



POLICY – CONFLICT OF INTEREST

ID No: FBCNW-16-351

Version: 2.0

Applies to:

- All Board Members
- All Employees

Applicable Standards:

- ACNC Governance Standard 5

Applicable Legislation:

Contractual Obligations:

Purpose of Policy

This Policy outlines the obligations that Board members and employees of Family Based Care Tasmania North West Inc T/A Family Based Care Tasmania have to protect the reputation of the Association by maintaining high ethical standards, fairness, and integrity in all dealings.

Policy Scope and Application

This Policy applies to all individuals who are in a position to exert influence over the Association's resources and activities.

Definitions

Terms and definitions identified below are specific to this Policy:

Association means Family Based Care Association North-West Inc.

Board member means a member of the Board of Management of the Association duly appointed under the Constitution of the Association.

Employee means anyone engaged by or associated with the Association and includes all permanent, casual, and contracted staff (whether full-time or part-time), or volunteers.

Actual conflict of interest involves a direct conflict between a Board member or employee's current duties and responsibilities and existing private interest.

Perceived or apparent conflict of interest can exist where it could be perceived, or appears, that a Board member's or employee's private interest could improperly influence the performance of their duties – whether or not this is in fact the case.

Potential conflict of interest arises where a Board member or employee has private interests that could conflict with their official duties in the future.

Responsible Person is an individual who is in a position to exert influence over the Association's resources and activities.

Policy Statement

The Policy outlines the principles for the declaration and management of any actual, potential, or perceived conflicts of interest by Board members or employees of the Association. The Policy applies to governance, employment, financial, commercial activity, board representation, volunteer, consultant, and contractor arrangements.

All Board members and employees when performing their duties are required to act in good faith towards the Association and, where conflicts of interest do arise, to manage those conflicts appropriately in accordance with these principles:

- To protect the Association's interest ensuring that all decision making is impartial and objective;
- To protect the reputation of the Association by maintaining ethical standards of good judgement, fairness, and integrity in all its dealings;
- To ensure that employees always observe the highest standard of professional ethical conduct;
- To avoid any activity or interest that might reflect unfavourably upon an employee's own integrity and good name, or upon the integrity and good name of the Association;
- The Association has an obligation to ensure that any conflict of interest will be resolved or appropriately managed in favour of the public interest.

Identifying Conflicts of Interest

General Conflicts of Interest

Whilst it is not possible to set out a definitive list of instances, conflicts may arise through:

- Conflict of roles - where individuals have more than one official role within the Association or an official role in a different organisation, it may be difficult to keep their roles separate;
- Private interests - a conflict of interest may be pecuniary or non-pecuniary and can arise from avoiding personal losses as well as gaining personal advantage;
- Personal relationships - Board members and employees should not be involved in decisions affecting the employment or professional administration of a person with whom the Board member or employee has a current or previous personal relationship; or
- Personal benefits - a conflict of interest may occur where a Board member or employee receives a benefit which is, or may be perceived as, an incentive or inducement to perform or not to perform an official function or duty.

Areas of High Risk

The following activities or actions are situations where actual, potential, or perceived conflicts of interest may commonly arise:

- Purchasing goods or services for the Association where the decision maker has a relationship with the supplier or an employee of the supplier;
- Business or close personal relationships with competitors or businesses operating in the same areas as the Association;
- Decisions regarding recruitment, appointment, promotion, or other personnel decisions where personal relationships exist with one or more party/s;
- Holding memberships, directorships, executive positions, shareholdings, or ownerships of other companies, organisations, or businesses that are in serious active competition or conflict with the Association;
- Close personal relationships with another employee, or other person associated with or contracted to the Association;
- Acceptance of gifts or benefits (financial or otherwise), including: conference attendance, entertainment, travel, accommodation expenses, or hospitality;

- Inappropriate access to, or use of, Association documents and information obtained in the course of employment;
- Employment (or voluntary work) external to the Association of a kind, whilst still employed by the Association, where that work may be in conflict with the objectives of the Association;
- Circumstances where the employee's external activities encroach on time or attention that should be devoted to the Association;
- Inappropriate use of intellectual property including but not limited to misuse of intellectual property rights by employees;
- Inappropriate response to requests for public comment including public speaking, comments on radio or television, opinions expressed in letters to newspapers, or in books or journals, blogs, tweets, social networking sites, or notices;
- Inappropriate use of Association facilities, resources, and/or equipment for personal benefit or the benefit of a third party.

