



ANGLICAN DIOCESE OF GRAFTON

POLICIES AND PROCEDURES

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| SUBJECT: CONFLICT OF INTEREST MANAGEMENT | | REFERENCE NUMBER GEN-010 |
| DATE APPROVED 27 April 2023 by Bishop-in-Council | | VERSION 2 Replacing original version dated 2 December 2021 |
| IMPLEMENTATION DATE Immediate | REVIEW FREQUENCY As required but at least 3 yearly | RESPONSIBLE FOR REVIEW Bishop-in-Council |

1. PURPOSE

The purpose of this policy is to help members of the governance bodies of the Anglican Diocese of Grafton (the Diocese) to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest, in order to protect the integrity of the Diocese's governance processes and manage risk.

2. SCOPE

- 2.1 This policy applies to the members of Bishop-in-Council, The Corporate Trustees of the Diocese of Grafton, Diocesan Audit Committee, Finance Committee, Grafton Anglican Schools Commission, Presentation Boards, Professional Standards Committee and Parish Councils.
- 2.2 To the extent that any committee or working group of the above governance bodies have a delegation to make a decision with financial or operational impact, this policy also applies to members of such committees and working groups.
- 2.3 This policy does not apply to a person participating in a general meeting such as the Synod or a Parish Annual General Meeting, although when moving, seconding or debating a motion that overlaps with the person's interests, the person is encouraged to reveal their other interest in the matter.

3. DEFINITIONS

"Conflict of Interest" – A Conflict of Interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of the Diocese. 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 (e.g. as an owner or a shareholder).

A Conflict of Interest also includes a conflict between a member's duty to the Diocese and another duty that the member has (e.g. to another charity). Members of governing bodies may have competing governance roles, employment or other interests or allegiances within the Diocese which also need to be managed.

A Conflict of Interest may be actual, potential or perceived and may be financial or non-financial.

“Diocese” – means the Anglican Diocese of Grafton.

“Governing Body” – means Bishop-in-Council, The Corporate Trustees of the Diocese of Grafton, Diocesan Audit Committee, Finance Committee, Grafton Anglican Schools Commission, Presentation Boards, Professional Standards Committee and Parish Councils.

4. PRINCIPLES

- 4.1 The Diocese is committed to the proper management of Conflicts of Interest as an exercise of good governance to improve decision making and confidence in the decisions made.
- 4.2 This policy aims to ensure that members of governance bodies are aware of their obligation to disclose any conflicts of interest that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of the Diocese. In this regard, the following principles are key:
- 4.2.1 The Christian mission and ministry of the Diocese takes priority;
 - 4.2.2 Openness and transparency are to be practiced by all members;
 - 4.2.3 It is the obligation of the person with the Conflict of Interest to bring this to the attention of the other members of the Governing Body in a timely way;
 - 4.2.4 Proper handling of a perceived or potential Conflict of Interest is as important as managing an actual Conflict of Interest;
 - 4.2.5 Decisions on Conflicts of Interest should be taken with a low tolerance for the risk of allowing a member participate in decision making processes when they have an unresolved Conflict of Interest;
 - 4.2.6 Conflicts of Interest are common and they do not need to be considered a problem, as long as they are openly and effectively managed.

5. REQUIREMENTS

- 5.1 Ethical, legal, financial or other conflicts of interest are to be disclosed and managed and any conflicts that arise do not conflict with the good governance and the mission and ministry of the Diocese.
- 5.2 Members of governance bodies are required to:
- 5.2.1 avoid significant conflicts of interest where possible,
 - 5.2.2 complete a Conflict of Interest declaration when appointed to the Governing Body and then on an annual basis (Schedule A),
 - 5.2.3 identify and disclose any new or changed conflicts of interest,
 - 5.2.4 carefully manage any conflicts of interest, and
 - 5.2.5 follow this policy and respond to any breaches.
- 5.3 Each Governing Body is required to:
- 5.3.1 monitor compliance with this policy,
 - 5.3.2 ensure that Conflicts of Interest arising and actions to manage Conflicts of Interest are included in minutes of the Governing Body’s meetings, and
 - 5.3.3 ensure that its members are aware of the Australian Charities and Not-for-profit Commission (ACNC) Governance Standards, particularly Governance Standard 5 – Duties of Responsible Persons, and that they disclose any actual or perceived material conflicts of interests as required by that Standard.
 - 5.3.4 create and keep current a register of interests.
 - 5.3.4.1 Members and staff non-members who are key in providing information and advice to the Governing Body, are to complete a Conflict of Interest Declaration as per Schedule A, on an annual basis.

- 5.3.4.2 Each Governing Body, or the Bishop-in-Council in lieu of the Governing Body, may require an alternate declaration to be completed that includes topics of particular concern to the work of the Governing Body.
- 5.3.4.3 The register of interests is to be available to all other members of the Governing Body.
- 5.3.4.4 To the extent that the register contains private personal information, it should not be used for any purpose outside of the scope of this policy.

6. MANAGING CONFLICTS OF INTEREST

GOVERNANCE PROCESSES

- 6.1 Once the Conflict of Interest has been appropriately disclosed, the members of the Governing Body (excluding the member who has made the disclosure, as well as any other conflicted member) must decide within its meeting, whether or not those conflicted members should:
- vote on the matter,
 - participate in any debate, or
 - be present in the room during the debate and the voting.
- [Note: It is rarely appropriate for a member with a clear Conflict of Interest to participate in the vote. A decision as to whether the member participates in debate or is present in the room should be based on whether the member's presence would influence or be perceived to influence the decision of the group.]
- 6.2 In exceptional circumstances, such as where a conflict is very significant or likely to prevent a member from regularly participating in discussions, the Governing Body should consider if it is appropriate for the person conflicted to resign from the Governing Body.

