

Disclosure of Interests Policy

All Healthy Living NT Board and staff members are required to conduct themselves in accordance with the standards and values identified in Healthy Living NT's *Ethical Practice and Ethical Relationships Guide*.

Scope

This policy applies to all officers of Healthy Living NT (HLNT) including Board Members, employees and operational volunteers, to:

- provide guidelines for application of an essential element of the *Ethical Practice and Ethical Relationships Guide*;
- confirm the necessity to disclose in writing any private financial or other interests that conflict, or have the potential to conflict, with a person's official duties.

This policy does not apply to the Bill Raby Diabetes Fellowship Board of Governors which operates under specific provisions relating to conflict of interest.

Definitions

For the purpose of this policy, the following terms are defined:

Officer	Refers to all Board Members, staff and operational volunteers employed by HLNT
Immediate Family	Includes an officer's spouse, including de facto spouse and dependent children.
Conflict of Interest	Means a conflict between private financial or other interests and official duties or responsibilities of HLNT, whether actual, potential or perceived.
Actual Conflict of Interest	Involves a direct conflict between an officer's current duties and responsibilities and their existing private interests.
Potential Conflict of Interest	Arises where an officer has private interests that could interfere with their official duties in the future.
Perceived Conflict of Interest	Is when it could be perceived or appears that an officer's interest could improperly influence the performance of their formal HLNT duties – whether or not this is in fact the case.
Other Relevant Persons	Means any other person with whom an officer has a close personal relationship including persons who are substantially or wholly reliant on the officer for support, financial or otherwise.
Private Interests	Are those interests that can bring benefits or disadvantages to us as individuals, or to others whom we may wish to benefit or disadvantage.
Senior Management	The HLNT positions of CEO, Manager Education Services and Manager Finance and Administration
General Interests	Are the backgrounds, professional skills and extended community linkages of Board Members and senior management staff. These general interests are not regarded, prima facie, as conflicts of interest and are not required to be disclosed or reported on due to any legislative requirement.

<i>Status</i>	<i>Approved</i>	Disclosure of Interests Policy	<i>Document ID</i>	G0012
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		Page 1 of 10		

Policy Statement

Any conflict of interest, whether actual, potential or perceived, erodes confidence in the integrity of HLNT.

The purpose of declaring private and other interests is to formally demonstrate that officers have identified interests which might result in a conflict of interest, and after due consideration, that appropriate action has been taken to resolve such conflict or prevent it from arising.

Completed declarations are held as evidence of disclosure and, as such, provide some protection from unfounded allegations of improper or unprofessional conduct concerning HLNT, its officers or employees.

The purpose of this policy is to provide a formal framework through which:

1. Healthy Living NT (HLNT) Board members and senior management staff can:
 - a) Declare any interests that may constitute a conflict of interest, for which declaration and management in accordance with statutory requirements is necessary, or
 - b) Advise any interests of a general information nature, shared with the Board on a voluntary basis in order to enhance the Board's overall appreciation of its community and other linkages.
2. HLNT staff are aware of the need to declare any interests that may constitute a conflict of interest, for which declaration and management in accordance with statutory requirements is necessary.

A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of the charity. A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

Conflicts of interest are common and do not have to be a serious problem. However, if a conflict of interest isn't managed properly, it may damage a charity's reputation and, in serious cases, even breach the law.

Legislative requirements

The rules relating to the declaration and management of conflicts of interest (actual and potential) are prescribed under two pieces of legislation/regulation:

- a) Amendments to the Australian Charities and Not-for –Profits Commission (ACNC) Regulation 2013 Schedule 1, prescribe Governance Standards for charitable organisations operating in Australia; Governance Standard 5 is relevant to conflicts of interest.
- b) Sections 31-33 of the Associations Act 2003 (NT) prescribe rules relating to disclosure and management of conflicts of interests for NT incorporated associations.

Healthy Living NT must comply with both Acts with respect to the duties of its responsible persons specified in those Acts.

Additionally, as Healthy Living NT is a receiver of public monies, the conduct of the organisation and its officers also fall within the scope of the NT Independent Commissioner Against Corruption Act 2017 including failure to manage adequately an actual or perceived conflict of interest.

