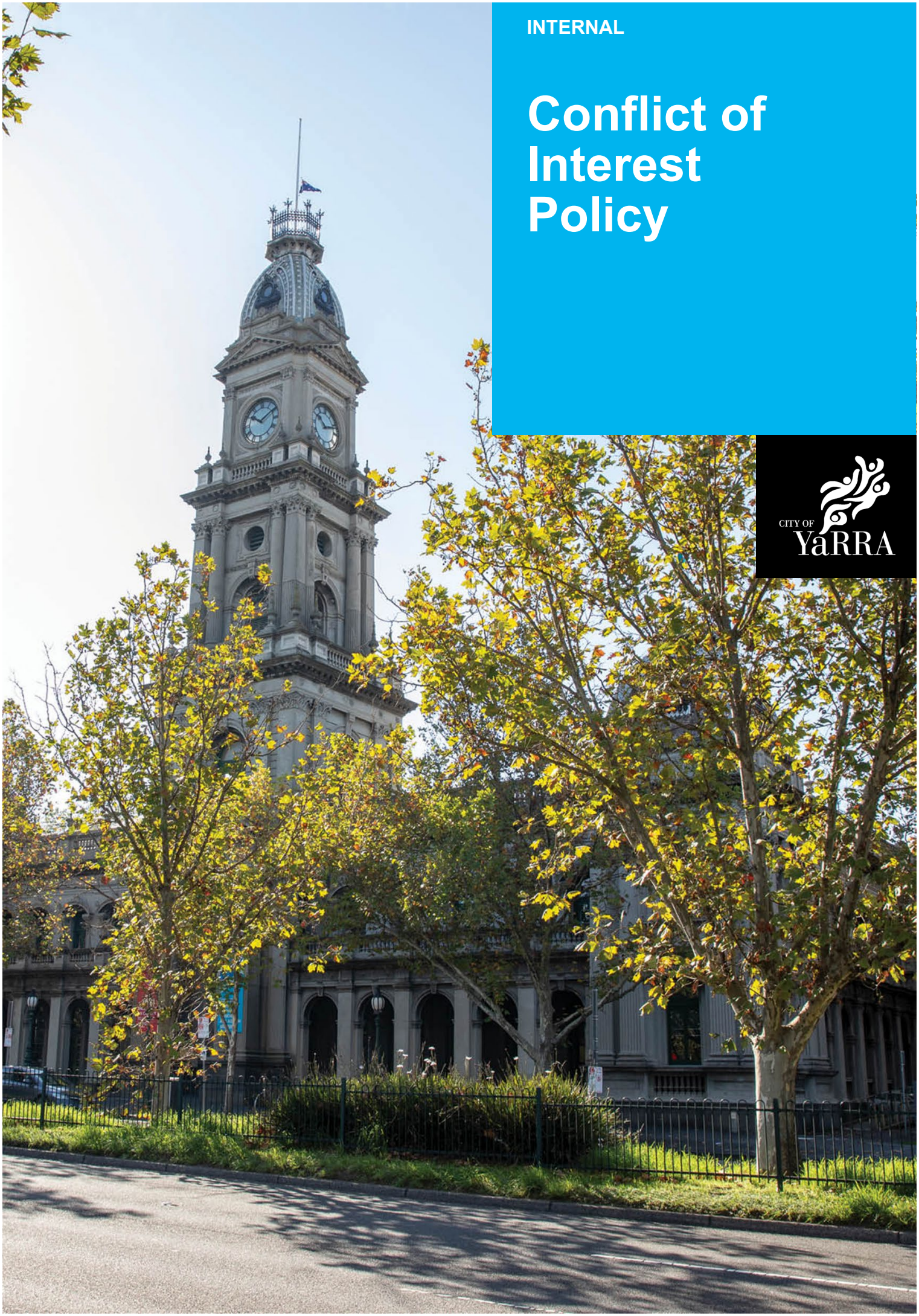
INTERNAL

Conflict of Interest Policy



Yarra City Council acknowledges the Wurundjeri Woi Wurrung people as the Traditional Owners and true sovereigns of the land now known as Yarra. We also acknowledge the significant contributions made by other Aboriginal and Torres Strait Islander people to life in Yarra. We pay our respects to Elders from all nations and to their Elders past, present and future.

