

Managing Conflicts Of Interest

Quick Reference Guide

To ensure transparency, accountability and integrity as a councillor, you must manage Conflicts Of Interest (COI) between the public interest, your interests, and the interests of your related persons.

This guide provides a summary of how to manage councillor COI but does not replace legislation.

For more detailed information on managing Conflicts of Interests, view: [Local Government Act 2009, Ch 6, Part 2, Division 5A](#) or [City of Brisbane Act 2010, Ch 6, Part 2, Division 5A](#).



Non-compliance with legislation about COI can result in serious penalties including discipline for misconduct or being charged with an integrity offence.

How to identify and manage a COI



Prescribed COIs

A prescribed COI is a specific, clear list of situations where legislation states that you must not participate in decisions.

If you or a close associate ► Have a prescribed COI ► Manage this by:

Close associates include:

- Spouse, parent, child or sibling (see FAQs)
- Partner in business partnership
- Employer (non-government)
- Organisation of which you are an executive officer or board member
- Any company or entity that you or your close associates own, part-own or have an interest in (except public shares where you own less than 5%)

Prescribed COIs include:

- Donations (gifts) + loans + sponsored travel or accommodation totalling **\$2000 or more** in relevant term
- Matter relates to a contract with council (incl. panels, sponsorships, unsuccessful tenders)
- Matter relates to an application or submission to council (e.g. DA or grant application)
- Appointment/employment matters of chief executive officer (CEO) if close associate

1. Notifying CEO if outside a meeting, then notifying the meeting
 - Date/value of gift
 - Name/relationship of close associate
 - Other interest details
 - Can pass on any factual information to CEO
2. Taking no part in:
 - Decisions
 - Meetings
 - Workshops
 - Briefings
 - Influencing others

Declarable COIs

A declarable COI is a situation where you might have a conflict of interest, and you must declare the interest, and then either you choose to leave the meeting yourself or other councillors vote to decide whether you can participate in a decision.

If you or related parties ► Have a declarable COI ► Manage this by:

Related parties include:

- Close associates
- Plus**
- In-laws (your spouse's parent, child or sibling)
- Any other person you have a close personal relationship with (see FAQs on page 2)
- Any company or entity that you or another related party own, part-own or have an interest in

Declarable COIs include:

- Donations (gifts) + loans + sponsored travel or accommodation totalling **\$500–2000** in relevant term
- Interests where a reasonable person might think you could be biased



Unsure? This usually means you should declare the interest.

1. Notifying CEO if outside a meeting, then notifying the meeting
 - Date/value of gift
 - Other interest details
 - Name/relationship of related party
 - Can pass on any factual information to CEO
2. Deciding if your participation is in the public interest

Don't take part in decisions or

Councillors decide by passing resolution **first** before getting involved

Ordinary business

- Your interest is no greater than a significant proportion of other community members (e.g. all people in a suburb, all people in a small town, all business owners, all dog owners)
- Councillor remuneration, expenses, superannuation or insurance
- Adoption of budget, rates and charges and cost-recovery fees
- Planning scheme or amendments for the whole council area
- Appointment of mayor, deputy mayor, councillor, committee member, or council representative of board or association

Do not need to manage

You do not need to manage a COI if it includes:

- Gifts + loans + sponsored travel or accommodation totalling **less than \$500** (unless perception of bias could exist for another reason such as membership of club)
- Religious beliefs
- Membership of political party
- Non-executive member of non-profit organisation or club
- A student, former student, or parent or grandparent of a student of a school



If you have more of an interest than other people, you may wish to voluntarily manage as a declarable interest.

Scripts



Sample scripts for meetings

- I, Councillor [Name], inform the meeting that I have a prescribed/declarable conflict of interest as a result of: _____. The value and date of the gift is: _____.
- My relationship with [associate/party/entity] is: _____. Their interest in this matter is: _____.
- As a result of my conflict of interest, I will now leave the meeting room while the matter is considered and voted on.
- Although I have a declarable conflict of interest, I do not believe a reasonable person could have a perception of bias because: _____. Therefore, I will choose to remain in the meeting. However, I will respect the decision of the meeting on whether I can remain and participate in the decision.
- I believe that Councillor [Name] may potentially have a conflict of interest, which I am required by legislation to notify this meeting of. The reason for my belief is: _____.

Sample resolution

- I move that it is in the public interest that _____ participates and votes on _____, on the condition that _____, because _____, and therefore a reasonable person would trust that the final decision is made in the public interest.

