

CONFLICT OF INTEREST POLICY

Purpose

The purpose of this policy is to help Management Committee members of ACVVS to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of ACVVS and manage risk.

Objective

The Management Committee aims to ensure that Management Committee members are aware of their obligations 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 of ACVVS.

Scope

This policy applies to the Management Committee members of ACVVS.

Definition of conflicts of interests

A conflict of interest occurs when 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 (for example, as a shareholder). It also includes a conflict between a Management Committee member's duty to ACVVS and another duty that the Management Committee member has (for example, to another charity). A conflict of interest may be actual, potential, or perceived and may be financial or non-financial.

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

Policy

This policy has been developed because conflicts of interest commonly arise, and do not need to present a problem to the charity if they are openly and effectively managed. It is the policy of the ACVVS as well as a responsibility of the Management Committee, that ethical, legal, financial, or other conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with the obligations to ACVVS.

ACVVS will manage conflicts of interest by requiring Management Committee members to:

- avoid conflicts of interest where possible
- identify and disclose any conflicts of interest.
- carefully manage any conflicts of interest, and
- follow this policy and respond to any breaches.

Responsibility of the Management Committee

The Management Committee is responsible for:

- establishing a system for identifying, disclosing, and managing conflicts of interest across the charity
- monitoring compliance with this policy, and
- reviewing this policy on an annual basis, to ensure that the policy is operating effectively.

The charity must ensure that its Management Committee members are aware of the ACNC governance standards, particularly governance standard 5, and that they disclose any actual or perceived material conflicts of interests as required by governance standard 5. See link to the standard below:

<https://www.acnc.gov.au/for-charities/manage-your-charity/governance-hub/5-duties-responsible-people>

Identification and disclosure of conflicts of interest

Once an actual, potential, or perceived conflict of interest is identified, it must be entered into ACVVS's register of interests, as well as being raised with the Management Committee. Where all of the other Management Committee members share a conflict, the Management Committee should refer to governance standard 5 to ensure that proper disclosure occurs.

The register of interests must be maintained by the secretary, and record information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

Action required for management of conflicts of interest.

Conflicts of interest of Management Committee members

Once the conflict of interest has been appropriately disclosed, the Management Committee (excluding the Management Committee member disclosing and any other conflicted Management Committee member) must decide whether or not those conflicted Management Committee members 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 Management Committee member from regularly participating in discussions, it may be worth the Management Committee considering whether it is appropriate for the person conflicted to resign from the Management Committee.

What should be considered when deciding what action to take?

In deciding what approach to take, the Management Committee will consider:

- whether the conflict needs to be avoided or simply documented.
- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making.
- alternative options to avoid the conflict.
- the charity's objects and resources, and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the charity.

The approval of any action requires the agreement of at least a majority of the Management Committee (excluding any conflicted Management Committee member/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.

Compliance with this policy

If the Management Committee has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances.

If it is found that this person has failed to disclose a conflict of interest, the Management Committee may act against them. This may include seeking to terminate their relationship with the charity.

Contacts

For questions about this policy, contact the chair of the Management Committee or The Coordinator of ACVVS Far South Coast.