



Conflicts of Interest Policy



Purpose

The overarching purpose of this policy is to maintain a high level of public confidence in the integrity of Council and to clearly outline actual, perceived or potential conflicts of interest, including coercion, inducements or threats, and the process that will be followed to manage them.

Scope

This policy applies to all employees of the Invercargill City Council, including volunteers or people engaged or contracted under a contract for services (contractors) for the Council. The term “employee” will be used to refer to all persons that are covered by this policy. Elected Members, including Councillors, Mana Whenua representatives and other appointed members to Council and Committees, are not covered by this policy and should instead refer to the Invercargill City Council Code of Conduct and other relevant legislation.

Definitions

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

Gifts, Benefits, and Hospitality Defined in the Financial Risk Management Policy and include, but are not limited to, goods, services, vouchers, tickets, discounts or cash offered to an employee during the course of, or as a result of, their position within Council.

Conflict of Interest A conflict between performance of a public duty and a private or personal interest. A ‘personal interest’ includes the private, professional or business interests of a person, or of the individuals or groups with whom they have a close association (internally or externally), such as, but not limited to, relatives or friends. A conflict of interest may be:

- Actual: a conflict between a person's official duties and responsibilities in serving the public interest, and their personal interest;
- Perceived: occurs when a reasonable person, knowing the facts, would consider that a conflict of interest may exist, whether or not this is the case;
- Potential: occurs where a person has a personal interest that could conflict with their official duties in the future.

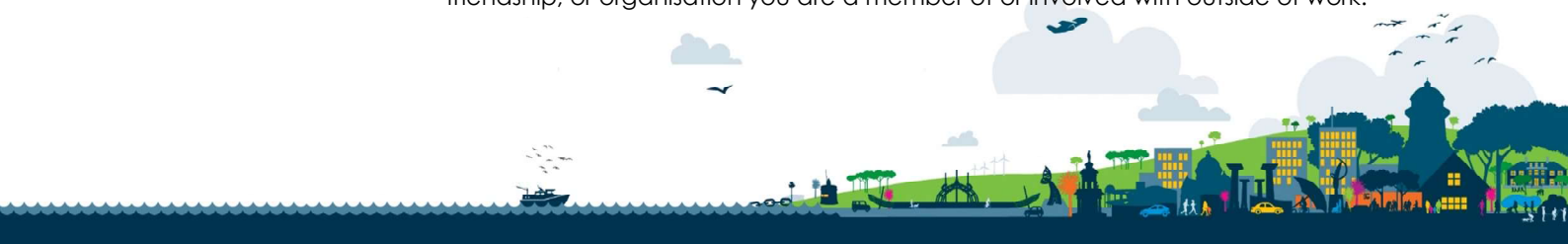
Different types of conflicts can include:

Financial Conflict

A financial conflict of interest is any situation where you stand to gain or lose financially from a decision you are asked to make. This interest may be direct or indirect and need not involve cash changing hands directly.

Non-financial Conflict

A non-financial conflict of interest is any situation where you are not affected financially by a decision but are affected in some other way that might make you biased or appear to be biased. This interest might arise from a family relationship, friendship, or organisation you are a member of or involved with outside of work.



Organisational Conflict

This includes situations where an employee in their professional role at Council is required to make a regulatory or administrative decision about a Council development, building, activity or event. The Council employee making the decision may be open to perceptions of bias in their decision making and also subject to internal or external political pressure.

Interests of relatives and friends

This includes situations where an employee in their professional role at Council is making a decision on a matter relating to the interests of their relatives or friends. These interests may be financial or non-financial. Careful judgment is needed to consider the closeness of the relationship including the directness of the link or the amount of association, and the degree to which they would be affected by a decision. Further guidance is provided by the Auditor-General. Tier 2 managers will refer to this guidance alongside their delegations when making declarations of interest.

Conflict of roles

A conflict of roles can arise in any situation where you are a decision-maker for two different organisations about the same matter. Secondary employment can create a conflict of roles.

