



CESL Governance

Conflict of Interest for Responsible Persons Policy

1. Vision

The vision for Catholic Education Sandhurst Limited is to provide, in partnership with our families and parishes stimulating, enriching, liberating and nurturing learning environments drawn from the Catholic tradition in each of the diocesan school communities.

At the heart of this vision is a commitment to the ongoing duty of care that for the safety, wellbeing and inclusion of all children and young people, a pursuit of excellence in all levels of learning and creating communities of welcome, hospitality and inclusion.

We Believe

- that the values of the Gospel are central to who we are, what we do and how we act.
- that we have a vital role in the mission of the Catholic Church to imagine and seek new horizons while respecting our Tradition.
- that a strong sense of community is dependent on the quality of our collegial relationships.
- that each person's potential is fostered through the dedicated ministry of Catholic Education.

- in leadership encompassing vision, innovation and empowerment

2. Background

Schedule 4, clause 15(1) of the Education and Training Reform Regulations 2017 (ETR Regulations) requires CES Ltd to structure its governance to enable the:

- effective development of the strategic direction of schools;
- effective management of the finances of schools; and
- schools to fulfil its legal obligations

Accordingly the Board of Directors of CES Ltd (CES Ltd Board) must address how conflict of interests relating to all Responsible Persons will be managed.

The management of conflict of interest relating to Board and Committee Members are specifically addressed within a separate **CES Ltd Board and Committee Members' Conflict of Interest Policy**.

3. Purpose

The purpose of this policy is to:

- inform Responsible Persons of CES Ltd of their obligations to disclose conflicts of interest
- assist Responsible Persons to identify situations in which a conflict of interest or duty may arise
- provide guidelines and framework to avoid or manage appropriately any conflicts of interest
- outline the consequences of a failure to avoid or manage conflicts of interest
- outline procedures for disclosing and managing an actual, potential or perceived conflict of interest.

This policy must be read in conjunction with CES Ltd's **Responsible Persons Policy and Procedures** and CES Ltd's **Related Party Transactions Policy**.

4. Principles

The Board of CES Ltd recognises that management of conflicts of interest is a key component of good governance and is committed to the transparent disclosure, management and monitoring of conflicts of interest.

The Board requires all Responsible Persons to share this responsibility to strengthen this commitment to identify, disclose and manage conflicts of interest appropriately as outlined in this document and to act in a manner which will avoid conflicts of interest.

Having a conflict of interest does not necessarily amount to a breach of this policy. However, failure to disclose a conflict of interest can constitute a breach.

The legal duty to act in the best interest of CES Ltd in performing their duties, may also be set out in the employment agreements or a Code of Conduct.

5. Scope

This Policy applies to all Responsible Persons of CES Ltd as defined under CES Ltd Responsible Persons Policy and Procedures other than the Board and Committee Members who are covered under a separate CES Ltd Board and Committee Members' Conflict of Interest Policy. It is the responsibility of all Responsible Persons CES Ltd to disclose any commitments, interests, and other employment or outside activity that may adversely affect, compromise, or be incompatible with the duties and obligations arising from their employment or engagement as a Responsible Person of CES Ltd. Conflict of interest referenced in this policy may be actual, potential or perceived and may be financial or non-financial.

6. What is a Conflict of Interest?

Conflict of interest arises where a Responsible Person's duty to CES Ltd is affected by a personal interest. In such cases, the line between personal and professional conduct can become blurred and interfere with a Responsible Person's capacity to perform their position.

Personal interests can be financial or non-financial, and held in relation to:

- family members
- close friends
- associates
- work or professional responsibilities and/or duties.

Conflict of interest is commonly 'positive' (e.g. motivated by financial/personal gain) but can also be 'negative' (e.g. motivated by harm to another person).

It is worth bearing in mind that conflict of interest can arise without intent to 'cross the line' between professional and personal interest. In other words, conflict of interest can be not only actual, but also **potential** or **perceived**.

- A **potential** conflict of interest is one which is foreseeable from the circumstances, but has not yet become actual (for example, where a job applicant is related to a recruitment panel member, but the applications have not yet been processed).
- A **perceived** conflict of interest is one where the circumstances indicate to a reasonable person that a Responsible Person's duty to CES Ltd is affected, whether there is an actual conflict of interest or not.