Document Details

Title:	Conflict of Interest Policy
Type:	Policy
Description:	A policy to set out the conflict of interest obligations of Council staff, contractors and suppliers.
Content Manager Ref:	D21/20628
Audience:	Internal
Approval Authority:	CEO
Responsible Branch:	Governance and Integrity
Document Owner:	Manager Governance and Integrity
Human Rights Compatibility	This Policy has been assessed and is compatible with the Victorian Charter of Human Rights Responsibilities
Approval Date:	01/06/2026
Review Date:	01/06/2030
Version:	2

1. Purpose

The purpose of this policy is to assist Council staff in effectively identifying, disclosing and managing any actual, potential or perceived conflicts of interest to protect Council's integrity, manage risk and comply with its legislative obligations.

2. Scope

This Policy applies to Council staff, consultants, contractors and volunteers of Yarra City Council. For the purposes of this policy, any reference to Council staff applies to all positions outlined in this section.

3. Policy Statement

The management of conflicts of interest is an important factor in public decision-making. This is particularly important at the local government level where staff have interests in the local area and have connections with the local community. This policy sets high standards of behaviour and accountability for Council staff exercising public powers, carrying out public functions and managing public resources.

Identifying and managing conflicts of interest is a fundamental consideration when making decisions or acting on behalf of Council. Officers must never misuse their position to serve their own or someone else's private interests.

The Act outlines requirements for conflicts of interest and Council's Governance Rules set out the procedure that officers must take to manage conflicts of interest. The provisions are set out below at section 4.1 of this policy.

This Policy goes beyond the statutory requirements and requires officers to identify and manage potential and perceived conflicts of interest to uphold integrity and accountability and prevent improper influence to performing public duties.

All staff, consultants, contractors and volunteers to the City of Yarra have a duty to put the public interest above their private interests when carrying out their official functions. They are expected to:

- identify, declare and manage conflicts of interest effectively;
- apply good practice principles and incorporate the effective management of any conflicts of interest into their business as usual practices;
- abstain from any decision-making process in which they could be compromised, or appear to be compromised;
- report any conflicts of interest as soon as they are identified;
- record conflicts of interest on the approved standard conflict of interest declaration form.

Suppliers to the City of Yarra have an obligation to support Council in fostering an environment free from conflicts of interests through their own behaviour and reporting to Council any instances contrary to the Staff Code of Conduct and Council's Procurement Policy.

4. Legislative and Policy Context

4.1 Statutory Conflict of Interest

There are two classes of statutory conflicts of interest. For officers, a general or material conflict of interest can only arise in a matter that will require a power to be exercised, or a duty or function to be performed, or where there is a decision to be made (either under delegation or by Council Resolution).

General Conflict of Interest

A general conflict of interest is any matter that an impartial, fair-minded person would consider that private interests of a member of staff or contractor could result in them acting in a manner that is contrary to their public duty.

Private interests mean any direct or indirect interest of the Officer that does not derive from their public duty and does not include an interest that is only a matter of personal opinion or belief

Public duty means the responsibilities and obligations that an Officer has to members of the public in their role as an Officer

Impartial, fair-minded person describes a judgement from a reasonable person who has all the facts of the matter.

Material Conflict of Interest

A material conflict of interest is any matter where an affected person would gain a benefit or suffer a loss depending on the outcome of the matter. The benefit may arise or the loss may be incurred directly or indirectly and in a pecuniary or non-pecuniary form.

An affected person, for the purposes of a material conflict of interest, includes:

- the member of staff or contractor involved in the matter (the relevant person);
- a family member of the relevant person;
- a body corporate of which the relevant person or their spouse or domestic partner is a director or a member of the governing body;
- an employer of the relevant person, unless the employer is a public body;
- a business partner of the relevant person;
- a person for whom the relevant person is a consultant, contractor or agent;
- a beneficiary under a trust or an object of a discretionary trust of which the relevant person is a trustee;
- a person from whom the relevant person has received a disclosable gift (as defined in the Act – currently most gifts with a value over $500).

