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POLICY

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# CONFLICT OF INTEREST POLICY

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*Change begins with Education*

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## CONFLICT OF INTEREST POLICY

### 1 DOCUMENT PURPOSE

This document sets out SeeBeyondBorders' Conflict of Interest policy. It applies to all Personnel: staff, volunteers, program participants, Board/Committee members, trustees and staff of partner organisations in so far as they are working with any of the SeeBeyondBorders entities – SeeBeyondBorders Australia or SeeBeyondBorders UK - collectively referred to as "SeeBeyondBorders Personnel". It is designed to instil a culture of good faith and transparency, to raise understanding and awareness of the potential for conflicts of interest, and to remind SeeBeyondBorders Personnel of their responsibility to declare potential conflicts of interest.

The Australian Independent Commission Against Corruption (ICAC) guidelines on Conflict of Interest state that 'there is nothing unusual or necessarily wrong in having a conflict of interest. How it is dealt with is the important thing'. The UK Charities Commission states, 'having a conflict of interest does not mean you've done something wrong. But you need to act to prevent them from interfering with your ability to make a decision only in the best interests of the charity'.

The interests of personal and professional lives don't always align. Since it is much better to avoid conflicts of interest rather than manage their consequences, this document sets out how potential conflicts are disclosed and assessed before they can affect SeeBeyondBorders' work or credibility.

### 2 GENERAL POLICY OBJECTIVES

SeeBeyondBorders is committed to operating ethically, impartially, lawfully and diligently. We are intent upon avoiding potential, perceived and actual conflicts between SeeBeyondBorders' interests and the personal or financial interests of SeeBeyondBorders Personnel.

This policy also applies to staff from Partner organisations working with SeeBeyondBorders. All partnership arrangements will include a requirement for staff from partner organisations to adhere to this policy, or its equivalent in their own organisation. Any conflicts of interest in partner organisations will be subject to the same reporting requirements, where identified, as those that apply directly to any other SeeBeyondBorders Personnel.

### 3 DEFINITIONS OF CONFLICT OF INTEREST

A conflict of interest can arise where a person acting on SeeBeyondBorders' behalf, participates in, influences, or makes a decision (including but not limited to an actual or potential supplier of goods and services, recipient of grant funds, or organisation with competing or conflicting objectives) that could advantage, or be seen to advantage his/her personal or financial interests, or the interests of any other person or organisation with whom she/he has a close personal relationship or professional affiliation which may include the potential for a conflict of loyalty and include a SeeBeyondBorders partner organisation.

A conflict of interest can be potential, perceived or actual. It can involve financial, personal or professional gain, and can also occur as a result of attempting to avoid personal or financial loss.

### **3.1 Material Conflict of Interest**

A conflict of interest is considered to be 'material' if a reasonable, independent, 'disinterested' person (someone not involved in the potential conflict), would take it into account in exercising judgment or making a decision.

There is an increasing likelihood of a potential conflict of interest being considered 'material', as the size or scale of the possible personal/financial benefit increases.

It is worthy of note that Personnel with multiple roles are generally more exposed to potential conflicts of interest, and senior Personnel, eg Board members, are often at greater risk of perceived conflicts of interest.

### **3.2 Objective Test for Conflict of Interest**

If, in carrying out your duties, your personal or professional interests could be advantaged / influenced, or perceived to be advantaged, then the potential for a conflict of interest exists. The test of conflict of interest should focus on the official/professional role and the personal / private relationships and interests of the person concerned. It should also consider whether a reasonable disinterested person, would think these relationships or interests could conflict, or appear to conflict, with a professional role or decision.

For example, gifts or hospitality can create an obligation, or be perceived as an inducement to act or make decisions in the giver's benefit. For this reason, gifts or hospitality of more than token/nominal value are not accepted (as covered in the Code of Conduct). Similarly, recommending/engaging friends or relatives to provide goods or services, can be perceived as offering benefit or favour. For this reason, goods and services should be obtained in line with the Procurement Policy.

### **3.3 Types of Conflict of Interest**

A conflict of interest exists when the interests of the charity conflicts with:

- a. Appointment Conflict: The interest of a person or organisation that appointed you as SeeBeyondBorders Personnel
- b. Personal Conflict: Your own personal or business interest in relation to that matter
- c. Conflict of Loyalty: A particular type of conflict of interest, in which a trustee's loyalty or duty to another person or organisation could prevent the trustee from making a decision only in the best interests of the charity.

