



# DRAFT Employment of Relatives Policy and Procedure

MSC11E

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Community Strategic Plan Goal	6. Collaborative and responsive community leadership that meets the expectations and anticipates the needs of the community		
Community Strategic Plan Strategy	6.3: Ensure Council is a best practice employer providing a safe, happy, suitably resourced and productive workplace		

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# 1 Policy Objective

The purpose of this policy is to set out Council's position on Council staff members who are in a Close Personal Relationship.

Council Staff must avoid any Conflict of Interest in the appointment and management of, or interactions with, a person with whom they have a Close Personal Relationship, in accordance with the Council's Code of Conduct. A Conflict of Interest can arise when a staff member makes or participates in employment decisions affecting another person with whom the staff member has a Close Personal Relationship.

Council acknowledges that its staff may have Close Personal Relationships with each other. However, a Close Personal Relationship together with a Reporting Relationship between two employees is undesirable, and as far as possible should be avoided.

Council will fill positions in accordance with the *Local Government Act 1993*. All appointments will be based on merit, in accordance with section s349 of the *Local Government Act 1993*:

*(2) The merit of the persons eligible for appointment to a position is to be determined according to—*

- (a) the nature of the duties of the position, and*
- (b) the abilities, qualifications, experience, and standard of work performance of those persons relevant to those duties.*

# 2 Scope

This policy applies to all employees regardless of status, position or department.

# 3 Definitions

For the purposes of this Policy the following definitions apply.

**Close Personal Relationship** - means a relationship between an employee and a relative, a financially dependent person, a person where there is a financially connected relationship, a close friend, a de facto partner, or any person with whom there is currently, or has been, an intimate or agonistic relationship. This does not include a working relationship which exists due to ordinary collegiate collaboration, where colleagues are not relatives, financially dependent, de facto, or intimate partners.

**Conflict of Interest** - a conflict of interest may arise where an employee has the responsibility to make, or participate actively in making, decisions or recommendations relating to the employment of another individual, which makes it difficult for the employee to be objective, or that for a reasonable person would create the appearance that the employee may not be objective.

**Employment Processes** include:

- Appointment or continuing appointment;
- Conditions of appointment, promotion, or reclassification;
- Termination of employment;
- Provision of opportunities and resources allocation for research, conferences or training and development;
- Referee reports or performance appraisals;
- Payment of funds; and

- Any other employment-related matters where a staff member is in a position to make or influence decisions concerning another staff member.

**Reporting Relationship** - exists between two employees where one of the employees reports to the other employee or to a direct report of the other employee.

**Supervisor** - means the role to whom a position reports.

## 4 Policy Statement

Staff appointments must comply with the Council Recruitment and Selection Policy and Procedure.

A staff member should not be involved in, or influence, or be perceived (by a reasonable person) to be involved in or influence, a decision-making process relating to the employment or supervision of another staff member with whom they have a Close Personal Relationship.

Directors, Managers, Coordinators, Supervisors, and Team Leaders need to be aware of any existing or potential Close Personal Relationships between a staff member and another Council employee where there may be a Reporting Relationship between the two staff members. In these circumstances each employee in the Close Personal Relationship must inform their supervisor in writing and the supervisor must inform the Department Manager in writing.

Where it becomes apparent that an employment decision may result in a Reporting Relationship between staff members who have a Close Personal Relationship, the approval of the General Manager must be obtained before an offer of employment is made.

Where the HR (Human Resources) Coordinator has a close personal relationship with the staff member or a successful candidate from the recruitment process, the HR Coordinator must inform the General Manager and submit a statutory declaration of the relationship in writing. The General Manager will authorise, and issue directions and requirements as may be reasonably necessary to avoid or mitigate the impact of such situations. The action taken, for example, may be the HR Coordinator is not involved in the recruitment process or any employee related affairs.

The General Manager should ensure that as far as reasonably practicable, Reporting Relationships between staff members in Close Personal Relationships are avoided. The General Manager is authorised to issue such directions and requirements as may be reasonably necessary to avoid or mitigate the impact of such situations. The action taken may, for example, involve changing the reporting line of one of the staff members.

Where the General Manager has a Close Personal Relationship with a staff member, the General Manager must inform the Mayor, the staff member's supervisor and manager in writing.

The General Manager must in such circumstances ensure no involvement in:

- Appointment or continuing appointment;
- Conditions of appointment, promotion, or reclassification;
- Termination of employment;
- Provision of opportunities and resources allocation for research, conferences, or training and development;
- Referee reports or performance appraisals;
- Payment of funds; and
- Any other employment-related matters where a staff member is in a position to make or influence decisions concerning another staff member.

Where the General Manager has a Close Personal Relationship with a staff member, the General Manager must delegate to a Director nominated by the HR Coordinator responsibility to provide

direction to meet requirements as may be reasonably necessary to avoid or mitigate the impact of a breach with the Employment of Relatives Policy and Code of Conduct.

## 5 Procedure

These procedures provide guidance on the application of the Employment of Relatives Policy.

A Coordinator, Manager and/or Director needs to be aware of any potential Conflict of Interest issues arising where staff in their area are in a Close Personal Relationship and such relationship, past or current, may influence, or be seen to influence, decision making processes.

When it becomes apparent that employment of a close relative or associate is a likely outcome, the Coordinator, Manager and/or Director must seek approval from the General Manager before an offer of employment is made.

Where the General Manager has a close personal relationship with a staff member, the General Manager must inform the Mayor, the staff member's supervisor and manager in writing and delegate responsibility for decision making in relation to the matter to a Director nominated by the HR Coordinator.

A Coordinator, Manager and/or Director seeking approval for the employment of a close relative or associate of a staff member in their Unit/Department, must provide to the HR Coordinator a statutory declaration outlining the relationship, before an offer of employment is provided to the candidate

The Coordinator Human Resources will review the documentation that has been provided by the Coordinator, Manager and/or Director and refer the matter to the General Manager to determine if the employment process can continue. In the case of an appointment made through the advertising and recruitment process, the Coordinator Human Resources will advise on appropriate requirements to avoid or mitigate the impact of such appointment. This may include actions such as reporting line changes. This decision will be made based on the information provided, and will take into account the provisions of the Employment of Relatives Policy and procedure to ensure an appropriate outcome.

Where a staff member becomes aware that a staff member has failed to disclose a Conflict of Interest of a Close Personal Relationship, they should bring it to the attention of the party who has not disclosed the Conflict of Interest ~~and make them aware of the need for disclosure~~. If the Staff member observing the Conflict of Interest does not feel comfortable to do this, then they should bring it to the attention of their own Supervisor ~~and ask for advice~~. Disciplinary action may be invoked against the staff member involved under the applicable employment agreement.

## 6 Related Documents

### 6.1 Legislation and Guidelines

- Local Government Act 1993

### 6.2 Policies and Procedures

- Recruitment and Selection Procedure
- Code of Conduct (Doc ID 1436817)

## 6.3 Other Supporting Documents

- N/A

# 7 Version History

This section identifies authors who reviewed the Policy and the date that it became effective.

Version No.	Date changed	Modified by	Amendments/Previous adoption details
1	11/6/2019	Council	Adopted by Council 11/6/2019, minute number 325
2	May 2023	Coordinator Human Resources	Policy/procedure reviewed, updated, and reformatted.