The fact that a Responsible Person has a relationship (e.g. family, friendship) with someone connected with the CES Ltd does not necessarily mean there is a conflict of interest. Whether a conflict of interest (actual, potential or perceived) exists depends on the circumstances. These conflicts can sometimes cause problems because they present a risk that you will make a decision based on, or affected by, these external influences, rather than in the best interests of CES Ltd. A good way to think about whether you have a conflict of interest is to ask:

Would a reasonable person (properly informed about the nature of your personal interests) believe that you might be influenced by your personal interests when making decisions on behalf of the charity?

Management of conflicts arising from entering into contracts, arrangements, agreements with a person related to you are discussed in detail in our **Related Party Transactions Policy**.

6.1 Common examples of Conflict of Interest

There are many situations where a conflict of interest can arise. Some of the more common situations are outlined below.

6.1.1 Other employment/paid activities

A Responsible Person undertaking other employment or paid activities may give rise to a conflict of interest, particularly when the other activity is related to CES Ltd duties. Depending on the circumstances, a Responsible Person's ability to perform their work duties can be adversely affected by the other employment or activities.

Apart from ongoing obligations under this policy, a Responsible Person must meet certain conflict of interest obligations under their contract of employment. Namely, the Responsible Person must notify the Executive Director via the appropriate member of the Executive Leadership Team of CES Ltd in writing of the other employment/activities. All conflicts of interest are to be managed in the interests of CES Ltd.

6.1.2 Dual responsibilities

A Responsible Person undertaking dual roles within an organisation may find a conflict of interest. Depending on the circumstances, a Responsible Person's ability to perform elements of one or other of the roles can be adversely affected by the conflicting dual responsibilities.

6.1.3 Disposal of school assets

The disposal of school assets has potential conflict of interest implications such as fraud or unofficial use of equipment.

CES Ltd Responsible Persons do not have priority access to surplus office or school assets. CES Ltd reserves the right to notify the public of any asset sales, with Responsible Persons able to make an offer post-notification.

6.1.4 Accepting gifts and benefits

It is a policy at CES Ltd that Responsible Persons can accept 'token gifts' from external parties for work they have done, where the total value of cumulative gifts from a single source over \$100.00 must be declared. For example, a 'token gift' may be a bottle of wine or a moderately-sized food hamper.

Note that this policy covers gifts/benefits from external parties. It does not preclude, for example, CES Ltd or collective staff providing a gift to a departing member of staff or the departing staff member accepting such a gift.

If it could be perceived that acceptance of a gift/benefit could constitute a potential conflict of interest, the Responsible Person should refuse the offer of the gift/benefit and declare the offer to the Executive Director via the appropriate member of the Executive Leadership Team of CES Ltd or Principal. Even if the value of the gift/benefit is under the nominated amount listed above, the **Gift or Benefit Declaration Form** should be completed in most circumstances. The reason for this is to ensure that gifts and benefits are appropriately disclosed and any perceived or real conflict of interest is managed appropriately.

The minimum requirement for Responsible Persons when gifts/benefits, other than 'token gifts' or those of a nominal value below \$100.00, are offered are that Responsible Persons:

- do not solicit gifts or benefits
- refuse all offers of gifts or benefits that could reasonably be perceived as undermining the integrity of CES Ltd or themselves
- inform the gift giver that 'thanks is enough' and the gift is thoughtful but not required in relation to their work or services
- refuse all offers of gifts or benefits from individuals or organisations about which they are likely to make decisions (e.g. tender processes, procurement or licensing or regulation)
- refuse all offers of money or items easily converted to money, such as shares
- refuse bribes and report bribery attempts to the Executive Director via the appropriate member of the Executive Leadership Team of CES Ltd or Principal
- seek advice from the Executive Director via the appropriate member of the Executive Leadership Team of CES Ltd or Principal if unsure how to respond to an offer of a gift or benefit of more than a

nominal value.

6.1.5 Procuring goods and services

A potential or perceived conflict of interest can exist when a contractor used is also engaged by a Responsible Person for private work. In some situations, a contractor may offer or provide private work at a discounted rate to ensure they remain in good favour for future contracts. This means a Responsible Person receives a private benefit which could become a potential conflict of interest if they are also involved in decisions for the procurement of goods or services for CES Ltd.

If it could be perceived that the contractor's work performed for the Responsible Person in their private capacity is a conflict of interest, then the Responsible Person should ensure that the private work is charged at standard and published rates. Furthermore, the Responsible Person should declare the engagement of the contractor for private work and/or any relationship with the contractor prior to any future awarding of contracts for the procurement of goods or services for CES Ltd.

To avoid a potential or perceived conflict of interest for the procuring of goods and services it is recommended that procurement decisions are made by a panel rather than one person and in accordance with the **Procurement Policy** and **Related Party Transactions Policy**.

6.1.6 Staff recruitment

A conflict of interest exists in the recruitment of a person with whom a Responsible Person has a current or past professional/personal relationship or in whose recruitment they have a vested interest.

Where a Responsible Person is part of a recruitment panel and becomes aware of such a relationship to a job applicant, they should declare the conflict of interest to the Executive Director via the appropriate member of the Executive Leadership Team of CES Ltd or Principal or panel chair, who will then determine a conflict of interest management plan (see below 'Managing a conflict of interest') in consultation with the Responsible Person, for example the Responsible Person should consider removing himself/herself from the recruitment panel.

7. Roles and Responsibilities

7.1 Role of CES Ltd Board

The Board is required to:

- receive and assess reports from the Executive Director on conflicts of interest and revise this policy as appropriate
- receive any declaration of actual, potential or perceived conflicts of interest from the Executive Director, and work to develop, and build compliance with, any required Conflict of Interest management plans, which may require him/her to abstain from participation in some activities, discussions and/or decision-making.

7.2 Role of Executive Director

- The Executive Director must put the interests of CES Ltd above their own personal interests, need to exercise care and remain conscientious in their roles, and act within high standards of common sense and integrity.
- The Executive Director is also required to:
 - o ensure sufficient information is provided to all Responsible Persons, including Principals on an ongoing basis for them to understand the provisions of this policy.
 - o receive any declaration of actual, potential or perceived conflicts of interest from all Responsible Persons, including Principals, and work to develop, and build compliance with, any required Conflict of Interest management plans, which may require them to abstain from participation in some activities, discussions and/or decision-making.
 - o maintain a register of Conflicts of Interest for all Responsible Persons, including Principals, and ensure this is available to the Board as required.
 - o provide regular reports to the Board on reported conflicts of interest.
 - o declare to the Board any potential or perceived conflicts of interest for him/herself that arise.

- If the Executive Director does have an actual, potential or perceived conflict of interest, he/she is required to participate in the development of, and comply with, any required Conflict of Interest management plan developed by the Board, which may require him/her to abstain from participation in related activities, discussion and/or decision-making.

7.3 Role of the School Principal

- Principals must put the interests of CES Ltd above their own personal interests, need to exercise care and remain conscientious in their roles, and act within high standards of common sense and integrity.
- They are also required to:
 - o Adopt and use this CES Ltd this Conflict of Interest Policy for their school
 - o ensure sufficient information is provided to all Responsible Persons within their school on an ongoing basis for them to understand the provisions of this policy.
 - o receive any declaration of actual, potential or perceived conflicts of interest from their School's Responsible Persons, employees and Advisory Council members, and work to develop, and build compliance with, any required Conflict of Interest management plans, which may require them to abstain from participation in some activities, discussions and/or decision-making.
 - o maintain a register of Conflicts of Interest, using the CES Conflict of Interest Template (provided within this framework) within their school, and ensure this is reported to the Executive Director as required.
 - o declare to the Executive Director any potential or perceived conflicts of interest for themselves that arise.
- Any Principal with an actual, potential or perceived conflict of interest is required to participate in the development of, and comply with, any required Conflict of Interest management plan, which may require them to abstain from participation in related activities, discussion and/or decision-making.

8. Review

This policy is scheduled for review every two (2) years or more frequently if appropriate.

9. Related documents and Resources

This Conflict of Interest Policy relates to other relevant policies and professional expectations, including:

- CES Ltd Policy: Responsible Persons Policy and Procedures
- CES Ltd Policy: Related Party Transactions
- The Board and Committee Members’ Conflict of Interest Policy
- CES Ltd: Procurement Policy
- Template: Conflict of Interest Register
- Template: Conflict of Interest Declaration Form Template: Gift or Benefit Declaration Form

	Description of Revision(s)
Responsibility for Policy	The Executive Director of CES Ltd Principals of Schools for Responsible Persons within their School.
Approval Authority	CES Ltd Board
Approval Date	August 2023
Next Review Date	2025

Pages in this Section

- [**Conflict of Interest for Responsible Persons Procedure**](#)
- [**Conflicts of Interest - Responsible Persons Declaration Form**](#)
- [**Fit and Proper Person Declaration**](#)