

February 16, 2023

Honourable Kelly Regan, MLA, Chair
Standing Committee on Public Accounts
Legislative Committees Office
House of Assembly Nova Scotia
PO Box 2630, Station M
Halifax NS B3J 3P7

Rec'd LCO
February 16, 2023

Dear Honourable Regan:

I am pleased to respond to the information requested by the Standing Committee on Public Accounts regarding the Nova Scotia Provincial Housing Association's (NSPHA) response to the 2023 Report of the Auditor General – Metropolitan Regional Housing Authority: Examination of Service Contract Awards. The information requested is as follows:

-Provide a copy of the conflict of interest training that is being rolled out by the Human Resources Department.

Please find a PDF of the training attached under separate copy. Training of staff at NSPHA head office and across the province is already underway.

Once again, thank you for the opportunity to share more information about the valuable work we are doing to manage our public housing units efficiently and effectively and ensure we have the right people, policies and procedures in place to deliver consistent client service and improve accountability.

Yours truly,

A handwritten signature in blue ink that reads "Paul LaFleche".

Paul LaFleche
Deputy Minister



**Nova Scotia Provincial
Housing Agency**

Conflict of Interest Policy

February 2023

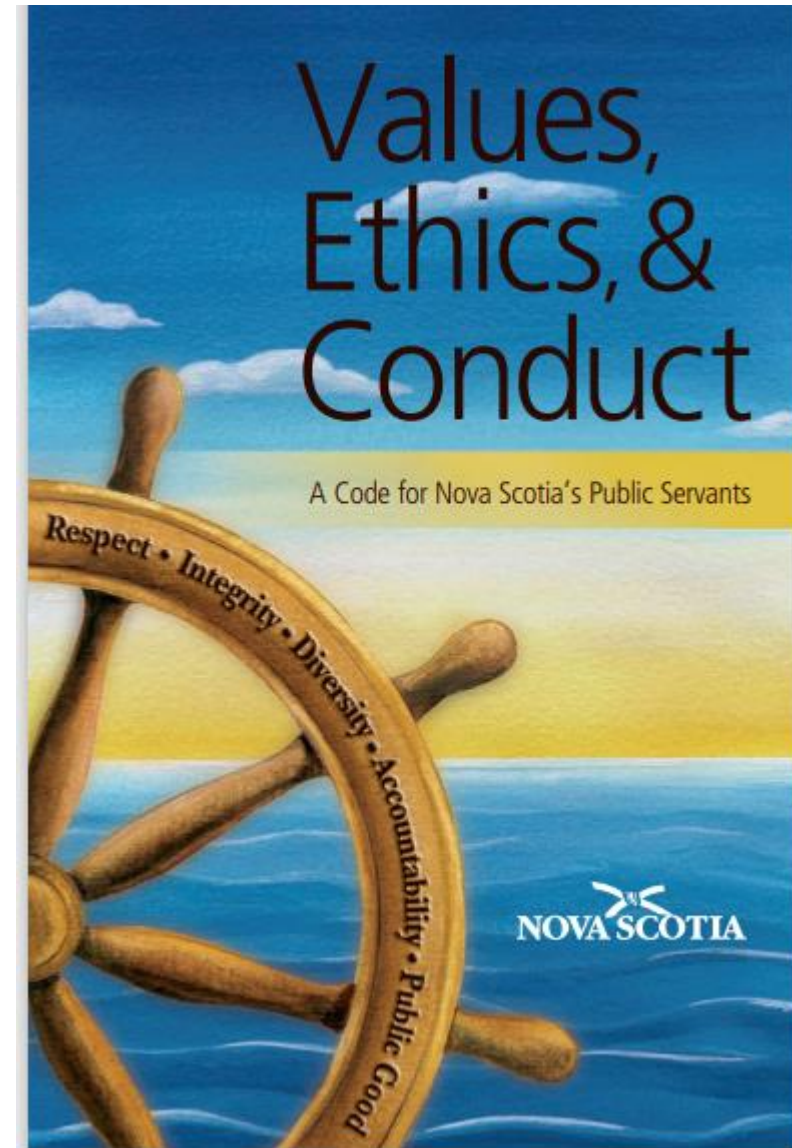
What is a Conflict of Interest?

- A situation in which a person is in a position where they *could* gain personal benefit from actions or decisions made in their official capacity.



Code of Conduct for Nova Scotia's Public Servants

- We are guided by values
- We manage & deliver public services in Nova Scotia
- We value democratic processes & recognize our elected officials set policy
- We look to this code for direction
- Our Code of Conduct focuses on five key values:
 1. Respect
 2. Integrity
 3. Diversity
 4. Accountability
 5. Public Good



New Conflict of Interest Policy

- Effective January 16, 2023
- Directors will work with all employees to ensure they understand the policy, attend Training & Orientation and sign the Conflict of Interest Acknowledgment Form by February 15, 2023



Conflict of Interest Acknowledgement Form

I hereby acknowledge that I have read and understand the *Conflict of Interest Policy*, the *How to Avoid Conflict of Interest Guidelines* and *Code for Nova Scotia Public Servants* and have received copies for my own use.

