



# CONFLICT OF INTEREST POLICY

(Good Neighbours Australia)

ABN: 95 510 669 822

<b>Version</b>	<b>Date</b>	<b>Author</b>	<b>Description</b>
<b>0.1</b>	<b>03/06/2021</b>	<b>Clarence Pho</b>	<b>CONFLICT OF INTEREST POLICY</b>
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## 1 GLOSSARY OF TERMS

In this document:

“**ACNC**” refers to the Australian Charities and Not-for-Profits Commission, the national regulator of charities based in Australia.

“**The Board**” refers to the Board of Good Neighbours Australia which is responsible for governing Good Neighbours Australia.

“**Board Member**” refers to a person who is a member of the Board.

“**Conflict of Interest**” occurs when an individual’s Personal Interests compete or conflict with the individual’s duty to act in the best interests of Good Neighbours Australia. A Conflict of Interest may be:

- a) actual, where an individual’s Personal Interests directly influence their current duties,
- b) potential, where an individual’s Personal Interests could influence their current duties, and
- c) perceived, where an individual’s official duties appear to be influenced by their Personal Interests.

“**Interest**” refers to the interests from a wide range of personal, professional, or business-related sources, which may include:

- a) a direct interest related to individual person such as the board members, staff
- b) an indirect interest, including those of family, friends, or other organisations that the stakeholders may be involved with or have an interest in, and
- c) a duty to another organisation. Also,
- d) financial interests and/or non-financial interests.

“**Good Neighbours Australia**” refers to the charitable organization known as Good Neighbours Australia ABN 95 510 669 822.

“**Policy**” refers to this Conflict of Interest Policy and any other ancillary documents that may be applicable.

“**Register of Interests**” refers to the document in Appendix A that records all of the Conflicts of Interest that every Board Member of Good Neighbours Australia has.

## 2 PURPOSE

- 2.1 Good Neighbours Australia is to ensure that we achieve and maintain the highest levels of integrity and public trust in our work and projects, conflicts of interest should be avoided. We believe any potential conflicts of interest must be identified, declared and actively managed, to ensure that all decision-makers are free of any actual, possible or perceived conflict.
- 2.2 The Board Members of Good Neighbours Australia have a duty to act in the best interests of Good Neighbours Australia whilst avoiding any personal gain derived from their position.
- 2.3 By managing these Conflicts of Interest, Good Neighbours Australia aims to achieve the following:
  - a) maintain and preserve its reputation and integrity,
  - b) ensure all stakeholders including the Board Members and staff act in the best interests of Good Neighbours Australia,
  - c) promote accountability and transparency, and
  - d) ensure good governance in accordance with the ACNC's Governance Standards

### **3 OBJECTIVE**

3.1 This Policy aims to:

- a) ensure that all Board Members and stakeholders are aware of their responsibilities to Conflict of Interest
- b) create a system for identifying, disclosing and managing Conflicts of Interest that arise, and,
- c) ensure that the Board Members and stakeholders comply with this Policy.

### **4 SCOPE**

4.1 This Policy applies to the following stakeholders of Good Neighbours Australia:

- a) Board Members,
- b) employees,
- c) volunteers,
- d) contractors,
- e) Consultants,
- f) Community partners, and
- g) Other relevant stakeholders

### **5 RESPONSIBILITIES OF STAKEHOLDERS, THE BOARD AND STAFF**

5.1 All stakeholders have the following responsibilities:

- a) identify and disclose any Conflicts of Interest with the work of Good Neighbours Australia, and
- b) comply with this Policy.

5.2 The Board is responsible for:

- a) establishing a system for identifying, disclosing and effectively managing Conflicts of Interest across Good Neighbours Australia,
- b) avoid or manage any Conflicts of Interest under the Board's direction, and
- c) monitoring and enforcing compliance with this Policy, and responding to any breaches.

5.3 The program manager is responsible for:

- a) monitoring adherence to the clauses related to Conflicts of Interest in Project/Program agreements entered into with other parties, and
- b) providing technical support as required to ensure other parties fully understand their obligations under the agreements.

5.4 The staff including volunteers is responsible for:

- a) monitoring adherence to all processes related to Conflicts of Interest in their work, projects, and campaigns, and
- b) Disclose for a potential Conflict of Interest identified to avoid or manage Conflicts of Interest

## **6 IDENTIFICATION AND DISCLOSURE OF CONFLICTS OF INTEREST**

6.1 When a new Board Member, employee, volunteer, contractor or consultant is recruited or engaged, they will be asked to identify and disclose any actual, potential or perceived Conflict of Interest that might exist. Such disclosures will be recorded on the individual's personal file as well as on the Register of Interests.

6.2 At the beginning of each Board meeting, all Board Members must disclose any Conflicts of Interest that have arisen. These disclosures will be captured.

6.3 Should an employee, volunteer, contractor or consultant identify a Conflict of Interest, they should immediately notify their manager or the Director.

6.4 A key test in identifying a Conflict of Interest would be to ask "would an independent observer think I was acting in the best interests of Good Neighbours Australia, or in my own interest?". If there is doubt or uncertainty, it is best to declare a Conflict of Interest.

6.5 Once the Executive Leadership Team has identified a Conflict of Interest, they must immediately:

- a) enter that Conflict of Interest into the Register of Interests, and
- b) notify the Board that the Conflict of Interest exists.

6.6 The Register of Interests must be maintained by the Secretary. The Register of Interests must record information related to a Conflict of Interest (including the nature and extent to the Conflict of Interest and any steps taken to address it).

6.7 The following staff are allowed access to the Register of Interests, but must maintain confidentiality:

- a) all Board Members, and
- b) all key persons in a relevant matter

## **7 ACTION REQUIRED FOR MANAGEMENT OF CONFLICTS OF INTEREST**

7.1 Once a Conflict of Interest has been appropriately disclosed, the Executive Leadership Team must decide whether or not those conflicted stakeholders should:

- a) vote on the matter,
- b) participate in any debate, or
- c) be representing alternative solutions to avoid Conflict of Interest

7.2 When deciding on the appropriate action to manage the Conflict of Interest, the Executive Leadership Team and the Board may consider the following options:

- a) no further action, if the Conflict of Interest is minimal and can be eliminated through disclosure and effective supervision,
- b) appointing independent reviewers (if necessary),
- c) excluding the conflicted staff or Board Member from the decision-making process (if applicable),
- d) restricting the conflicted staff or Board Member's access to sensitive or confidential information (if applicable),
- e) requesting the conflicted staff or Board Member relinquish or divest the Personal Interest which creates the conflict or make other arrangements (if applicable), and
- f) any other course of action the Executive Leadership Team and the Board considers appropriate in the circumstances.

7.3 In exceptional circumstances, such as where a Conflict of Interest is very significant or likely to prevent a Board Member from regularly participating in discussions, the Board may consider asking the Board Member to resign from the Board.

7.4 When deciding what approach to take, the Executive Leadership Team should consider the following factors:

- a) whether the Conflict of Interest needs to be avoided or simply documented,
- b) whether the Conflict of Interest will realistically impair the disclosing Board Member's capacity to impartially participate in decision-making,
- c) Good Neighbours Australia's objectives, mission and resources,
- d) confidentiality,
- e) the availability of alternative options to avoid the Conflict of Interest, and
- f) the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of Good Neighbours Australia.

7.5 The approval of any action under clause 7.4 requires the agreement of at least a majority of the Executive Leadership Team and the Board (excluding any conflicted personnel). The action and result of the action will be recorded in the Register of Interests.

7.6 In the event that no clear majority is reached, the Executive Director will consult further and recommend an appropriate course of action to the Board.

7.7 If the Board Chair discloses a Conflict of Interest, the Secretary will manage the process around that specific Conflict of Interest.

## **8 COMPLIANCE WITH THIS POLICY**

8.1 If a person has a reason to believe that the person has failed to comply with their responsibilities under this Policy, the Executive Leadership Team may investigate the circumstances accordingly.

8.2 If a person reasonably suspects that the person has failed to disclose to Conflict of Interest, the Executive Leadership Team may investigate the circumstances accordingly.

8.3 If it is found that the person has failed to disclose a Conflict of Interest, the Board may take action against them, commensurate with the seriousness of the breach. This may include:

- a) disciplinary procedures in the case of a breach by an employee,
- b) being asked to step down or resign in the case of a Board Member or volunteer, or
- c) termination of their contract in the case of a contractor or consultant.

## **9 REVIEW**

9.1 This Policy must be reviewed every 5 years to ensure that it is operating effectively.

**APPENDIX: REGISTER OF INTERESTS**



**Register of Interests**

**Good Neighbours Australia**

<b>Name of Board Member</b>	<b>Description of interest</b>	<b>Has the board been notified?</b>	<b>Date of disclosure</b>	<b>Steps taken by board for dealing with the conflict</b>	<b>Board member actions to address the conflict</b>