## **4 PRINCIPLES FOR AVOIDING CONFLICT OF INTEREST**

This policy is based upon the expectation that SeeBeyondBorders' Personnel:

- Will never engage in bribery, corruption, fraud or financial impropriety, and will act ethically and lawfully at all times.
- Will put the organisation's interests ahead of their own.

- Will not gain financial, professional, or personal benefit from their work or association with SeeBeyondBorders (and neither will ‘connected persons’<sup>1</sup>).
- Will immediately disclose any potential conflict of interest, or anything which might be perceived as a conflict, and refer the same through the procedures outlined in Section 5 of this Policy
- Will withdraw from discussions, decision-making, transactions, and relationships whenever a conflict of interest exists, or could be seen to exist
- Are encouraged to raise related concerns/issues, at any time, with the Board, the CEO, or their manager/team leader.

## **5 PROCESS FOR MANAGING CONFLICT OF INTEREST - BOARD MEMBERS**

As stated in section 3.1 of this Policy, there is an increased likelihood of Senior Personnel being at a greater risk of perceived conflicts of interest. It remains the responsibility of SeeBeyondBorders’ Board Members, Trustees and Senior Executives to examine their interests and relationships and to declare any and all potential conflicts of interest immediately that they become aware, to any member of the Board or the CEO.

Prior to accepting a role with SeeBeyondBorders, a person must declare any personal or pecuniary interest, including any conflicts of loyalty, which may result in a conflict of interest. In the course of each individual’s work, and on the individual’s own volition, they must declare (either orally or in writing), any potential conflict of interest to any member of the Board in Australia or the UK, or the CEO, or the Country Director or Country Manager in Cambodia. As a matter of principle, the ‘interested’ person will then withdraw from the relevant discussion/decision making, and refrain from voting if relevant, on any issue in which their involvement could result, or be perceived to result, in a conflict of interest (eg leading to a personal or financial advantage). Decisions related to conflicts of interest should be made and managed by ‘disinterested’ persons only.

If required, the Board or an independent authority (eg St James Ethics Centre in Australia), will be asked to help determine whether a conflict of interest exists and what action is needed to address it.

A Register of Interests (a pro-forma example of which is included at Appendix A) will record all relevant interests (actual, potential and perceived) of SeeBeyondBorders Personnel and the actions taken to manage them – see Appendix A.

The Register of Interests is updated through an Annual Return (a pro-forma example of which is included at Appendix B) made by each Board Member/Trustee. Where a material or fundamental interest arises during the year outside of the scheduled annual update, the Personnel concerned must provide this information to a Board member/CEO for inclusion on the Register.

At each meeting of the Australian Board/ UK Trustee Board a standard Agenda Item (‘Declaration of Interests’) will allow members to declare a conflict in relation to a matter before the Board meeting and for entry into the Register. Minutes of the Board should reflect any such disclosed conflict of interest and how the conflict was managed, including whether the ‘interested’ person left the room, participated in the discussion, and/or abstained from voting.

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<sup>1</sup> In broad terms this means family, relatives or business partners of a trustee, as well as businesses in which a trustee has an interest through ownership or influence. The term includes a trustee’s spouse or unmarried or civil partner, children, siblings, grandchildren and grandparents, as well as businesses where a trustee or family member holds at least one-fifth of the shareholding or voting rights (UK Charity Commission)

This process for handling conflicts of interest is based on confidentiality, impartiality, fairness and prompt resolution. The timeframe for resolution will be determined by the complexity of the issue. The 'interested' person will be advised promptly of the proposed management and decision timeframe.

## **6 PROCESS FOR MANAGING CONFLICTS OF INTEREST – STAFF AND VOLUNTEERS**

The majority of this Policy applies to Board members and Trustees, but SeeBeyondBorders recognises that there are situations when staff members may need to declare a conflict of interest, such as (but not limited to):

- Project location decisions
- Recruitment decisions
- Procurement decisions

In these circumstances, staff must immediately declare a conflict of interest to their line manager or to the CEO. When a line manager becomes aware of a potential conflict of interest, he/she will remind the 'interested' person of the provisions of this policy, and immediately (at worst within 24 hours), refer the matter to any member of the Board or CEO for further investigation and management, where necessary. The subsequent actions will be recorded in conjunction with any decision made.