ACNC Requirements

Specifically, Governance Standard 5 prescribes duties of Responsible Persons (defined as Board Members) and Authorised Persons (defined as senior management) which are:

- to act with reasonable care and diligence
- to act honestly in the best interests of the charity and for its charitable purposes
- not to misuse their position as a responsible person
- not to misuse information they gain in their role as a responsible person
- to disclose conflicts of interest
- to ensure that the financial affairs of the charity are managed responsibly
- not to allow the charity to operate while it is insolvent.

Compliance with this standard (as it relates to conflict of interest) is generally achieved by:

- having a charter that sets out how responsible persons are expected to behave or a code of conduct
- having a policy, procedure or other process (such as in governing documents) to require a responsible person not to vote on matters where the person has a conflict of interest
- having processes in place to manage conflicts of interests

Association Act Requirements

Under the Associations Act 2003, “officers”, including Board Members and employees (both current and former), of an incorporated association have a number of duties and responsibilities. In particular, officers must not:

- in the exercise of powers or the discharge of the duties of the office, commit an act with intent to deceive or defraud the association, members or creditors of the association or creditors of another person or for any fraudulent purpose.
- make improper use of information acquired by virtue of his or her position in the association so as to gain, directly or indirectly, a pecuniary benefit or material advantage for himself or herself or a related person (other than the class of people represented by the Association) or to cause detriment to the Association.
- make improper use of their position so as to gain, directly or indirectly, a pecuniary benefit or material advantage for themselves or a related person (other than the class of people represented by the Association) or to cause detriment to the Association.

Conflicts of interest (potential or actual) must be declared at the Board Meeting and minuted, assessed and managed by Board in an agreed manner and/or, when confirmed, managed as prescribed by the Associations Act i.e. member not to vote and reported to the Association’s AGM. An extract of Sections 31-33 of the Associations Act 2003 is appended to this policy.

Independent Commissioner Against Corruption Act Requirements

Under the Independent Commissioner Against Corruption Act 2017 (NT), as a recipient of public funding, Healthy Living NT is regarded as a Public Body under the Act, and its officers are regarded as Public Officers. All Board Members, employees, volunteers and contractors of HLNT are Public Officers under the ICAC Act.

Under this Act:

1. Healthy Living NT as a Public Body has responsibility to ensure:
 - the proper and effective use of public funds under its administration
 - mandatory reporting of suspected serious Improper Conduct including Corrupt Conduct, Misconduct and Unsatisfactory Conduct or conduct that breaches public trust as defined by the Act and
 - the protection of the rights and responsibilities of whistle-blowers
2. As Public Officers, all HLNT Board Members, employees, volunteers and contractors of HLNT have a responsibility for mandatory reporting of suspected serious Improper Conduct including Corrupt Conduct, Misconduct and Unsatisfactory Conduct or conduct that breaches public trust as defined by the Act.

Failure to manage adequately an actual or perceived conflict of interest is regarded as Corrupt Conduct under this Act, and is therefore subject to mandatory reporting requirements.

Conflict of Interest

A conflict of interest generally covers matters that give, or have the potential to give, rise to a direct or indirect financial interest or personal advantage to a particular Board Member or staff member. Types of interests that may be considered in determining whether or not they might conflict with official duties can include, but not be limited to:

- shareholdings or other interest in a company or business whether held by the employee as an individual or as a member of another company or partnership, or through a trust;
- interest in land or property;
- significant liabilities to organisations or individuals excluding indebtedness for home mortgages or for current and ordinary household and living expenses;
- outside employment, appointments or directorships, whether remunerated or not; and
- an association with another organisation (whether remunerated or not) that impinges upon, or has the potential to impinge upon, the operations and/or the best interests of HLNT.

The provision of a written disclosure does not absolve the individual of the responsibility to manage conflicts, or potential conflicts, between their financial and other interests, and their official duties.