Avoidance and Disclosure of a Conflict of Interest

Where any actual, perceived, or potential conflict of interest cannot be avoided, the Board member or employee is obligated to recognise, declare, and manage situations involving conflicts of interest.

All Board members and employees are to:

- Follow the ethical standards of conduct expected of Board members and employees as set out in the Association's relevant policies and procedures;
- Restrict the extent to which a private interest could compromise, or be seen to compromise, their impartiality when carrying out their official duties;
- Abstain from involvement in official decisions and actions which could be compromised by other private interests and affiliations;
- Avoid private action in which they could be seen to have an improper advantage from confidential / privileged information they might have access to because of their official duties;
- Ensure that they do not use their official position or Association resources for private personal gain or gain by others with whom the Board member or employee has a relationship or personal association;
- Ensure that there can be no perception that they have received an improper benefit that may influence the performance of their official duties; and
- Ensure they do not take improper advantage of their official position or confidential / privileged information gained in that position when seeking employment outside the Association, or provide such advantage to others with whom they have an association.

Managing a Conflict of Interest for Employees

An employee is to report the conflict in writing to the Executive Manager People, Culture and Compliance using the Form - Declaration of Conflict of Interest Form.

Where a conflict of interest arises during a meeting the employee is to declare the conflict verbally, which must be noted in the minutes of the meeting, and then subsequently in writing to the Executive Manager People, Culture and Compliance using Form - Declaration of Conflict of Interest as soon as practicable after the meeting.

A Conflict of Interest Register will be maintained by the Executive Manager People, Culture and Compliance. The register will contain copies of the Declaration of Conflict of Interest Forms, or other written records of declaration, and copies of signed conflict of interest management plans. Access to the register is restricted to those employees who need it for official purposes.

Employee level conflicts of interest are to be reported to, and managed locally, by the Executive Manager People, Culture and Compliance.

Senior Management Team level conflicts of interest will be managed by the Chief Executive Officer through formal notification processes to the Executive Manager People, Culture and Compliance.

Confidentiality will be maintained at all times by all persons involved in the notification and management of conflicts of interest to ensure that confidential disclosures are protected from misuse.

The Association acknowledges that employees and supervisors may seek advice on matters relating to this policy from the Executive Manager People, Culture and Compliance.

Records of any notification of conflicts of interest will be maintained in an approved and secure recordkeeping system, in accordance with the Association's information management framework. Notifications regarding employee conflicts of interest will be stored on the employee's personal file as well as on the Conflict of Interest Register.

Creating and Promoting a Culture of Disclosure

The Association's attitude and approach towards conflicts of interest plays a key role in how successful it is in responding to them when they arise.

Responsible People should never feel apprehensive about disclosing a potential conflict. Rather, they should view disclosing their interests as part of their role, and should encourage colleagues to do the same.

The key to managing these conflicts responsibly is to encourage, facilitate, and record all disclosures – to create and promote a culture of disclosure. A cornerstone in achieving this is to encourage open discussion on conflicts of interest in a supportive and non-judgmental way.