Printed Name

Date

Signature

Witness

Acknowledgement Form

New Conflict of Interest Policy Focuses on

- Determining whether a conflict of interest exists and what actions are to be taken
- Establishing procedures for employees to report and document the conflict of interest to their managers, supervisors or to the Human Resources Division
- Creating tools to help managers and supervisors mitigate and manage the conflict of interest

Key Takeaway

- **Avoiding** and **preventing** situations that could result in a conflict of interest or the ***perception*** of a conflict of interest is one of the primary ways that public servants can maintain public confidence in the impartiality and objectivity of the public service.



An aerial photograph of a suburban neighborhood, showing a dense arrangement of single-story houses with green lawns and trees. The houses are in various colors, including white, blue, and yellow. The streets are paved and there are some utility poles visible. The overall scene is bright and sunny, suggesting a clear day.

**HOW DO WE
AVOID A
CONFLICT OF
INTEREST?**

Avoiding Conflicts of Interest

- Avoid circumstances where you could give or appear to give a benefit to yourself, a relative, friend or business associate
- Avoid giving unwarranted special consideration or preferential treatment to any person or organization for any reason
- Do not disclose to others, or use to further personal interest, confidential information acquired while performing official duties
- Do not request, invite or accept a reward, gift, benefit or favour of any kind from a person or organization with whom the employee is, or may be, dealing with on behalf of the employer

Avoiding Conflicts of Interest, Cont'd.

- Do not use the employer's property for activities not associated with official duties
- Withdraw from activities or situations in which there could be a conflict of interest and report to your manager/supervisor details of your actions and the perceived conflict
- Avoid behaviour that could be seen as you participating in an "official" capacity or on behalf of NSPHA during your personal time

Disclosing Conflicts of Interest

- Employees will disclose details of any activity that may be a real OR perceived conflict of interest
- Details must be provided in writing to their supervisor or manager on the Conflict of Interest Mitigation Form



Conflict of Interest Mitigation Form

In accordance with the *Conflict of Interest Policy* and *How to Avoid Conflict of Interest Guidelines*, the Conflict of Interest Mitigation Form is designed to address conflicts of interest that are actual or apparent. Section 2 of the *Conflicts of Interest Policy* states:

"[A] job in the public service has two dimensions: one relating to the employee's tasks and how they perform them; the other relating to the perception of a job held by the public. This means that the public interest is both **actual** and **apparent**. As public servants, we are not only responsible for preserving the integrity in government by what we do and how we do it, but also to preserve the appearance of the integrity as well."

The purpose of the Conflict of Interest Mitigation Form is to help employees identify and describe in detail an identified conflict of interest, whether it is actual or apparent.

- I. Describe in detail the nature of the actual or potential conflict(s) involving the following:
 - a. Project
 - b. Personnel
 - c. Financial
 - d. Other

- II. For each actual or apparent conflict of interest, describe in detail the measures proposed to mitigate:

Note: Employees may refer to the How to Avoid Conflict of Interest Guidelines and Section 5 of the Conflict of Interest Policy ("Procedures" and "Gifts, Hospitality, and Other Benefits") for guidance on measures to mitigate conflict(s) of interest.

NSPHA

- III. Describe in detail the intended effect of the proposed measures on the actual or potential conflict(s) and how the proposed measures will mitigate the actual or potential conflict(s):

Employee's Printed Name

Date

Signature

Supervisor or Manager's Printed Name

Date

Signature

Next Steps

- Supervisors or Managers will report the conflict of interest to the Director and advise the employee on how to proceed with the matter
- Your Human Resources Representative can help you at any stage in the process

Examples

- A CLIENT OFFERS TO PAY YOU FOR WORK THAT YOU CONDUCTED WHILE ON THE JOB
- RECEIVING TIPS FOR A JOB WELL DONE
- A CLIENT APPROACHES YOU TO BE THEIR POWER OF ATTORNEY OR PROVIDE CARE FOR THEM BECAUSE THEY CANNOT HELP THEMSELVES
- THERE ARE ITEMS LEFT BEHIND IN A VACANT UNIT THAT ARE SALVAGEABLE
- YOU ARE OFFERED A BRIBE FROM A CONTRACTOR, SUPPLIER OR EXTERNAL PARTY
- A CLIENT OFFERS TO SELL YOU SOMETHING THAT THEY WANT TO GET RID OF
- YOU HAVE INSIDER KNOWLEDGE THAT COULD ADVANCE YOUR PERSONAL INTERESTS

Examples, cont'd.