General Interests

Healthy Living NT officers (Board Members and senior management staff) are drawn from a diverse range of community, professional and demographic backgrounds. These varying backgrounds and professional skills, together with the extended community linkages (such as clubs or other associations or boards) are collectively important to Healthy Living NT's linkages to the wider community and bona fides as a community-based organisation.

These general interests are not regarded, prima facie, as conflicts of interest and are not required to be disclosed or reported on due to any legislative requirement. These interests are, by and large, those that would be included on a person's curriculum vitae or, in other terms, an application for Board membership.

Healthy Living NT encourages Board members and relevant officers to share any interests that are of a general information nature, on a voluntary basis in order to enhance the Board's overall appreciation and awareness of its community and other linkages.

Reporting and Management Framework

The primary responsibility for declaring and managing a conflict of interest rests with the individual officer. It is expected officers will take all reasonable steps to prevent such conflicts.

Failure or refusal to provide a declaration may be considered a breach.

The framework for reporting and managing both conflicts of interest and general interest matters is detailed below.

1. Board Members and Senior Management

All Board Members and senior management must fully disclose any interests that have potential to conflict with HLNT's interests via a Declaration Form (Attachment A) on commencement and upon becoming aware of a potential conflict of interest, or following changes to interests. Completed forms should be submitted to the CEO and/or President.

Additionally, the Board agenda will provide for the following standing items:

- Disclosure of Interests
 - Conflicts of Interest
 - General Interest (General interest advisories to the Board by officers will be documented in the minutes)

Where a Conflict of Interest:

- Is not confirmed, the declaration and Board consideration/decision will be minuted.
- Is confirmed:
 - The nature and extent of the conflict and Board consideration of the matter will be minuted;
 - The officer, at the discretion of Board, may be required to absent themselves from discussion on the agenda item;
 - The officer will not take part in any decision making or voting on the matter; and

- The nature and extent of the conflict of interest and Board management of the issue will be reported to the next Association AGM.

2. HLNT Employees (below Senior Management)

When an employee becomes aware of a potential conflict of interest, a Declaration Form (Attachment A) must be completed and submitted to their Supervisor and the CEO.

Where a Conflict of Interest:

- Is not confirmed, this declaration will be signed by the immediate supervisor and the CEO and placed in the employee's personnel file.
- Is confirmed:
 - The nature and extent of the conflict will be assessed, and this assessment (together with further action) will be placed in the employee's personnel file.
 - The officer, at the discretion of CEO, may be required to absent themselves from discussions, meetings or correspondence relating to the subject of the conflict of interest;
 - The officer will not take part in any decision making relating to the subject of the conflict of interest; and
 - The nature and extent of the conflict of interest and management of the issue will be reported to the next meeting of the Association's Board which may implement additional action.

In the case of both Board Members and staff, it is potentially possible that the nature and/or extent of the conflict are such that the officer may need to divest themselves of interests and/or associations in order to continue a formal relationship with HLNT.

