



Illawarra Venues Authority

GOVERNANCE CHARTER

SUBJECT: Governance and Delegation Charter

Policy No: IVA 031

ISSUE	ISSUE/REVIEW DATE	REVIEWED BY	Signature	
			NAME	SIGNATURE
1	13/06/2008	WST	C Christodoulou	
2	16/01/2009	WST	C Christodoulou	
3	04/01/2010	IRSVa	C Christodoulou	Signature on File
3a	10/05/2010	Updated to show name change		

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1. INTRODUCTION

The 2010 Governance Charter has been developed to clearly enunciate the manner in which the Authority will properly and effectively manage the Illawarra Venues Authorities (IVA) assets and operations.

A Governance Charter was first established in 2007 for the Wollongong Sportsground Trust but was amended and updated in 2008, following a Governance Review that was undertaken in November 2008 by Deloitte Touche Tohmatsu.

The Charter includes four (4) main sections covering Governance, the original Code of Conduct for IVA Authority members and Managers, Conflicts of Interest and Delegations.

2. BACKGROUND

The Wollongong Sportsground Trust was established by the Wollongong Sportsground Act 1986, but dissolved and replaced by the IRSVA in 2009, when the IRSVA was established under the auspices of the State sporting Venues Act (2008). Under the same act in 2010 it was renamed to Illawarra Venues Authority (IVA).

The IVA Authority comes under the umbrella of Communities NSW but is appointed and accountable to the Minister for Sport and Recreation. The Hon. Kevin Greene, MP is the current Minister.

The IVA Authority has seven members, with the Authority members responsible for the strategic direction, development and control of the IVA.

The Authority is governed by the provisions of the State Sporting Venues Authority Act (2008)

VISION OF THE AUTHORITY

TO BE THE MOST SUCCESSFUL, INTEGRATED
SPORTS, TOURISM, ENTERTAINMENT, EVENTS AND CONFERENCE
DESTINATION IN REGIONAL AUSTRALIA.

MISSION OF THE AUTHORITY

WE STRIVE TO OPERATE AND DEVELOP SUSTAINABLE
INTEGRATED SPORTS, ENTERTAINMENT AND
CONFERENCE FACILITIES FOR OUR COMMUNITIES

VALUES OF THE AUTHORITY

We:

- Behave with Integrity
- Respect others
- Encourage Innovation
- Provide a safe and healthy place for Staff and Patrons
- Build a positive relationship with our communities
- Encourage responsible social and environmental policies

2.1. The Key Objectives of the Wollongong Sportsground IVA are:

1. Identify and implement the most appropriate opportunities for the IVA's facilities, to ensure the viability of the venues and to maximise return on assets to the IVA and Government.
2. Efficiently and effectively manage all IVA affairs.
3. Fully develop IVA venue and facilities to meet our clients' needs.
4. To become 'first choice', in regional NSW, of our identified clients.
5. Assume financial independence and commercial sustainability.
6. Provide significant regional, economic, community, social and image benefits to the Illawarra.

3. CORPORATE GOVERNANCE

3.1. Introduction to the IVA's Corporate Governance Charter

- Corporate Governance refers to the approach taken by the IVA in leading and directing the organisation, the systems it uses and the procedures it follows.
- The Charter provides a framework for IVA decision-making. It is based on the following premises:
- The IVA Authority has fundamental responsibility for the short, medium and long term future of the organisation, in addition to its fiduciary duties and role in monitoring the organisation's performance.
- The IVA Authority is independent in exercising its role, functions and responsibilities and accountable to the NSW Government and its other stakeholders, in carrying out its governance role. However, the Minister may, through the Chairperson, give directions to the Authority, with respect to the performance of the functions of the IVA.

3.1.1. The Charter addresses:

- Processes of corporate governance
- The role of the IVA Authority
- The role of the IVA Authority members and the Chairperson
- The role of the General Manager and management's relationship with the Authority
- The relationship between this charter and the Code of Conduct of for the Authority IVA Authority members, Managers and Employees
- General delegations including financial delegations

3.2. The Role of the IVA Authority is accountable to the NSW Government for its performance, including:

- Ensuring that the maintenance and renewal of the IVA's infrastructure is, as much as possible, to a condition appropriate to the needs of our stakeholders and the community at large.
- Setting the direction, strategies, policies and financial objectives that shape the IVA's future directions.
- Ensuring that the IVA maintains all legal and fiduciary responsibilities
- The oversight of management and providing a continuing independent and questioning review of the implementation of the IVA's policies. and strategies
- Giving frank, independent and thoughtful advice on policy directions and to support management in delivering IVA strategy.
- Providing a forum for the expression of stakeholder opinion in regard to the IVA's services and performance.

