

Organisational Policy

Conflict of Interest Policy

Purpose

The purpose of this policy is to outline our approach to conflicts of interest and help Directors, Board Committee members, staff and volunteers to effectively identify, disclose and manage any conflicts of interest in order to protect the integrity of The Benevolent Society.

Scope

This policy applies to all Directors, Committee members, staff, contractors and volunteers of The Benevolent Society and any entity that is controlled by The Benevolent Society (**we, us, our**).

Policy Statements

1. You must, at all times, act in our best interests having regard to:
 - your role with us;
 - our purpose of supporting people who are vulnerable, disadvantaged or in need; and
 - the law.
2. A conflict of interest is a situation where a person or entity has competing interests or loyalties. A conflict may be actual (a conflict which has arisen in the present situation), potential (a conflict that may occur in the future) or perceived (a conflict that is seen to be a conflict but is not). We also deal with individual and organisational conflicts.

Individual

3. An individual conflict of interest is when the conflict arises from individual circumstances. Individual conflicts of interest may include:
 - any employment outside of The Benevolent Society;
 - directorships of other companies or organisations that may have dealings with us;
 - direct or indirect interests you have in businesses which supplies goods or services to us;
 - you standing to benefit, financially or otherwise, from a transaction or arrangement between us and you or a third party; and
 - interests of your family members, friends or any other associates of any of these types.
4. You have an obligation to avoid conflicts of interest. However, we recognise that the existence of a conflict of interest is not uncommon. What is important is how a conflict of interest is managed.

5. You are responsible for identifying your conflict with your manager. Your manager will work with you to identify the appropriate risk management strategy in dealing with the conflict. There is not a one-size-fits-all solution to effectively manage conflicts of interest. As guidance, a conflict may be managed and resolved by one of the following strategies set out in Appendix A.
6. All conflicts must be recorded in our conflicts of interest register together with the prescribed form. Your manager is responsible for having your conflict registered in the conflicts of interest register together with the form.
7. Appendix B sets out additional protocols for dealing with conflicts of interest arising for a statutory director. Appendix C sets out additional protocols for dealing with conflicts of interest arising for the CEO and Company Secretary. Appendix D sets out additional for dealing with conflicts of interest arising for an Executive.

Organisational

8. An organisational conflict is a situation which arises when there are competing interests arising from services within The Benevolent Society or when there are competing interests arising from The Benevolent Society and one of its subsidiaries or amongst the subsidiaries themselves.
9. We deal with organisational conflicts of interest arising from the National Disability Insurance Scheme (NDIS). The NDIS is designed to support people to pursue their own goals and to build their capacity to lead a meaningful life. We are committed to:
 - the overriding philosophy that underpins the NDIS which is that the participant retains choice and control over their services and supports including who provides these services and supports to them;
 - staff freely advocating for participants without actual or apparent fear of recourse; and
 - participants freely raising concerns or complaints, and choosing other service providers without actual or apparent fear of recourse.
10. Appendix E sets out specific protocols for dealing with conflicts of interest arising from the NDIS.
11. We will continue to monitor conflicts of interest which may arise with a view to continuously improving our policy and protocols for dealing with conflicts.
12. The Group Company Secretary has standing authority to release instructions and develop educational information for our staff on rules to be applied for dealing with conflicts of interest.
13. If you have any queries, concerns or feedback about this policy, you may contact us as follows:

Group Company Secretary
The Benevolent Society
PO Box 257
Broadway NSW 2007

t 02 8262 3400
theproperofficer@benevolent.org.au

Responsibilities and policy owner

- The policy owner is the Group Company Secretary and she is maintaining the currency of this policy.
- The Executive Directors have overall responsibility for the management of compliance obligations in their directorates, promoting, monitoring and upholding a positive compliance culture and identifying the need for support and/or training.
- The CEO has overall responsibility for ensuring The Benevolent Society and its related entities fulfils its legal obligations and effectively manages any risk exposure that may result from compliance failures and providing formal assurance to the Board as to the state of compliance.

Consultation and approval

This policy is a consolidated policy of prior version conflicts of interest and NDIS conflicts of interest policies. Staff, Executives and the CEO was consulted in the update of this policy. This policy has been approved by The Benevolent Society Board.

Appendix A

Conflicts of Interest Management Strategies

The following table provides a brief description of the types of situation in which certain strategies would be considered most suitable, and when such options might be considered least suitable.

| Management Strategy | When MOST Suitable | When LEAST Suitable |
|--|--|---|
| REGISTER Where details of the existence of a possible or potential conflict of interest are formally registered | <ul style="list-style-type: none"> For very low-risk conflicts of interest and potential conflicts of interest Where the act of transparency through recording the conflict of interest is sufficient | <ul style="list-style-type: none"> The conflict of interest is more significant or of a higher risk The potential or perceived effects of a conflict of interest on the proper performance of the employee's duties require more proactive management |
| RESTRICT Where restrictions are placed on the employee's involvement in the matter | <ul style="list-style-type: none"> The employee can be effectively separated from parts of the activity or process The conflict of interest is not likely to arise frequently | <ul style="list-style-type: none"> The conflict is likely to arise more frequently The employee is constantly unable to perform a number of their regular duties because of conflict of interest issues |
| RECRUIT Where a disinterested third party is used to oversee part or all of the process that deals with the matter | <ul style="list-style-type: none"> It is not feasible or desirable for the employee to remove themselves from the decision-making process In small or isolated communities where the particular expertise of the employee is necessary and genuinely not easily replace | <ul style="list-style-type: none"> The conflict is serious and ongoing rendering ad hoc recruitment of others unworkable Recruitment of a third party is not appropriate for the proper handling of the matter A suitable third party is unable to be sourced |
| REMOVE Where an employee chooses to be removed from the matter | <ul style="list-style-type: none"> For ongoing serious conflicts of interest where ad hoc restrictions or recruitment of others is not appropriate | <ul style="list-style-type: none"> The conflict of interest and its perceived or potential effects are of low risk or low significance The employee is prepared to relinquish the relevant private interest rather than radically change their work responsibilities or environment |
| RELINQUISH Where the employee relinquishes the private interest that is creating the conflict | <ul style="list-style-type: none"> The employee's commitment to public duty outweighs their attachment to their private interest | <ul style="list-style-type: none"> The employee is unable or unwilling for various reasons, to relinquish the relevant private interest |
| RESIGN Where the employee resigns from their position with The Benevolent Society | <ul style="list-style-type: none"> No other options are workable The employee cannot or will not relinquish their conflicting private interest, and changes to their work responsibilities or environment are not feasible The employee prefers this course as a matter of personal principle | <ul style="list-style-type: none"> The conflict of interest and its potential or perceived effects are of low risk or low significance Other options exist that are workable for the employee and The Benevolent Society |

