

Conflict of Interest Policy



Service/Area: Probity

Applicable Entity: HCAL, HCSA, HCT, HCNSW, DHL, SEHL, UCP, EHT, DHT, ICSHT, AFRC, GARC

Approver: Board

Approval Date: 29 April 2019

Executive Lead: General Counsel/Company Secretary

Purpose:

This policy outlines the principles applying to the declaration and management of actual and potential conflict of interest the Housing Choices Group and Affiliated Entities (Housing Choices).

The objectives of this policy are:

- to protect Housing Choices' interest in impartial and objective decision making;
- to protect the reputation of Housing Choices by maintaining ethical standards of good judgement, fairness and integrity in all its dealings;
- to ensure that employees always observe the highest standard of business ethics; and
- to avoid any activity or interest that might reflect unfavourably upon a staff member's own integrity and good name, or upon the integrity and good name of Housing Choices.

Scope:

Part One of the policy applies to all staff employed by Housing Choices Group, including continuing, fixed term, full time, part time, and casual staff. However, casual staff are not required to seek approval to engage in outside employment under the terms of their employment contract.

Part Two of the policy applies to executive and non-executive Directors within the HCA group

Responsibilities:

The Company Secretary is responsible for the maintenance and implementation of the policy.

The Board approves the policy.

Policy Statement:

PART ONE

Housing Choices' code of conduct requires all staff to:

- act honestly and in good faith at all times in the interests of the organisation;
- give notice in any matter in which their personal interest conflicts with the integrity of Housing Choices; and
- take appropriate action to manage any such conflict.

Additionally, Housing Choices' employment contracts generally provide that:

Without our prior consent, you must not undertake any activities or other employment, including directorships, personal business undertakings or competition with Housing Choices that could result in a conflict of interest between you and Housing Choices. You must tell Housing Choices about any conflict of interest (actual or perceived) that arises from time to time.

Requirements

Staff members must ensure there is no actual or potential conflict of interest between their personal interests and their duties, obligations and responsibilities to Housing Choices. Where such a conflict occurs, the interests of Housing Choices will be balanced against the interests of the staff member. Unless exceptional circumstances exist the balance of interests will be resolved in favour of Housing Choices.

What is a conflict of interest?

Conflict of interest can be financial or personal and involves the interests of a staff member or members of the staff member's family or friends. Staff must disclose actual or potential conflicts of interest to their manager and stand down in any decision-making process where they may be compromised.

Conflicts of interest can be actual or potential.

Examples of actual conflicts of interest include:

- an employee's (or family member's) own business is given a contract with Housing Choices and no competitive selection process was undertaken;
- an employee or employee's family member has been prioritised to receive services from Housing Choices, above other clients and the prioritisation decision was made by the relevant employee;
- an employee's friend or family member is employed by Housing Choices without the job being appropriately advertised or a formal selection process undertaken.

Examples of situations where there may be a potential conflict of interest include:

- an employee being on a selection panel for a job where a relative has applied;
- an employee's (or family member's) own business has applied for a contract to provide a service to Housing Choices.

Failure to disclose

Failure of a staff member to disclose a potential or actual conflict of interest constitutes a breach of Housing Choices policy and may result in disciplinary actions. If an allegation is found to be

sustained, disciplinary action will be appropriate to the severity of the breach but may involve a warning or dismissal. Depending on the nature and impact of the conflict of interest situation, other action may be instigated, including legal action.

Management of conflicts

It is not appropriate for peers or subordinates of an employee who is compromised to be involved in the management of the conflict of interest.

Confidentiality

Confidentiality is to be maintained at all times by all persons involved and Housing Choices will seek to ensure that confidential disclosures are protected from misuse. Nothing precludes either the staff member who has disclosed the conflict of interest or the manager to whom the disclosure was made from seeking advice from Human Resources on any matters relating to this policy.

Specific circumstances

Without limiting the general principles set out in this policy, the following is additional guidance on specific circumstances which may arise in Housing Choices' business activities:

1. Client relationships

Housing Choices staff members must notify and receive approval from their manager before providing services that could create a conflict of interest concerning their employment with Housing Choices. Such situations include working with Housing Choices clients with whom they have or have had personal or family relationships.

