

POLICY: CONFLICT OF INTEREST

Policy No	015	Issue			3
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Introduction

This policy has been developed because conflicts of interest commonly arise and need to be effectively managed. A conflict of interest is any situation where a personal interest could, or could appear to, ensure individuals make a decision only in the best interests of DBSA.

The Board of DBSA is committed to high standards of ethical conduct and accordingly places great importance on making clear any existing or potential conflict of interest.

Purpose and Scope

The purpose of this policy is to ensure the members of the Board, Member Clubs, Officials, contractors, state coaches, individuals representing DBSA on DBSA and external Committees and Working Groups are aware of their obligations to disclose any conflict of interest that they may have and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of DBSA.

The obligations include identifying, disclosing, and managing any actual, potential, or perceived conflict of interest in order to be transparent in dealings, protect the integrity of DBSA, manage risk and comply with legal obligations under Part 4 Clauses 31 and 32 of the *Associations Incorporation Act SA 1985 (The Act)*.

Definition of conflicts of interests

A conflict of interest occurs when a person's personal interests' conflict with their responsibility to act in the best interests of DBSA.

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 member of a club).

It also includes a conflict between a Board member's duty to DBSA and another duty that the Board member has (for example, to a Member Club). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of DBSA.

Therefore these situations must be managed accordingly.

Conflicts of interest will be managed by:

- avoiding conflicts of interest where possible
- identifying and disclosing any conflicts of interest and abstaining from the decision making



- carefully managing any conflicts of interest, and
- following this policy and respond to any breaches.

Procedure

▪ Identification and disclosure of conflicts of interest

Once a conflict of interest is identified, it must be entered into the register of interests, as well as being raised with the President of the DBSA Board.

Where an individual is affected by this Policy, has a conflict, the individual should ensure that proper disclosure occurs.

A register of interests must be maintained by the Secretary of the Board, 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).

Confidentiality of disclosures. All information disclosed will be restricted to an on needs basis for the purpose of managing the conflict of interest.

▪ Managing Conflicts of Interest

There are three key components to management of a conflict of interest:

1. Report.
2. Resolve.
3. Register.

▪ Reporting a Conflict of Interest:

When an individual becomes aware that they may have a conflict of interest they must report that fact to the President of the Board of DBSA or relevant Board Committee Chair or Working Group Chair. Reporting a conflict provides an opportunity to consider options to resolve it.

It is important to remember that a conflict may be actual, perceived or a potential conflict and it may be pecuniary or non-pecuniary. If not managed properly, either kind can be equally damaging at a personal level and organisational reputation. Examples of conflicts of interest:

- Purchasing goods or services supplied by the family business, family company, relative or close friend of an individual involved in making a decision, or
- Participating in a decision making for goods or services where a relative or friend will be submitting a bid
- Directly negotiating for a friend or relative for them to provide goods or services to DBSA for payment
- Involvement in selection of a contractor, team selection, disciplinary matter that involves a relative or friend that has not involved an approved process
- Sale of asset without an equitable process
- Board member or Committee member or Working Groups voting on a decision which directly affects their private or their club's interests

- **Resolving a Conflict of Interest**

The main ways resolution can be achieved are:

1. Restrict.
2. Remove.

(i) Restricting the individual with the conflict in the participation of decision making is an appropriate method where the conflict is not likely to arise frequently. Restriction could include one or more of the following:

- Not participating in any critical criteria setting or decision-making role in the process
- Refraining from debate about the plan or proposal
- Limiting access to information and/or denying access to sensitive documents or confidential information in the process
- Withdrawing from discussion of the plan or proposal
- Abstaining from voting on the decision

(ii) Removing the individual with the conflict from the process is appropriate where there is ongoing serious conflict of interest and restriction or recruitment is not practical or feasible.

- Removing the individual with the conflict from any involvement
- Abstaining from any formal or informal discussion about the matter
- Separating the individual with the conflict from the situation where there may be a perception of exerting an influence on decisions or actions

- **Registering a Conflict of Interest**

All conflicts of interest must be registered in the Conflicts of Interests Register. This Register is kept by the Secretary of the Board and helps DBSA show that the conflict has been declared and resolved. It adds transparency to the situation.

- **Compliance with this policy**

Failure to disclose a conflict of interest can be a breach of the *Act* and is a breach of the Code of Conduct.

If the Board has a reason to believe that an individual is subject to the policy has failed to comply with it, it will investigate the circumstances.

If it is found that this individual has failed to disclose conflict of interest and act in accordance with this Policy, the Board may take action against them. This may include seeking their removal from their position on the Board, Committee, Working Group and or terminate their relationship with DBSA.

A perceived breach of The Act may lead to a report to CBS.

If an individual suspects that any individual bound by this policy has failed to disclose a conflict of interest, they must discuss with the individual in question, and notify the Board.

If any individual believes there has been fraud, dishonesty or misconduct in a South Australian incorporated association that is a possible breach of The Act it must be reported to CBS.