



<b>Policy Name:</b>	<b>Conflict of Interest and Ethics Policy (Staff)</b>	<b>Policy Number:</b>	<b>FCO-013</b>
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Version 1.1	This version of the policy was approved 1 March 2018 and replaces the version approved 23 August 2016.		

## 1. Aim

The purpose of this policy is to help Firstchance workers to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the ethics and integrity of Firstchance and manage risk.

Firstchance will conform to all relevant legislation and statutory requirements. This document sets out the roles and responsibilities of Firstchance workers, Managers and Board members in implementing this policy.

Firstchance aims to ensure that all workers are aware of their obligations 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 Firstchance.

## 2. Scope

This policy applies to workers and Board members of Firstchance.

## 3. Policy

### 3.1 Definition of conflict of interest

A conflict of interest may be actual, potential or perceived and may be financial or non-financial. A conflict of interest occurs when the personal interests of a person conflict with responsibilities to act in the best interests of Firstchance. 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, worker, or board or management committee).

These situations present the risk that a person will make a decision based on, or affected by, external or personal influences, rather than in the best interests of Firstchance and must be managed accordingly.

Firstchance will manage conflicts of interest by requiring all workers to:

- avoid conflicts of interest where possible;
- identify and disclose any actual and potential conflicts of interest;
- carefully manage any conflicts of interest;
- respond in a timely manner to breaches; and
- adhere to this policy.

Conflicts of interest commonly arise, and do not need to present a problem to Firstchance if they are openly and effectively managed. It is the policy of Firstchance as well as a responsibility of all workers including the Leadership team and the Board, that ethical, legal, financial or other conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with the obligations to Firstchance.

## **3.2 Managing a conflict of interest**

Managing a conflict of interest has three main components:

1. Identification and disclosure of conflicts of interest;
2. Action required for management of conflicts of interest; and
3. Register the risk

### **3.2.1 Identification and disclosure of conflicts of interest**

When a worker becomes aware of a conflict of interest they should disclose this to their immediate Manager. Early reporting allows for a swift resolution. A conflict may be actual, perceived or a potential conflict and it may be financial or non-financial. If not managed properly, either kind can be equally damaging to the reputation of the workers and Firstchance.

It is the responsibility of the worker to consider their position at Firstchance and disclose personal interests or relationships that could be perceived, by a reasonable person, to influence their actions. As the range of interests and relationships are infinite, to avoid any doubt speak with your manager for guidance if you are unsure.

### **3.2.2 Action required for management of conflicts of interest**

Where a conflict of interest, real or apparent, arises it will need to be managed. Appropriate management actions may include withdrawing from particular discussions, restricting the flow of information, abstaining from decisions, reassignment of duties, or relinquishing the interest or the position.

In deciding what approach to take, Firstchance will consider –

- o Whether the interest needs to be avoided or documented; and
- o Whether the conflict will realistically impair the disclosing workers' capacity to impartiality.

Further Firstchance will –

- o Ensure all relevant parties participate and are involved in the decision making process;
- o Consider alternative options to avoid the conflict;
- o Review the impact on the values and objectives of Firstchance;
- o Consider the possibility of creating an appearance of improper conduct that impairs confidence of the reputation of Firstchance.

### **3.2.3 Register the risk**

Once an actual, potential or perceived conflict of interest is identified, it must be entered into the Firstchance Conflict of Interest Register - Staff. The nature of the risk will dictate if it will be raised with the Board, as determined by the General Manager and leadership team where necessary. The Conflict of Interest Register must be maintained by the General

Manager or delegate, and record information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

### **3.3 Conflict of Interest related to the provision of support to families**

Firstchance will act in the best interests of families receiving supports, ensuring that they are informed, empowered and able to maximise choice and control.

Firstchance will not constrain, influence or direct decision making by a person with a disability and/or their family so as to limit that person's access to information, opportunities and choice and control.