Appendix B

Directors and Board Committee Members

Conflicts between Directors' and Board Committee Members personal interests and The Benevolent Society and/or entities which are controlled but The Benevolent Society

Directors of The Benevolent Society and/or entities which are controlled by The Benevolent Society (**TBS Group**, each a **TBS Group member**) which are registered with the ACNC must ensure that they are aware of their duties under the *Australian Charities and Not-for-profit Commission Act 2012* (Cth) and in particular Standard 5 which among other matters, places a legal obligation on board members to disclose perceived or actual conflicts.

When Directors or Board Committee members have a conflict of interest or conflict of duties, they must raise this with the Chairman or Committee Chairman as soon as practicable. Alternately, a Director or Board Committee Member may declare a conflict of interest at the start of a Board/Committee meeting. The Group Company Secretary will include in every Board and Committee agenda a 'Disclosure of Interests' agenda item. In the event of a disclosure of a conflict the Board/Committee should consider whether the conflicted Director or Board Committee Member should in relation to the conflicted matter:

- participate or refrain from participating in any discussion on the matter;
- be present during the time of any discussion or remove themselves during the time of any discussion;
- vote on matter or abstain from voting on the matter.

The Group Company Secretary:

- minutes conflicts of interest declared at Board and Committee meetings; and
- maintains a Register of Directors' and Committee Members' Interests.

Conflicts between TBS Group members (same Directors/Committee members)

From time to time, conflicts may arise between TBS Group members. For instance, the same individuals may be appointed to the board or governing committee of two TBS Group members.

The Director (and in the case of an incorporated association, Committee member) has a distinct responsibility to each of those entities and to contribute equally to the decisions those entities take. Their duties to each of the TBS Group members include:

- the duty to act in good faith;
- the duty to exercise due care and skill; and
- the duty not to trade while insolvent.

Where a Director or Committee member finds themselves in a situation where they are influenced in a way that affects their ability to discharge the above duties, they must inform the Chairman of the relevant entity. Legal advice may be sought from the Group General Counsel.

Appendix C

CEO and Company Secretary

Where the CEO has a conflict of interest or conflict of duties, they must raise this with the Board Chairman as soon as practicable.

When the Group Company Secretary has a conflict of interest or conflict of duties, they must raise this with the Board Chairman and CEO as soon as practicable.

The CEO and Group Company Secretary's interests will be maintained within the Register of Interests of the CEO and Company Secretary. The Board Chairman will review the register at least once per year.

Appendix D

Executives

Where an Executive has a conflict of interest or conflict of duties, they must raise this with the CEO as soon as practicable. In consultation with the CEO, an *Executive Conflicts of Interest Declaration Form* must be completed and returned to the Group Company Secretary.

The Group Company Secretary maintains a Register of Executives' Interests. The CEO will review the register at least once per year.

Appendix E

NDIS

We deal with conflicts of interest arising from the NDIS, including (but not limited to) the following situations:

- we provide Coordination of Supports and other direct delivery of NDIS funded supports; and
- we provide Early Childhood Early Intervention (ECEI) services and direct delivery of NDIS funded supports.
- we may co-locate with a community partner or service provider that has a conflict with our provision of services and/or supports;
- a participant chooses to move their service delivery from us to another provider;
- a member of staff or their family member is a NDIS participant. [This is also an individual conflict.]

We have adopted a range of conflict management strategies including the following:

- geographical and functional management separation of services;
- in co-location arrangements, physical and administrative separation between The Benevolent Society and community partner/service provider
- establishment of information barriers;
- establishing protocols for protecting confidential information. Staff who are involved in matters affected by a conflict of interest will be asked to sign a specific confidentiality agreement. Staff who is or has a family member who is a NDIS ECEI participant will be registered as a 'protected participant' so their information is restricted;
- declaration of the relevant conflict of interest to consumers and where relevant, their consent prior to proceeding to deliver their services and supports;
- provision of an ongoing education programme for staff to assist staff in identifying and managing conflicts of interest;
- registration of conflict in our conflicts of interest register;
- Neither we nor our staff will accept any offer of money, gifts, services or benefits that would cause any one of us to act in a manner contrary to the interests of a NDIS participant. Further, staff will not have any financial or personal interest that could directly or indirectly influence or compromise the choice of provider or provisions of supports to a participant. This includes the obtaining or offering of any form of commission by staff or us.

Additionally, we report to the Nationally Disability Insurance Agency on how we manage conflicts of interest as required under our contract terms.