

Conflicts of interest

Our reputation for integrity and professionalism rests in part on our stakeholders being confident that we are not influenced by a *conflict of interest*^a.

Overview

Objectives

This policy sets standards and provides guidance on how to manage a *conflict of interest* in an ethical manner.

IPART is committed to preventing adverse consequences that can arise from a *conflict of interest*, as well as the appearance of favouritism, undue influence or impropriety.

Scope

This policy applies to Tribunal and Committee members, permanent and temporary employees, contractors, consultants and suppliers that identify a *conflict of interest*.

A *conflict of interest* of selection panel members in procurement or recruitment processes must be disclosed in the [Approval to Engage or Execute](#) and [Recruitment Selection Report](#) respectively. Any *conflict of interest* of selected service providers, contingent labour or recruits is disclosed as part of this policy.

Principles

IPART takes a conservative approach to reporting and managing a *conflict of interest*. The following principles apply:

- Avoid placing yourself in situations that may give rise to a *conflict of interest* where it is practical to do so.
- It can be challenging to objectively identify your own *conflict of interest*, so you should err on the side of caution – the onus is on you.
- You must make a *conflict of interest* declaration^b on commencement^c, and renew your declaration annually, or on change in the nature of your conflict of interest, role, or Manager.

^a Refer definitions section for glossary of terms in *italics*.

^b Complete IPART's Conflicts of Interest declaration using SAP e-Forms – this includes Restricted Companies.

^c All existing employees must complete a new declaration in January 2021 and on an annual basis thereafter.

- Where there is a conflict of interest, you and your Manager must put in place an appropriate management strategy d. This must include notification of decision-makers where relevant.
- Always adhere to the agreed, documented approach to managing your conflict of interest. Regardless of any disclosure that you have made, never favour your personal interest.
- Any failure to disclose a conflict of interest, or conduct which favours a personal interest, is a breach of this policy and IPART's Code of Ethics and Conduct.
- You may not approve transactions that provide you a personal financial benefit without written approval (eg payroll).
- IPART's Code of Ethics & Conduct provides further guidance on Restricted Companies (3.1.3), Other Paid Employment (3.1.4) and Political and Community Participation (3.1.5).
- As part of your conflict of interest declaration you must also declare:
 - You do not have any control over trading activities, and have not traded in, in Restricted Companies. A financial interest in a Restricted Company that creates a conflict of interest must be managed in accordance with this Policy.
 - Secondary employment approved by the CEO (or delegate) and the calendar year it applies to.
 - Political and Community Participation where there is a potential conflict of interest.
- All conflicts and the agreed management strategy must be approved by the Chief Audit Executive and registered in IPART's conflict of interest register.
- IPART does not accept secondments to or from regulated entities in competitive marketse.
- If you identify a potential conflict of interest involving another individual, discuss it with that individual, your manager or with IPART's CAE.

Framework

IPART employees are also bound by [Government Sector Employment Act Part 2 Ethical Framework, Code of Ethics and Conduct for NSW government sector employees](#), as well as [IPART Code of Ethics and Conduct](#) and related policies:

- [Gifts and Benefits Policy](#)
- [Public Interest Disclosure Policy](#)
- [Fraud & Corruption Control Charter](#).

^d For more information refer ICAC's [Managing conflicts of interest in the public sector page 20](#)

^e For more information contact your Executive Leadership Team member

Governance

Roles and responsibilities

Table 1 provides a summary of the roles and responsibilities.

Table 1 Roles and responsibilities

Role	Key responsibility
Chief Executive Officer	<ul style="list-style-type: none"> The general conduct and management of IPART in accordance with the core values of the ethical framework for the government sector. Maintain an overall framework of internal control.
Full Executive and other people managers	<ul style="list-style-type: none"> Ensure their direct reports, including consultants, contractors and outsourced service providers, comply with this policy. Provide leadership in dealing with conflicts of interest. Exercise sound judgment when considering how the conflicts of interest of their direct reports should be managed. Ensure that relationships with suppliers and other contractors remain on a professional footing, free of conflicts of interest.
Policy owner (CAE)	<ul style="list-style-type: none"> Maintain a register of conflicts of interest Provide written and verbal guidance on this policy, where required Develop and deliver any required training on conflicts of interest Updating this policy, at a minimum, every 2 years
Chief Audit Executive (CAE)	<ul style="list-style-type: none"> Organise an independent audit of compliance with this policy, every 3 years. Receive and investigate reports of breaches of this policy Approve management strategies put in place to manage the conflict of interest.
Principal Risk Officer (PRO)	<ul style="list-style-type: none"> Ensure that the frameworks and registers of IPART are designed to appropriately address the risk of conflicts of interest Assist the policy owner, managers and staff to manage the risk posed by conflicts of interest. Report quarterly on conflict of interest declaration completion rates to ELT.
All employees, contractors, consultants and suppliers	<ul style="list-style-type: none"> Place the interests of IPART, NSW Government and the public interest ahead of personal interests Complete a conflict of interest declaration (and, where relevant, disclosing personal interests) in accordance with this policy Adhere to the agreed, documented approach to managing conflicts of interest Reporting reasonably suspected breaches of this policy in accordance with IPART's Code of Ethics and Conduct. Tribunal and Committee members, employees and contractors must confirm in writing on an annual basis that they do not control trading activities, and have not traded in, any of the Restricted Companies.

