



CONFLICT OF INTEREST POLICY

March 2013

Rationale

This policy is intended to provide an opportunity for Association personnel to declare a conflict of interest that may cause bias to any decision making processes or impact on the task/s being undertaken.

Implicit in this policy is that conflicts of interest are not always avoidable or necessarily the consequence of any wrong doing. It is management of conflict of interest that is important.

Policy

Clause 27 of the NSPA Constitution says:

“Any income, benefit, or advantage must be used to advance the charitable purposes of the Association or any affiliated Playcentre. No member of the Association or any affiliated Playcentre, or anyone associated with a member, is allowed to take part in, or influence any decision made by the Association or any affiliated Playcentre in respect of payments to, or on behalf of, the member or associated person of any income, benefit, or advantage. Any payments made to a member of the Association or any affiliated Playcentre, or person associated with a member, must be for goods or services that advance the charitable purpose and must be reasonable and relative to payments that would be made between unrelated parties.”

Definition of conflict of interest

A conflict of interest is where:

A person’s duties or responsibilities to a public entity could be affected by some other interest or duty that the individual may have.

Another way of considering if a conflict of interests may exist is to ask:

Does the person’s other interest create an incentive for them to act in a way that may not be in the best interest of the organisation?

Conflicts of interest can be financial or non-financial. A trustee has a "pecuniary interest" where they stand to benefit from the actions of the organisation, regardless of the nature or the dollar value of the actions. A test is that pecuniary interest exists where the matter would, if dealt with in a particular way, give rise to an expectation of gain or loss of money.

Another type of conflict of interest is prejudice and predetermination (bias). Individuals are of course, entitled to have their own personal views and may often be expected to use their particular opinions in carrying out their roles. However sometimes having strong views can create a risk of prejudice or predetermination. In other words they have a ‘closed mind’ and are not willing to fairly consider all relevant information and arguments.

Procedures

- All conflicts of interest, or potential conflicts of interest, must be declared when the individual becomes aware of them and before any involvement in decision making.
- If in doubt about whether a conflict exists, it should be declared and the Management Team will determine whether it presents a conflict of interest
- Where possible a person with a conflict of interest will be excluded from involvement in the matter for which they have a conflict of interest by either abstaining from the decision or being asked to leave the room whilst the decision is being made.
- A financial interest should always, at a minimum, result in exclusion from involvement in the matter for which a conflict of interest exists
- Where exclusion is not possible, or is not sufficient to avoid the conflict of interest, other mitigation options will be taken

Declaring Conflicts

A person's other interest could be:

- Being an employee or having some other role in the organisation
- Being enrolled in a Playcentre
- Holding another public office
- Being an employee, advisor or having some other role in another business or organisation
- Owning shares or land
- Holding strong political or personal views
- Being a relative of close friend of someone who has an interest in a decision
- Having received gifts or hospitality or some other benefit

Declaration Requirements:

1. On appointment to the Management Team or other decision making position, individuals must declare any other interests that could present a conflict of interest by completing the declaration, this will be filed in the personnel file.
2. At each meeting of the Management Team, Convenors will be asked to identify any conflicts they have for items on the agenda and any conflicts, or the declared absence of conflict, is to be recorded in the minutes.
3. At any time an individual identifies that they have a potential conflict of interest with a matter being discussed, or about to be discussed, they must declare it.
4. It is the responsibility of individuals to identify any other interests which could create a possible conflict of interest and to identify when a potential conflict of interest exists prior to involvement in the area where it may exist and report this to the Management Team or the Association President.

Mitigation Options

Once a conflict or potential conflict of interest has been declared it must be considered to determine if it does in fact present a conflict of interest and what mitigation options are to be taken. Responsibility for determining conflict of interest and mitigation will depend on where and for whom the conflict arises. The Management Team will make these decisions for conflicts relating to Management Team and Employed positions. Convenors may make these decisions for conflicts relating to team members, but if the conflict of interest is serious or doubt about the conflict or mitigation exists they will be referred to the Management Team for decision.

Steps:

1. Assess the seriousness of the conflict.
 - a. A conflict may not be serious enough to warrant mitigation if:
 - the interest is so minor that it cannot reasonably be considered that it would influence the person
 - it is a generic interest held in common with all or a large segment of the public
 - b. A conflict of interest may be perceived where it does not actually exist. Because the perception of a conflict of interest can also cause harm (to reputation and trust) it may be appropriate to clarify the situation rather than to mitigate against a conflict of interest.
2. Determine appropriate mitigation options based on seriousness of the conflict. Options (listed in order of lowest to highest severity) could include:
 - a. Enquiring whether all affected parties will consent to the individual's involvement
 - b. Imposing additional oversight or review
 - c. Withdrawing from the discussion and voting on particular issue
 - d. Withdrawing from the group that deals with the issue
 - e. Re-assigning tasks or duties
 - f. Relinquishing the private interest
 - g. Removal/resignation from one or other position or entity

For More Information

Refer to the Officer of the Auditor-General's good practice guide "*Managing conflicts of interest: Guidance for public entities*".

Policy Accepted: Association Meeting, March 2013

Review Date: Next review due 2016.

North Shore Playcentre Association Conflict of Interests Declaration

Name: _____

Date: _____

Position: _____

A conflict of interest, or an appearance of a conflict, can arise whenever a transaction, or an action, of North Shore Playcentre Association conflicts with the personal interests, financial or otherwise, of that of a Management Team, Association Support Team or Employed member, or an immediate family member of the above (collectively "your personal interests").

Please describe below any relationships, transactions, or positions you hold (volunteer or otherwise), or circumstances that you believe could create a conflict of interest, now or in the future, between North Shore Playcentre Association or affiliated Playcentre and your personal interests, financial or otherwise:

I have no conflict of interests to report (Tick)

I have the following conflict of interests, or potential conflicts of interests, to report:

1. _____

2. _____

3. _____

I have reviewed North Shore Playcentre Association's conflict of interests of policy and I understand that it is my obligation to disclose a conflict of interests, or appearance of a conflict, to the Management Team or Association President when a conflict, or appearance of a conflict, arises, and that for transactions in which I have a conflict, I will follow any mitigation option, as stated in the policy in relation to the conflict.

Signature: _____ Date: _____