3.2.1. The IVA Authority's principal role to fulfil its functions is:

- Maintaining and developing the IVA Authority's values and ensuring these values are reflected in organisational behaviour and practice
- Developing and overseeing the implementation of corporate strategies

- Overseeing the plan of management IVA Developing and approving the Strategic/Corporate Plan and updating that plan Approving the annual operating plan and operating budget
- Approving all capital expenditure and contracts that are:
 - a) In addition to those approved in the budget
 - b) Greater than the monetary limit given to Management for approval
- Ensuring risks to the IVA's business are understood and managed appropriately and that appropriate business continuity plans and strategies are in place
- Ensuring the IVA's compliance with legal and regulatory requirements
- Ensuring the integrity of internal controls and financial management systems
- Establishing and defining the terms of reference of IVA standing and ad hoc committees
- Recommending the appointment and terms and conditions of appointment of the General Manager (GM) and senior managers
- Annually monitoring and reviewing management's performance and providing performance feedback to Communities NSW and the General Manager
- Delegating such functions and authorities as it considers appropriate to the GM
- Ensuring that proper governance practices, including appropriate standards of ethical behaviour, corporate governance and social responsibility, are adhered to at all times
- Reviewing and reporting annually on the achievement of the IVA 's objectives and signing off on an annual report to the Minister

3.3. The Role of Individual IVA Authority members

3.3.1. The members of the IVA Authority are responsible for –

- Compliance with the IVA Code of Conduct for the IVA Authority members and Management.
- Offering informed and forthright advice at IVA Authority meetings and questioning, requesting information, raising issues and fully canvassing all aspects of issues confronting the IVA Authority
- Making decisions according to their own insight, skills, experience, expertise, and well formed understanding of the Authority's strategy and values
- Publicly supporting IVA Authority's decisions
- Maintaining confidential information received as a member of the IVA Authority

3.4. Role of the Chairperson

3.4.1. The Chairperson's Role

- Provides leadership to, and promotes cohesiveness and effectiveness in the functioning of the IVA Authority
- Encourages individual Authority Members IVA Authority members to make an effective contribution to discussion and decision making
- Discharges a key role in developing and maintaining a productive relationship between the Authority and management

3.4.2. The Function of the Chairperson

The Chair's principal functions are: -

- Develop and maintain a close working relationship with the GM, which includes open and comprehensive information sharing and constructive co-operation in working to the IVA objectives
- Convey the Authority's decisions clearly and effectively to Management
- Regularly review with the GM and senior management, implementation of the IVA Authority's strategic plan and report on progress towards achieving planned outcomes
- Mediate and resolve any differences or issues that arise in the relationships within the Authority, and between the IVA Authority members and the Management
- Prioritise key issues to be dealt with by the Authority at their meeting and in consultation with the GM and determine the Authority meeting agenda
- Chair Authority meetings and facilitate their smooth and effective running
- Ensure the accuracy and comprehensiveness of Authority meeting minutes
- Coordinate the activities of the IVA Authority standing and ad hoc committees
- Build sound relationships with stakeholders and communicate stakeholders' opinions, issues and feedback on the IVA's performance to the Authority and through the Authority to the GM
- Arrange and carry out the review of the GM's performance on an annual basis in consultation with Communities NSW
- Coordinate succession plans as part of the business continuity planning for GM and Senior Managers
- Act as spokesperson for the IVA Authority on non-event based or policy matters
- Review and support the consistent implementation of the IVA Authority Code of Conduct by the Authority members and Management.

3.5. Role of the General Manager

The General Manager is accountable to the IVA Authority members as a matter of legal responsibility and is assisted by the senior management group.

The major elements of the General Manager's role are:

- Manage the organisation in accordance with the directions from and policies agreed to by the Authority and is responsible for the implementation of policy and strategy and objectives, as approved by the IVA Authority
- Be responsible to bring to effect the intentions of the stakeholders, consistent with IVA values and IVA Authority strategy
- Be responsible for ensuring a free and comprehensive flow of information between the Authority and management and ensuring that the Authority is provided with all necessary information to enable it to fulfil its governance responsibilities
- Is the usual holder of licences and permits from regulatory agencies?
- Keep the Authority informed of key developments in venue management including ways to constantly improve the business without relying on government assistance.

3.6. Authority – General Manager Relationship

- The relationship between the Authority and the GM is fundamentally important in assisting the Authority to add value to IVA. The GM reports on organisation performance and is accountable to the Authority for the IVA's operational outcomes.
- The GM and the Authority each have a responsibility to promptly and effectively address any issues, difficulties or tensions that arise in this relationship.