Disclosures of Statutory Conflicts of Interest

If an Officer has a general or material conflict of interest, the Governance Rules set out the disclosure and management procedures. The procedures vary depending on whether the officer is:

- preparing or contributing to the preparation of a report for consideration at a Council meeting, delegated committee meeting or community asset committee meeting
- exercising a delegated power, or providing advice to an Officer exercising a delegated power
- exercising a statutory function.

Officers must observe the requirements of the Act and the Governance Rules regarding general or material conflict of interest. The procedures set out in this Policy will not apply

4.2 Conflicts of Interest – The Good Governance Context

In the interest of good governance, this policy considers circumstances that promote best practice in the application of identifying and managing conflicts of interest. These circumstances arise where officers are not exercising delegated powers or statutory functions or providing advice to Council, but are exercising varying responsibilities of carrying out public functions and managing public resources.

This standard of conduct for Council staff goes beyond the statutory requirements of the Act is reflected in various integrity agency investigation reports regarding conflict of interest. These classes of interest are also identified by the Victorian Public-Sector Commission in a State Government context and are relevant to best practice in the local government context.

4.3 Identifying Conflicts of Interest

Council officers are best placed to identify if and when a conflict or potential conflict exists. They are at the coalface of relationships and practices that can influence the delivery of programs and services.

Staff need to remain resilient to the likelihood of a conflict of interest arising due to changed circumstances, for example:

- a family member seeking employment with the City of Yarra
- changes in circumstances in the management of a contract that gives rise to a conflict
- changes in employment

- changes in the ownership of shares/trusts.

It is imperative that conflicts of interest are managed transparently and effectively. Having competing interests is not a problem in itself as long as it is identified and managed effectively.

Whilst conflicts of interests may occur in any part of Council, some functions and activities pose higher risks than others and require increased vigilance. These high-risk areas include recruitment, procurement, planning, outside employment, infringements and prosecutions, permits and approvals and grants.

Examples of conflicts of interest that may arise in these high-risk areas are:

Function	Risk	Examples	Treatment
Procurement	Tender evaluation panels Management of contractors	**Personal involvement/representation in community groups and sporting clubs** – *Do I have anything to gain or lose in my capacity as an office holder of the local football club as a result of the outcome of the sports-lighting tender I am evaluating for the ground used by my club?* **Private relationships –** *Should I continue to manage an ongoing Council contract after my family member has secured employment with the contractor and where my role would involve close professional interaction with them?*	Procurement Policy Instruments of delegation (including financial delegations)
Employment	Outside employment Recruitment	**Private relationships** – *Should I be on the recruiting panel for a position that my brother has applied for?* **Outside employment –** *I have been offered a job that is a contractor of Council that my department works with. Should I accept this role?*	Staff Code of Conduct Recruitment Policy
Planning	Preparation of delegate's reports Processing of applications	**Living/land ownership in Yarra –** *Will the planning application that I am working on in my street affect the amenity to my house?* **Shareholdings** – *I am working on a planning application that has been submitted by a company that I have shareholdings in. Should I declare a conflict of interest?*	Governance Rules
Compliance and Parking Services	Infringements and Prosecutions Permits and approvals Environmental Health Planning enforcement Appeals and fines	**Outside employment –** *I've been assigned to undertake a health inspection of a restaurant that I work on weekends. Should I be undertaking this duty on behalf of Council as a delegated officer?* **Gifts –** *I have received free coffees from a café who are appealing a parking fine that I*	Staff Code of Conduct Conflict of Interest Policy

Function	Risk	Examples	Treatment
		am assessing. Should I be declining the coffees?	
Community	Grants Advisory Committees	**Committee participation** – *I sit on a management board of an external committee that partners with Council to deliver services for the community. Is it appropriate for me to be sitting on this board as a Council officer?* **Personal involvement/representation in community groups and sporting clubs** – *Is it appropriate for me to assess a grants application of a local theatre group that I am a part of?*	Grants Guidelines Advisory Committee Terms of Reference Staff Code of Conduct

Education and Training

Council has a commitment to education and integrity training for all staff regarding conflicts of interest. Implementation of appropriate training will be undertaken and determined in collaboration between the Governance and Integrity and People and Culture branches.

