



Conflict of Interest Policy and Procedure

Contents

1. Introduction.....	2
2. Aim.....	2
3. Principles	2
3.1. Policy statement	2
3.2. Abbreviations and definitions.....	2
3.3. Conflict of interest	3
3.4. Avoiding conflict of interest.....	3
4. Conflict of Interest Procedure	5
4.1. Identification.....	5
4.2. Declaration.....	5
4.3. Assessment and decision	5
4.4. Approval.....	6
4.5. ACHVL Personnel notification	6
4.6. Records.....	6
4.7. Annual review of conflict of interest	6
4.8. Confidentiality.....	6
4.9. Complaints	6
5. Breaches of the Conflict of Interest policy or procedure	7
5.1. What constitutes a breach.....	7
5.2. ACTION FOLLOWING A BREACH.....	7
6. Related legislation, industry frameworks and standards, ACHVL policy and procedures	7
6.1. ACHVL related policies and processes	7

ABORIGINAL COMMUNITY HOUSING (VIC) LTD.

1. Introduction

This policy applies to Aboriginal Community Housing (Vic) Limited and each of their directors, contractors, management team and staff. Conflict of interest means any outside activity, commitment, or interest that may adversely affect, compromise, or be incompatible with the obligations of a person within ACHVL or widely recognised professional norms. Conflict of interest refers to situations in which financial or other personal considerations may compromise, or have the appearance of compromising, an employee's professional judgment in exercising any employment duty or responsibility.

2. Aim

The purpose of this policy and procedure document is to:

- inform ACHVL Personnel of ACHVL policy regarding conflicts of interest
- assist ACHVL Personnel to identify situations in which a conflict of interest may arise
- provide guidelines and assistance to employees to avoid or deal appropriately with conflicts of interest
- outline the consequences of a failure to avoid or deal with conflicts of interest
- outline the process for reporting and resolving an actual, potential or perceived conflict of interest.

3. Principles

3.1. Policy statement

All ACHVL Personnel owe a legal duty, to act in the best interests of the ACHVL for which they are employed, appointed or contracted in performing their duties, in preference to the ACHVL Personnel's own personal interests. This duty is set out in the contract entered into by the ACHVL Personnel, but it is also an obligation imposed on all employees by the law. It is the responsibility of all ACHVL Personnel to act in a manner which will avoid actual, potential or perceived conflicts of interest, and to manage and report conflicts of interest as outlined in this document

3.2. Abbreviations and definitions

Term/ Abbrev.	Meaning
Conflict of interest	ACHVL Personnel has personal interests which conflict with their responsibility, as ACHVL Personnel, to perform their duties, and lead to any form of financial or personal gain. Includes: <ul style="list-style-type: none"> • Actual. An obvious or demonstrable conflict of interest. • Potential. A situation arises where there is potential for a conflict of interest to occur. • Perceived. An onlooker may reasonably assume there is a conflict of interest.
ACHVL Personnel	Employee, director or contractor of ACHVL. These principles are inclusive of associates of the employee such as business partners, family members, friends or persons in a close personal relationship with the employee

ABORIGINAL COMMUNITY HOUSING (VIC) LTD.

3.3. Conflict of interest

A conflict of interest may take various forms but exists when there is a divergence between an individual's private interests and his or her professional obligations to ACHVL such that an independent observer might reasonably question whether the individual's professional actions or decisions might be influenced by considerations of gain, financial or otherwise, for the individual or his or her family members or for other parties.

Conflict of interest can occur when ACHVL Personnel receives or is perceived to receive any form of financial or other personal gain as a result of making decisions, in the course of their duties, as a delegated authority and/ or as a member of a decision-making committee. Conflict of interest can also occur when associates of the employee such as business partners, family members, friends or persons in a close personal relationship with the employee receive or are perceived to receive financial or personal benefits.

ACHVL Personnel perform a range of functions, many of which could present the potential for a conflict of interest, including but not limited to:

- employment and selection of staff
- selection of a contractor for services or purchases
- allocation of properties, tenant selection
- ordering/delivery of goods and services
- authorisation of expenditure
- where ACHVL Personnel holds secondary employment or contract that may compromise their responsibilities with ACHVL.

