

# CONFLICT OF INTEREST POLICY STRATEGIC POLICY



<b>POLICY TITLE:</b>	<b>CONFLICT OF INTEREST POLICY</b>		
<b>VERSION:</b>	005	<b>DATE EFFECTIVE:</b>	01/06/2006
<b>AUTHORISED BY:</b>	Chairperson	<b>DATE REVIEWED:</b>	15/05/2023

## PURPOSE

The purpose of this policy is to help Board Members, employees and volunteers of ARC Disability Services Inc. (ARC) to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of ARC and manage risk.

## SCOPE

Board Members, employees and volunteers of ARC.

## DEFINITIONS

A **conflict of interest** occurs when an employee, volunteer or Board member's personal interests influence their decisions, conflicting with their responsibility to work towards the interests of the organisation and/or community.

A **personal interest** occurs when a decision a person makes directly or indirectly affects themselves or associates including (but not limited to):

- Immediate and extended family members or other persons with a strong personal bond, (e.g., husband, wife, children, brothers, sisters, parents, cousins, aunts, uncles and friends);
- Organisations in which the person is actively involved, (church, sporting club, etc.);
- Business partner/s.

A decision that involves the whole community or a specific group of people does not normally lead to a conflict of interest. For example, if the organisation is reviewing a program targeting youth, a Board member, employee or volunteer of the organisation will not have conflict of interest just because he or she has an adolescent child.

There can be different types of conflict and may be financial (Pecuniary) or non-financial.

- Actual – You are being influenced by a conflicting interest.
- Potential – a conflicting interest could influence you.
- Perceived - You could appear to be influenced by a conflict interest.

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

## IMPLEMENTATION

### GOVERNANCE

1. All members of the Board are bound to fulfill their duties and obligations in line with ACNC governance standards and that they disclose any actual or perceived material conflicts of interest as required by governance standard 5.
2. All new Employees and Board members are required to disclose any actual, potential, or perceived conflicts of interest upon becoming an Employee or Board member.
3. All Employees and Board members 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 circumstances.
4. Board Members can disclose a conflict at a Board or Board Committee meeting or to the Chair: if the latter, the disclosure will be confirmed at the next Board meeting.
5. Employees can disclose a conflict of interest to a member of the Leadership Team.
6. Any person who is not certain whether a circumstance requires disclosure should consult with the person responsible for managing conflicts at their level.

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## SERVICE DELIVERY

1. ARC will act in the best interests of each person receiving services and protects them from harm or disadvantage due to actual or potential conflicts of interest.
2. Each participant has the right to know about any real or possible conflict of interest that does, or may, affect their services.
3. Each participant has the right to access non-ARC services to support their ability to make choices and control their services.
4. If the organisation has a perceived conflict of interest (i.e., Participant choosing multiple services within ARC) the organisation will ensure that *Freedom of Choice* is evidenced within the decision making of the participant and it is documented within the conflict of interest register.
5. No participant is given preferential treatment above another in the receipt of provision of supports.
6. Staff working for or with ARC must not seek or receive any personal benefit because of their work including gifts, commissions, bonuses, or rewards.
7. All actual, potential, or perceived conflicts of interest are declared, documented, managed, and monitored.
8. To ensure segregation between Support Coordination, Plan Management and Direct Services, ARC have arrangements in place to keep information separate between each service area.
9. No ARC service may incentivise any person receiving ARC services to utilise the services of another ARC service.
10. No ARC service may hinder any participant from accessing services provided by a third party.

## EXAMPLES OF CONFLICTS OF INTEREST

The below examples are included to assist with the identification of potential conflicts of interest.

If a staff member were supporting a participant via ARC engaged supports, and that participant wished to contract that worker for private supports, this would be considered a conflict of interest. In this instance, a decision would need to be made for the staff member to support the participant as an employee of ARC or privately, but it cannot be both.

If a staff member is an immediate or extended family member of the participant or has a strong personal bond with the participant, a conflict of interest would need to be declared. For supports to proceed, the organisation would need to be satisfied that the staff member could appropriately manage the conflict.

If a staff member is an immediate or extended family member of another staff member, particularly if either person fulfils a role in which there is a risk of a potential or perceived conflict of interest, this conflict must be declared. A review of the conflict is to take place and if considered appropriate, the declaration must include a statement on the method of preventing any implied or real financial or personal benefit to either party.

If the organisation is deciding whether to fund an all-expenses-paid trip for a young person to attend a conference and the person is a child of a Board member or an employee, the Board member or employee must declare the conflict of interest.

## CONFLICT OF INTEREST DISCLOSURE

When a conflict of interest is disclosed, details must be provided to [feedback@arcinc.org.au](mailto:feedback@arcinc.org.au) for registration on the *Conflict of Interest Register*. The declaration should fully detail the conflict of interest, actions taken to resolve or mitigate the conflict.

The responsibility for resolving a conflict of interest depends on the person the conflict involves. They are multiple layers of responsibility to ensure transparent and effective management of conflicts.

1. The Leadership Team are responsible for resolving conflicts involving:
  - Employees bar another member of the Leadership Team or a member of the Board.
  - Volunteers
  - Participants
2. The CEO is responsible for resolving conflicts involving:
  - The Leadership Team, bar a conflict involving the CEO.

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3. The ARC Board is responsible for resolving conflicts involving:
  - The CEO
4. The Chair of the Board is responsible for resolving conflicts involving:
  - A member of the Board.
5. The Board Executive Team is responsible for resolving conflicts involving:
  - The Chair of the Board.

If the conflict of interest is a minor issue, the responsible person may decide that disclosure and registering the conflict of interest is a sufficient course of action.

If the conflict is significant, the organisation, the Board Member, employee, or volunteer should apply the requirements of this policy and must remove themselves from all discussions and decisions regarding the matter.

## ACCESSING THE CONFLICT OF INTEREST REGISTER

All persons wishing to access the *Conflict of Interest Register* must make the necessary application addressed to the CEO stating the reason for the request and should complete the Request to *Access Public Documents*.

The *Conflict of Interest Register* will be made available to the requester within 21 days of the request, unless there are exceptional circumstances that exist, or the applicant has been denied.

The *Conflict of Interest Register* will be located in a safe and secure location and managed independently by ARC's Quality Coordinator.

## INDUSTRY STANDARDS

ACNC Governance Standards

NDIS Practice Standards and Quality Indicators

Core Module 2.1, 2.2 & Supplementary module 4.3

## AUTHORISATION

This Policy is approved and issued by:



**Elizabeth Brown**

Chairperson

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