3.7. The GM's principal functions are –

- Develop and maintain a close working relationship with the Authority, which includes open and comprehensive information sharing and constructive cooperation in working to IVA's objectives
- Implement the policies and strategies approved by the Authority
- With the Chairperson and senior management, regularly review and report on progress towards the IVA's objectives
- In consultation with the Chairperson organise the Authority meeting agenda
- With the Chairperson, coordinate the activities of the Authority's standing and ad hoc committees
- With the Chairperson, build sound relationships with stakeholders and communicate stakeholders' opinions, issues and feedback on the IVA's performance, to the Chairperson and Authority
- Review and prepare for approval by the Authority, an annual Business Continuity Plan incorporating a Risk Management Plan and implement and review regularly the implementation of the Plan, reporting on any issue which falls outside risk levels defined in the plan and inform the IVA Authority of any current risk issues as they arise
- Co-ordinate the preparation of an annual budget, identifying revenues and expenditure, financial targets, risks and outcomes, for Authority approval
- Regularly report on progress against budget and prepare such other interim budgets as circumstances or the Authority reasonably requires
- Prepare annually a Business/Operational Plan, in collaboration with the Authority, outlining objectives, strategies, action and results and report to the Authority

monthly on operational outcomes, risk management issues, and compliance with legal and regulatory requirements.

- Report proposals for capital or other expenditure and contracts (within the limits approved by the Authority) to the Authority for approval prior to outlay or execution respectively.
- Be responsible for the day-to-day control and management of IVA Authority activities
- Establish, maintain and regularly review appropriate and effective internal processes and controls, management information systems and accounting records
- Prepare advice in respect to senior management team members' appointments, and terms and conditions for consideration of the Authority and Communities NSW
- Regularly review performance of senior management team members
- Ensure an ethical and safe working environment
- Prepare a draft Annual Report for the Authority's review at the end of each financial year, covering financial and non-financial performance, key achievements, constraints in meeting targets and future directions
- Sign agreements with third parties under Authority delegations
- Keep the Authority informed of all of the activities of the organisation
- Work appropriately with Communities NSW IVA

4. CODE OF CONDUCT

4.1. Application

This Code of Conduct applies to IVA Authority members and senior managers who carry out work for IVA

4.2. Preamble

The people of New South Wales have a right to expect the business of the State to be conducted with efficiency, fairness, impartiality and integrity.

IVA Authority's trusteeship of State assets and public employment carries with it a particular obligation to the public interest. It requires standards of professional behaviour from IVA Authority members and staff that promote and maintain the public's confidence and IVA in the work of government agencies.

The IVA Code of Conduct for Authority members and senior management is designed to convey the obligations and standards of behaviour expected of IVA Authority members and managers, and to resolve any ethical issues that may arise during the course of their duties.

4.3. General Principles

The community is entitled to expect the business of the State to be conducted with efficiency, economy, fairness, impartiality and integrity. To meet this expectation, all IVA Authority members and managers need to follow the following general principles when carrying out their duties:

4.4. Responsibility to the government of the day

IVA Authority members and managers are to implement the policies and decisions of the Government of the day in an impartial manner. In particular, they must comply with any relevant legislative, industrial and administrative requirements.

4.5. Respect for people

The IVA Authority members and managers are to treat members of the public and their colleagues fairly and consistently, in a non-discriminatory manner with proper regard for their rights and obligations. In this regard, they should perform their duties in a professional and responsible manner.

They should also ensure that their decisions and actions are reasonable, fair and appropriate to the circumstances, based on a consideration of all the relevant facts, and supported by adequate documentation.

4.6. Integrity and public interest

The IVA Authority members and managers are to promote confidence in the integrity of public administration and always act in the public interest and not in their private interest.

Authority members and managers should protect the reputation of public sector agencies. They should not engage in activities, at work or outside work that would bring the public sector into disrepute.

4.7. Responsive service

The Authority IVA Authority members and managers are to provide a relevant and responsive service to their clients and customers, providing all necessary and appropriate assistance and fulfil the IVA's service performance standards.

They should provide information promptly and in an appropriate format that is easy for the recipient to understand. The information should be clear, accurate, current and complete.

4.8. Economy and efficiency

The IVA Authority members and managers should keep up to date with advances and changes in their area of expertise, and look for ways to improve performance and achieve high standards of public administration. The IVA is committed to keeping the community informed on this issue through the preparation and publication of its Annual Report.

IVA Authority members and managers should use their authority, available resources and information only for the work-related purpose intended.

4.9. Guide to ethical decision-making

To assist in fostering a climate of ethical awareness, conduct and decision-making, IVA Authority members and managers should consider the following five points:

- Is the decision or conduct lawful?
- Is the decision or conduct consistent with government policy and in line with the IVA's objectives and code of conduct?
- What will be the outcome for IVA Authority members, manager, work colleagues, the IVA, and other parties?

- Do these outcomes raise a conflict of interest or lead to private gain at public expense?
- Can the decision or conduct be justified in terms of the public interest and would it withstand public scrutiny?

4.10. Acceptance of gifts or benefits

- Authority members or managers are public officials and are required to perform functions with integrity, impartiality and honesty. During their term of appointment they may be offered certain gifts or benefits.
- It is critical to be wary here for the acceptance of gifts or benefits can place a public official in a position where they feel obliged to act contrary to rules of integrity, impartiality and honesty.
- If they are offered money or gifts in order to obtain a benefit or favour it is illegal. It is called bribery and is one form of corruption. Similarly, if they seek or accept a bribe it is called corruption.
- Authority members and managers must not accept gifts or benefits that could place them under an actual or perceived financial or moral obligation to other organisations or to individuals. To avoid the possibility of being compromised, only gifts e.g.; pins, badges, etc or hospitality of token or nominal value may be accepted in some circumstances.
- Accepting such tokens, gifts or benefits is essentially a matter of judgement. IVA Authority members or managers must be satisfied that their position will not in any way be compromised or appear to be compromised by acceptance.
- The IVA may approve the acceptance of token gifts or benefits under certain circumstances provided that there is no possibility that the recipient might be, or might appear to be, compromised in the process.
- IVA Authority members and managers should advise the IVA if they believe they have been offered a bribe, or if they have been offered or received a benefit.

4.11. Supply of Goods & Services

When seeking the supply of goods and services, the IVA's general principle should be to provide a competitive tendering environment in which should prospective suppliers bid for IVA work. In most instances, three (3) quotes should be obtained to ensure the IVA receives 'best value' from all its' suppliers of goods and services.

However, this requirement to obtain three (3) quotes is not required if it is apparent to the General Manager that:

- a) The supply is under emergency circumstances
- b) The total of the supply is under \$5,000
- c) It can be justified that the supplier is a preferred, specialist or only supplier if its type, in the Region.

In these circumstances, the IVA may choose a supplier previously selected and whose services have found to be satisfactory. If a situation a) or c) the above may arise, the General Manager is to advise the Chairperson and the reason why. The Chairperson will then bring the matter to the attention of Authority IVA Authority members.

When selecting suppliers for the IVA work, the IVA Authority and management should be mindful of the potential for Conflicts of Interest, as described in Section 3 of this policy.

If the Authority member, manager or staff member has a personal, professional or business relationship with the supplier, this relationship should be disclosed and it is preferred that three quotes are obtained, unless the above exceptions preclude that.

If it is decided by the General Manager, in consultation with the Chairperson, that a company needs to be used where a Authority member, Manager or staff member has a personal, professional relationship with the supplier, the Authority member, Manager or staff member will be excluded from any involvement with the decision to utilise these goods or services.

Depending on the seriousness of the conflict of interest, the Chairperson may decide that the matter be forwarded to the IVA to determine whether that supplier is selected for the work.

4.12. Fairness and Equity

Issues or decisions considered by the Authority members and managers should be dealt with consistently promptly and fairly. This involves dealing with matters in accordance with approved procedures, in a non-discriminatory manner, and in conformity with natural justice.

When using any discretionary powers, IVA Authority members and managers should ensure they take all relevant factors into consideration, have regard to the particular merits of each case, and not take irrelevant matters or circumstances into consideration.

4.13. Discrimination and harassment

IVA Authority members or managers must not discriminate against or harass colleagues or members of the public on any grounds including sex, marital status, pregnancy, age, race, ethnic or national origin, physical or intellectual impairment, homosexuality, trans-sexuality and HIV/AIDS. Such harassment or discrimination could constitute an offence under the ***Anti Discrimination Act 1977*** or various federal laws.

In addition, IVA Authority members or managers must not harass or discriminate on the grounds of political or religious conviction. The IVA's Equal Employment Opportunity (EEO) Policy and practices also reflect these values.

IVA Authority members and managers must make sure that the IVA workplace is free from all forms of harassment and discrimination. They should understand and apply the principles of equal employment opportunity and ensure that their employees are informed of these principles. IVA Authority members and managers should take all necessary steps, such as training and other active measures, to prevent and deal with harassment and discrimination in their work area.

4.14. Occupational Health and Safety

The IVA Authority members and managers are committed to the provision of a safe and healthy working environment for staff, clients, customers and the public. As a consequence of this, the IVA encourages all members of staff to regard accident prevention and working safely as a collective and individual responsibility.

The IVA recognises its corporate responsibility under the ***NSW OH&S Act (1983)*** and associated legislation. Managers have a responsibility to ensure the health and

safety of all in the IVA's facilities, and a duty to provide and maintain so far as practicable a working environment that is safe and without risks to health.

For further information, refer to the IVA's Occupational Health and Safety Policy.

4.15. Public Comment

Public comment on the work of the IVA by Authority and managers includes public speaking engagements, comments on radio or television or in letters to newspapers, and expressing views in books, journals or notices where it is expected that the comments will spread to the general community at large.

Authority members or managers, as individuals, have the right to make public comment and enter into public debate on political and social issues. However there are circumstances in which this is inappropriate. For example, situations where the public comment, although made in a public capacity, may appear to be an official comment on behalf of the IVA.

In general, public comment is only to be made by the Chairperson (policy and strategy), General Manager, Manager Business Development (Events and Operational) or Authority members, nominated by the IVA.

For further information, refer to the IVA's Media and Communications Policy.

4.16. Protecting confidential information

IVA Authority members or managers that have access to confidential and sensitive personal, commercial and political information should take special caution to ensure that it is not disclosed without clear authority. Official information must only be used for the work-related purpose intended and not for personal benefit.

Unless authorised to do so by legislation, IVA Authority members or managers must make sure they do not disclose or use any confidential information without official approval. Unauthorised disclosures may cause harm to individuals or give an individual or organisation an improper advantage. The integrity and credibility of the IVA may also be damaged if it appears unable to keep its information secure.

4.17. Electronic Information

IVA Authority members or managers should not use the IVA's computing facilities to access, download, transmit or display material that might be offensive to members of the community or the public and is not relevant to their work.

A computer user may not use computer facilities for or on behalf of any party for the purpose of profit-making or commercial activity, unless written permission has been obtained from the General Manager.

For further information, please refer to the IVA's Internet and Email Policy.

4.18. Use of official facilities and equipment

IVA Authority members and managers are expected to be efficient and economical in their use and management of public resources. Unless express permission has been granted, IVA resources are not to be used for private purposes.

4.19. Secondary employment

The General Manager must have the official approval of the Chairperson and the other managers, the approval of the General Manger, before they engage in any form of paid employment outside their official duties. Managers must also carefully consider whether the organisation offering them secondary employment may

adversely affect the performance of their IVA duties and responsibilities or give rise to a conflict of interest. This principle applies whether they are working full-time, part-time or only temporarily.

4.20. Political and community participation

IVA Authority members and managers must make sure that any participation in party political activities does not conflict with their primary duty as a public employee to serve the government of the day in a politically neutral manner.

If Authority members or managers become aware that a potential conflict has arisen or might arise, they should inform the Chairperson immediately and may have to stop the political activity or withdraw from the areas of their work where the conflict is occurring.

Within the context of this Code, IVA Authority members or managers are free to fully participate as volunteers in community organisations and charities, and in professional organisations.

4.21. Corrupt Conduct

Reporting corrupt conduct, maladministration and serious and substantial waste of public resources

Corrupt conduct can be generally understood as the dishonest or partial exercise of public official functions. It may also involve the conduct of non-public officials that adversely affects the honest and impartial exercise of a public official's functions. A principal officer of a public authority is required to report corrupt conduct or suspected corruption to the Independent Commission Against Corruption (Section 11 of the Independent Commission Against Corruption Act). The principal officer of the IVA (in terms of corrupt conduct reporting) is the Chairperson.

For conduct to be considered corrupt under the ICAC Act definition, it has to be serious enough to involve a criminal offence, a disciplinary offence or be grounds for dismissal.

A report must be made to the ICAC as soon as you have a reasonable suspicion that corrupt conduct may have occurred or may be occurring. Matters must be reported to the ICAC regardless of any duty of secrecy or other restriction on disclosure. It is important that reports to the ICAC be made without advising the person(s) to whom the report relates and without publicity.

IVA Authority members and managers are urged to report suspicions of corrupt conduct, maladministration and serious and substantial waste of IVA resources.

When a member of the IVA Authority or manager suspects corrupt conduct, they should report the allegation in confidence to the Chairperson. Any such allegations will be treated in strict confidence and investigated as considered appropriate.

The ***Protected Disclosures Act 1994*** offers protection for the IVA Authority members and/or managers who voluntarily report suspected corrupt conduct. IVA Authority members or managers can also report directly to one of the three investigative bodies: the ICAC, the Auditor General or the Ombudsman.

Where disclosures are made to an external investigating body, those concerning corrupt conduct should be made to the ICAC. Disclosures concerning maladministration should be made to the Ombudsman, and disclosures concerning substantial waste of public money should be made to the Auditor General.

In addition, particular requirements to report suspected corrupt conduct are placed on IVA Authority members and managers by the ***Independent Commission Against Corruption Act 1988***.

4.22. Compliance Monitoring

IVA Authority members or managers are required to be familiar with their responsibilities under the Code of Conduct and to report any breaches to the Chairperson of the IVA.

If considered appropriate, an IVA sub-committee will be formed to investigate the alleged breach and determine further action if required. The deliberations and findings of the sub-committee will be formally reported and recorded at the following IVA meeting.

4.23. Post Separation Employment

IVA Authority members or managers should not use their position to obtain opportunities for future employment. They should not allow themselves or their work to be influenced by plans for, or offers of, employment outside the IVA. If they do, there is a conflict of interest and the integrity of the individual and the IVA is at risk.

Former IVA Authority members or managers should not use, or take advantage of, confidential information that may lead to gain or profit obtained in the course of their official duties, until it has become publicly available.

All IVA Authority members and managers should be careful in their dealings with former employees of the IVA and make sure that they do not give them, or appear to give them, favourable treatment or access to privileged information.

4.24. Relevant Legislation

- Wollongong Sportsground Act (NSW) 1986
- State Sporting Venues Authority Act (2008)
- Public Sector Management Act (NSW) 1988
- Affirmative Action (Equal Employment Opportunity for Women) Act 1986
- Anti-Discrimination Act (NSW) 1977
- Freedom of Information Act (NSW) 1989 (amended 1992)
- Independent Commission Against Corruption Act (NSW) 1989
- Industrial Relations Act 1996
- Ombudsman Act (NSW) 1974
- Privacy and Personal Information Protection Act (NSW) 1998
- Protected Disclosures Act (NSW) 1994
- Public Finance and Audit Act (NSW) 1983
- Racial Discrimination Act 1975
- Sex Discrimination Act 1984
- Disability Discrimination Act 1992
- Occupational Health and Safety Act (NSW) 1983
- Crimes Act 1900

5. CONFLICTS OF INTEREST

5.1. What is a conflict of interest?

The Organisation for Economic Cooperation and Development (OECD) has undertaken extensive work on conflicts of interest and has developed the following simple and practical definition:

A 'conflict of interest' involves a conflict between the public duty and private interests of a public official, in which the public official has private interests which could improperly influence the performance of their official duties and responsibilities.

A conflict of interest can arise from avoiding personal losses as well as gaining personal advantage – whether financial or otherwise.

Conflicts of interest can be actual, perceived or potential.

5.2. Identifying conflicts of interest

It is not always easy to decide when private interests and public duty are, or might be, in conflict with each other. The key test is whether an individual public official could be influenced, or appear to be influenced, by a private interest in carrying out their public duty.

This is an objective test – when applied it should focus on the official role and the private relationships and interests of the person concerned, and whether a reasonable disinterested person would think these relationships and interests could conceivably conflict or appear to conflict with the person's public role.

5.3. Why managing conflicts of interest is important

The community expects that public officials will perform their duties in a fair and impartial way, putting the public interest first at all times.

The integrity of public officials and public sector processes is also fundamental to the rule of law, one key principle of which is that every citizen is equal before the law and should receive fair and impartial treatment.

While conflicts of interest should be avoided wherever possible, conflicts often happen without anyone being at fault. Conflicts of interest can – if not identified, disclosed and managed effectively – cause public officials to put private interests above the public interest; thereby compromising their work and creating a catalyst for serious misconduct and corruption.

Conflicts of interest are not wrong in themselves – public officials are also private individuals and there will be occasions when their private interests come into conflict with their duty to put the public interest first at all times – but such conflicts must be disclosed and effectively managed.

Public sector organisations must also ensure that conflicts of interest are seen to be managed in a transparent and accountable manner. The perception that conflicts of interest are not being managed properly can undermine confidence in the integrity of public officials and public sector organisations.

Managing conflicts of interest properly brings a range of benefits for public sector organisations.

First and foremost, opportunities for corruption or improper conduct are reduced.

Second, effective policies and procedures for identifying, disclosing and managing conflicts of interest mean that unfounded accusations of bias can be dealt with more easily and efficiently.

Third, the organisation can demonstrate its commitment to good governance by addressing an issue that is commonly associated with corruption and misconduct.

A transparent system that is observed by everyone in an organisation as a matter of course will also demonstrate to members of the public and others who deal with the organisation that its proper role is performed in a way that is fair and unaffected by improper considerations.

Failure to identify, declare and manage a conflict of interest is where serious corruption often begins and this is why managing conflicts of interest is such an important corruption prevention strategy.

