

# EHA National Policy

## Conflict of Interest

<b>Policy Number</b>		<b>Responsible Association</b>	
<b>Policy Type</b>	Internal	<b>Version Number</b>	
<b>Approval Date</b>	11 August 2022	<b>Sunset/review date</b>	30 June 2024

### ***1. Purpose***

The purpose of this policy is to assist Directors, staff and other applicable parties of Environmental Health Australia to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of Environmental Health Australia and to manage risk.

### ***2. Objective***

The Environmental Health Australia board of Directors shall be referred to as the ‘board’ in this policy. This policy aims to ensure that board members, staff and other parties identified as being captured by this policy 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 Environmental Health Australia.

For the purpose of providing clarity between this Policy and the Environmental Health Australia Constitution, where reference is made to ‘the Executive’ in this Policy, it shall have the same meaning as ‘Office Bearer’ in the Constitution.

### ***3. Scope***

This policy applies to:

- All board members, observers and Directors of Environmental Health Australia;
- Environmental Health Australia Staff and Contractors;
- Environmental Health Australia Members;
- Any third party representing or acting on behalf of Environmental Health Australia at public events, training etc.;

- Any party to which Environmental Health Australia has a commercial arrangement whether financial or not.

## ***4. Definitions of Conflicts 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 organisation.

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, beneficiary or business owner).

It also includes a conflict between a board member's duty to Environmental Health Australia and another duty that the board member has (for example, to another organisation, employer or business). 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 the organisation. Therefore these situations must be managed and recorded accordingly.

## ***5. Policy***

This policy has been developed to address conflicts of interest affecting Environmental Health Australia. Conflicts of interest are common, and they do not need to present a problem to the organisation as long as they are openly and effectively managed. It is the policy of Environmental Health Australia, as well as a responsibility of 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 Environmental Health Australia.

Environmental Health Australia will manage conflicts of interest by requiring board members and all other applicable parties to:

- Avoid conflicts of interest where possible;
- Identify and disclose any conflicts of interest as soon as they identified or have the potential to be perceived as a conflict;
- Carefully manage any conflicts of interest; and
- Follow this policy and respond to any breaches.

### ***5.1. Responsibility of the board***

The board is responsible for:

- Establishing a system for identifying, disclosing and managing conflicts of interest across the organisation;
- Monitoring compliance with this policy and taking appropriate action as necessary; and

- Reviewing this policy on a scheduled basis to ensure that the policy is operating effectively.

### *5.2. Identification and disclosure of conflicts of interest*

Once an actual, potential or perceived conflict of interest is identified, it must be entered into the Environmental Health Australia register of interests through written notification of the conflict to the President, as well as being raised with the board.

The register of interests must be maintained by the National Executive Officer. The register must 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).

In addition to the above, if during a meeting of the board, a Director identifies any conflict of interest on a matter being discussed during the meeting, this conflict must be declared immediately. The remaining members of the board will then determine whether the individual may participate in any discussion or vote on the issue that has given rise to the conflict. This disclosure and the resultant outcome shall be recorded in the minutes of the meeting and in the register of interests.

Where a Director or a family member or close associate has a personal or business interest in, or is involved in any way with an organisation with whom the board is considering a commercial arrangement, the interest or involvement must be immediately disclosed to the board. The minutes of the meeting shall record that the affected Director disclosed the interest or involvement in the matter being considered by the board, recused themselves from all discussion and abstained from voting on the matter.

### *5.3 Confidentiality of disclosures*

The Environmental Health Australia Executive shall have access to the register of interests. Where a matter is identified as ‘sensitive’, access to that disclosure may be restricted to the President and Executive Officer only, and this may be applied at their discretion or upon the request of the involved party.

## *6. Action required to manage conflicts of interest*

### *6.1. Conflicts of interest of board members*

Once a conflict of interest has been appropriately disclosed, the board (excluding the board member who has made the disclosure, as well as any other conflicted board member) must decide whether or not those conflicted board members should:

- Vote on the matter (this is a minimum);
- Participate in any debate; or
- Be present in the room during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a board member from regularly participating in discussions, it may be worth the board considering if it is appropriate for the person conflicted to resign from the board.

## ***6.2. What should be considered when deciding what action to take***

In deciding what approach to take, the board will consider:

- Whether the conflict needs to be avoided or simply documented;
- Whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making;
- Alternative options to avoid the conflict;
- The organisation's objectives and resources; and
- The possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the organisation.

The approval of any action requires the agreement of at least a majority of the board (excluding any conflicted board member/s) who are present and voting at the meeting.

The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

## ***7. Compliance with this policy***

If the board 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, or has used their position in contravention of this policy or the associated Code of Conduct, the board may take action against them. Based upon the seriousness of the breach the following actions may be taken

(but are not limited to):

- Termination as a Director of the Board or as a member of the organisation;
- Termination of their relationship with the organisation where an existing formal or informal agreement is in place;
- Suspension as Director of the Board, associate or member of the organisation;
- A request to make representation disclosing full details of the nature of the conflict of interest to the board explaining the reasons for the breach;
- An official warning.

Where potential criminal activity is identified the matter will be referred to the Police for investigation and all relevant details recorded in the register of interests.

If a person suspects that a board member or other applicable party has failed to disclose a conflict of interest, they must notify the President in writing as soon as alleged conflict of interest is identified.

## ***8. Related Documents***

- [Environmental Health Australia Code of Conduct](#)
- Environmental Health Australia Register of Interests

## ***Responsible Officer***

The President of Environmental Health Australia is responsible for the distribution and implementation of this policy. Enquiries regarding this policy should be directed to the responsible officer via email

[national@eh.org.au](mailto:national@eh.org.au)