

GOV14	Annual return of interests policy
Approval Date:	27 April 2023
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Policy Custodian:	Chief Executive Officer
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Purpose

The Local Government Act and Regulations sets out requirements for Elected Members, the CEO and the Council’s Senior Leadership Team (Members) to ensure transparency and accountability in decision-making. Members are required to make decisions in the best interests of the community and free from bias.

An Annual Return retrospectively discloses any changes to the information previously disclosed or new interests accumulated for the period since completing the last annual return. The Annual Return must be lodged within 14 days of commencement of employment and no later than 30 September in any given year.

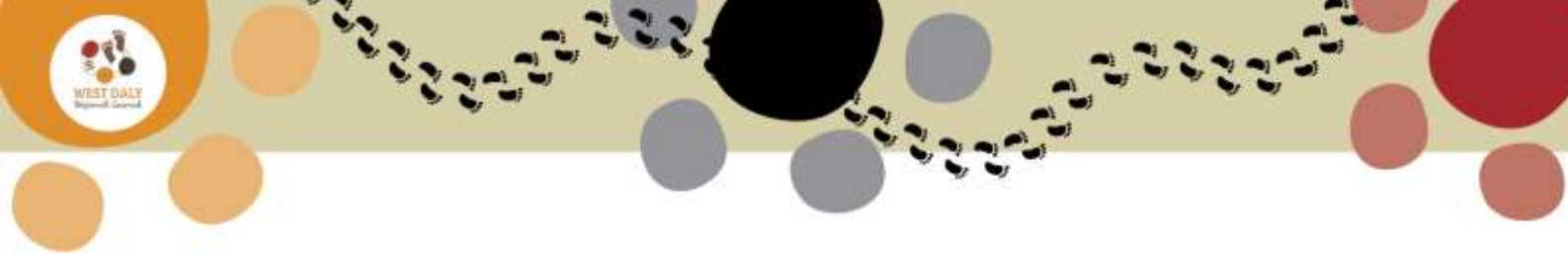
Scope

This policy applies to the CEO, Senior Leadership Team and each Elected Member of Council.

Policy Statement

- 1. Responsibility**
 - 1.1. Members should at all times avoid situations in which private interest’s clash or might reasonably be deemed to have the potential to clash, with their Council duties.
 - 1.2. Members should not participate in any action or matter associated with the arrangement of a contract (i.e. evaluation, negotiation, recommendation, or approval), where that person or any member of their immediate family has a direct or indirect interest or holds a position of influence or power in a business undertaking tendering for the work.

- 2. What information should be disclosed in Annual Returns?**
 - 2.1. The information you must disclose in Annual Returns relates to you personally. You do not have to disclose any information relating to your spouse, children or any other person.
 - 2.2. The value, amount or extent of any asset, income, debt or disposition does not have to be disclosed.



3. Shareholding in a public or private company (including a holding company)

- 3.1 Notify any relevant interest in any shares (as defined in *Corporations Act*) including equitable as well as legal interest, whether held directly or indirectly, which enables a Member, the Member's spouse or dependants to exercise control over the right to vote or dispose of those shares.
- 3.2 Where interests are held in a private holding company (i.e. a proprietary company formed for the purpose of investing in subsidiary companies) all such subsidiary companies, and any subsidiary companies held by those subsidiary companies, should be named.

4. Interest as owner of real estate

- 4.1 Real estate refers to land or things attached to land. For example, a house, shed or jetty. An interest includes, but is not limited to, a financial interest, a right to occupation, a right or power of attorney for someone who is elderly or if you hold shares in the property.
- 4.2 You do not however, need to disclose your interest in real property if you are the executor of a deceased estate or a trustee as part of your occupation or by way of security for a debt
- 4.3 You are required to disclose the street address or the particulars of title of each parcel of real property in which you had an interest and the nature of that interest.

5. Registered company directorship

- 5.1 Company directors have duties under the *Corporations Act 2001 (Cth)*. In making decisions for Council, Members may have a conflict if their decisions are to benefit the company in contractual relations.
- 5.2 You are required to indicate the name of the company and the activities conducted.

