


The Paraplegic and Quadriplegic Association of SA Inc



Conflict of Interest Policy and Procedures

STATEMENT

The Paraplegic and Quadriplegic Association of South Australia Incorporated (PQSA) recognises the need to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of PQSA and manage risk. All individuals associated with PQSA will avoid situations where a conflict of interest may arise and/or will disclose potential conflicts of interest. All potential or actual conflicts of interest shall be appropriately managed.

Approved by: PQSA CHAIR 	Date: 19.07.2017
--	------------------

The Paraplegic and Quadriplegic Association of SA Inc.(PQSA) is incorporated under the *Association Incorporation Act 1985 (SA)* and conducts its business through operating Divisions, namely Support Services and HomeCare+.

Please note that printed copies are not able to be controlled and the Shared Drive should always be referred to for the most current version.

SCOPE

This policy covers all divisions of PQSA and applies to all workers. It provides a framework to ensure that all workers 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 PQSA.

DEFINITIONS

Benefit – Anything which provides the individual with a direct or indirect personal gain or the potential for personal gain or gain to an associated third party.

Conflict of Interest – A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of the organisation. 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 Board Member's duty to PQSA and another duty that the Board Member has (for example, to another entity). 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 make a decision based on, or affected by these influences, rather than in the best interests of PQSA and this risk must be managed accordingly.

Must – Indicates a mandatory action required by law, industrial instrument, or PQSA policy or procedure.

Manager/Supervisor - Any person who has the authority to influence or to direct the actions of an employee/volunteer/contractor/collector.

Reporting – Is an account or statement given either verbally or in writing with the specific intention of relaying information or recounting certain events in an objective manner.

Should – indicates a recommended action that a person is obliged to be follow.

Worker – Is a person who carries out work in any capacity including work as an employee, contractor or subcontractor, an employee of a contractor or sub-contractor, an employee of a labor hire company, an outworker, apprentice or trainee, or a student gaining work experience or volunteer (including Board Member).

RESPONSIBILITIES

It is the responsibility of PQSA to communicate its position on conflict of interest to all employees on a regular basis.

Managers/Supervisors must ensure that:

- ◆ Workers are familiar with their obligations in accordance with this Policy.

All Workers must ensure they:

- ◆ Notify their immediate Manager/Supervisor or the Board of potential conflicts of interest.

POLICY

This policy has been developed because conflicts of interest commonly arise and do not need to present a problem to the organisation if they are openly and effectively managed. It is the policy of PQSA, as well as a responsibility of workers, 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 PQSA.

CONFLICT OF INTEREST

Examples of circumstances which could result in a conflict of interest occurring include:

- ◆ Personal or third-party financial gain (exclusive of approved remuneration)
- ◆ Personal and Family Relationships between workers
- ◆ Decisions regarding appointments, promotions or other decisions relating to workers
- ◆ Acceptance of Gifts or Benefits e.g. monies, jewellery, make up or clothing
- ◆ Use of confidential and official Information
- ◆ Reproduction or use of copyrighted literary works, and works that are not intended for external use
- ◆ Membership of or employment in an organisation that operates in serious competition or conflict with PQSA
- ◆ Use of PQSA's facilities and equipment for personal benefit or the benefit of a third party.

Examples of circumstances which are not a conflict of interest:

- ◆ Membership of other organisations where there is no possible benefit or perception of benefit
- ◆ Union representation or membership
- ◆ PQSA-approved collaboration with other organisations.

PROCEDURES

PQSA will manage conflicts of interest by requiring workers to:

- ◆ Avoid conflicts of interest where possible
- ◆ Identify and disclose any conflicts of interest
- ◆ Carefully manage any conflicts of interest
- ◆ Follow this policy and respond to any breaches.

Workers (refer also to Board Member specific procedures below) who become aware of a conflict of interest or potential conflict of interest, must ensure the following procedures are adhered to:

1. Worker to discuss conflict of interest or potential conflict of interest with Manager/Supervisor (in the case of the PQSA Board, this is to be disclosed to the Chair and recorded in Board Meeting minutes as necessary).
2. Workers who are uncertain if they are placed in a situation where a potential or actual conflict of interest exists, should seek advice from their Manager/Supervisor.

3. Manager/Supervisor, on consideration of all relevant information, may determine:
 - i) the potential for a worker conflict of interest is remote and requires no further action other than recording the fact that the matter has been reviewed; or
 - ii) the worker's situation presents a conflict of interest and that the conflict must be resolved.
4. Actions determined to resolve or eliminate the conflict of interest are to be implemented immediately. These actions may include:
 - i) Removing the worker from the process to which the conflict relates (in the case of the Board, this may include the Board Member being excused from relevant discussions/decision-making); or
 - ii) reorganise the duties of the worker to remove the conflict of interest; or
 - iii) put in place additional processes to avoid the conflict of interest recurring.
5. All information regarding conflicts of interest is deemed sensitive and PQSA will take all reasonable steps to ensure confidentiality is maintained.

PQSA Board

The board is responsible for:

- ◆ Establishing a system for identifying, disclosing and managing conflicts of interest across the organisation
- ◆ Monitoring compliance with this policy
- ◆ Reviewing this policy on a scheduled basis to ensure that the policy is operating effectively.

Board Members must be made aware of the Australian Charities and Not-for-profits Commission (ACNC) governance standards, particularly governance standard 5, and that they must disclose any actual or perceived material conflicts of interest as required by governance standard 5.

Conflicts of interest for individual Board Members must be disclosed, documented and managed as per procedures pertaining to the conducting of Board meetings.

Once the conflict of interest has been appropriately disclosed, the Board (excluding the Board Member disclosing and any other conflicted Board Member) must decide if those conflicted Board 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 Board Member from regularly participating in discussions, the Board should consider whether it is appropriate for the person conflicted to resign from the Board.

In deciding what approach to take, the Board 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
- ◆ Whether alternative options to avoid the conflict exist
- ◆ The organisation objects and resources

- ◆ The possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, PQSA.

The approval of any action requires the agreement of at least a majority of the Board (excluding any conflicted Board 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.

RELATED LEGISLATION

- ◆ Associations Incorporation Act 1985

SUPPORT STANDARD

- ◆ ACNC Governance Standards
- ◆ National Disability Services Standard 6 - Service Management

SUPPORTING PQSA DOCUMENTATION

- ◆ Advocacy Policy and Procedures
- ◆ Code of Ethical Behavior
- ◆ Conducting a Board Meeting SOP
- ◆ Confidentiality Policy
- ◆ Delegation of Authority
- ◆ Employment of a Family Member Policy and Procedures
- ◆ Gifts and Donations Policy and Procedure
- ◆ Recruitment Policy and Procedure

BREACHES OF THIS POLICY

A **breach** of this policy is grounds for disciplinary action, up to and including termination of employment. Ignorance of these procedures will not generally be accepted as an excuse for non-compliance. Only in extreme circumstances and where such ignorance can be demonstrated to have occurred through no fault of the individual concerned will PQSA accept such an argument.

If the Board has a reason to believe that a Board Member 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 Board may act against them. This may include seeking to terminate their relationship with PQSA as per the Constitution.

DISTRIBUTION AND REVIEW

PQSA will ensure all persons engaged to provide services either paid or unpaid will be aware of this policy and will have easy access to it in an appropriate format. All policies are to be reviewed on a periodic basis or when legislation or government policy determines.