CONSIDERATIONS

- 6.3 In deciding what approach to take, the Governing Body will consider:
- whether the conflict needs to be simply documented or whether other action is required,
 - whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making,
 - alternative options to manage the conflict,
 - the Diocese's mission,
 - available resources, and
 - the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the Diocese or a part of the Diocese.
- 6.4 The approval of any action requires the agreement of at least a majority of the members of the Governing Body (excluding any conflicted member/s) who are present and voting at the meeting.
- 6.5 The action and result of voting will be recorded in the minutes of the meeting and the register of interests subsequently updated.

7. COMPLIANCE WITH THIS POLICY

- 7.1 If a Governing Body has a reason to believe that one of its members or a staff member subject to the policy, has failed to comply with this policy, it will ensure the circumstances are investigated.
- 7.2 If it is found that this person has failed to disclose a Conflict of Interest, the Governing Body may decide to take action against them. Possible actions are:
- Including a note in the minutes to the effect that the Governing Body is of the view that the particular action or inaction is unacceptable;
 - Providing the person with a letter of censure,
 - Requiring the person to undertake education or revision relating to the management of conflicts of interest;
 - Requesting the Bishop-in-Council to remove the person from the Governing Body;
 - Requesting the Bishop-in-Council to remove the person from all involvement with the governance processes of the Anglican Diocese of Grafton and its entities.
- The above list of actions is not exclusive and other actions within the authority of the Governing Body may be considered. More than one action may be taken.
- 7.3 If a person who is not a member of the relevant Governing Body suspects that a member of that body has failed to disclose a Conflict of Interest, they must provide details of their concern and relevant supporting information to one or more of the following:
- The Chair of the relevant Governing Body,
 - The Registrar,
 - Or where each of the above is a subject of the report, the Bishop.

8. FORMS

- 8.1 Standard Conflict of Interest Declaration Form (Schedule A)
- 8.2 Corporate Trustees Conflict of Interest Declaration Form (Schedule B)
- 8.3 Grafton Anglican Schools Commission Conflict of Interest Declaration Form (Schedule C)

9. REFERENCES

- Managing Conflicts of Interest Guide- Australian Charities and Not-for-profit Commission: <https://www.acnc.gov.au/tools/guides/managing-conflicts-interest-guide>
- ACNC Governance Standards, particularly Governance Standard 5 – Duties of Responsible Persons: <https://www.acnc.gov.au/for-charities/manage-your-charity/governance-hub/governance-standards/5-duties-responsible-persons>
- Diocesan Governance Ordinance 2008, with reference to clauses 4.17, 65.1, 75.3(q), 111.4, 112.2, 230.4: <https://www.graftondiocese.org.au/documents/ordinances/>



SCHEDULE A

CONFLICT OF INTEREST DECLARATION

In accordance with the good governance practice that members of governance bodies will annually disclose, and take reasonable steps to avoid, any conflict of interest (real or apparent) in connection with their responsibilities, I hereby declare the following:

- 1. Personal and other family parish affiliation.**
- 2. Personal and other family member involvement in diocesan organisations/committees.**
- 3. Personal and other family involvement in organisations that have provided goods or services to the Diocese of Grafton or one of its entities in the last 5 years or would view the Diocese of Grafton or one of its entities as a potential customer.**
- 4. Personal and other family involvement in organisations that would be competing with the Diocese of Grafton or one of its entities for business, grants or membership.**
- 5. Other interests and relationships that could, or could be seen to, impact upon Committee responsibilities.**

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| NAME: | |
| SIGNATURE: | DATE: |
| POSITION: | |

Please return to: admin@graftondiocese.org.au



SCHEDULE B

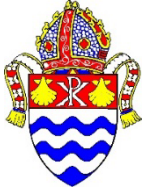
CONFLICT OF INTEREST DECLARATION

In accordance with the good governance practice that Corporate Trustees will annually disclose, and take reasonable steps to avoid, any conflict of interest (real or apparent) in connection with their responsibilities, I hereby declare the following:

- 1. Personal and other family investments in financial institutions where funds under the care of the Corporate Trustees is placed (accounts, not monetary value).**
- 2. Personal and other family involvement in diocesan organisations or institutions.**
- 3. Personal and other family investments in financial products or equities that are, or being considered as, the subject of diocesan investments.**
- 4. Other interests and relationships that could or could be seen to impact upon Trustee responsibilities.**

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|--|--------------|
| NAME: | |
| SIGNATURE: | DATE: |
| POSITION: <i>Member of The Corporate Trustees of the Diocese of Grafton</i> | |

Please return to: admin@graftondiocese.org.au



SCHEDULE C

CONFLICT OF INTEREST DECLARATION

In accordance with the good governance practice that Commission members will annually disclose, and take reasonable steps to avoid, any conflict of interest (real or apparent) in connection with their responsibilities, I hereby declare the following:

- 1. Personal and other family member pecuniary/non-pecuniary involvement in diocesan educational institutions.**
- 2. Personal and other family member pecuniary/non-pecuniary involvement in diocesan organisations/committees.**
- 3. Other Board and Committee involvement.**
- 4. Other interests and relationships that could, or could be seen to, impact upon Commission responsibilities.**

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| NAME: | |
| SIGNATURE: | DATE: |
| POSITION: <i>Member of the Grafton Anglican Schools Commission</i> | |

Please return to: schools@graftondiocese.org.au