#### **3.3.1 Actions to manage actual or perceived conflicts**

Firstchance will proactively manage perceived and actual conflicts of interest, including through development and maintenance of organisational policies. Firstchance will:

- ensure our organisational or ethical values do not impede a participant's right to choice and control by:
  - being family centred and actively asking questions to establish family priorities for service provision
  - provide accessible information about evidence based practice
  - be transparent about our organisational values
- manage, document and report on individual conflicts as they arise, by:
  - having and documenting conversations with parent/carers about their choice of service providers
  - registering any perceived or real conflicts of interest
  - discussing any conflict of interest with a family
  - having clearly defined goals and outcomes for each support type that a parent/carer may choose to access from Firstchance
  - providing parent/carers with information about the Feedback and Complaints Policy and process
- ensure that advice to a family about support options (including those not delivered directly by Firstchance) is transparent and promotes choice and control. We will do this by:
  - providing transparent information to parent/carers at all stages of engagement and support including before an Agreement of Service is signed
  - encouraging parent/carers to explore other support options that may be closer to them and which may reduce their travel costs
  - supporting parent/carers to know the questions to ask that may assist them to choose a service option best suited to their needs
  - offer to show families the NDIS website and how to use it to find out about alternative support options
  - encouraging parents/carers to bring along an advocate or informal support to any meetings

Firstchance will ensure that all participants are treated equally, and that no family is given preferential treatment above another in the receipt or provision of supports.

Firstchance will abide by any NDIA Operational Guidelines or pricing arrangements and guidelines, as updated from time to time to manage conflicts of interest in cases where there is heightened risk to the participant, due to either the vulnerability of the participant, or the scope and magnitude of supports.

### **3.3.2 Advocacy/legal advice/independent support**

Firstchance welcomes the inclusion of support for families which is external to the organisation, to assist families in their interactions with Firstchance. Assistance may be provided by a friend, family member, staff member, translator, advocate or anyone else who is acceptable to the family / person. Where necessary, Firstchance will offer assistance to a family by making a referral to an advocacy service with the consent of the family.

## **3.4 Conflicts of Interest related to staff**

### **3.4.1 Nepotism and personal relationships**

In carrying out their duties, workers may find themselves in situations where a decision has to be made that would directly affect a person with whom the decision-maker has a relationship, or has had a relationship in the past, whether it be a family member or personal relationship. Workers should notify their manager if they are placed in a position where their decision could impact, either positively or negatively, on relatives, partners or friends.

### **3.4.2 Gifts and Benefits**

Acceptance of a gift or benefit that is connected with a worker's employment can create a real or perceived conflict of interest. At the extreme, it could be perceived as a bribe. The majority of gifts are offered as a genuine expression of appreciation with no ulterior motive or hidden agenda. Typically, these gifts represent tokens of appreciation and the parent/carer may feel hurt or insulted if the worker rejected such a gift. This can be exacerbated where the person is from a culturally diverse background where such gift giving is considered the norm.

Firstchance workers will not accept any offer of money, gifts, services or benefits that would cause them to act in a manner contrary to the interests of the family. Further, Firstchance will ensure that workers will not have any financial or other personal interest that could directly or indirectly influence or compromise the choice of provider or provision of supports to a family. This includes the obtaining or offering of any form of commission.

Firstchance staff must:

- Not solicit gifts and benefits
- Not accept gifts of money
- Always consider the value and purpose of a gift or benefit before making any decision about accepting it

It is not possible to establish definitive rules about accepting gifts or benefits, as the appropriate course of action will depend on the circumstances of the offer and the roles and responsibilities of the worker. When deciding whether to accept a gift or benefit, or what to do when one has been received, a worker is advised to discuss the matter with their manager or supervisor. The table below provides a guide to the expectations of actions of workers.

Gift or benefit	Actions by staff
Cash	Do not accept. Offer the person that a member of the Firstchance Finance team can contact them if they would like to make a donation to Firstchance.
Token gift – individual (under \$20 in value)  eg flowers, hand-made items, gift for newborn baby, food/perishables	Worker can keep gift.  Worker encouraged to share some gifts with the team eg food.
Token gift – communal (under \$20 in value)  eg, chocolates, bottle of wine	Worker is encouraged to share chocolates with the team or provide them to the Admin Assistant who will store them for use in a raffle/fundraising activity for Firstchance.  Worker is encouraged to give bottles of wine to the Admin Assistant who will store them for use in a raffle/fundraising activity for Firstchance.
Non-token gifts (over \$20 in value)	Worker needs to provide the gift to the Admin Assistant who will store them for use in a raffle/fundraising activity for Firstchance.

When accepting any gift, Firstchance workers are required to thank the person on behalf of the team or agency and where relevant indicate that what will happen with the gift. This protocol can defuse the potential boundary confusion between the person and the worker and also acknowledges that many workers in Firstchance contribute to the quality of support offered including people in Finance, Admin and Management roles.