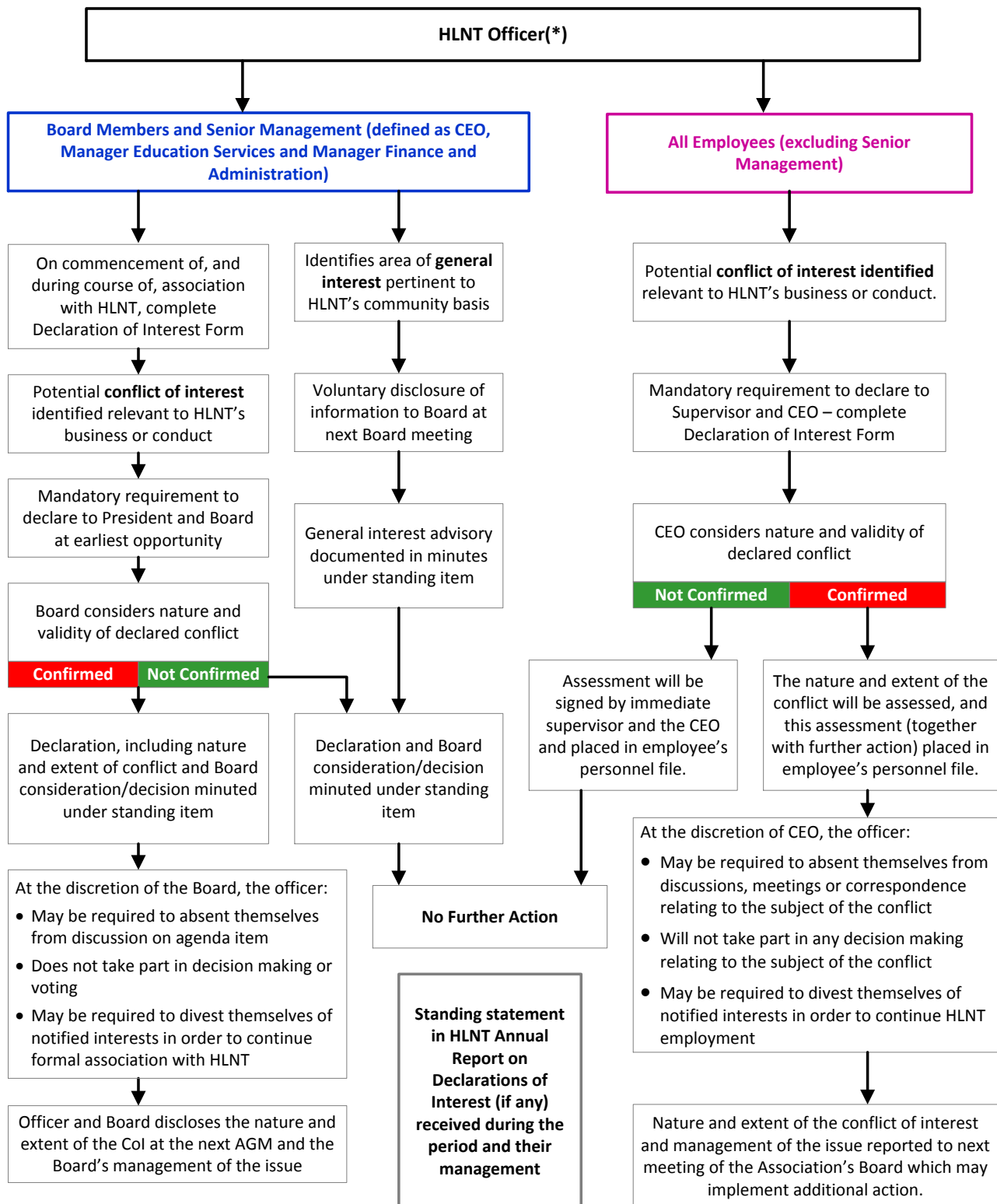
3. Public Reporting

HLNT's Annual Reports should contain standing statement related to Declarations of Interest (if any) received during the period and their management.

Privacy

All disclosures will be held in confidence by the CEO and/or Manager Finance and Administration. An officer is able to access his or her information.

**Healthy Living NT
Declaration and Management of Interests Framework**



(*) The term "officer" is defined as:

1. **Associations Act:** Board Members and employees
2. **ACNC Act:** Board Members and senior staff members ("responsible persons" and "authorised persons")
3. **ICAC Act:** All Board members, employees, contractors and volunteers are Public Officers and have responsibility for mandatory reporting of suspected serious Improper Conduct, including failure to manage adequately an actual or perceived conflict of interest.

Responsibility for Policy

The Board of Healthy Living NT is responsible for ensuring this policy is up to date and complied with.

Approval

Original Approval Date:	Board Meeting 5/13 of 26 October 2013
Revision 1 Approval Date:	Board Meeting 6/18 of 8 December 2018
Revision 2 Submission Date:	Board Meeting 4/19 of 24 August 2019
Revision 2 Approval Date:	Board Meeting 4/19 of 24 August 2019

Circulation: Board and Staff

Sign off by: Chair of the Board



Signature: Ron O'Brien
On behalf of Healthy Living NT Board

Related Documents

- HLNT Corporate Governance Statement
- HLNT Ethical Relationships Guide
- HLNT Improper Conduct Prevention and Management Policy

Extract: Sections 31-33 of the Associations Act 2003 (NT)

31. Disclosure of interest

(1) A member of the committee of an incorporated association who has a direct or indirect pecuniary interest in a contract, or proposed contract, with the association –

(a) must, as soon as the member becomes aware of the interest, disclose the nature and extent of the interest to the committee; and

(b) must disclose the nature and extent of the interest at the next annual general meeting of the association required to be held by the association.