This process for handling conflicts of interest is based on confidentiality, impartiality, fairness and prompt resolution. The timeframe for resolution will be determined by the complexity of the issue. The 'interested' person will be advised promptly of the proposed management and decision timeframe.

## **7 FAILURES RELATED TO CONFLICT OF INTEREST**

If any SeeBeyondBorders Personnel fail to avoid a conflict of interest, or to adequately disclose and/or manage a potential, perceived, or actual conflict of interest, he/she will be in breach of SeeBeyondBorders policy and may be subject to disciplinary action.

Failure to avoid, declare or manage a conflict of interest may damage SeeBeyondBorders and result in:

- A loss of public and/or partner trust in SeeBeyondBorders.
- Erosion of the reputation or credibility of SeeBeyondBorders and/or the person involved.
- Resentment among others who perceive their colleagues to be gaining unfair advantage.
- Reduced ability to respond with integrity to accusations of actual or perceived personal benefit.

## **8 DOCUMENTATION**

Once an actual, potential or perceived conflict of interest for a Board Member/Trustee is identified, it must be raised with a Board member and entered into the Register of Interests. A Register of Interests must be maintained by each SeeBeyondBorders entity and it must record all information relating to the conflict of interest (including its nature and extent and any steps taken to address it).

Minutes of Board, committee and staff meetings or other records, should reflect any disclosed conflict of interest and how the conflict was managed, including whether the 'interested' person participated in decision making. Even informal discussions of conflicts of interest should be recorded, a copy provided to the people involved, and records retained.

Details of trustee payments and benefits are included in SeeBeyondBorders' accrual accounts.

All other documentation relating to conflicts of interest will be kept confidential and will not be accessible to anyone other than those directly involved.

## **9 REPORTING**

Any conflicts of interest arising for Board Members/Trustees should be referred to a member of the Board in Australia or the UK as swiftly as practicable. The person who receives the report will be responsible for investigation and management of the conflict of interest.

Where a staff member or volunteer has a conflict of interest, they must refer to their line manager or the CEO as swiftly as practicable. However, they should not feel in the least precluded from contacting directly, any member of the Board.

Only Board members, the CEO and the Company Secretary will have access to the Register.

**10 POLICY MANAGEMENT**

This policy takes effect from the date of approval by the Board as noted below. It is ratified by Trustees in overseas entities.

Amendments and or developments will be recommended to the Board from time to time as deemed appropriate by senior management. Formal reviews will take place before the expiry of three years from the anniversary date of approval by the Board. Recommendations for change will require Board consideration and if necessary Board approval.

Doc ref	Doc type	Approved by Australian Board Date	Minute ref.	Approved by UK Trustees Date	Minute ref	Approved by Irish Board Date	Minute ref
	Policy Update	Board 21/8/2018		Trustees 11/10/2018	Meeting Minutes: 11.10.18	N/A	N/A
CoIP/06/2020/1.0	Policy Review	29/06/2020	Item 8	Trustees 21/07/2020	Item 5	N/A	N/A

**Appendix A – Register of Interests**

Name of interested person (SeeBeyondBorders Personnel)	Date of appointment	Description of interest	Has the relevant Board been notified of the interest?	Date of disclosure	Description of actions taken

**Appendix B – Annual Return, Declaration of Interests**

I ..... (name)

as Board member/Trustee (circle as appropriate)

of SeeBeyondBorders Australia/ UK (circle as appropriate)

have set out below any change in my interests over the last 12 months in accordance with the organisation’s Conflict of Interest Policy.

<b>Category</b>	<b>Details of interest and whether it applies to yourself or, where appropriate, a member of your immediate family or some other close personal connection</b>
Any new employment in which you currently have a financial interest.	
Appointments (voluntary or otherwise) e.g. trusteeships, directorships, local authority membership, tribunals etc.	
Membership of any professional bodies, special interest groups or mutual support organisations.	
Investments in unlisted companies, partnerships and other forms of business, major shareholdings and beneficial interests	
Gifts or hospitality offered by external bodies in the last twelve months.	
Any other conflicts, including conflicts of loyalty, that are not covered by the above.	

To the best of my knowledge, the above information is complete and correct. I undertake to update as necessary the information provided, and to review the accuracy of the information on an annual basis. I give my consent for it to be used for the purposes described in the Conflict of Interest Policy and for no other purpose.

Position:

Date:

Signed: