

Teman Conflict of Interest Policy

Introduction

The objective of this policy is to ensure that actual, potential and perceived conflicts of interest by Teman employees are identified and managed effectively.

Who does this policy apply to?

The principles and procedures in this Policy apply to all people who work within Teman including:

- Directors
- Executives, managers and employees (whether full time, part time, casual, permanent or temporary), and
- Volunteers, contractors and consultants

When does a conflict of interest exist?

A conflict of interest exists when it appears likely that an employee could be influenced, or where it could be perceived that they are influenced, by a personal interest in carrying out their duty. Conflict of interests may be real, apparent or potential:

- Real – where a direct conflict exists between current official duties and existing private interests.
- Apparent – where it appears or could be perceived that private interests are improperly influencing the performance of official duties whether or not that is actually the case.
- Potential – where private interests are not but could come into direct conflict with official duties.

What is a conflict of interest?

Examples of conflicts of interest:

- Purchasing goods or services supplied by the family business of a worker, or family company, relative or close friend
- Participating in a tender 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 Teman Villages
- Involvement in selection of a relative or friend as an employee
- Sale of villa to a direct family member
- Worker voting on a decision which directly affects their private interests
- Worker using confidential information that could impact private interests
- Where an employee deals with a complaint in which a family member or relative is involved

What is the role of a Teman staff member when they identify a conflict of interest?

Everyone in at Teman is responsible for identifying, disclosing and resolving conflicts of interest.

Specific responsibilities are to:

Directors of Teman

- Retain awareness when conflicts of interests arise to ensure conflicts are disclosed and resolved with all pertinent details recorded in the meeting minutes.
- To ensure conflicts of interest are listed in the Conflicts of Interest Register along with the a brief description of how the conflict was handles and the outcome

Managers

- Provide leadership in implementing and giving effect to this Policy.
- Facilitate compliance with this Policy.
- Participate in conflict of interest resolution with those they supervise and lodge the resolution in the conflict of interests register.
- Take appropriate action for breaches of this Policy.

Workers

- Retain awareness of potential conflicts of interest that might affect them and avoid them where possible.
- Promptly identify and disclose any actual or potential conflicts of interest that might be perceived to affect the proper performance of their work.

What to do if there is a conflict of interest?

1. Where there is likely to be a real or apparent conflict of interest, the employee should report the conflict of interest to their supervisor. This allows us to work through the issue and take steps to resolve the conflict.
2. Complete a Disclosure Form.
3. The Disclosure Form is to be submitted to the employees supervisor. The role of supervisor in this area is critical and can be difficult. Supervisors should provide an example and give frank guidance to the employees they supervise; they should be prepared to listen and to consider any possible conflict of interest or bias issues raised.
4. All conflicts of interest must be registered in the Conflicts of Interests Register. This Register is kept by Administration and helps us show that the conflict has been declared and resolved. It adds transparency to the situation.

5. Any conflict of interest for the Directors should be recorded in the Director's meeting minutes and also registered in the Conflict of Interests Register. The conflict of interest is to be disclosed to each resident.

How to solve a conflict of interest?

The main ways resolution can be achieved are:

- Restrict
- Recruit
- Remove
- Relinquish

Restricting the person 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

Recruiting an independent person to oversee all or part of the process is an appropriate method where the conflict is more significant and needs more proactive management but the person with the conflict has particular expertise and cannot be easily replaced. Recruiting strategies include:

- Arranging for an independent third party to make the decision
- Requiring another person in the organisation to obtain three written quotes to compare against any bid by a family member
- Engaging an independent third party or probity auditor to oversee or review the integrity of the decision-making process – this strategy is particularly appropriate where there is a reasonably perceived, but not actual, conflict of interest or the conflict of interest is only identified at or near the conclusion of the process or after the making of the decision
- Increasing the number of people sitting on decision-making committees to balance the influence of a single member who may have a conflict of interest but who has some special reason to remain on the committee
- Seeking the views of those likely to be concerned about a potential, actual or reasonably perceived conflict of interest about whether they object to the person with the conflict having any, or any further, involvement

Removing the person 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 person with the conflict from any involvement
- Abstaining from any formal or informal discussion about the matter
- Separating the person with the conflict from the situation where there may be a perception of exerting a covert influence on decisions or actions
- Re-arranging duties and responsibilities to a non-conflicting function but not to a person who is supervised by the person with the conflict
- Transferring to another project or another area of the organisation

Relinquishing the private interest that gives rise to the conflict

- Liquidating the private interest in an arm's-length transaction
- Divesting or withdrawing support for the private interest
- Assigning the conflicting interest to a genuinely 'blind trust' or 'blind management' arrangement for at least the duration of the conflict

How long do records need to be kept?

1) An operator must keep records of the following information relating to conflicts of interest of the operator and any of the operator's staff:

- (a) the name, contact details and title of the person with the conflict of interest,
- (b) the date the conflict of interest was disclosed to residents,
- (c) the function connected with the management or operation of a retirement village to which the conflict of interest relates and the date on which the function was carried out,
- (d) the nature of the private interest giving rise to the conflict of interest,
- (e) details of any measures implemented to mitigate any effects of the conflict of interest.

(2) The records must be kept for the duration of the employment of the operator or the operator's staff member concerned, and for an additional 5 years in respect of each employment term.

Breach of Policy

Failure to disclose a conflict of interest is a breach of the Code of Conduct and for Directors is also a breach of the Board Governance Charter. It may result in initiation of disciplinary action that could involve severance from the organisation if deemed to be an incident of misconduct, wrongdoing or an abuse of power or authority.