### 3.4.2.1 Hospitality and entertainment

The nature of Firstchance and its relationship with external stakeholders is such that workers, particularly at senior levels, may deal with senior business representatives. Such interactions may offer gifts and hospitality, where workers' are required to make balanced judgements of acceptance. Consideration should be given to the integrity, both of Firstchance and the worker, and risk acceptance would create. When in doubt discuss the situation with a manager.

### 3.4.2.2 Gifts and Benefits Register

A Gifts and Benefits Register is to be maintained by the Executive Assistant to record the details of when gifts or benefits have been offered and/or accepted. As a minimum the Register is to record the following details:

- Date of the offer or receipt of gift or benefit
- Name and signature of worker in receipt of the gift or benefit
- Details of the person offering/providing the gift or benefit, including any relationship – personal or professional – between the giver and receiver (Conflicts of Interest should also be entered on the Conflicts of Interest register)
- Description of the gift or benefit
- Estimated value
- Whether the gift or benefit was accepted

- Decision regarding action taken with the gift or benefit
- Signature of the Executive Assistant

### **3.4.3 Outside/secondary employment**

Outside/secondary employment includes paid work, such as running a business, maintaining a professional practice as well as unpaid work. Generally, workers are able to work outside Firstchance if it does not conflict with their official duties. If a worker is inclined to accept an offer of outside employment they should notify their manager so that the risks can be assessed. In deciding whether it is appropriate for a worker to engage in outside employment, a balance needs to be struck between the interests of Firstchance and those of the worker. However, the overriding principle is the need to maintain confidence in the integrity of Firstchance.

Workers that undertake outside/secondary employment (paid or unpaid) must complete a Declaration of Conflict of Interest Form – Staff and give this to their supervisor. The supervisor in conjunction with the relevant Manager will complete a risk assessment to assess the impact of the conflict of interest for Firstchance and determine whether any additional actions are required to manage the conflict of interest. In instances where the risk assessment shows that the conflict of interest cannot be managed in the best interests of Firstchance, the worker will be asked to make an employment decision/choice between their employers so that the integrity of all involved is upheld.

Workers seeking paid work to supplement their part time or reduced hours at Firstchance are encouraged to speak with their manager in the first instance as additional hours may be offered, mitigating the need to seek outside employment.

Outside employment that would not otherwise be appropriate is not made acceptable by being undertaken during a period of leave, whether the leave is unpaid or paid and including annual/recreation and long service leave.

### **3.4.4 Post-employment conflicts of interest**

There are three key risks involved when a worker accepts employment in a field that is aligned to their Firstchance responsibilities:

1. that the worker, while still employed by Firstchance, would use their position to influence decisions and advice in favour of the prospective new employer;
2. that the worker would reveal confidential information to their new employer or provide other information that would give the new employer an advantage in its business dealings; and
3. that the worker would exploit their knowledge of Firstchance, or otherwise seek advantage, for their new employer. There may be a perception that the former worker will have a greater ability to influence their former colleagues in their decision-making.

If a worker accepts an offer of employment they should immediately speak with their manager to understand if there are any risks. To avoid or mitigate risks during a worker's notice period Firstchance may re-allocate duties, temporarily move the worker to an area of the business where there is no conflict of interest, or discuss leave options.

It is expected that all workers will be ethical and respectful of their employment with Firstchance, in particular, in restricting sharing of knowledge with future employers and competitors.

### **3.4.5 Confidentiality of disclosures**

Board members and the General Manager will have access to the information disclosed. Other Firstchance staff may be informed about particular disclosures of conflicts of interest where it is relevant to their role or responsibilities. A decision for such disclosure will be discussed at a Board meeting.

### **3.5 Compliance with this policy**

If Firstchance has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances.

If it is found that this person has failed to disclose a conflict of interest, Firstchance may take action in line with the Staff Performance, Support and Management Policy.

If a person suspects another staff member has failed to disclose a conflict of interest, they must:

- discuss it with their immediate manager; and
- where relevant notify the General Manager or Board Secretary

## **4. Persons Responsible**

All employees are responsible for:

- Knowledge and understanding of this policy
- Compliance with all Firstchance policies and procedures and legislative requirements
- Registering any conflicts of interest

General Manager is responsible for:

- Ensuring the implementation of efficient and effective procedures and systems to ensure the implementation of this policy
- Communicating matters to the Board as required by this policy

The Board is responsible for:

- Establishing a system for identifying, disclosing and managing conflicts of interest across Firstchance
- Monitoring compliance with this policy, and
- Reviewing this policy on an annual basis to ensure that the policy is operating effectively.

