

CONFLICT OF INTEREST POLICY TT-04

Version Control

Version	Date	Approved By	Description	Review Date
1.0	24 Nov 2022	Management Committee	Approved	Nov 2024

Background

This policy assists members of the Management Committee ('Committee') and others working for Little Things for Tiny Tots ('the charity') to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of the organisation and manage risk.

Context

Conflicts of interest are common, however they do not need to present a problem to the charity as long as they are openly and effectively managed.

Conflicts of interest may present the risk that a person will make a decision based on, or affected by, influences that may not be in the best interests of the charity. These situations must be managed accordingly.

Definitions

A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of the charity. A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

Personal interests include direct interests, as well as those of family, friends, or other organisations a person may be involved with or have an interest in (for example, as a shareholder). These interests include a conflict between a duty to the charity and another duty outside of the charity (for example, to another charity or workplace).

Relevant Legislation	Associations Incorporation Act 2015
Related Policies/Other Key Documents	<ul style="list-style-type: none"> ● Register of Interests ● Rules of Association

Scope

This policy applies to all the members of the charity's Committee. It also extends to paid contractors, employees and volunteers that have a designated role within the charity.

Policy

It is the charity's policy that:

- Committee members, contractors, employees and volunteers (as defined above) will:
 - avoid conflicts of interest where possible;
 - identify and disclose any conflicts of interest;
 - carefully manage any conflicts of interest; and
 - notify the charity of, and participate in, responding to any breaches in the management of conflicts of interest.
- If the Committee has reason to believe that a person subject to the policy has failed to comply with it, the Committee will immediately investigate the circumstances.

Related Procedures

The Committee will take responsibility for:

- establishing a system for identifying, disclosing and managing conflicts of interest across the charity;
- monitoring compliance with this policy; and
- reviewing this policy on an annual basis to ensure that the policy is operating effectively.

Identification and disclosure of conflicts of interest

Once an actual, potential or perceived conflict of interest is identified, it must be raised and/or declared and attended to in Management Committee meetings. The Management Committee will determine the need to enter the conflict into the charity's Register of Interests ('Register'), as some conflicts can be attended to and minuted at Committee meetings only.

The Register will be maintained by the Secretary of the Committee. The Register must record information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to manage it).

Confidentiality of disclosures

All Management Committee members will have access to the information disclosed.

Action required to manage conflicts of interest

Once the conflict of interest has been appropriately disclosed, the Committee (at times, excluding the Committee member who has made the disclosure, as well as any other conflicted Committee member) must decide whether or not those conflicted Committee members will:

- vote on the matter (this is a minimum);
- participate in any debate; or
- be present in the room during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a Committee member from regularly participating in discussions, the Committee should consider if it is appropriate for the person conflicted to continue in their Committee or operational team role.

In deciding what approach to take, the Committee should consider:

- whether the conflict needs to be avoided or simply documented;
- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making;
- alternative options to avoid the conflict;
- the charity's objectives and resources; and
- reputational risk to the charity.

The Committee should then endorse the subsequent management plan.

The management plan will be recorded in the minutes of the meeting and in the register of interests.

If a person suspects that a Committee member has failed to disclose a conflict of interest, they must discuss with the person in question, notify the Committee, or the Secretary (as the person responsible for maintaining the Register), as appropriate.

If it is found that a person has failed to disclose a conflict of interest, the Committee will take appropriate actions to mitigate and manage any associated risk. This may include seeking to terminate their relationship with the charity.