The Association can promote a culture of disclosure by:

- informing new Responsible People about this Policy - Conflict of Interest, and providing them with a copy;
- providing Responsible People with access to other materials relating to conflicts of interest;
- providing Responsible People with opportunities to complete training on conflicts of interest;
- clearly stating the expectation that all Responsible People must record any actual, potential, or perceived conflicts of interest in a register of interests;
- providing easy access to the register of interests so Responsible People can:
 - record new or additional interests;
 - review interests already listed on the register; and
 - review other Responsible People's interests (this can be useful in identifying potential or perceived conflicts which may not be initially apparent to a conflicted Responsible Person).
- reviewing the register of interests before every Committee meeting.

Managing a Conflict of Interest for Board Members

Framework

All Board members must act in good faith in avoiding both actual or potential conflicts of interest and the perception, whether founded or not, of a conflict of interest between the interests of the Association and their own personal, professional, and business interests.

Each Board member must, upon appointment, be provided with a copy of this Policy.

Each Board member must, when appointed to the Board of Management, notify the Public Officer of all relevant interests and relationships of the Board member for entry in the Board Members' Interests Register. This notification will be given by completing Form - Board Member's Interest Declaration.

A Board Members' Interests Register must be held and maintained by the Public Officer.

All entries in the Board Members' Interests Register must be treated as highly confidential. No personal information will be disclosed except to the extent necessary to implement this Policy.

Each Board member shall have an ongoing obligation during their term of office to notify the Public Officer of relevant interests or relationships as they arise that the Board member becomes aware may reasonably be expected to be, or result in, a conflict of interest.

The Public Officer is responsible to keep the Board informed of all notifications made under this Policy, where they bear on the discussion of Board matters. Where an actual conflict of interest has been identified, Board members will be entitled to access the entry in the Register. Where a potential or perceived conflict of interest has been identified, the Public Officer or President will advise Board members as to the existence of a potential or perceived conflict of interest. In such cases, access to the entry in the Register will be restricted to the Public Officer and President.

Meeting Procedure

There shall be a standing item on the agenda for each meeting of the Board requiring Board members to declare conflicts of interest.

Each Board member must identify when they have a conflict of interest with regard to any item on the Agenda for a meeting or arising in the course of the meeting.

All such declarations of conflicts of interest and the means by which the Board determines that they be managed must be recorded in the minutes of the relevant meeting and an entry will be recorded in the Register by the Public Officer and follow-up action taken as required.

General Guidelines for Managing Conflicts of Interests for Board Members

The six major options for managing conflicts of interest for Board members are:

- Register: All conflicts of interest are registered regardless of the management strategies adopted;
- Restrict: Restrictions are placed on a Board member's involvement in a matter (eg refraining from taking part in discussion and/or decision making, having restricted access to sensitive documents or confidential information);
- Recruit: A disinterested third party is used to oversee part or all of the process that deals with the matter;
- Remove: The Board member removes themselves from any involvement in the matter (eg absenting oneself from discussion and decision making);
- Relinquish: The Board member relinquishes the private interest that is creating the conflict; and
- Resign: The Board member resigns from their position.

The Association recognises that conflicts of interest do and will occur as a necessary part of business and commerce. This Policy deals only with how those conflicts are handled. The disclosure of interests,

and actual, potential, or perceived conflicts of interest, in accordance with this Policy are not intended to prejudice the position of Board members in relation to engagement in the ongoing business of the Association, nor is it intended that disclosures would preclude the relevant Board member from subsequent involvement in Association activities.

Privacy

Recording and reporting conflicts of interest (actual, potential, or perceived) may involve the collection, storage, use, or disclosure of personal information. Any personal information collected, stored, used, or disclosed under this Policy will be handled in accordance with the Association's information management framework.

Failure to Comply

A failure by an employee to comply with this Policy may constitute a breach of the Association's Staff Code of Conduct and may be dealt with as misconduct or serious misconduct in accordance with the relevant provisions of the Enterprise Agreement.

A Board member who fails to disclose a conflict of interest in the exercise of their functions may be removed from office under provisions of the Constitution of the Association.

A breach of this Policy may be the subject of a report to external agencies.

Authorised by:



Date:

19 Aug 24

President of the Board