Penalty: 200 penalty units.

(2) Subsection (1) does not apply in relation to a pecuniary interest that exists only because –

(a) the member of the committee is an employee of the association;

(b) the member of the committee is a member of a class of persons for whose benefit the association is established; or

(c) the member of the committee has the pecuniary interest in common with all or a substantial proportion of the members of the association.

(3) If a member of the committee of an incorporated association discloses a pecuniary interest in a contract, or proposed contract, in accordance with this section, or his or her interest is not required under this section to be disclosed –

(a) the contract is not liable to be avoided by the association on a ground arising from the fiduciary relationship between the member and the association; and

(b) the member is not liable to account for profits derived from the contract.

32. Voting on contract in which committee member has interest

(1) A member of the committee of an incorporated association who has a direct or indirect pecuniary interest in a contract, or proposed contract, with the association must not take part in a decision of the committee with respect to that contract but may, subject to this Division, take part in deliberations with respect to the contract.

Penalty: 200 penalty units.

(2) Subsection (1) does not apply in relation to a pecuniary interest –

(a) that exists only because the member of the committee is a member of a class of persons for whose benefit the association is established; or

(b) that the member of the committee has in common with all or a substantial proportion of the members of the association.

33. Duties of officers etc.

(1) An officer of an incorporated association must not, in the exercise of his or her powers or the discharge of the duties of his or her office, commit an act with intent to deceive or defraud the association, members or creditors of the association or creditors of another person or for any fraudulent purpose.

Penalty: 200 penalty units or imprisonment for 12 months.

(2) An officer or employee of an incorporated association, or former officer or employee of an incorporated association, must not make improper use of information acquired by virtue of his or her position in the association so as to gain, directly or indirectly, a pecuniary benefit or material advantage for himself or herself or another person or so as to cause a detriment to the association.

Penalty: 200 penalty units or imprisonment for 12 months.

(3) An officer or employee of an incorporated association must not make improper use of his or her position as an officer or employee of the association so as to gain, directly or indirectly, a pecuniary benefit or material advantage for himself or herself or another person or so as to cause a detriment to the association.

Penalty: 200 penalty units or imprisonment for 12 months.

(4) A person who contravenes a provision of this section is liable to the association for all profit made by him or her and for all damage suffered by the association as a result of the contravention.

Attachment A - Declaration of Interest Form

Section 1 – Officer details

Name: _____

Position Title: _____

Section 2 – Declaration

I DECLARE that I have considered my private interests and associations, and those of my immediate family (or other relevant persons), and (please tick):

- I have **no** private interests or associations that I consider may, at some time, give rise to a potential, perceived or actual conflict of interest with my official duties (Proceed to Section 4).
- I have **private interests or associations** which I consider may have the **potential** to give rise to a conflict of interest with my official duties (Proceed to Section 3).
- I have an **actual or perceived** conflict of interest (Proceed to Section 3).

Section 3 – Disclosure of Potential, Perceived or Actual Conflicts of Interest

Provide details of private interests or associations which you consider form a **potential, perceived, or actual** conflict of interest with your official duties. All interests can be included on one statement.

Describe how the situation might affect, or be seen to potentially affect, you or HLNT.

Explain how you propose to manage the private interest or association should it give rise to a conflict of interest; and/or manage the actual or perceived conflict/s of interest.

Agreed action plan (with Board or CEO) you are to undertake to manage or eliminate the conflict of interest.

Section 4 - Endorsement

The above management proposal for the potential, perceived or actual conflict of interest is to be forwarded to the Chief Executive.

Officer signature		Date:
CEO signature		
CEO name		Date:
President signature		
President name		Date: