



# County of Wellington Social Services Department – Housing Services DIRECTIVE

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**Directive Number: 2013-09**

**Effective Date: November 14, 2013**

This directive has been developed by the County of Wellington in its role as Consolidated Municipal Service Manager (CMSM) and applies to housing providers funded under the following social housing programs:

√	<b>Provincially Reformed Non-Profit Housing Programmes (MNP, PNP &amp; OCHAP)</b>
√	<b>Provincially Reformed Co-operative Housing Programmes (Co-ops)</b>
√	<b>Municipal Non-Profit Housing Programme (Section 56.1 Pre-1986)</b>
	<b>Local Housing Corporation (LHC)</b>
	<b>Federal Non-Profit Housing Programme (Section 95 Pre-1986)</b>

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**Subject: Conflict of Interest**

**Legislative References:** Housing Services Act, 2011 (HSA) S.75 and O.Reg. 367/11 S.100  
Housing Services Act, 2011 O.Reg. 367/11 S.100 (1)

## **Background**

The HSA S.75 and O.Reg. 367/11 S.100 permit the CMSM to establish local standards for housing providers.

HSA O.Reg. 367/11 S.100 (1) permits the CMSM to establish local standards for identifying and addressing conflict of interest among directors, employees and agents of a housing provider.

## **Direction**

Directors, employees and agents of a housing provider shall not be involved in any decision-making situation where a perceived, potential or actual conflict of interest exists.

A conflict of interest includes the following circumstances:

- The personal or business interests of a director, employee or agent of a housing provider are in conflict with the interests of the housing provider;
- A personal gain, benefit, advantage or privilege is directly or indirectly given to or received by a director, employee or agent of the housing provider or a person related to one of them as a result of a decision by the housing provider; and
- Decisions or actions by any director, employee or agent while carrying out duties on behalf of a housing provider, which are likely or intend to have an adverse effect on the housing provider.

For the purposes of this policy, a person related to a director, employee or agent includes the following:

- a parent
- a spouse
- a child
- a household member
- a sibling
- an uncle, aunt, nephew or niece
- a mother-in-law, father-in-law, sister-in-law or brother-in-law
- a grandparent
- a person with whom the director, employee or agent has a business relationship.

### **Definitions**

“Child”, in relation to a director, employee or agent, means a child who the individual has demonstrated a settled intention to treat as a child of his or her family, but does not include a child placed in the individual’s home as a foster child for consideration.

“Spouse” in relation to a director, employee or agent, means:

- an individual who, together with the director, employee or agent, has declared that the individual and the director, employee or agent are spouses; or
- an individual who is residing in the same dwelling place as the director, employee or agent, if the social and familial aspects of the relationship between the individual and the director, employee or agent amount to cohabitation.

### **Application**

The rules established in this directive apply to all directors, employees and agents associated with the housing provider.

The CMSC requires that the housing provider adheres to the following procedures to achieve compliance with the Conflict of Interest local standard:

#### **1. Conflict of Interest Avoidance**

- a) The board of directors of the housing provider must adopt a policy that sets out fair and open best practises for its purchasing, hiring and contracting;
- b) The board must closely monitor all purchasing, hiring and contracting to ensure that a perceived, potential or actual conflict of interest does not exist;
- c) All directors, employees and agents associated with housing providers must sign a conflict of interest declaration annually;
- d) Each board meeting agenda must include Conflict of Interest as a standing agenda item. This provides an opportunity for board members, staff and agents to declare a conflict of interest on any issues and decisions arising at the board meeting. All declared conflicts of interest must be included in the board meeting minutes.

## 2. Addressing a Conflict of Interest

All conflicts of interest are required to be addressed to the satisfaction of the CMSM. The required steps to addressing a conflict of interest situation are:

- a) If a director, employee or agent associated with a housing provider identifies a perceived, potential or actual conflict of interest, the person in the identified conflict must immediately notify the board chair verbally or in writing.
- b) The chair must address the conflict of interest at the first board meeting after the notice of a perceived, potential or actual conflict of interest is received.
- c) The chair must ensure that the individual in the conflict of interest is removed and remains isolated from the decision-making process.
- d) The board must review the available options and make a decision which best represents the interests of the housing provider.
- e) The board meeting minutes must include the following information when a conflict of interest is declared:
  - Name of the person who declared the conflict of interest;
  - The nature of the conflict of interest;
  - Options available to and considered by the board;
  - Names of board members present for the discussions and final decisions;
  - How the board resolved the conflict;
  - How the board's final decision was in the best interest of the housing provider.
- f) The housing provider maintains conflicts of interest files which contain board/staff/agent conflict of interest declarations and information on all declared conflicts (notices, correspondence, meeting minutes, etc.).
- g) All conflict of interest files must be stored, maintained and easily accessible for a minimum of seven years.

## 3. Conflict of Interest Reporting to CMSM

Declared conflicts of interest shall be reported to meet the following requirements of the CMSM:

- a) The report must be in writing and submitted to the CMSM prior to the next board meeting after a conflict of interest has been identified.
- b) The report will include the board meeting minutes as described in Section 2 (e)

The CMSM will provide a written response to the declared conflict of interest report. The CMSM response to the conflict of interest report will be presented to the board of directors at a subsequent meeting. The housing provider is required to comply with all requirements stated in the CMSM written response.

In any situations where the standards established in this document conflict with those set in the housing provider's corporate bylaws or the provider's Conflict of Interest Policy, the corporate bylaws or policy must be changed to reflect the standards set in this document.

The Conflict of Interest local standard is effective immediately.

If you have any questions, please contact the Housing Advisor.

A handwritten signature in cursive script that reads "Harry Blinkhorn".

Harry Blinkhorn  
Acting Housing Director