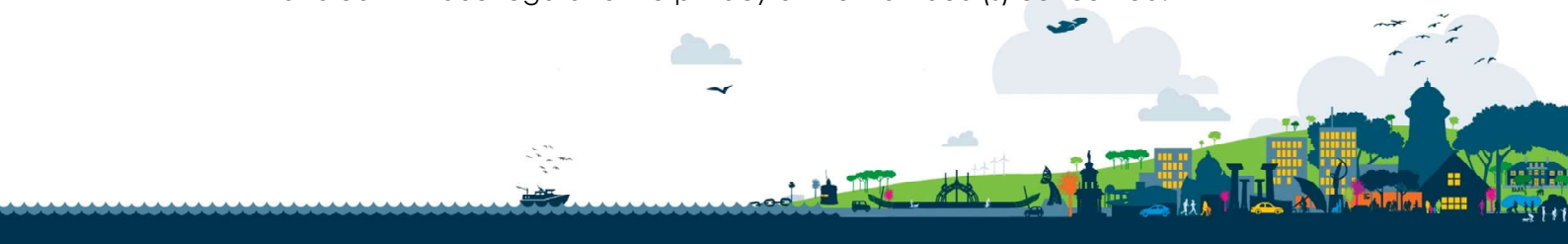
Predetermination

Technically, predetermination is not a form of conflict of interest. However, having strong views about a matter can create a risk of prejudice or the appearance of favoritism and a perception of a conflict of interest.

Principles that guide us

Employees must:

1. At all times behave in an impartial and transparent manner on behalf of Council or its subsidiaries.
2. Understand that the existence of a conflict of interest does not necessarily imply wrongdoing on the part of any person. However, any interests which could give rise to a conflict of interest must be disclosed.
3. Be alerted to situations in which they, or the people that they manage or supervise, may have a conflict of interest and ensure that the situation is recognised and handled appropriately.
4. Deal with conflicts of interest quickly and transparently, that is they must be:
 - acknowledged,
 - disclosed,
 - put on record, where appropriate, and
 - effectively managed or avoided.
5. Disclose the conflict of interest to their manager or supervisor even if they have any doubt as to whether a matter exists.
6. Consider how an impartial observer might reasonably perceive a conflict of interest situation or relationship, whether or not any wrongdoing is involved.
7. Judge each situation that arises in a prudent manner as conflicts of interest may raise complex issues.
8. Conflicts of interest may involve disclosing personal information. This information must be handled with due regard to the privacy of the individual(s) concerned.



9. Not take part in any discussion or decision on the matter being considered giving rise to the conflict unless the relevant manager decides otherwise.
10. Not take part in any decision about the matter if they have a direct or indirect financial interest in the matter being considered.

Ethics and overarching framework

It is important that any actual, perceived or potential conflict of interest is identified, disclosed and effectively managed or avoided if possible. Management of conflicts of interest must be fair, transparent, accountable and free from bias.

Employees are able to seek independent advice about how a conflict will be managed and are encouraged to report any actual, perceived or potential conflict of interest that they observe.

The internal Conflicts of Interest Guidelines specify how and to whom disclosures or reports must be made, the roles and responsibilities of various persons, steps or processes that may be used to avoid or manage a conflict of interest, and how a conflict of interest is to be recorded and reported.

Specific guidance about these matters is provided for in roles or areas where there is a high risk that a conflict of interest may arise. These roles or areas have been identified as, but are not limited to, People and Culture, procurement/purchasing, and regulatory functions such as Planning and Building Services and Environmental Services.

Where a conflict relates to a procurement, this policy should be read in conjunction with the Procurement Policy. In such cases both the conflicts process and the procurement process must be followed.

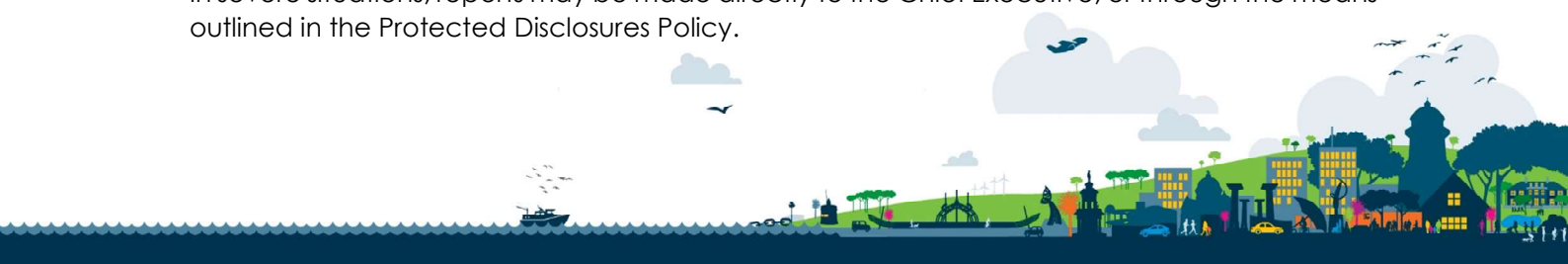
Managing potential conflicts of interest

Conflicts of interest should be registered by completing the Conflict of Interest workflow. Peer review and oversight of the process is provided by the Manager – Quality Assurance. Employees should review ongoing conflicts annually.

