours of Councillors, local government employees and councillor advisors.

Section 4 of the Act requires anyone performing a responsibility under the Act to do so in accordance with the local government principles and any action taken to produce results that are consistent with the local government principles.

Other legislation that contributes to the statutory framework to manage conflicts of interest include:

1. *Crime and Corruption Action 2001*; and
2. *Public Interest Disclosure Act 2010*

STATUTORY FRAMEWORK

The *Public Sector Ethics Act 1994* declares four ethics principles to be fundamental to good public administration:

1. Integrity and impartiality
2. Promoting the public good
3. Commitment to the system of government
4. Accountability and transparency

All employees and Council are required to comply with the code of conduct applying the above principles to staff.

Council's existing employee code of conduct provides guidance to staff on the behaviour that they should demonstrate to support the ethical principles while undertaking their role.

ETHICAL PRINCIPLE	STANDARDS
Integrity and Impartiality	<ul style="list-style-type: none">• Conflict of Interest• Fair and transparent decision making• Accepting gifts and benefits• Employment outside of Council• Public comments about Council business• Maintaining information as private and confidential• Communication with elected members• External activities to Council• Social media usage/comments• Workplace behaviour and engagement• Teamwork and respect• Non-discriminatory workplace• Prohibited sexual or other forms of harassment

Promoting the public good	<ul style="list-style-type: none"> • Customer service • Corporate uniforms • Managing workplace complaints • Fairness to suppliers • Public money • Intellectual property • Commitment to health environment
Commitment to system of government	<ul style="list-style-type: none"> • Operating within the law • Delegated authority • Raising concerns • Privacy
Accountability and Transparency	<ul style="list-style-type: none"> • Use of Council's assets • Use of Council's IT and telecommunications • Workplace attendance and absence from duty • On call work duties • Professional development • Workplace health and safety • Zero tolerance to drugs and alcohol

ADMINISTRATIVE PROCESSES

The PSEA and the code of conduct provide guidance to staff on the behaviours they are to demonstrate in the conduct of their role. The following administrative arrangements are to be applied to provide a high level of assurance that the policy guidelines are being consistently applied.

CONFLICT OF INTEREST

A Conflict of Interest is a conflict between an employee's personal interest and the public interest. Conflicts of Interest can be both actual and perceived and employees must take positive steps to avoid both.

Conflicts of Interests can arise from family, business or social relationships and for the purposes of staff roles at Banana Shire Council the following arrangement constitute a Conflict of Interest and decision making in respect to the matter should be referred to the position supervisor.

FAMILY RELATIONSHIPS

The following relationships are deemed to give rise to a conflict of interest for Banana Shire Council staff:

- The staff member or their spouse/partner
- Parents of the staff member or spouse
- Children of the staff member (includes adult children)
- Siblings of the staff member or spouse

If a matter to be dealt with by a Council staff member impacts on any of the above relationships, the staff member is required to refer the decision to the position supervisor.

COMMERCIAL RELATIONSHIPS

The following commercial relations are deemed to give rise to a conflict of interest for Banana Shire staff:

- Employment by any one of the people identified above by a party involved in a matter being considered by Council
- Any other financial relationship (business, rentals, hospitality) between the employee or a person who has a family relationship with the employee

If any of the above arrangements exist, the officer in question must refer approval of the transaction to their supervisor.

MEMBERSHIP OF COMMUNITY GROUPS

Community groups include local sports clubs, service clubs, churches and church groups and schools. Membership of these groups does not itself create a conflict of interest. However, membership of an executive committee for the organisation creates a conflict for the purpose of this procedure and decisions should be referred to the position supervisor.

EMPLOYEE RESPONSIBILITIES

To the extent possible where employees have identified that a conflict of interest, as defined by this procedure, exists, they are:

1. To advise their immediate supervisor of the risk at the earliest opportunity.
2. Not to undertake any further involvement with the process until direction is received from the relevant supervisor.
3. Complete a Conflict of Interest Declaration and forward through to the office of the Chief Executive Officer.

When supervisors are made aware of a potential conflict of interest they are:

1. To ensure that an appropriate declaration is forwarded to the Chief Executive Officers' office.
2. Assess whether other staff are available to undertake the process and task it to them, if possible.
3. For Procurement, if no other staff are available to manage the process, supervisors should in the first instance have the officer prepare a scope of works and seek to have other officers source suppliers and receive and assess quotations.
4. If there are no other staff available, the supervisor may assess the conflict and if they are comfortable have the officer source a minimum of two quotes from local suppliers irrespective of whether the purchase is for \$0 - \$5000 in value or the number of quotes required by the Procurement Procedure and manage the scope and issuing of invitation to quotation process.

5. Where the supervisor has permitted to prepare project scope and issue quotations, quotes are to be managed by Council's quotation process (i.e. Vendor Panel) or responses to request for quote are to be forwarded to and assessed by the supervisor (not the officer with the potential conflict).

Where the staff member with a potential conflict is authorized to manage a process, a brief report outlining the scope of work, suppliers invited to quote, together with their respective prices, the criteria upon which the quotes were assessed and the supplier chosen must be prepared by the supervisor and sent to the Chief Executive Officer after endorsement by the relevant departmental Director.

If the conflict arises from a process not related to procurement i.e., recruitment, planning approval, or compliance activity, officers should:

1. Report the potential conflict to their supervisor
2. Remove themselves from further consideration of the process

RECORD KEEPING AND GOVERNANCE

Completed Conflict of Interest Declaration forms will be submitted to the Governance Team for recording in Council's Conflict of Interest Register. Conflict of Interest Declaration forms must be recorded in the register within 5 days of being received by the Governance Team.

ANNUAL REVIEW

The register will be reviewed by the Governance Team on an annual basis.

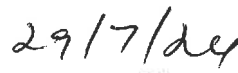
The Governance Team will liaise with supervisors to review existing action plans for each employee. Finalised Conflict of Interests will be closed, and any ongoing action plans will be reviewed and updated accordingly using the Conflict of Interest Declaration Form.

Upon completion of the annual review process, the Governance team will submit the Conflict of Interest Register to the CEO for final review and approval.

CERTIFICATION



.....
CHIEF EXECUTIVE OFFICER
BANANA SHIRE COUNCIL



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DATE