## **5. References**

This policy must be read in conjunction with the policies and procedures which supports this policy:

Conflict of Interest Register  
Gifts and Benefits Register  
Declaration of Conflict of Interest Form – Staff  
Confidentiality Policy  
Privacy Policy  
Conflict of Interest and Ethics Policy (Board)  
Cultural Safety Policy  
Staff Handbook  
Social Networking Usage Policy

Technology Usage Policy  
Feedback and Complaints Policy  
Staff Performance, Support and Management Policy  
Corporate Governance Principles and Recommendations ASX Corporate Governance Council  
'It's Your Business' NSW Department of Ageing, Disability and Home Care  
Associations Incorporation Act 2009  
Australian Charities and Not-for-profits Commission (ACNC) governance standards  
Privacy Act 1988 (Cth)  
Privacy and Personal Information Protection Act 1998 (NSW)  
Disability Inclusion Act 2014

## **NSW Disability Service Standards**

Standard 1 – Rights

Standard 6 – Service Management

## **6. Definitions**

**Firstchance** – all Firstchance Incorporated services and programs

**Board of Management** – the governing body of Firstchance, comprised of elected or appointed members who jointly oversee the activities and legal responsibilities of the organisation

**Confidentiality** - "ensuring that information is accessible only to those authorized to have access and is protected throughout its lifecycle ". Confidentiality is an important principle in business because it functions to impose a boundary on the amount of personal information and data that can be disclosed without consent.

**Conflict of interest** – situations where a conflict arises between public duty and private interest which could influence the performance of official duties and responsibilities

**Due diligence** – the degree of care and caution required by the circumstances of a person

**Duty of care** – the obligation to take reasonable care to avoid causing harm to another person

**Ethics** - The basic concepts and fundamental principles of right human conduct. It includes study of universal values such as the essential equality of all men and women, human or natural rights, obedience to the law of land, concern for health and safety and, increasingly, also for the natural environment

**Family** – refers to the parents/caregivers of the children or young people that receive support from Firstchance

**Financial interests** – financial or other material benefits or costs. Also referred to as pecuniary interests.

**Gift or benefit** – any item, service, prize, hospitality or travel, offered or provided by a family supported by Firstchance, supplier, potential supplier or external organisation, which has an intrinsic value and/or a value to the recipient, a member of their family, relation, friend or associate.

**Governance** – is the legal authority of a Board to establish and be accountable for policies that will affect the life and work of the organisation

**Manager** – refers to the General Manager or Program Manager, whichever is relevant in the context of the situation

**Nepotism** – Practice of appointing relatives and friends in one's organization to positions for which outsiders might be better qualified.

**Nominal value** – is the monetary limit of acceptable token gifts. The nominal value for Firstchance is \$20.

**Non-token gifts** – have a greater value than \$20 or is a gift that can be seen as an inducement.

**Non-financial interests** – political, religious, recreational, family or other interests. Also referred to as non-pecuniary interests.

**Risk** – the likelihood and consequence of something happening that will have an impact on objectives

**Risk management** – the process of identifying, assessing and judging risks, assigning ownership, taking actions to mitigate or anticipate them, and monitoring and reviewing progress

**Token gifts** - inexpensive gifts of gratitude such as a bunch of flowers, of nominal value.

**Values** – the core principles that guide an organisation’s service delivery and management

**Worker** – anyone who is carrying out work, in any capacity, for Firstchance. This includes workers, contractors/subcontractors and their workers, labour hire workers engaged to work in the organisation, outworkers, apprentices, trainees, students on work experience and volunteers

*Document review history*

<b><i>Date</i></b>	<b><i>Section</i></b>	<b><i>Change</i></b>
March 2018	3.4.3	Addition of information related to the process of completing a Declaration of Conflict of Interest Form – Staff and the possible outcome where it is assessed that a conflict of interest is not able to be managed in the best interests of Firstchance.
	3.4.3 & 5	Addition of reference to Declaration of Conflict of Interest Form – Staff.