Delegations

Delegates must always act within the limits of their financial delegations per [IPART's Instrument of Delegation](#) and must not exceed their employer-function or administrative delegations per [Corporate Services – Administrative Delegations](#).

Monitoring and review

This Policy is a managed document. Changes will be issued as a complete replacement document. This Policy will be reviewed, at a minimum every 2 years, or in response to material changes in the operating environment.

Implementation date: 01/01/2021

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Definitions

Table 2 provides a glossary of terms that are not explained elsewhere in this document.

Table 2 Definitions

Term	Definition
Conflict of interest	Exists when a reasonable person might perceive that your personal interests could be favoured over your public duties. In practice, this requires a connection or overlap between those interests and your public duties.
Personal interest	<ul style="list-style-type: none"> Personal interests that may trigger a conflict of interest include: <ul style="list-style-type: none"> Financial interests People who are more than acquaintances Connections to people who have provided income or may provide income Organisations and clubs, and people connected to them Connections to people and entities who have given benefits or favours Other close connections. As a general rule, the personal interests of your family members and close connections are considered to be your personal interests. This does not mean you need to ask your family members and close connections what their personal interests are, but if you become aware of such an interest, it may trigger a conflict.
Financial interests	<ul style="list-style-type: none"> Financial interests can be direct or indirect, short- or long-term, and can stem from both gains and losses. The financial interests of your immediate family members or any other member of your family economic unit are normally deemed to be your interests. Examples include: <ul style="list-style-type: none"> Sources of income, including secondary employment Ownership or lease of land, buildings and property Shares or investments in companies, partnerships or other entities including Restricted Companies Beneficial interest in a trust or deceased estate Loans or debts An option to buy or sell an asset or any other anticipated future financial benefit.
People who are more than acquaintances	<ul style="list-style-type: none"> Any relationship with a person, who is more than an acquaintance, could be a personal interest. This typically includes spouses, relatives (including relatives by marriage), friends, romantic partners, close colleagues, mentors and social connections. It can also include people with whom you formerly had a close relationship; for example, a previous spouse, ex-colleague or an old friend. Feelings of enmity or hatred towards a person can also constitute a personal interest.
Connections to people who have provided or may provide income	<ul style="list-style-type: none"> Other sources of income are financial interests. However, your connection to the people and entities associated with that income are also likely to be personal interests. Examples can include: <ul style="list-style-type: none"> Any current provider of secondary or other employment Current or former business partners Customers, significant suppliers or contractors of a private business or other employer Providers of future employment or business opportunities Relationships with former employers and colleagues, especially if there is ongoing social contact.
Organisations and clubs, and people connected to them	<ul style="list-style-type: none"> A personal interest may arise from a connection with organisations or clubs that may be professional, sporting, recreational, community, arts, social and so forth. Hobbies about which you are passionate could also be classed as a personal interest.
Connections to people and entities who have given benefits or favours	<ul style="list-style-type: none"> Officials may have a personal interest if they could feel indebted or obligated to anyone who has provided gifts, benefits, hospitality or favours. It is not necessarily the gift or benefit itself that causes the conflict of interest, but the potential relationship and sense of obligation or expectation that could arise.
Public duties	<ul style="list-style-type: none"> In addition to the requirements of your job description, your public duties include a requirement to act accordance with the policies, procedures, codes and values of IPART.
Restricted companies	<ul style="list-style-type: none"> IPART maintains a list of companies in industries in which we regulate, conduct reviews and / or make pricing decisions that may affect their business. Under IPART's Code of Ethics, you must not have any control over trading activities, and must not trade in, in Restricted Companies. These companies have been designated Restricted Companies for all employees, regardless of the team in which you work.

Title	Conflicts of Interest
Author	Anthony Wallis
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Owners	
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