2. Board Memberships

For any paid or unpaid board membership the Housing Choices staff member must notify and receive approval from their manager prior to serving on the board. This would include any public or private agencies, businesses, organisations, or other groups. In considering whether to approve the appointment, the relevant manager must consider this policy and the following additional principles:

- the Housing Choices staff member's job duties does not conflict with the membership.
- the Housing Choices staff member notifies the board or commission that their board or commission position does not represent Housing Choices.

3. Gifts

See Housing Choices' *Gift policy* for further information.

PART TWO

Conflicts

A Director who has a material personal interest in a matter which relates to Housing Choices affairs (conflict of interest) must give the other Directors notice of that interest. A Director may give a standing notice of an interest by tabling a written notice of that interest at a meeting of Directors.

Disclosure of new conflicts is the responsibility of all Directors. This disclosure will be a notification to all Directors at the commencement of any discussion relating to that conflict.

Conflicts of interest can be actual, perceived or potential:

- actual involves a direct conflict between current duties and responsibility and private interests (including related parties);
- perceived conflicts exist where it could be perceived or appears that personal or private interests could influence decision making or performance whether or not this is actual;
- potential conflict arises where personal or private interests could conflict with duties or decision making;
- a conflict of interest may be pecuniary or non-pecuniary and may arise even from avoiding personal or financial loss.

Notice by new Directors

Before any member will be accepted as a Director, they must disclose all interests in both the company and conflicted or potentially conflicting duties and interests to the Board. This disclosure is an ongoing responsibility of all Directors ensuring that the integrity of decision making is maintained. Such disclosure will be made on the form where a person consents to being a Director of the HCA Group of Companies.

What is an interest?

Examples of where a Director has a material personal interest in a matter which relates to HCA's affairs are:

- when a Director or his/her immediate family or business interests stands to gain financially from any business dealings, programs or services of the organisation;
- when a Director offers to provide a professional service to the organisation;
- when a Director stands to gain personally or professionally from any insider knowledge if that knowledge is used to advantage.
(a conflict of interest may not directly be of benefit to the Director either pecuniary or otherwise, a conflict will also arise if the Director gains an advantage for some-one else in the use of information or use of position.)

Register of Interest

The Company Secretary will maintain a Register of all conflicts of which he/she has been given standing notice. All new entries in the Register must be presented to the Board and minuted at the next Board meeting. The Register must be tabled at each Board meeting.

The Board will review the Register of conflicts of interest on an ongoing basis and will amend as required. Directors will be required to advise of any new and impending conflicts that may arise,

for example due to changes in their employment or business interests, or new project undertaken by HCA.

Attendance and voting on matters where a Director has a conflict of interest

Under the Corporations Act, a Director who has a material personal interest in a matter which is being considered by the Board, must not:

- be present while the matter is being considered at the meeting; or
- vote on the matter.

This restriction does not apply if the other Directors have passed a resolution which:

- identifies the Director, the nature and extent of the Director's interest in the matter and its relation to the affairs of the company; and
- states that those Directors are satisfied that the interest should not disqualify the Director from voting or being present.

A Director, notwithstanding the interest, may be counted in the quorum present at any meeting.

The Company Secretary must record in the Board minutes any declaration made or any standing notice provided to the Board.

References to Standards and Legislation:

Corporations Act 2001: Corporations Act 2001
Corporations Act 2001

NDIS Act 2013: National Disability Insurance Scheme Act 2013
National Disability Insurance Scheme Act 2013

NDIS Quality Framework: NDIS Quality and Safeguarding Framework
NDIS Quality and Safeguarding Framework

NDIS Rules and Guides: NDIS Rules and Guidelines
National Disability Insurance Scheme (Code of Conduct) Rules 2018

NDIS Rules and Guides: NDIS Rules and Guidelines
National Disability Insurance Scheme Practice Standards and Quality Indicators 2018

Quality Document References:

Code of Conduct: HCA Document -5. Probity

Gift: Policy -5. Probity

Conflict of Interest: Procedure -5. Probity

Related Information:

Housing Choices National Housing Service Standards 2018