In any situation where an employee feels they are under undue pressure or coercion (for example, threatened or forced to make a decision externally or internally or under political pressure) this must be reported. Depending on the circumstances, that report may be made to any of:

- The employee's direct manager
- Manager – Quality Assurance
- Manager – People and Culture
- The relevant Group Manager.

In severe situations, reports may be made directly to the Chief Executive, or through the means outlined in the Protected Disclosures Policy.



Additional information on avoiding or registering conflicts of interest is outlined below.

Dealing with Council in a personal capacity

Employees must receive the same access to Council services as any member of the public. Council employees must not use their position to serve their personal interests in situations such as (but not limited to):

- issuing licences to themselves,
- self-certification of building control function work that the employee has an interest in (for example, granting building consents, issuing code compliance certificates, compliance schedules, and notices to fix),
- working on their customer file, or
- transacting their own customer payments.

These actions blur the line between their role as an employee and their status as a customer and may be considered to be misconduct.

In this and similar situations the employee has an advantage which members of the public do not have. This could include:

- accessing files or information,
- internal contact methods not available to the public, or
- preferential treatment.

In these situations, employees must ensure they do not create a conflict of interest by using their employment position within Council for personal gain.

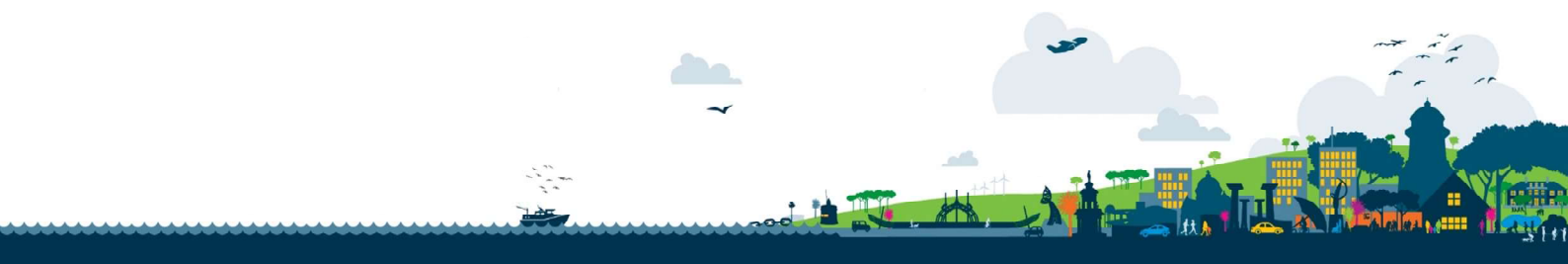
Dealing with organisational conflicts of interest

Where a Council employee or internal team within Council or a Council Controlled Organisation is applying for a consent or licence for a Council development, building, activity or event, this creates a conflict of interest for the employee or team receiving the application and who may be required to make a regulatory or administrative decision about it.

Steps to avoid/manage organisational conflicts of interest used by Council include:

- Completion of the Conflict of Interest workflow by regulatory/administrative employees who receive applications.
- Outsourcing of consent processing and/or decision-making for Council applications, at the discretion of Team Leader/Managers. Independent Commissioners/ Hearing Panels are also utilised for independent decision making on Resource Management Act matters, at the discretion of the Team Leader/Manager.

If necessary further advice from the General Manager Consenting and Environment can be sought to clarify the requirements to manage an organisational conflict of interest.



An employee / team responsible for applying on behalf of Council also needs to be aware of the conflict of interest being created and assist in managing it appropriately. In order to manage the conflict of interest, applications from Council must be treated exactly the same as all other applications. This means that employees who are applicants need to act as if they are external customers: for example, they should use public enquiry and communication channels rather than internal ones.

For example, Council's Project Management Office apply for resource management or building consents on behalf of Council for Council projects. Council's Planning and Building teams need to complete a Conflict of Interest workflow for these projects, and the Project Management Office when enquiring about the progress of consents, need to use the Simpli portal or ring the front counter, rather than sending direct emails to or phoning planning and / or building employees directly.

National accreditation of Council's Building Consent Authority requires an appropriate policy under Building Regulation 17 (2)(i) to manage conflicts of interest and this policy is designed to meet those requirements.

Supply to the Invercargill City Council

Any employee who has a partner or family member who owns a business that supplies goods or services to Council may have, or could be perceived as having, influence over contracts or procurement at Council. Relationship declarations must be made to decision makers, and those affected must be removed from any decision making involving the business.

