

The Uniting Church in Australia

Assembly – Finance and Administration Manual

Section 6 – Governance Policies

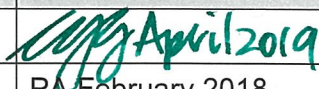
(6.13) Conflicts of Interest Policy

Document History

Version	Date	Author	Comment
1.0	22 July 2013	R Groves	Approved by AFARC 22 July 2013
2.0	February 2018	J Harris / L Iosifidis	Updates as per AFARC review

Approval and Distribution

The following table lists the approvals for this document.

Name / Position / Committee	Approval	Initial / Date
Colleen Geyer, Assembly General Secretary	Supported	 April 2019
AFARC	Approved	PA February 2018

Overarching Policy Framework

This Policy is to be read in conjunction with Section 6 Governance Policies – Introduction. This sets out the Assembly Business Units to which this Policy applies, together with the Scope of the Policy and overarching Principles, Policies, Procedures and Guidelines.

Background

Members of Boards, Committees and Councils, employees, volunteers, Ministers, consultants and contractors have a duty under common law to act in the best interests of the organisation in which they serve. They should act in good faith, and should not seek to gain any personal benefits from their service for themselves, their families or their friends (other than remuneration or benefits as specified in their employment, appointment, placement or contract arrangements). Employees and Ministers have additional obligations that are established in the relevant Human Resources Policies and Procedures, in their employment contracts, and in the relevant Codes of Conduct.

Conflicts of interest can be real, potential or perceived. They can be direct or indirect. They can involve financial, personal, influence and loyalty aspects. Conflicts of interest include matters that would be regarded as “material personal interests” or “related party transactions” under the provisions of the Corporations Act. While conflicts of interest are not necessarily wrong in themselves, they must be disclosed and effectively managed. If not, the functioning of an organisation can be undermined and its reputation damaged.

Policy Statement - General

1. All staff, volunteers and members of Councils/Boards/Committees must declare new or changes to existing conflicts of interest promptly to their Manager or Chairperson;
2. Managers (for staff or volunteers) or Chairpersons (for Council/Board or Committee members) will decide if the conflict of interest declaration warrants written documentation and recording in the Conflicts of Interest Register, and will determine the appropriate response on behalf of the Assembly or its Agency;
3. Conflict of Interest Registers must be maintained by the Assembly General Secretary and/or the National Directors for each Agency; and
4. Each Agency's Conflicts of Interest Register must be reviewed annually by its Governance body or its Audit Committee.

Policy Statement - Governance

As soon as a member of a Board, Committee or Council becomes aware that a real, potential or perceived conflict of interest may exist, he or she must notify the relevant Chairperson and/or Executive Officer at the earliest opportunity. After consultation, the Chairperson will determine the seriousness of the conflict and the appropriate response. The Chairperson and/or Executive Officer should also be advised of any significant change in the nature of the conflict of interest.

Policy Statement - Management

As soon as an employee, volunteer, Minister, consultant or contractor becomes aware that a real, potential or perceived conflict of interest may exist, he or she must notify the relevant manager at the earliest opportunity. After consultation, the manager will determine the seriousness of the conflict and the appropriate response. The manager should also be advised of any significant change in the nature of the conflict of interest.

Further Information and Guidelines

The Appendix contains additional information that applies as Policy Guidance to those Assembly Agencies and Business Units for which annual accounts are prepared by the Assembly's Accounting Unit. The Appendix may be of assistance to other Assembly Agencies or Business Units.

Related Governance Policy

- 6.10 Fraud Prevention Policy
- 6.15 Whistleblower Policy

Access to Relevant Reference Material

The Conflicts of Interest Policy will be included on the Assembly's Intranet.

Policy Owner

National Director – Strategic Finance and Administration

Appendix – Policy Guidance

The Appendix contains additional information that applies as Policy Guidance to those Assembly Agencies and Business Units for which annual accounts are prepared by the Assembly's Accounting Unit, namely:

- Frontier Services;
- Uniting Aboriginal and Islander Christian Congress (UAICC);
- UnitingCare Australia;
- UnitingWorld; and
- The Assembly Fund.

The Appendix may be of assistance to other Assembly Agencies and Business Units.

Conflicts of Interest that can arise – Governance

Conflicts of interest can occur when a person's private interests conflict with his or her duties as a member of a Board, Committee or Council. Conflicts of interest can also arise between a person's duties when engaged with different Councils of the Church or other organisations. Members have a duty to declare, at the earliest opportunity, that a conflict of interest may exist, and to take steps to resolve it. If in doubt regarding a particular situation, it should be discussed with the relevant Chairperson and/or Executive Officer.

A useful guide for Board members is available on the ACNC web site, titled "Managing Conflict of Interest – A guide for charity board members".

Conflicts of Interest that can arise – Management

Conflicts of interest can occur when a person's private interests conflict with his or her duties as an employee, volunteer, Minister, consultant or contractor. Conflicts of interest can also arise between a person's duties as an employee, volunteer, Minister, consultant or contractor when engaged with different Councils of the Church or other organisations. Employees, volunteers, Ministers, consultants and contractors have a duty to declare, at the earliest opportunity, that a conflict of interest may exist, and to take steps to resolve it. If in doubt regarding a particular situation, it should be discussed with the relevant manager.

