Pieces Together - Conflict of Interest Policy

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1. Purpose and Authority

1.1. The purpose of this policy is to provide a comprehensive framework for all Charity Representatives to effectively identify, disclose, and manage any actual, potential, or perceived conflicts of interest.

1.2. This policy is mandated by the Board of Directors (the Board) of Pieces Together Ltd. (the Charity) under their powers of management (Constitution Clause 45) and their duty to uphold ACNC Governance Standard 5.

1.3. This policy gives effect to the legal duties specified in Clause 51 (Duties of directors) and Clause 52 (Conflicts of interest) of the Charity's Constitution. In any instance of inconsistency, the Constitution shall prevail.

1.4. The objective of this policy is to protect the integrity, reputation, and charitable purpose of the Charity and to manage all associated risks .

2. Scope

2.1. This policy applies to all "Charity Representatives," which includes:

a) Responsible People (the Board of Directors).
b) Members of any Board-appointed subcommittees.
c) The Management Team, including the Parlour Manager.
d) All paid Staff (employees).
e) All registered Volunteers.

3. Policy Statement

3.1. Pieces Together Ltd. demands absolute transparency and integrity from its Charity Representatives. Conflicts of interest are common and do not necessarily represent wrongdoing, but they must be proactively and transparently managed.

3.2. The *appearance* of a conflict of interest can be as damaging to the Charity's reputation as an actual conflict. This policy, therefore, treats actual, potential, and perceived conflicts with equal seriousness.

3.3. It is the policy of the Charity that all Charity Representatives must:

a) Avoid conflicts of interest where reasonably possible.
b) Identify and Disclose all conflicts that do arise.
c) Manage all disclosed conflicts in strict accordance with this policy.

4. Definition of a Conflict of Interest

4.1. A conflict of interest arises when a Charity Representative's personal interests, or their duties to another body, conflict or could be perceived to conflict with their duty to act in the best interests of Pieces Together Ltd.

4.2. Types of Conflict
* Actual: A direct conflict exists between a Representative's duty to the Charity and their personal interests or other duties.
* Potential: A Representative has an interest or duty that could conflict with their duty to the Charity in the future.
* Perceived: A reasonable, objective person, fully informed of the facts, could conclude that a Representative's personal interests or other duties might influence their decisions or actions.

4.3. Nature of Interest
* Financial: The conflict involves a direct or indirect pecuniary interest. This includes the interests of the Representative, their close family, or any entity they are associated with (e.g., as a director, shareholder, or partner)8.
* Non-Financial: The conflict involves non-pecuniary interests, such as personal relationships (family, friends), animosities, or a competing duty to another organisation.

5. Policy on Gifts, Benefits, and Hospitality

5.1. Charity Representatives are prohibited from soliciting any gift, benefit, or hospitality for themselves or a related party in connection with their role at the Charity.

5.2. Charity Representatives must not accept any gift, benefit, or hospitality that is *not* a "Token Gift."

5.3. A **Token Gift** is defined as an item of nominal value (e.g., a small box of chocolates, a pen) with an estimated fair market value of less than $50.00. Such gifts are considered a normal expression of courtesy.

5.4. Any gift, benefit, or offer with a value exceeding $50.00 (a "Declarable Gift") must be managed as follows:
a) The Representative must politely decline the gift, explaining the Charity's policy.
b) If declining the gift is impossible or would cause significant cultural offence, the Representative must:
i. Accept the gift on behalf of the Charity.
ii. Immediately disclose the gift to the Secretary (for Directors) or the Parlour Manager (for Staff/Volunteers).
iii. The gift becomes the property of Pieces Together Ltd. and its receipt must be recorded in the Register of Interests.
c) All offers of Declarable Gifts, even if successfully declined, must be disclosed and recorded in the Register of Interests to monitor for patterns of influence.

6. The Duty of Disclosure

6.1. **Proactive Disclosure:** All Charity Representatives have a continuous, proactive duty to identify and disclose any actual, potential, or perceived conflict as soon as they become aware of it.

6.2. **Annual Declaration:** All Directors and Senior Management must complete and sign a Declaration of Interests form upon their appointment and, thereafter, on an annual basis.

6.3. **Standing Agenda Item:** "Declaration of Interests" shall be a standing agenda item for all Board meetings and official committee meetings. Any declarations made must be recorded in the meeting minutes.

7. The Register of Interests

7.1. The Charity Secretary shall establish and maintain the formal Register of Interests.

7.2. The Register must record:

a) The date of disclosure.
b) The name of the Charity Representative.
c) The nature and extent of the interest (e.g., financial, non-financial, direct, indirect).
d) The management action taken (e.g., "Director recused from Item 7.2," "Gift recorded and retained by Charity").

7.3. **Confidentiality:** The Register of Interests is a confidential document. Access is restricted to the Board of Directors and its delegates (e.g., auditor, legal advisor) on a "need-to-know" basis.

7.4. **Whistleblower Disclosure:** An anonymous disclosure mechanism shall be maintained by the Charity for persons who wish to report a suspected conflict.

8. Management of Conflicts

Procedures for managing disclosed conflicts are tiered based on the Representative's role.

8.1. Management of Director (Responsible Person) Conflicts
This process is governed directly by Clause 52 of the Constitution.

1. **Disclosure:** The conflicted Director must disclose the nature and extent of their "material personal interest" to the other Directors as soon as practicable.
2. **Recusal:** The conflicted Director **must not** be present during the discussion of the matter and **must not** vote on the matter.
3. **Deliberation:** The non-conflicted Directors will deliberate and vote on the matter.
4. **Exception (Resolution to Participate):** The non-conflicted Directors may pass a resolution (as per Constitution Clause 52(g)) allowing the conflicted Director to be present or vote, *only if* they are satisfied that the interest should not disqualify the Director and that it is in the Charity's best interests .
5. **Recording:** The disclosure, the Director's recusal (or resolution to participate), and the final outcome of the vote must be recorded in the Board minutes and the Register of Interests.

8.2. Management of Staff and Volunteer Conflicts

1. **Disclosure:** The Staff member or Volunteer must disclose the conflict to their direct supervisor (the Parlour Manager).
2. **Management:** The Parlour Manager will assess the conflict and determine the management plan.
3. Action: The management plan may include, but is not limited to:
   a) Recording the conflict, with no further action required (for low-risk or perceived conflicts).
   b) Removing the Representative from the specific project, discussion, or decision-making process.
   c) Delegating the relevant task to an un-conflicted Representative.
4. **Escalation:** The Parlour Manager must escalate significant or complex conflicts to the Board for determination.
5. **Recording:** The disclosure and management plan must be recorded in the Register of Interests.

8.3. Special Scenario: Universal Conflict
If a matter arises where all Directors share the same conflict (e.g., setting membership fees, as all Directors are also Members):

1. The Board must fully disclose the conflict in the meeting minutes.
2. The Board must ensure it is acting in compliance with ACNC Governance Standard 5.
3. The Board must consider seeking external professional advice or referring the matter to be resolved by a special resolution of the members at a general meeting.

9. Compliance and Breach of Policy

9.1. All Charity Representatives are required to read, understand, and comply with this policy.

9.2. A failure to disclose an actual, potential, or perceived conflict of interest is a serious breach of this policy and the Charity's Code of Conduct and Ethical Framework.

9.3. The Board will investigate all suspected breaches of this policy.

9.4. If a breach is substantiated, the Board may take disciplinary action against the individual, up to and including termination of employment, cessation of volunteer engagement, or removal from membership, in accordance with **Clause 20 (Disciplining members)** of the Constitution.

9.5. Any person who suspects a breach of this policy should report their concerns via the procedure outlined in **Clause 19 (Dispute resolution)** of the Constitution.

10. Policy Review

The Board of Directors is responsible for reviewing this policy on an annual basis to ensure its continued effectiveness and compliance with all legal and regulatory obligations.