

## LLS Conflict of Interest Procedure

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VERSION 1.0

AUTHORISED BY BOARD of Chairs

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ISSUED BY Chair, Audit Risk and Governance Committee

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### Purpose

This document is to be read in conjunction with the [Local Land Services \(LLS\) Conflict of Interest Policy](#).

As set out in the Conflict of Interest Policy LLS encourages and supports the Chair of Chairs, chairs and board members of local boards, members of committees of the Board of Chairs or local boards or staff to identify and declare conflicts of interest so that they can be managed in an open and transparent way. The purpose of this Procedure is to support the Policy by providing guidelines and tools and the steps to be followed for identifying, declaring and managing conflicts of interest. In the remainder of this Procedure, the reference to staff includes appointed and elected persons referred to above.

### Scope

Private activities or interests that are particularly sensitive to the work of LLS need to be avoided or managed well to ensure conflicts of interest do not arise. Examples of activities or situations where conflicts of interest may arise include:

- participation in, directorships/memberships of or shareholdings in certain incorporated associations, proprietary companies, company limited by guarantee, industry and manufacturing associations
- membership of organisations or boards whose interests may conflict with those of LLS such as entities that seek grants administered by LLS
- participation in secondary employment that could compromise staff integrity or the integrity of LLS
- staff financial interests in a matter that LLS deals with or staff are aware that friends or relatives who staff know have a financial interest in the matter
- staff personal beliefs or attitudes (commercial, religious, social, or political) that may influence the impartiality of the work staff do or advice staff give
- staff who have a relationship that go beyond a professional working relationship with someone with whom LLS is dealing, for example a grant application, Travelling Stock Reserve (TSR) permit or purchase of goods or services
- if staff are to sit on a recruitment selection panel where an applicant is a friend or relative
- staff party political activities or political comments staff might make that could be seen as relating to LLS' work
- if staff own and operate a primary producing property or small business that may be eligible to claim or make use of LLS services or be subject to regulation by LLS

- staff are to sit on a tender evaluation panel where they have a pecuniary or non-pecuniary interest in the tenderer/respondent.

## Procedure

### 1. Identifying, declaring and managing

If staff determine there is a real, perceived or potential conflict, they must make a declaration ([using the Appendix B internal declaration form](#)) to their Manager/Supervisor or the Manager of the affected activity (such as the convenor of a recruitment panel, or chair of a committee or tender evaluation panel) immediately. A [checklist for identifying conflicts](#) is available to support staff (Appendix A).

As staff may not be aware that a person or organisation with whom they have a close connection, anyone applying for a grant or benefit is asked to complete on their application form information relating to any relationship with an LLS officer of which they may be aware ([using the Appendix C external declaration form](#)).

The steps below should be followed:

1. The staff member fills in Part A of the *Conflicts of interest declaration form* ([Appendix B](#))
2. An external applicant completes a declaration on their application ([Appendix C](#)). This declaration must accompany any application from an external party seeking to engage with LLS.
3. The staff member and Manager/Supervisor discuss the possible conflict. Managers/Supervisors are responsible for actioning conflicts of interest reported to them within three working days of receiving the declaration form from their staff member.
4. All declared real, perceived or potential declarations of conflicts of interest are recorded by the relevant regional Business and Finance Manager on a centrally held conflict of interest register (template supplied by ESU) with a declaration identification number.
5. All declared real, perceived or potential declarations of conflict of interest are reviewed on an annual basis by the relevant regional Manager/ Supervisor with the review date and outcome to be recorded on the conflict of interest register.
6. If there is agreement that there is a potential or actual conflict, the staff member and their Manager/Supervisor will discuss the best way to resolve or manage the conflict. A document providing further guidance on [Managing Conflicts of Interest](#) is available (Appendix D).
7. The Manager/Supervisor is to record the proposed management action in Part B of the *Conflict of Interest Declaration Form* and send it to their regional General Manager for approval or other determination. A copy of the regional Manager's decision will be sent to the LLS Executive Manager.
8. The Manager/Supervisor implements the agreed management actions.
9. If the situation changes, the staff member must complete a new declaration form and discuss the possible conflict with their Manager/Supervisor and determine the best way to resolve or manage the conflict.
10. In addition to step five, the Manager/Supervisor reviews the conflict of interest declaration annually with the staff member. If there is significant change the staff member must complete a new declaration form.
11. If there is a dispute about the outcome of the conflict of interest declaration in the

view of the applicant, regional General Manager or Executive Manager this will be dealt with through the LLS Board Conflict of Interest Sub-committee via the Executive Support Unit.

## **2. Action prior to approval**

There may be times when staff are in a situation that does not allow them to disclose their conflict of interest in writing before taking action. For example, staff may be in a meeting where, without prior warning a matter is introduced in which staff may recognise that they have a conflict of interest. In such instances staff should take the following actions:

### ***Initial actions***

- Verbally disclose the conflict of interest
- Ensure that the declaration is recorded in the minutes of the meeting
- Record this declaration in their own meeting notes
- Remove themselves from the meeting while the matter is discussed, or even have the meeting stopped or postponed.

### ***Follow-up actions***

- Register details of their conflict of interest in writing and lodge this declaration with their Manager/Supervisor
- Discuss any further action that may be required to fully resolve the conflict and record in Part B of the declaration form
- Go to step six above to allow the conflict of interest to be formally recorded on the Conflict of Interest register.

## **3. Staff appointments to boards of external entities**

If a staff member is invited to be a member of a board of an external entity they must apply for approval from the Chair of Chairs. They will be informed what steps must be taken before acceptance.

## **Legislation**

- *Anti Discrimination Act 1977*
- *Government Information (Public Access) Act 2009*
- *Independent Commission Against Corruption (ICAC) Act 1988*
- *Industrial Relations Act 1996*
- *NSW Government Sector Employment Act 2013*
- *NSW Government Sector Employment Regulation 2014*
- *Privacy and Personal Information Protection Act 1998*
- *Public Finance and Audit Act 1983*
- *Public Interest Disclosures Act 1994*

## **Related policies**

- Code of conduct
- Complaints handling
- Fraud and corruption prevention
- Gifts and benefits

- Public interest disclosures – internal reporting policy
- Secondary employment

#### Other related documents

- Conduct Guidelines for Members of NSW Government Boards and Committees, Department of Premier & Cabinet, December 2011
- Conflict of Interest, NSW Ombudsman, Fact sheet no.3, July 2003
- Good Conduct and Administrative Practice (2nd edition), NSW Ombudsman, August 2003
- Identifying and Managing Conflicts of interests in the Public Sector, Independent Commission Against Corruption, November 2009
- NSW Government Tender Guidelines
- NSW Government Code of Practice for Procurement

#### Revision history

Version	Date issued	Notes	By
1	27/04/2016	Procedure Approved	Board of Chairs

#### Review date

This Procedure is to be reviewed initially after one year and then every two years and reissued or withdrawn as required.

The next revision is due one year after the Procedure is approved by the Board of Chairs.

#### Contact

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