This *Conflict of Interest policy and procedure* is also relevant to the protection of clients' best interests, ensuring that they are dealt with fairly and not with a view to gaining an advantage for the ACHVL Entity at their expense.

3.4. Avoiding conflict of interest

The following principles provide some guidelines for conducting business in a way that avoids conflict of interest. ACHVL Personnel who are uncertain if they are placed in a potential or actual conflict of interest situation or not should seek advice from their direct report set out in their contract or a board member of ACHVL.

Use of ACHVL resources

ACHVL resources, information and supply arrangements are to be used for ACHVL and client benefit, not personal benefit. It could be a conflict of interest if ACHVL Personnel:

- makes private purchases on the same terms and prices that had been negotiated for ACHVL purchases

Notes -

- purchasing discounted air tickets for personal use by using a ACHVL travel agent -
- obtaining items or services for personal use on the same using the terms/discounts negotiated by ACHVL to obtain a discount which would not be available to the general public

External relationships (suppliers, service providers, customers)

External parties such as suppliers, service providers and customers are to be dealt with in an impartial manner, and all dealings fair and transparent. It could be a conflict of interest if an employee is personally associated with an external party and:

- conducts business with them

ABORIGINAL COMMUNITY HOUSING (VIC) LTD.

- influences the awarding of supply of materials or services to them
- diverts business of the ACHVL Entity away from another external party in favour of their associated business.

Notes -

- if the association between the employee and the supplier or customer has been declared, and an action plan in place, this is managed as a potential conflict of interest

Care must also be taken even if there is no personal association between the employee and the external party. It could be a conflict of interest if an employee:

- is taken out to lunch by an external party
- receives discounted goods or services
- receives a gift, including but not limited to small items such as gift vouchers or concert tickets
- receives cash

Notes -

- ensure lunches are approved by the finance manager of the ACHVL Entity. -
- goods and services offered or received must be declared and either not accepted or placed in a central point for benevolent distribution -
- tokens such as promotional pens and stationery items are not considered a conflict of interest

Internal ACHVL functions

Internal functions of ACHVL Entity are to be fair and transparent. It could be a conflict of interest if ACHVL Personnel:

- influences:
 - recruitment and selection of contractors or employees
 - promotion
 - disciplinary procedures
 - staff development
 - performance review
 - remuneration
- as a financial delegate, approves payments to themselves or an associate
- discloses information to a third party about internal functions of a ACHVL Entity.

Notes -

- see *Personal relationships* section below -
- if financial delegate or associate is entitled to payment, claims must be signed by the finance manager of the ACHVL Entity -
- information disclosed to a third party because there is a legal or professional duty to disclose is not a conflict of interest -

ABORIGINAL COMMUNITY HOUSING (VIC) LTD.

- consent of the board must be obtained before any disclosure

Personal relationships

Personal relationships are not to influence work behaviours. It could be a conflict of interest if ACHVL Personnel:

- acts on the basis of personal friendship or personal animosity to advantage or disadvantage a fellow director, employee, contractor, supplier, service provider, customer or tenant

Notes -

- ACHVL Personnel must disclose any close personal relationship with another current director, employee, an applicant for any vacant position relevant to the director, employee, contractor, supplier, service provider, customer or tenant -
- action plans relating to potential conflict of interest could include: ensuring that one party is not the direct supervisor of the other or involved in any other procedure relating to the conditions of appointment, e.g. position classification, leave applications, performance monitoring

4. Conflict of Interest Procedure

4.1. Identification

ACHVL Personnel must consider whether any conflict of interest exists at the commencement of their role. Potential conflicts of interest are also mentioned in the section on the values of ACHVL. Because conflicts of interest can arise at any time, ACHVL Personnel must be aware of the possibility occurring on an ongoing basis and if it arises, take action as per this policy and procedure document.

4.2. Declaration

If ACHVL Personnel believes they may have a conflict of interest they must disclose it immediately to the board of ACHVL.

If there has been a delay in reporting it, a valid explanation must be provided by the relevant ACHVL Personnel.

ACHVL Personnel who are uncertain whether or not they are placed in a situation where a potential or actual conflict of interest exists should seek advice from a member of the board of ACHVL.