Advice of a Real, Potential or Perceived Conflict of Interest

The advice provided to a Chairperson, Executive Officer or manager must clearly state the nature of the conflict of interest and the steps being taken to resolve it. Such advice should be provided as soon as possible after the person becomes aware that a conflict may exist.

Resolution Process for Conflicts of Interest

Arrangements that involve real, potential or perceived conflicts of interest are not necessarily prohibited. Rather, there must be a transparent process where all interests are declared, addressed with care and managed consistently and effectively. Nevertheless, in some circumstances, it may be possible or desirable for conflicts of interest to be avoided completely. The expectation is that people associated with the Assembly and its Agencies will always meet or exceed minimum community standards and the Assembly's Values.

In the Resolution of Conflicts of Interest affecting Governance and Management (see below), the individual can be asked to resolve the conflict i.e. not to leave it in place.

Resolution of a Conflict of Interest – Governance

Professional and commercial work undertaken for an organisation by members of its Governance Body raises significant implications relating to community standards, ethics, values, perceptions of the Uniting Church, and the good governance of the organisation. Each identified real, potential or perceived conflict of interest needs to be considered individually, and a range of solutions may be appropriate. Depending on circumstances, the Chairperson of a meeting shall determine the appropriate option to be followed, such as:

- Members of a Board, Committee or Council are advised of the situation and allowed to determine the appropriate course of action for a particular member to take;
- A Member of a Board, Committee or Council may participate in a discussion, then be asked to abstain from voting;
- A Member of a Board, Committee or Council may participate in a discussion, then be asked to leave the meeting while a particular decision is made;
- A Member of a Board, Committee or Council may be asked to leave the meeting while a particular item is under discussion;
- A Member of a Board, Committee or Council may choose to resign or be asked to resign; or
- In exceptional circumstances, a Governance Body may need to terminate a person's membership.

Resolution of a Conflict of Interest – Management

Each identified real, potential or perceived conflict of interest needs to be considered individually, and a range of solutions may be appropriate. Depending on circumstances, the Manager shall determine the appropriate option to be followed, such as:

- Word of caution or instruction – verbal or written;
- Transfer of some duties to another person;
- Transfer to other duties; or
- In exceptional circumstances, where a breach has occurred of sufficient gravity, dismissal.

Recording a Conflict of Interest – Governance

As early as possible in every meeting of a Board, Committee or Council, a specific Agenda item should give members and guests the opportunity to declare any conflicts of interest that may exist. Reference to specific items on the Agenda will often be appropriate. The Minutes of meetings must record any conflicts of interest declared. If a standing conflict of interest exists, it must be declared initially and repeated at least annually. Conflicts of Interest Registers are maintained by the Assembly General Secretary and by the National Directors of all Assembly Agencies. An example of a Conflicts of Interest Register is shown below. The Chairperson is responsible to ensure that each conflict of interest is recorded in the appropriate Conflicts of Interest Register.

Recording a Conflict of Interest – Management

An appropriate note is recorded on the relevant register. If a standing conflict of interest exists, it must be declared initially and repeated at least annually. Conflicts of Interest Registers are maintained by the Assembly General Secretary and by the National Directors of all Assembly Agencies. An example of a Conflicts of Interest Register is shown below. The Manager is responsible to ensure that each conflict of interest is recorded in the appropriate Conflicts of Interest Register.

Acceptance of Gifts

Conflicts of interest are often associated with the offering or acceptance of gifts. Conflicts of interest should always be resolved in favour of the Assembly or the Assembly Agency, not in favour of the employee, volunteer, Minister, consultant, contractor, member of a Board, Committee or Council. This may mean that the person should decline to accept a gift. However, in some cultures, declining the gift could cause offence. Another option might be for the gift to be given to the Assembly or the Assembly Agency, if this is identified as being in the interest of the Assembly. Details relating to the acceptance of Gifts by the Assembly and its Agencies are set out in the Appendix to Governance Policy 6.10 – Fraud Prevention Policy.

Conflicts of Interest Register (example)

Name of employee, volunteer, Minister, consultant, contractor, member of Board, Committee or Council and role/position	Description of Interest and real, potential or perceived conflict	Self, family member or friend	Current or when ceased	Steps being taken to resolve conflict of interest
Mr T Smith Member of ASC Director of XYZ	XYZ supplies HR and IT services to the Assembly Office and UnitingWorld	Self	Current	
Rev. A. Jones Director of Ministry in Frontier Services	Ms P. Jones (wife) is CEO of Government Department providing funding for all aged care services in the Northern Territory	Wife	Current	
Ms F. Thomas P.A. to the Assembly General Secretary	Appointed to become the next Chairperson of the Board of UnitingCare, Synod of NSW and the ACT	Self	Starting 1/7/2013	
Mr P. Brand AFARC Chairperson Member of Assembly's Investment Committee	Mr G. Brand (son) has recently been appointed as Managing Director of the Assembly's Auditor	Self and Son	Current	

Conflict of Interest Process – Overview