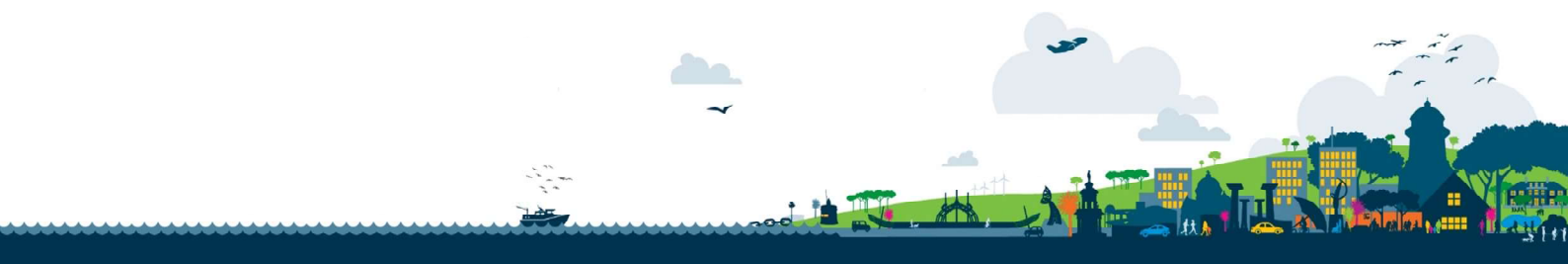
Recruitment

Whilst employees are encouraged to forward job vacancies to friends and family members, before doing this the employee must consider if they are part of the recruitment process or could influence or be seen to influence the recruitment decision.

The employee may pass the vacancy on to friends and family members. However, if a family member applies then they must declare this to decision makers as soon as they are aware the person has applied, and they must not be involved in any way with the recruitment process.

Gifts, Benefits, and Hospitality

Employees are reminded that all gifts, benefits, or hospitality offered by anyone awaiting a decision, or with whom the employee is likely to be in a decision-making role, must be politely declined. Employees must never accept gifts, benefits, or hospitality that may give the impression that favour will be shown to the giver in any decision-making. Employees should declare any offered gifts, benefits, or hospitality to their manager and complete the Gift Register workflow. Further information can be found in the Financial Risk Management Policy.



Council bottom line expectations

- Employees must declare if they have a domestic relationship or other relationship which could cause an actual, perceived or potential conflict of interest.
- Employees must not have a person they are in a potentially conflicted relationship with as a direct report.
- Employees must not make any decisions which may lead to, or could be perceived as leading to, personal or family gain, or favouring a particular group or organisation.

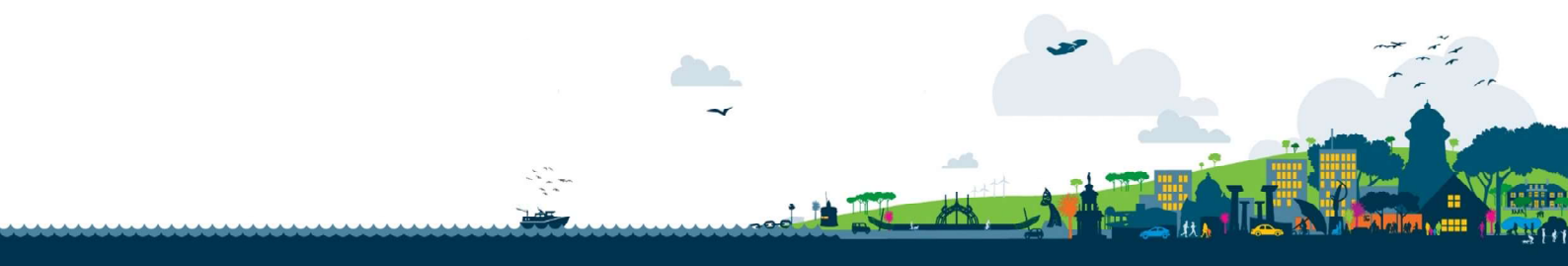
Breaches of this policy and above expectations will be viewed very seriously and treated as misconduct under Council's Code of Conduct for Employees and the Discipline and Procedural Fairness Policy (both contained within the Employee Handbook).

**AUTHORISED
BY:**



Trudie Hurst
Acting Chief Executive

DATE: 24/03/2025



Document control

Revision History:	August 2022, March 2025
Effective Date:	24 March 2025
Review Period:	This Policy will be reviewed every six (6) years, unless earlier review is required due to legislative changes, or is warranted by another reason requested by Council.
New Review Date:	March 2031
Associated Documents / References:	Conflict of Interest workflow (A3258093) Conflicts of Interest Guidelines (A5618727) Procurement Policy (A3702722) Protected Disclosures Policy Financial Risk Management Policy (A4222312) Employee Handbook (A896058) Managing conflicts of interest: A guide for the public sector (OAG publication)
Supersedes:	Conflicts of Interest Policy 2022
Reference Number:	A5572822
Policy Owner:	Manager – Quality Assurance
Relevant Roles:	All staff members