4.3. Assessment and decision

The person to whom the disclosure has been made assesses the information provided and decides, either that:

- the potential for a conflict of interest of the ACHVL Personnel is remote and requires no further action other than to record that the matter has been reviewed; or
- the ACHVL Personnel's situation presents a conflict of interest and that conflict must be resolved.

Their assessment and decision must be recorded in a report and submitted to the board of ACHVL.

Guidelines for developing action plans

Actions determined to resolve or eliminate any conflict of interest are to be implemented immediately. These may include:

- require the ACHVL Personnel to take action to eliminate the conflict
- disqualify the ACHVL Personnel from the process to which the conflict relates

ABORIGINAL COMMUNITY HOUSING (VIC) LTD.

- reorganise the duties of the ACHVL Personnel so as to remove the conflict of interest
- put in place additional processes to ensure the impartiality of the ACHVL Personnel in the performance of their duties and notify the ACHVL Personnel of these processes by confidential minutes.

4.4. Approval

The Board of ACHVL reviews the report and gives approval, or discusses any further action that may be required to obtain approval.

4.5. ACHVL Personnel notification

When approval has been given, the person who has made the assessment and decision notifies the ACHVL Personnel of their decision and develops an action plan. The ACHVL Personnel is provided with a copy of the report, including any comment that they wish to be recorded.

4.6. Records

The report is maintained by ACHVL who:

- place all relevant documentation on the ACHVL Personnel personal file
- record the details in the Conflict of Interest Register, including:
 - details of the actual, potential or perceived conflict
 - the assessment, decision and action plan.

4.7. Annual review of conflict of interest

ACHVL Personnel will be annually asked to update any declarations. While this provides a point in time notification of interests, ACHVL Personnel who are authorised to continue to perform their normal duties must immediately report any change in circumstances to the board of ACHVL with whom they are engaged, who must re-assess the situation.

4.8. Confidentiality

ACHVL shall take all necessary steps to ensure the confidentiality of information relating to conflicts of interest, disclosing information only to those with:

- delegated authority for dealing with and recording such matters
- relevant expertise whose advice and/ or assistance has been sought.

4.9. Complaints

If ACHVL Personnel believes that another ACHVL Personnel is not complying with this policy and procedure, they may raise the matter with their supervisor or report it under the ACHVL's Whistleblower policy and procedure. The complaint will, at the discretion of the board of ACHVL, to be investigated. If the ACHVL Personnel against whom the complaint has been made disputes the allegation, the board may ask them to make a written statement that they do not have a conflict of interest as alleged.

Related Policy: Whistleblower policy and procedure
--

ABORIGINAL COMMUNITY HOUSING (VIC) LTD.

5. Breaches of the Conflict of Interest policy or procedure

5.1. What constitutes a breach

An employee is deemed to have breached the Conflict of Interest policy and procedure if they:

- fail to disclose potential or actual conflicts of interest
- are directed to provide information and fail to do so

5.2. ACTION FOLLOWING A BREACH

Depending on the circumstances, actions taken by ACHVL may include:

- counselling
- termination of contract
- use of disciplinary procedures
- civil action
- reporting of actions to police, possible leading to criminal charges.

Some breaches may lead to an allegation of misconduct, termination of employment and/ or legal proceedings against an employee.

Related Policies: Disciplinary Action Policy, Fraud and Corruption Prevention Planning Policy and Procedure, Termination Policy and Whistleblower policy and procedure

6. Related legislation, industry frameworks and standards, ACHVL policy and procedures

6.1. ACHVL related policies and processes

Declaration of Interest form
Performance Counselling Policy
Disciplinary Action Policy
Fraud and Corruption Prevention Planning Policy and Procedure
Whistleblower Policy
Procurement Policy

Aboriginal Community Housing (VIC) Ltd owns the copyright to this material. No part of this document may be reproduced or reused for any commercial purposes whatsoever, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of Aboriginal Community Housing Limited, except in the case of brief quotations and certain other non-commercial uses". For permission requests, submit request addressed "Attention: Public Relations Department Aboriginal Community Housing Ltd, info@achl.org.au."