

2.13 Conflict of Interest

Effective Date: 29 September 2021
Version 4.0

Industry Standards

National Disability Standards: Standard 6

Attendant Care Industry Standards (2018): Level 1 Part 2.1.2

NDIA Practice Standards and Quality Indicators: Core Module 2.1 and 2.2

Purpose

The purpose of this policy is to help Board Members and Community Connections Australia (CCA) Management effectively identify, disclose and manage any actual, potential or perceived conflicts of interests that may be financial or non-financial in order to protect CCA and to manage risk.

This policy aims to ensure that Board Members and CCA Management are aware of their obligation to disclose any conflicts of interest that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives or employees of CCA.

Managing conflicts of interest in a transparent and open way is essential. A perception that there is a conflict of interest that is not being managed effectively by an organisation can be just as damaging as an actual conflict of interest.

A conflict of interest has been defined as:

A person's personal interests conflict with their responsibility to act in the best interests of the charity. Personal interests include direct interests, as well as those of family, friends, or other organisations a person may be involved with or have an interest in. (ACNC Conflict of Interest Policy).

Types of Conflict of Interest include:

1. Actual - You are being influenced by a conflicting interest
2. Potential - You could be influenced by a conflicting interest
3. Perceived - You could appear to be influenced by a conflicting interest

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of the charity. Therefore, these situations must be managed accordingly.

At a governance level Directors have a duty to act in good faith and in the best interests of the organisation. Directors have a responsibility to ensure that CCA's reputation is not compromised by poorly managed conflicts of interest. CCA seeks to apply the highest standards in dealing with conflicts of interests - whether real, potential or perceived.

Policy Statement

Community Connections Australia (CCA) is committed to managing conflicts of interest effectively. These include conflicts that are ethical, legal, financial or non-financial in nature. All Board Members, Employees and volunteers (if applicable) are responsible for ensuring that their personal interests do not come into conflict with their role with the organisation.

Conflicts of interest are an inevitable part of any business therefore the aim is where possible to avoid conflicts of interest, and when conflicts do arise, they are identified, disclosed and carefully managed so they do not conflict with the stakeholder's obligations to CCA.

Managing conflicts of interest in a transparent and open way is vital not only to the best interests of the organisation, but also to the perception by others of the organisation's integrity. A perception that there is a conflict of interest that is not being managed effectively by the organisation can be just as damaging as an actual conflict of interest.

This policy assists all stakeholders to meet their continuing responsibility to disclose potential conflicts of interest and assists the organisation as a whole to manage conflicts of interest effectively.

Scope

This policy applies to all CCA Board of Directors and all CCA staff members.

Policy Principles

1. Every Director is bound to fulfill their duties and obligations in line with ACNC governance standards and that they disclose any actual or perceived material conflicts of interests as required by governance standard 5.
2. Every new Director and staff member of CCA is required to disclose any actual, potential or perceived conflict of interest upon becoming a Director or employee of CCA. Examples include current or previous paid work, Board Member or employee of another organisation, owning a business in a related service.
3. Every Director and staff member will disclose any new circumstances that have the potential to create a conflict, or perceived conflict of interest as soon as they become aware of the circumstance.
4. Any Director who is not certain whether a circumstance requires disclosure should consult, in the first instance, with the Chairman. Any staff member who is not certain whether a circumstance requires disclosure should consult, in the first instance, with the CEO or their respective Senior Manager.
5. Disclosure can be made as follows:
 - Directors can disclose at a Board or Board Committee meeting or to the Chairman; if the latter, the disclosure will be confirmed at the next Board meeting.
 - Staff members can disclose to the CEO or their respective Senior Manager.
6. CCA will keep a register of disclosed conflicts of interest for Directors and staff members which records information relating to the conflict and steps taken to address it. The register will be available to Directors at any time and provided to a Board meeting annually.

7. Conflict of Interest of Directors

- A Director who believes that they may have a conflict of interest concerning a matter on the Agenda of a Board or Board meeting (whether or not arising from a circumstance previously disclosed) the Director shall so state before the discussion on the matter begins. During the course of a meeting, should discussion of any matter place a Director in a conflict of interest not previously anticipated, the Director should declare the conflict or its potential immediately and before further discussion proceeds.
- Once the conflict of interest has been appropriately disclosed, the Board (excluding the Director who has made the disclosure, as well as any other conflicted Board Member) must decide whether or not those conflicted Directors should:
 - Vote on the matter (this is a minimum);
 - Participate in any debate; or
 - Be present in the room during the debate and the voting.
- In exceptional circumstances, such as where a conflict is very significant or likely to prevent a Board Member from regularly participating in discussions, it may be worth the Board considering if it is appropriate for the Director conflicted to resign from the Board.
- The approval of any action requires the agreement of at least a majority of the Board (excluding any conflicted Director/s) who are present and voting at the meeting.
- The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

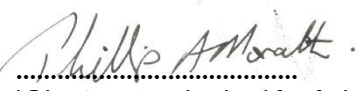
8. Conflict of Interests of Employees

- Employees who disclose a conflict of interest will have the conflict managed by the CEO or Senior Manager.
 - These conflicts include-
 - Employees being personally involved in decision-making that affects their own payment, hours and/or place of work or other conditions of employment.
 - Certain individuals receiving preferential treatment in the issue of contracts for goods and services which do not necessarily represent the best or fair value for CCA or for the people it supports.
 - Using CCA business operations to give preferential treatment to other individuals (such as rostering practices).
 - Employees, or their partners, family or friends who directly or indirectly receiving any material benefit or payment from, or in connection with the company other than their salary.
9. A Director or employee who believes that any Director or employee may be in a position of conflict of interest, that has not been disclosed, or is acting inappropriately in light of a disclosed circumstance, should bring the matter to the attention of the Chairman or CEO. If it is found that a Director or Employee failed to disclose a conflict of interest action may be taken against them.

10. CCA is committed to managing conflict of interest as outlined in the organisation's *Ethics, Good Practice and Code of Conduct Policy*. Any perceived or actual conflicts of interest are to be managed by their the Chairman or CEO and documented accordingly in the CCA Conflict of Interest Register
11. Every Director and employee will reconfirm their adoption of this policy on an annual basis.

Prepared: 
(Chief Executive)

Date: September 2021

Approved: 
(Chair - on behalf of the Board)

Date: September 2021

Refer to CCA Table of Contents for related policies and procedures.

Document History

Note: Reviewed and rewritten policies and procedures took effect on 1st December 2016. For preceding policies and for revision history prior to this date, contact the Company Secretary.

Version Number	Review Date	Revision Details
1	2016	Original Policy
2	2017	Document Review- NDIA standards
3	2018	ACIA 2018 and NDIA Standards referenced
4	2021	Revised policy statement and principles (<i>previous Policy 6.13 and 6.13a</i>)

Next Review Date: October 2022

Conflict of Interest Flowchart