4.4. Declaring conflicts of interest

One-off conflict of interest

A conflict of interest may occur on a one-off occasion, such as during a recruitment process or a procurement process. In these instances, staff must make a written declaration of the conflict of interest as part of that process and remove yourself for the decision-making process in relation to the matter in which the conflict of interest applies, including any action in relation to that matter.

Ongoing conflict of interest

A conflict of interest that is either ongoing or has the potential to recur, or any voluntary matters that an officer may choose to declare (out of an abundance of caution) shall be declared using a conflict of interest form and lodged with Council's Governance Support Unit. These declarations and the conflict of interest register shall be available to direct line management but shall otherwise be confidential unless required to be disclosed by law. Given the nature of conflicts of interest and their potential to endure during the officer's tenure, a management plan must be prepared by the relevant manager with the staff member.

Conflict of interest declarations must include the following information:

- Date of disclosure
- Name of Council officer
- Directorate
- Type of conflict
- Nature of the conflict of interest
- Details of how the conflict will be managed including the timeframe for reviewing the management plan (if relevant).

To support this process for ongoing conflicts of interest, a declaration form will be made available to all officers via the organisational portal. Where a conflict of interest is ongoing, additional information may be required to ensure appropriate management, including any relevant review periods. Conflicts of interest will be managed by the relevant Manager, or by the Chief Executive Officer (CEO) in the case of General Managers. Any conflict of interest declared by the CEO will be managed by the Mayor.

Completed declarations must be submitted to the Governance and Integrity Branch within 5 days of identifying the conflict of interest. No duties or responsibilities related to the conflict may be undertaken until formal instruction is provided by the Manager Governance or the Senior Governance Coordinator.

For statutory conflicts of interest, the process for managing conflicts of interest is outlined in the Act and Governance Rules, but officers must, for the avoidance of doubt –

- Disclose the conflict of interest in the manner required by the Governance Rules, and
- Remove yourself for the decision-making process in relation to the matter in which the conflict of interest applies, including any action in relation to that matter.

4.5. Managing conflicts of interest

Management of conflicts of interest occurs according to a six-part management process known as “register, restrict, recruit, remove, relinquish or resign”.

Strategy	Action
Register	Details of the existence of a possible or potential conflict of interest are formally advised and recorded.
Restrict	Restrictions are placed on the employee's involvement in the matter.
Recruit	A disinterested third party is appointed to oversee part or all of the process that deals with the matter.
Remove	The employee does not participate at all in the matter.
Relinquish	The private interest concerned is relinquished.
Resign	The interest is such that it is incompatible with the person’s employment with the Council and the person resigns.

The applicable management plan to be applied depends on the particular circumstances of the conflict of interest. In most cases, one of these strategies shall be sufficient, but it may also be appropriate to implement two or more measures.

By way of illustration, the following examples are provided:

- The domestic partner of a member of staff is a planning consultant who regularly makes applications to Council on behalf of their clients. The member or staff has an administrative role in the planning team but is not involved with assessing applications. The member of staff registers this conflict of interest on the conflict of interest register.
- A member of staff has authority to assign projects to contractors who have been appointed to a panel following a tender process. The staff member’s father is an employee of one of the appointed contractors. The interest is managed by restricting the staff member so that they are not permitted to be involved in the development of the applicable program and cannot participate in project management or payments in relation to projects assigned to any of the companies on that panel. Other staff may continue to do so, but reporting lines are altered to ensure the conflicted staff member is not indirectly involved.
- A town planner has been assessing a permit application for many months, when an objection to the application is received from a friend. As it is not practicable to remove the planner at that

point, another planner is recruited to assess the objection and to review the planner's assessment of the application to ensure that the objection has not been treated inappropriately.