6. Interest in partnership

- 6.1 A partnership is defined as the relationship which exists between persons carrying on a business in common with a view to profit. It involves two or more people entering into a contractual agreement amongst themselves.
- 6.2 These details are required as Council procures goods and services from organisations outside of Council and if there is a partnership this needs to be declared.

7. Political membership

- 7.1 Wearing or displaying political material by a Member is generally inappropriate. It may give the impression that the Council endorses the political material or supports a particular government party.
- 7.2 In some circumstances, it may create doubts in the minds of clients as to whether their queries or applications will be handled impartially.



7.3 Members should take care when considering, or commenting on, political or social issues related to their local government role, to ensure it does not conflict with their official duties.

8. Membership in an organisation where an interest with the member's public duties could foreseeably arise or be seen to arise

8.1 A conflict occurs when a person's personal interests conflict with their responsibility to act in the best interests of the Council.

8.2 Personal interests include direct interests, as well as those of family, friends, or other organisations a person may be involved with or have an interest in.

9. Any other interest where an interest with public duties could foreseeably arise or be seen to arise

9.1 For a material interest, there must be a potential benefit or loss to the relevant person or someone who has a relationship with them.

Examples of relationships are:

- family members;
- employers;
- business partners;
- where the relevant person acted as a consultant, contractor or agent;
- a beneficiary of a trust;
- a person who gave a disclosable gift to the Member.

9.2 The benefit or loss can be direct or indirect, pecuniary or non-pecuniary.

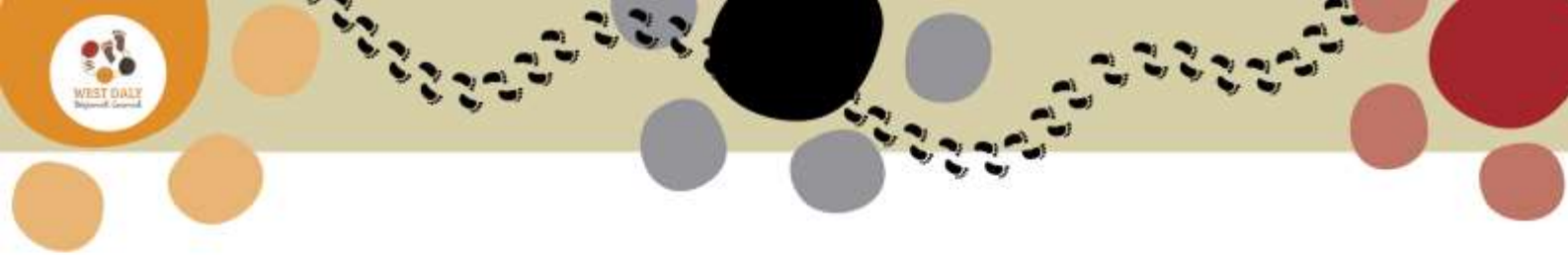
9.3 *Pecuniary interests* are interests that involve an actual or potential financial gain or loss. They may result from the Members or a related party owning property, holding shares or a position in a company bidding for Council work, accepting gifts or hospitality, or receiving income from a second job. Money does not need to actually change hands for an interest to be pecuniary.

9.4 *Non-pecuniary interests* do not have a financial component but may arise from personal or family relationships or involvement in sporting, social or cultural activities. They include any factor which would predispose the Member towards favour or prejudice resulting from friendship, animosity or other personal involvement that could bias the Members judgement or decisions.

10. Any other substantial source of income

10.1 Where a reference is made to a disclosure concerning any income, it includes but is not limited to any income received from rental properties, employers, partnerships and interest accrued from corporate shares – even income derived from outside of the Northern Territory.

10.2 In an annual return you must disclose each source from which income was received any time during the return period (usually previous 12 months).




- 10.3 Income from a source that must be disclosed is income within the meaning of the Income Tax Assessment Act 1936 (Cth); that is, income you would disclose in an income tax return.
- 10.4 As a general rule of thumb, income over \$5,000 per annum might be notifiable but smaller amounts from sources which might, in the judgement of the Member, involve sensitivity or be capable of misunderstanding should be included.

References

Local Government (General) Regulations 106, 107.

For more information, contact the Policy Custodian.

Approval Signature:	
Name:	Matthew Eastham
Position:	Chief Executive Officer