Conflicts of interest cannot always be avoided or prohibited. Unavoidable conflicts of interest need to be identified, disclosed and effectively managed.

5.4. Definitions of terms

As described earlier, conflicts of interest can be actual, perceived or potential.

An **actual conflict of interest** involves a direct conflict between a public official's current duties and responsibilities and existing private interests.

A **perceived or apparent conflict of interest** can exist where it could be perceived, or appears, that a public official's private interests could improperly influence the performance of their duties – whether or not this is in fact the case.

A **potential conflict of interest** arises where a public official has private interests that could conflict with their official duties in the future.

The term 'private interests' includes not only the personal, professional or business interests that each of us has, but also the personal, professional or business interests of the individuals or groups we associate with. This might include relatives, friends or even rivals and enemies. Whether we wish to see them benefit or be disadvantaged, we have a private interest in relation to such people.

Private interests, then, are those interests that can bring benefit or disadvantage to us as individuals, or to others whom we may wish to benefit or disadvantage.

Private interests are divided into two types: **pecuniary** and **non-pecuniary**.

Pecuniary interests (known as 'material personal interests') involve an actual or potential financial gain or loss. Money does not need to change hands for an interest to be pecuniary. People have a pecuniary interest if they (or a relative or other close associate) own property, hold shares, have a position in a company bidding for government work, or receive benefits (such as concessions, discounts, gifts or hospitality) from a particular source.

Non-pecuniary interests do not have a financial component. They may arise from personal or family relationships, or involvement in sporting, social or cultural activities. They include any tendency toward favour or prejudice resulting from friendship, animosity, or other personal involvement with another person or group. Also included in this group are social and professional activities.

A **direct interest** is where the benefit (potentially) flows directly to a IVA Authority members or member of staff, while an **indirect interest** would be through a third party (e.g. relative, friend, etc.).

The **public interest** can be defined as the interest of the community as a whole. It is not the sum of individual interests nor the interest of a particular group, but the collective interest of the entire community.

Public duty, then, is the duty of public sector officials to always put the public interest above their own personal or private interests when carrying out their official duties.

Understanding and defining the differences between actual, perceived or apparent and potential conflicts of interest assists in identifying when a conflict exists and determining which type of management approach may be the most appropriate.

It is important to recognise that a poorly-managed perceived or apparent conflict of interest can be just as damaging as a poorly-managed actual conflict of interest.

The critical factor is that public officials must not only behave ethically, they must also be seen to behave ethically.

There is nothing unusual or necessarily wrong in having a conflict of interest. How it is dealt with is the important thing.

5.5. How conflicts of interest are managed by the IVA Authority

IVA Authority members and managers are required to make an annual declaration of potential, actual or perceived interests (pecuniary and non-pecuniary, direct and indirect) that may be relevant to the business of the IVA. This is accomplished by filling out the Annual Disclosures Declaration Form and lodging it with the IVA before 1st July each year.

Details from the Form are then transferred to the **General Conflicts of Interest Register** which sets out all interests (e.g. memberships, directorships, professional and personal associations – including immediate family members). The Register is updated each time an annual or interim declaration is made. The register includes a list (alongside person's name) of any potential/future IVA activities, proposals or tenders that the person should not be involved in. This list is endorsed by the IVA Chairperson and General Manager.

IVA Authority members that have a **direct or indirect pecuniary interest** in a matter that is about to be considered, must disclose the nature of that interest at a meeting of the IVA. This disclosure is recorded in the IVA meeting minutes.

After the disclosure is made, the **IVA Authority members may not be present during any deliberations, take any part in decisions nor be provided with any relevant IVA papers with respect to that matter.**

Particulars of the disclosure are also recorded in a 'book kept for the purpose', which can be made available if requested to the public (for a nominated fee). This **Public Access Register** is updated after each disclosure with the date of the meeting, the name of the IVA Authority members making the disclosure, the nature of interest disclosed and the action taken to manage the interest.

Lastly, the IVA's Statement of Business Ethics warns of conflicts of interest that may arise when third parties are used to supply either goods or services to the IVA. In order to minimise this risk, suppliers that provide goods or services to the value of \$10,000 (either as a one-off or annually) are required to fill in and return the **Suppliers Conflicts of Interest Declaration Form.**

The Form is designed to identify if any owner, manager or employee of the business has an association with IVA Authority members, managers or employees which could reasonably be regarded as a potential, actual or perceived conflict of interest in relation to the supply of the goods or services.

If a returned Form does disclose an association, then it is referred to an IVA meeting for a decision on how the matter will be managed appropriately. The nature of the association and the IVA decision on the action taken to manage the association will be recorded in the meeting minutes, and also in the **Suppliers Conflicts of Interest Register**. All returned Forms are kept on record.

6. DELEGATIONS

All delegations given to management and staff must adhere strictly to the following

6.1. General Delegations

6.1.1. Authority Delegation to General Manager

- The Authority delegates to the GM the following:
- Execute contracts approved by the Authority on behalf of the Authority and contracts for which Authority approval is not required
- Expend money provided for in any annual (or interim) budget approved by the Authority and in accordance with the Financial Delegation Authority
- Expend money on capital or other expenditure approved by the Authority.
- Day to Day operations with respect to the procurement and or organisation of events

6.1.2. The following must be referred to the Authority for approval:

- Budgets (including detailed background papers)
- Any proposed appointment of a senior manager reporting to the GM, whether budgeted or not
- Any capital expenditure item (for a monetary amount in excess of the amount approved by the Authority) not included in the approved budget or to a level of the Authority's delegation
- Any proposal relating to the sale or acquisition of real property
- Any major change of policy in operations' marketing, personnel, financial and other compliance
- Any proposed change in corporate strategy
- The creation of any new permanent staff establishment not included in the budget
- Any disputes with key stakeholders which are likely to be detrimental to the Business or reflect badly in the community
- Final details of any legally binding agreements for goods and services in excess of a monetary amount fixed from time to time by the Authority or allowed for in the budget
- Commitment to a financial expense in excess of delegated financial authority
- Any arrangements that do not comply with the IVA Authoritys adherence to State Government Purchasing Guidelines in regard to correct Tendering Procedures

- Any entrepreneurial activity in relation to events at the venues that do not cover operational costs or rely on the Authority undertaking a financial risk
- Comments to the media in regard to IVA policy or matters that do not relate to events or activities at the venues
- Provision and arrangements for Authority Hospitality
- Contractual arrangements in excess of 12 months
- Any overseas or interstate travel
- The engagement of consultants where the annual expenditure collectively exceeds \$10,000
- Significant Industrial Relations matters.
- All matters associated with the upgrade or development of the venues or precinct

6.1.3. Financial Delegation of Authority and General Principles for application

All expenditure incurred by the IVA Authority must be for IVA purposes and must comply with policies, as determined by the Authority and Government, from time to time.

The Authority must approve, either directly or through delegation, all expenditure incurred by the IVA. Financial Delegates have authority to commit the funds of the IVA within the budget approved by the Authority.

A delegate may not exercise a delegation that will result, either directly or indirectly, in any tangible benefit to the delegate. If any conflict of interest occurs this must be declared in accordance with the **Code of Conduct**.

Financial Delegations within the IVA are intended to achieve three objectives:

- To ensure the efficiency and effectiveness of the IVA's administrative processes
- To ensure that the appropriate officers have been provided with the level of financial authority necessary to discharge their responsibilities, and
- To ensure Internal Controls are effective.

6.2. Legislative requirements

Financial delegations are to be exercised in accordance with the Wollongong Sportsground IVA Act (1986), NSW Government Policies and Procedures dealing with financial and procurement activities and associated audit requirements.

6.3. IVA Authority Delegations

The IVA Authority is the approving authority for financial delegations within IVA operations.

- Staff shall have authority to approve individual transactions up to the level set out in the table below, provided that it is within the budget
- The General Manager is authorised to approve transactions of up to **\$20,000.00** for unforeseen expenditure where monies are available within the overall budget.
- Cheque signatories shall be the General Manager and Manager Corporate Services, except where the transaction contains and inherent conflict of interest for either party where another Senior Manager or Authority Member may need to be a signatory.

6.3.1. Definitions

Transaction can be a total contract, order, invoice, receipt or payment

Budget refers to the budget for the relevant business activity centre or capital expenditure item

Event Settlements are the payment of net Box Office takings, held in IVA, for the Promoter, with payment approved by the General Manager and the Manager Corporate Services, on agreement with the Event Promoter, after the event has concluded.

Delegation	Position of Authority	Notes
Transactions within Budget over \$50k	Chairperson and General Manager	Event Settlements can be signed off by GM and MCS
Transactions within budget up to \$50k	General Manager	Event Settlements can be signed off by GM and MCS
Transactions within Budget up to \$5k	Managers	
Transactions within budget up to \$300.00	Supervisors	

A delegate may not exercise a delegation that will result, either directly or indirectly, in any tangible benefit to the delegate.

If any conflict of interest occurs this must be declared in accordance with the Code of Conduct for IVA Authority members or managers and the Code of Conduct for employees.

7. REVIEW OF THIS CHARTER

In accordance with IVA procedures, this policy document shall be reviewed in five years. This requirement does not, however, preclude earlier review.