- A staff member from Council's HR team is assigned to an interview panel, only to discover that a friend has submitted an application. The staff member is removed from the panel before the interview process and an alternative member of the team takes their place.
- A staff member is about to embark on a procurement process for a new computer system, and realises that they have a significant shareholding in one of the likely tenderers. Before the process begins, the staff member relinquishes their interest by selling their shares in the company at market value.
- The domestic partner of a member of staff is offered a senior management position with the City of Yarra which would put them as the direct line manager of their partner. After exploring alternative roles in the Council, the staff member determines that there are no suitable positions in other parts of the organisation and that the conflict of interest will be difficult to manage and resigns.

5. Roles and Responsibilities

Staff

Above all else, staff shall ensure that they do not allow their private interests to interfere with the discharge of their public duty. In addition, staff shall disclose any conflict of interest in accordance with this policy as soon as practicable after it arises. Such disclosures will be truthful and complete, and submitted to Council's Governance Support Unit.

Managers and supervisors

Managers and supervisors who become aware that one of their staff have a conflict of interest shall ensure that the conflict of interest has been declared in accordance with this policy and shall establish appropriate conflict of interest management strategies. It is also important to document any measures put in place to manage the conflict of interest as well as ensure any necessary system controls have been implemented.

Suppliers

Suppliers to Council have an obligation to report any instances of conflict of interest that it becomes aware of, either by contacting Council's Governance Support Unit, the Council's Public Interest Disclosure Coordinator or, in the case of corrupt activity, to the Independent Broad-based Anti-corruption Commission.

Suppliers who are found to have engaged in practices that knowingly create inappropriate and undeclared conflicts of interest (such as offering future employment to a staff member in the expectation of preferential treatment) will be in breach of their contractual obligations to Council and are subject to a review of the relationship and possible termination of the contract.

Governance Support Unit

The Governance Support Unit shall be responsible for the administration of this Policy. This includes:

- maintaining a register of conflicts of interest declared in accordance with this policy;
- ensuring that all appropriate registers of conflicts of interest declarations are maintained;
- notifying line management of every conflict of interest declaration made and included on the register;
- ensuring the conflict of interest register is available only to line management and to others where required by law (such as the Local Government Inspectorate);
- reviewing this policy in accordance with the policy review cycle.

6. Definitions

The Act means the Local Government Act 2020.

Conflict of interest means a general conflict of interest or a material conflict of interest as defined by the Local Government Act 2020.

Conflict of interest register means the register of conflicts of interest declared to the Governance Support Unit by Council staff under the City of Yarra Conflict of Interest Policy.

Council staff means

Governance Rules means the Governance Rules adopted by Council under section 60 of the Local Government Act 2020.

Line management means a staff member's direct supervisor, that person's supervisor and so on, up to and including the Executive Management Team. For a member of the Executive Management team, *line management* means the CEO. For the CEO, *line management* means the Mayor.

Policy means the Conflict of Interest Policy.

7. Implementation

This policy will be available on the intranet, with training and education modules available through Learning and Development.

8. Monitoring, Evaluation and Reporting

As outlined in the conflict of interest procedure.

9. Records Management

The management of records will be stored and maintained in accordance with the Public Records Act 1973 (Vic).

10. Related Documents

- City of Yarra Staff Code of Conduct
- City of Yarra Fraud and Corruption Control Policy
- City of Yarra Governance Rules
- City of Yarra Procurement Policy
- Local Government Act 2020
- Public Administration Act 2004
- Independent Broad-based Anti-Corruption Commission Act 2011

11. Document History

Version:	2
Date:	1 June 2026
Changes:	The policy has been amended to include (but not limited to) the following changes: Policy purpose and scope have been further defined Elaboration of conflicts of interest in a good governance context that is separate from the legislative requirements under the Local Government Act 2020 Practical examples for identifying conflicts of interest using examples Requirements for conflict of interest management plans.
Position Title:	Manager Governance and Integrity
Branch:	Governance and Integrity