

Conflict of Interest Policy

1. Purpose

The purpose of this policy is to provide guidance to the organisation about promptly and properly managing actual or perceived conflicts of interest.

2. Responsibilities

It is the responsibility of the Centre's Board to ensure that this policy is implemented.

It is the responsibility of the Centre's Board to ensure that the procedures are implemented for Board members.

It is the responsibility of the Centre's Community Development Officer (CDO) to ensure that procedures are implemented for staff or volunteers.

3. Principles

The Centre is committed to high standards of ethical conduct and therefore places great importance on its decision makers declaring any existing or potential conflict of interest.

4. Definitions

Conflict of interest means situations where:

A member of the Board of Management, a staff member or a volunteer of the Centre who is in a formal position of influence over a matter where they (or someone closely associated to them eg. a spouse, child, organisation or business partner), will, or might expect to receive (or suffer), a direct or indirect financial benefit (or loss) by influencing a decision to go a certain way.

Examples of conflict of interest are (but are not limited to):

- When a Board member or a member of his/her immediate family or business partner stand to gain financially from any business dealings with the Centre
- When a Board member or volunteer offers a professional service to the Centre
- When a Board member stands to gain personally or professionally from any insider knowledge if that knowledge is used to personal advantage
- Where a Board member, staff member or volunteer has a role on the governing body of another organisation, where the activities of that other body may be in direct conflict or competition with the activities of the Centre.

5. Policy

A conflict of interest situation arises when a person's duty to the organisation clashes with their duties, obligations or interests elsewhere. Board members, staff and volunteers may have a range of other personal and professional interests and relationships, so the Centre understands that inevitably there will be real, potential or perceived conflicts of interest. Failing to properly and promptly deal with a conflict of interest may not always be illegal, but, in the Centre's view, will almost always be unethical so we take the approach that prevention is always better than cure.

The number one duty of a Board member is to act in the interests of the Centre. This means that Board members must not allow their personal interests, or those of anyone else, to override the best interests of the organisation. This includes Board members who have been elected or appointed as the representative of another group, organisation or Board.

Equally, Board members expect that staff and volunteers will also act in the best interests of the Centre, and where they experience a conflict of interest that they will deal properly and promptly with the situation.

6. Procedures

Board Members

If a Board Member has a conflict of interest in a matter being considered by the Board they must:

1. as soon as reasonably practicable disclose the conflict to the Board of Management and provide information about the interest and how it may conflict with their role on the Board
2. if they know in advance of the matter, ask not to be posted any Board or internal papers that discuss the matter
3. avoid any informal discussions that might influence other Board members on the matter
4. not take any part in Board discussions concerning the matter
5. when the matter is raised during the meeting, make their declaration and ask that their declaration and departure from the Board meeting room be recorded in the minutes
6. it may be best that the BOM member leaves the vicinity of the discussion and they are recalled when a decision has been reached.
7. not vote or issue a proxy vote in relation to the matter

After speaking with the Chairperson, Board members should seek specialist or legal advice if they are still in doubt about how to handle a real or potential conflict of interest.

Staff members and Volunteers

If a staff member or volunteer has a conflict of interest in matter they must:

1. as soon as reasonably practicable disclose the conflict to their Supervisor
2. ask for directions from their Supervisor about how to manage the situation
3. avoid any discussion or action which might influence other decision makers on the matter.

Perception of Conflict of Interest

It is not possible to outline precise guidelines or rules to assess potential conflict of interest situations, but the following test should be applied to help a person decide whether or not there may be a perception of a conflict of interest.

The person should ask themselves "*Would an impartial, fair minded person (who knew nothing about my character or reputation) form a reasonable opinion that my possible interest in the matter before considered could influence the manner in which I participate in the debate and/or vote on the matter?*" If the answer is "yes" or "probably", it is recommended that the person declare and withdraw.

A Board member, staff member or volunteer must declare potential conflicts of interest as soon as they become aware that it is *reasonably foreseeable* that the *possibility or perception of a conflict of interest* may occur.

This can be done by:

- informing the Chairperson or full Board of Management or CDO of a personal interest in a matter (even though, in the view of the Board member, staff member or volunteer, the situation does not in fact cause a conflict of interest), or
- seek the advice of the Chairperson or the Community Development Officer as to whether a particular situation may cause a conflict of interest.

Undeclared Conflict of Interest

While the responsibility for declaration of an actual or perceived or possible conflict of interest rests with the individual, a person who, in the view of the Board or CDO, has a conflict of interest in relation to a particular matter, may be asked to not participate in any decision making or activities relating to that matter. Only the individual person concerned can decide if she or he has an interest in a particular matter at the time the matter arises. However, that person is ultimately accountable under the law for the individual judgment made and severe penalties can be imposed if the person is found guilty of not disclosing an interest.

If any person believes another person (Board member, staff member or volunteer) has an undeclared conflict of interest they should specify their concerns in writing to the CDO, Chairperson or the full Board of Management who will decide how to proceed.

Qualified Exemption

Occasionally, a person, having disclosed an interest in a matter, may, with the permission of the Board, remain in the Board meeting room in order to ask or answer any questions in relation to that matter.

It is recommended that when this provision is used by the Board, the permission to remain is granted by motion and so recorded in the minutes of the meeting.

The person must leave the Board meeting room at the conclusion of the questions and must not in any way participate in any debate or vote on the matter.

Information Barrier

Depending on the circumstances, the Board may decide that a person with a conflict of interest will have ongoing restrictions placed on their access to Board or internal papers that discuss the matter.

7. References

- Associations Incorporation Act 1985
- Centre's Constitution

8. Forms or Attachments

- x

9. Approvals

	Policy	Procedure
Approving Authority	Board of Management	Board of Management
Approval Date		
Next Review Due		