Definitions

Don't forget

Close associates

- Spouse, parent, child or sibling
- Partner in business partnership
- Employer (non-government)
- Organisation of which you are an executive officer or board member
- Any company or entity that you or your close associates own, part-own or have an interest in (except public shares where you own less than 5%)

Prescribed COIs

- Donations (gifts) + loans + sponsored travel or accommodation totalling \$2000 or more
- Matter relates to a contract with council (incl. panels, sponsorships, unsuccessful tenders)
- Matter relates to an application or submission to council (e.g. DA or grant application)
- Appointment/employment matters of Chief Executive Officer (CEO) if close associate

Related parties

- Close associates (see above)

Plus

- In-laws (your spouse's parent, child or sibling)
- Any other person you have a close personal relationship with
- Any company or entity that you or another related party own, part-own or have an interest in

Declarable COIs

- Donations (gifts) + loans + sponsored travel or accommodation totalling \$500–2000
- Interests where a reasonable person might think you could be biased

If you are unsure, declare the interest.

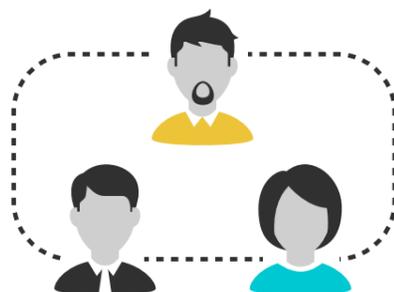
How to decide if participation is in public interest

If non-conflicted councillors decide that a councillor's participation is in the public interest they must pass a resolution stating their reasons.

The below questions are examples of some valid reasons for deciding whether participation is in the public interest.

- Will the councillor's involvement negatively affect the community's trust in the decision?
- How close is the councillor's relationship to the related party?
- For gifts, how long ago was the gift? How much was it?
- Will the decision have a big impact on the councillor, or related party?
- Is the interest unique to the councillor or related party, or widely shared by others in the community as well?
- Is there a way the councillor could influence the decision or gain a benefit?
- Is the potential benefit for the councillor or related party certain, or is it just a remote possibility?
- Does the councillor have knowledge that might help make the best decision in the public interest?
- Is your decision consistent with other similar matters considered previously for other councillors?

Remember, the test is not whether the councillor is an honest and impartial person, but whether a reasonable and fair-minded person in the community could lose trust that the decision was made in their best interests.



Declarable COI options

Once a COI has been declared, one of the following actions should be taken:

Option 1

Councillor voluntarily leaves a meeting.

Option 2

Other councillors decide you/the councillor should leave.

Option 3

Move a motion stating reasons why councillor participation is in the public interest:

- can decide not to let councillor vote
- can decide to add other conditions.

More information

For more detailed information on managing Conflicts of Interests, view: [Local Government Act 2009, Ch 6, Part 2, Division 5A](#) or [City of Brisbane Act 2010, Ch 6, Part 2, Division 5A](#).

- ✉ lgreforms@dlgrma.qld.gov.au
- ☎ 07 3452 7148 from 8.30am–5pm Mon–Fri
- 🌐 www.dlgrma.qld.gov.au/councillors

Frequently Asked Questions

Q A

What is a close personal relationship?

Simply knowing somebody, or seeing people on the street or in group or meeting situations, does not mean you have a personal relationship. Mayors and councillors know a large number of people in the community.

Some indicators that you might have a close personal relationship include:

- if you live with them
- if you are in an intimate relationship (other than a spouse or long-term partner)
- if you would call them your close friend, or if you are close enough that you might include them in your wedding party at your wedding
- if you regularly meet the person for meals or social activities, visit their house, or see them regularly
- if other people regularly see you together in public
- if your finances are connected
- if you have had ongoing or past legal disputes with the person, or other personal reason for strongly disliking them
- if you feel uneasy about making a decision that might not be favourable to them.

If after considering the above you are still unsure, this usually means you should declare the interest.

Do I need to know all the interests of family members and friends?

Councillors aren't expected to ask their family members for detailed information about all of their interests. But councillors cannot use

'I didn't know' as an excuse for not declaring an interest if you do know, or if most people would expect you to know. For example, most people would know where their brother lives, or if their mother owns a business. This is why the legislation states it is a conflict of interest if you reasonably ought to know.

Do I have a duty to report another councillor's interest?

If you believe another councillor may have a COI, you have a duty to report it to the CEO or meeting chairperson.

After this, **Step 1** is for the councillor to decide if they have a COI. If they believe they don't, other councillors then vote to decide if they do.

Step 2 is for the councillor to decide whether they will leave the meeting. Other councillors can move a motion that the councillor should participate in the decision if it would not cause the community to lose trust in the decision. considered and voted on.

- Although I have a declarable conflict of interest, I do not believe a reasonable person could have a perception of bias because: _____. Therefore, I will choose to remain in the meeting. However, I will respect the decision of the meeting on whether I can remain and participate in the decision.
- I believe that Councillor [Name] may potentially have a conflict of interest, which I am required by legislation to notify this meeting of. The reason for my belief is: _____.