- YOU DO BUSINESS ON THE SIDE WITH AN ORGANIZATION THAT IS A CONTRACTOR FOR THE NSPHA
- YOU WANT TO HIRE A CONTRACTOR THAT DOES BUSINESS WITH THE NSPHA TO DO WORK ON YOUR HOUSE
- YOU WANT YOUR COWORKERS TO HELP YOU OUT WITH A PROJECT AT HOME
- YOU HAVE DEVELOPED A PERSONAL RELATIONSHIP WITH A CLIENT
- YOU HAVE AN IMMEDIATE FAMILY MEMBER THAT WORKS AT YOUR DISTRICT OFFICE
- IN YOUR ROLE AS AN EMPLOYEE OF THE NSPHA, YOU HAVE BEEN ASKED TO PROVIDE SOMEONE WITH CONFIDENTIAL AND PRIVATE INFORMATION ABOUT A CLIENT

Employee Roles and Responsibilities

- Familiarizing themselves with the policy and processes, guidelines and Code
- Signing the Acknowledgement Form on employment with NSPHA and every year you remain employed with us
- Attending conflict of interest orientation and training
- Where conflicts of interest exist, employees are responsible for disclosing them in writing by submitting a Conflict of Interest Mitigation Form to their Supervisor, Director, or Human Resources Division

Manager/Supervisor Roles and Responsibilities

- Ensuring all new employees review the policy and processes, guidelines and Code, and that current employees do so annually
- Ensuring all new employees sign the Acknowledgement Form upon hiring and annually
- Ensuring all staff attend orientation and training
- Ensuring Acknowledgement Forms are submitted to the Human Resources Division within ten business days from the date the form is signed
- Where real or perceived conflicts of interest exist, Managers or Supervisors must ensure staff obtain the support they need to complete the Conflict of Interest Mitigation Form, protect employee confidentiality, submit the Form to the Director and resolve to mitigate the conflicts of interest with the employee

Director Roles & Responsibilities

- Overseeing compliance with the Policy and Processes, Guidelines and Code and ensuring Managers and Supervisors demonstrate an ongoing commitment to them
- Protecting the confidentiality of an employee's disclosure of a conflict of interest and advising the employee and Manager or Supervisor, where necessary, on how to resolve the matter
- Consulting, where necessary, with the Human Resources Division and/or the Office of the Conflict of Interest Commissioner

Human Resources Division Roles & Responsibilities

- Developing and maintaining training and orientation on real or apparent conflict of interest for new and current NSPHA employees
- Collecting, reviewing, controlling and tracking completed Conflict of Interest Mitigation Forms and ensuring all employees sign the employee Acknowledgement Form annually

How can I learn more?

- Access Conflict of Interest Policy, Guidelines, Forms and the Code of Conduct for Nova Scotia Civil Servants on our SharePoint site:

<https://novascotia.sharepoint.com/teams/housingauthorityhr/hadocuments/forms/conflictinterest.aspx>



QUESTIONS?



THANK YOU!

NSP**HA**

February 13, 2023

Sent via email

Rec'd LCO
February 13, 2023

Dear Ms. Langille,

I am pleased to respond to the questions raised at the Public Accounts Committee meeting on January 25th, 2022.

My answers to the questions are as follows:

1. Why wasn't the conflict addressed, and is there any thought as to why the people in the department think that the conflict was not disclosed to the Conflict of Interest Commissioner or to the Auditor General at the time? (Page 11 of transcript)

A: We became aware of a potential situation through the work of the Auditor General. The Auditor General provided a first report in June 2022, identifying 20 recommendations for improvements and indicated they were looking further into another matter that they may or may not move forward as a secondary report.

We received their second report on the conflict of interest with final conclusions in January 2023. Prior to that, we began looking at existing conflict of interest and procurement policies to determine if there could be gaps. This resulted in the new policy and new language in the NSPHA's tenders that is in place today.

2. The situation that gave rise to a conflict of interest was around for quite a while. Was there no one aware of the conflict? Was there no one able to speak out about the conflict? Why wasn't it addressed at the time? Why did it wait until there was a complaint to the Auditor General? (Page 12 of transcript)

A: I can't speak to what happened in the past. You would need to refer to the findings of the Auditor General.

There was a Conflict of Interest policy in place, and we only became aware of the potential conflict of interest as part of the investigation the Auditor General was conducting into our operations.

3. Our understanding is that the Auditor General received a complaint that prompted the investigation. Was there ever a complaint that was received within the department - an internal complaint from an employee to the executive director, any kind of evidence of that happening? If so, who received the complaint? (Page 12 of transcript)

A: I can't speak to what happened in the past. You would need to refer to the findings of the Auditor General.

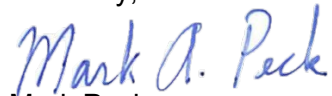
4. Clarify who the deputy minister was at the time and if they were aware of the conflict. (Page 12 of transcript)

A: Please refer to the chart attached for this detail. Please note, the chart was shared with the members of the public accounts committee during the January 25th appearance.

I am not aware of whether the deputy minister at the time of the conflict was made aware of the conflict.

Once again, thank you for the opportunity to share more information about the valuable work we are doing to manage our public housing units efficiently and effectively and ensure we have the right people, policies and procedures in place to deliver consistent client service and improve accountability.

Sincerely,


Mark Peck

Pam Menchenton
Executive Director, Client Services
Nova Scotia Provincial Housing Agency
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Halifax, Nova Scotia, B3J 3K5