

Policy name	Conflict of Interest Policy
Policy date	March 2021
Authorisation	Board Audit & Risk Committee
Policy owner	Executive, People and Culture
Policy type	Administrative
Policy Setting	Ethics

## 1 Purpose

- 1.1.1 The objective of this Conflicts of Interest Policy (Policy) is to ensure that all Actual, Potential or Perceived Conflicts of Interest are identified, disclosed, and managed effectively at Mission Australia.
- 1.1.2 This Policy aims to promote Mission Australia's 'Speak Up' culture in which honesty, integrity, and business ethics are a part of everyday behaviour and to prevent Conflicts of Interest from influencing actions or decision making.
- 1.1.3 This Policy has been developed to address any Conflict of Interest risks at Mission Australia

## 2 Scope

- 2.1.1 This Policy applies to all directors, committee members, employees, volunteers, students and contractors of Mission Australia (defined as Workers below).
- 2.1.2 This policy forms part of Mission Australia's Ethics Suite and should be read together with Mission Australia's [Speak Up and Speak Out Statement](#), [Code of Conduct](#) and [Fraud Control & Corruption Prevention Policy](#).

## 3 Definitions

### 3.1 Conflicts of Interest

- 3.1.1 A clash between a Worker's Personal Interests and Work Interests that gives, may give, or may be perceived to give, advantage to the Worker, or to others who are associated with the Worker. It may be an Actual, Potential or Perceived Conflict of Interest.

### 3.2 Actual Conflict of Interest

- 3.2.1 Where a Worker is being influenced by a conflicting interest.

**3.3 Potential Conflict of Interest**

3.3.1 Where a Worker could be influenced by a conflicting interest.

**3.4 Perceived Conflict of Interest**

3.4.1 Where a Worker could appear to be influenced by a conflicting interest.

**3.5 Non-Pecuniary Interest**

3.5.1 A Personal Interest without a financial component where there may be a tendency for favouritism, or prejudice to arise due to friendship, animosity or other personal involvement with another person or group.

**3.6 Pecuniary Interest**

3.6.1 A Personal Interest involving actual or potential financial gain or loss by a Worker, or a Worker's relative, or a Worker's close associate (that owns property, holds shares, or is associated with a firm bidding for MA work).

**3.7 Personal Interests**

3.7.1 Direct interests, including those of individuals, groups or organisations that a Worker associates with outside of the Mission Australia Group (for example, as a shareholder).

**3.8 Worker (you):**

3.8.1 Any person performing work for Mission Australia regardless of whether it is paid or voluntary. All Directors, Committee Members, Executives, Employees, Volunteers, Students, Contractors and Consultants are Workers for the purposes of this Policy to the extent that they contribute to Work Interests.

**3.9 Mission Australia (MA):**

3.9.1 Mission Australia and any entity within the Mission Australia Group, including Mission Australia Housing and Sir David Martin Foundation.

## 4 Policy

**4.1 Commitment to Managing Conflict of Interest**

4.1.1 Mission Australia is committed to ensuring that any Conflicts of Interest are effectively identified, declared and managed so that they do not affect the services, activities, decisions, integrity or reputation of the organisation, or the duties and responsibilities of employees.

## 4.2 Identifying and Declaring a Conflict of Interest

- 4.2.1 A conflict may be Actual, Perceived or Potential, and the conflict may be Pecuniary or Non-Pecuniary in nature. Examples of Conflicts of Interest are provided in [Appendix A](#).
- 4.2.2 Workers have an obligation to avoid Conflicts of Interest. However, Mission Australia recognize that the existence of a Conflict of Interest is not uncommon. What is important is how a conflict is managed.
- 4.2.3 When you become aware that you may have a Conflict of Interest, you must report this to your Managers. Where not appropriate to report it directly to your Manager, you must report it to your next 'one up' People Leader or the appropriate level of management.
- 4.2.4 When Directors or Board Committee Members have a Conflict of Interest, they must report it to the meeting members and the relevant Chair must ensure its recorded in the meetings minutes.
- 4.2.5 All Workers that identify improper conduct in relation to a Conflict of Interest are encouraged to speak up and report the matter to their Manager or an appropriate People Leader. Refer to the [Whistleblower Policy](#) and our [Speak Up and Speak Out Statement](#) for more information on how to do this.

## 4.3 Resolving a Conflict of Interest

- 4.3.1 Once a Conflict of Interest has been identified, there are several options available to manage this Conflict of Interest.
- 4.3.2 Managers will work with their Workers to identify the appropriate risk management strategy in dealing with the Conflict of Interest. As guidance, a Conflict of Interest may be managed and resolved by one of the following strategies, set out in detail in [Appendix B](#):
- Removing the Worker from participating in the matter
  - Restricting the Worker on their involvement in the matter
  - Recruiting a third party to provide advice (such as a probity adviser, lawyer, or governance expert)
  - Relinquishing the private interest
- 4.3.3 Along with the management strategies noted above Managers should ensure that there are appropriate communications strategies in place to manage the perceptions other employees may have regarding the Conflict of Interest.

## 4.4 Registering a Conflict of Interest

- 4.4.1 All Conflicts of Interest are to be documented and reported to [conflictregister@missionaustralia.com.au](mailto:conflictregister@missionaustralia.com.au) using the [Conflicts of Interest Declaration Form](#), which can be found in the Mission Australia Share Point. Managers must ensure that all Conflicts of Interest are reported for their Workers.

- 4.4.2 The [Conflicts of Interest Declaration Form](#) must outline the Conflict of Interest, explain the management and communication strategies and note the required approvals.
- 4.4.3 All Conflicts of Interest must be registered in the Conflicts of Interest Register.
- 4.4.4 The Executive People & Culture must ensure all Conflicts of Interest reported by Workers (other than Directors and Committee Members), are recorded and registered in the Conflict of Interest Register. Where the Conflict of Interest is reported by Directors and Committee Members the Company Secretary must ensure that the report is recorded in the minutes and the relevant register of interests for Directors and Committee Members.
- 4.4.5 Conflicts of Interest must also be recorded in employee Personnel files via People Assist.
- 4.4.6 Where a Conflict of Interest is ongoing, Managers must periodically review (at least annually) the implementation of the management and communications strategies and, if they require updating, they must update the [Conflicts of Interest Declaration Form](#) and the Conflicts of Interest Register accordingly conduct periodic reviews.

## 5 Breach of Policy

- 5.1.1 A Worker's failure to disclose a Conflict of Interest is a breach of the [Code of Conduct](#) and may result in disciplinary action that may involve dismissal from the organisation. For Directors and Committee members, this is a breach of the [Code of Conduct](#) and the relevant Board or Committee Charter.
- 5.1.2 If there is reason to believe that a Worker has failed to comply with this Policy, the Executive People & Culture will investigate the circumstances. If it is found that a Worker has breached this Policy disciplinary action may be actioned.

## 6 Responsibilities

Everyone in Mission Australia is responsible for identifying, disclosing, and resolving Conflicts of Interest. Specific responsibilities are:

### 6.1 Directors and Committee Members

- 6.1.1 Be aware when Conflicts of Interest arise to ensure conflicts are disclosed, managed and resolved, with all pertinent details recorded in meeting minutes.
- 6.1.2 Monitor compliance with this Policy.

### 6.2 Company Secretary

- 6.2.1 Receive Conflict of Interest notifications from Directors and Committee Members, review the effectiveness of management strategies, and register in the relevant Director and Committee members register of interests.

6.2.2 Manage the Integrity Hotline and ensure that reported Conflicts of Interest are referred to Executive People & Culture to be responded to appropriately.

### 6.3 Chief Executive Officer, Executive People & Culture

6.3.1 Provide leadership in implementing, communicating, reviewing, giving effect to, and facilitating compliance with this Policy.

6.3.2 Establish a system for identifying, disclosing, and managing Conflicts of Interest across Mission Australia.

6.3.3 Perform periodic reviews of the Conflict of Interest Register to identify patterns or trends which may need organisation wide action.

### 6.4 Executive Leaders and Managers

6.4.1 For those they supervise:

- Identify Conflicts of Interest
- Formulate management and communications strategies to resolve any identified Conflicts of Interest
- Document and register any Conflicts of Interest identified in the Conflicts of Interest Register by emailing [conflictregister@missionaustralia.com.au](mailto:conflictregister@missionaustralia.com.au).
- Periodically review (at least annually) ongoing Conflicts of Interest and the appropriateness of the management and communications strategies.
- Participate in Conflict of Interest resolution.
- Notify People & Culture via People Assist of the Conflict of Interest for recording in the personnel file

6.4.2 Take appropriate action for breaches of this Policy.

### 6.5 People and Culture Team

6.5.1 Receive Conflict of Interest notifications

6.5.2 Review the effectiveness of management strategies.

6.5.3 Register all Conflicts of Interest in the Mission Australia Conflict of Interest Register

6.5.4 Register all Conflicts of Interest in the relevant employee's personnel file.

### 6.6 Workers

6.6.1 Be aware of Conflicts of Interest that might affect them.

6.6.2 Disclose Conflicts of Interest to their Manager and by emailing [conflictregister@missionaustralia.com.au](mailto:conflictregister@missionaustralia.com.au) (or in the case of Directors or Committee members to the relevant meeting)

6.6.3 Document and register the management and communication strategies for any

Conflict of Interest in conjunction with their Manager.

- 6.6.4 Speak up to advise your Manager or a People Leader if you see an Actual or Potential Conflict of Interest that may not be appropriately managed.
- 6.6.5 Manage these conflicts as required by management plans and notify their Manager Leader of any changes.

## 7 Contacts

- 7.1.1 For questions about this Policy, please email [conflictregister@missionaustralia.com.au](mailto:conflictregister@missionaustralia.com.au)

## 8 Relationships with other Policies

### 8.1 Other organisational policies and documents that should be read in conjunction with this Policy include:

- 8.1.1 [Mission Australia Values & Behavioural Statements](#)
- 8.1.2 [Statement of Enterprise Ethics](#)
- 8.1.3 [Code of Conduct](#)
- 8.1.4 [Speak Up and Speak Out Statement](#)
- 8.1.5 [Gift & Benefits Policy](#)
- 8.1.6 [Whistleblower Policy](#)
- 8.1.7 [Fraud Control & Corruption Prevention Policy](#)
- 8.1.8 [Managing Underperformance and Misconduct Procedure](#)

## 9 Appendices

- 9.1.1 [Appendix A](#)
- 9.1.2 [Appendix B](#)

## Appendix A

### 1 Examples

#### 1.1 Example of Conflicts of Interest

- 1.1.1 Purchasing goods or services supplied by a family business, family company, relative or close friend of a Worker
- 1.1.2 Managing the ongoing supply of goods or services provided by a family business, family company, relative or close friend of a Worker
- 1.1.3 Participating in a tender for goods or services where a relative or friend will be submitting a bid;
- 1.1.4 Directly negotiating for a friend or relative for them to provide goods or services to Mission Australia for payment;
- 1.1.5 Making decisions in relation to whether a friend of family member is a recipient of any services provided by Mission Australia.
- 1.1.6 A friend or family member Exchange of gifts and or benefits with a worker supplied by customer, client, applicant, supplier or potential supplier and contractors or external organisation as a consequence of their relationship with Mission Australia;
- 1.1.7 Involvement in the recruitment selection of a relative or friend as an employee of Mission Australia;
- 1.1.8 Being the Manager of a friend or family member also employed by Mission Australia;
- 1.1.9 Sale of an entity asset to a Worker without an equitable process;
- 1.1.10 Worker voting on a decision which directly affects their Personal interests; and
- 1.1.11 Worker knowing confidential information about Mission Australia that could impact Personal interests.

#### 1.2 Example of a Potential or Perceived Conflict of Interest

- 1.2.1 Potential - A Worker has taken up employment with another charity and that Worker may, at some point, apply for a grant as an employee of that charity and a Worker for Mission Australia.
- 1.2.2 Perceived - A Worker might review quotes for a service and one of the potential providers is the employer of that Worker's sibling – while the Worker believes they can make an impartial decision in the best interests of Mission Australia, it could be perceived as being made in their own interest

## Appendix B

### 1 Strategies

A conflict may be managed and resolved by one of the following strategies.

#### 1.1 Restricting

Restricting the Worker with the Conflict of Interest in the decision-making process is an appropriate method where the conflict is not likely to arise frequently.

Restriction could include one or more of the following:

- 1.1.1 Not participating in any critical criteria-setting or decision-making role in the process
- 1.1.2 Refraining from debate about the plan or proposal
- 1.1.3 Limiting access to information and / or denying access to sensitive documents or confidential information in the process
- 1.1.4 Withdrawing from discussion of the plan or proposal
- 1.1.5 Abstaining from voting on the decision
- 1.1.6 Allocating another Worker or People Leader as the point of contact for the management of any activity that gives rise to the Conflict of Interest

#### 1.2 Recruiting

Recruiting an independent person to oversee all or part of the process is an appropriate method where the Conflict of Interest is more significant and needs more proactive management, but where the Worker with the Conflict of Interest has particular expertise and cannot be easily replaced.

Recruiting strategies include:

- 1.2.1 Arranging for an independent third party to make the decision
- 1.2.2 Requiring another person in the organisation to obtain three written quotes to compare against any bid by a Worker's family member
- 1.2.3 Engaging an independent third party or probity auditor to oversee or review the integrity of the decision-making process – this strategy is particularly appropriate where there is a reasonably Perceived, but not Actual, conflict of interest or the Conflict of Interest is only identified at or near the conclusion of the process or after the making of the decision
- 1.2.4 Increasing the number of people sitting on decision-making committees to balance the influence of a single member who may have a Conflict of Interest but who has

some special reason to remain on the committee

- 1.2.5 Seeking the views of those likely to be concerned about a Potential, Actual or reasonably Perceived Conflict of Interest about whether they object to the Worker with the Conflict of Interest having any, or any further, involvement

### **1.3 Removing**

Removing the Worker with the Conflict of Interest from the process is appropriate where there is ongoing serious or Actual Conflict of Interest and restriction or recruitment is not practical or feasible.

Removal strategies include:

- 1.3.1 Removing the Worker with the Conflict of Interest from any involvement
- 1.3.2 Abstaining from any formal or informal discussion about the matter
- 1.3.3 Separating the Worker with the Conflict of Interest from the situation where there may be a perception of exerting a covert influence on decisions or actions
- 1.3.4 Re-arranging duties and responsibilities to a non-conflicting function but not to a person who is supervised by the person with the Conflict of Interest
- 1.3.5 Transferring the Worker with the Conflict of Interest to another project or another area of the organisation

### **1.4 Relinquishing**

Relinquishing the Personal Interest that gives rise to the Conflict of Interest by the Worker:

- 1.4.1 Liquidating the Personal Interest in an arm's-length transaction
- 1.4.2 Divesting or withdrawing support for the Personal Interest
- 1.4.3 Assigning the conflicting interest to a genuinely 'blind trust' or 'blind management' arrangement for at least the duration of the conflict