

PALM ISLAND ABORIGINAL SHIRE COUNCIL

POLICY STATEMENT

- SUBJECT:** CONFLICTS OF INTEREST POLICY
- AUTHORITY:** Council of the Whole
- PURPOSE:** The community has the right to expect that Councillors and Council staff perform their duties in a fair and unbiased way and that the decisions they make are not affected by self interest or personal gain.
- Conflicts of interest arise when Councillors and Council staff are influenced, or appear to be influenced, by personal interests when doing their jobs. The perception of a conflict of interest can be as damaging as an actual conflict, because it undermines public confidence in the integrity of the organisation involved and its staff.
- POLICY:** The Palm Island Aboriginal Shire Council is committed to placing public interests before private interests and avoiding private gain at public expense.
- DELEGATION:** Authority in respect of this policy is hereby delegated to the Mayor and Chief Executive Officer.
- RESOLUTION DATED:** May 2009

A Conflict of Interest...

Arises when a public official is influenced (or appears to be influenced) by personal interests when doing their job

'If it is likely that the person with the interest could be influenced by that interest, or that a reasonable person would believe that he or she could be so influenced, a conflict could arise'

Why is this important?

Badly managed conflicts of interest can:

- Undermine public confidence in the council, organisation, individual
- Lead to inefficient use of public assets
- Lead to opportunities for corruption

Types of Conflicts of Interest

- Pecuniary
- Non-pecuniary

Pecuniary

Involves actual/ potential **financial** gain or loss for you or someone associated with you

... such as a spouse, defacto, relative, friend, partner or associated company

Non-pecuniary

Involves actual/ potential gain or loss **with no financial component** for you or someone associated with you

Conflicting interests

- Involves direct/indirect advantage/disadvantage to another group to which you belong
- Groups could include political parties, boards, organisations, clubs, sporting bodies, unions, interest groups etc

How do I decide there is a conflict?

- Is there a financial, social or personal gain?
- Can you influence the outcome?
- Have you been involved in the development of a project or proposal outside of work?
- Have you made any promises or commitments about the project?
- Are you a member of a club that is affected?
- Would you be happy if your colleagues became aware of your involvement?
- What if it appeared on the front page of the local paper?

Conflict Hot Spots

- Tendering and purchasing
- Staff recruitment
- Secondary employment
- Dealing with former public officials
- Gifts, benefits and hospitality
- Local Government planning approvals
- Licensing
- Elected officials

It is important to note that having the interest is not necessarily a problem – it is how it is dealt with that is important!

It is the responsibility of each member to identify, disclose and manage conflicts of interest and it is in each member's interest to do so to prevent actual or perceived conflicts from occurring

Councillors and Council employees must be impartial and fair in their dealings with residents, suppliers and the community as a whole.

Community trust, confidence and support of Council is necessary if Council is to perform their duties to a high standard and therefore Councillors and Council employees must ensure that opportunities do not exist for their interests, or those of people close to them including relatives, to conflict with the impartial performance of their Council duties.

Any potential, real or perceived conflict between an individual's interest or those people close to them and those of Council must be resolved in favour of the Council.

The following examples of situations that may give rise to conflicts include:

- Having the responsibility for filling a staff position where one of the applicants is a good friend or relative
- Supporting a proposal from a group of people or individuals with whom one has regular personal contact

It is therefore important that consideration is given to other people's perceptions of the situation.

These other people could include unsuccessful tenderers, other potential suppliers, other businesses, fellow Councillors, and staff, residents and members of the public.

What do I do if I believe that I have a conflict of interest?

Staff or Councillors wishing to discuss a real, or perceived or potential conflict of interest should initially contact the CEO, who will act as an objective party in assessing whether such a conflict of interest may or will arise.

If the person that believes that he may have a perceived or potential conflict of interest is the CEO he should withdraw from taking part in the matter and advise the Mayor that he has appointed the next senior officer of Council to make a decision in the matter.

In all cases the onus for notification is therefore on the individual Councillor or staff member.

In cases where a Councillor becomes aware of a conflict of interest the Councillor must notify the Mayor and/or the CEO in writing, as soon as they are aware that a conflict of interest exists.

If a conflict arises during a Council meeting, notification to the meeting of the interest must be made immediately and the Councillor or Staff member cannot partake in any discussion or voting relating to the area of conflict, and where required will leave the Chamber for the duration of the consideration of the matter.

RESOLUTION DATED: May 2010