



CONFLICT OF INTEREST

Governance advice and support for community organisations

What is a Conflict of Interest?

A *Conflict of Interest* occurs when someone has more than one interest which may influence their decision-making or action on a particular matter. It often involves financial gain, but could also involve other interests such as benefits to friends or family, for example.

Why is it important?

The conflict may be perceived or real, which is why transparency is so important – if others don't know what is happening behind the scenes, they may make all sorts of assumptions about your motivation.

We need to be alert to any conflicts which we may have, and deal with them appropriately. A good way to keep checking if we have any conflicts is to have Conflict of Interest as a standard item at the start of all your meeting agendas. That way it prompts everyone at each meeting to think about whether any of the proposed items of business present a conflict for them.

What should I do?

If a *Conflict of Interest* does arise for you (and they do from time to time), or even if you are not 100% sure whether a conflict exists, simply declare it, and step back and let your fellow committee or board members decide how the group will deal with the issue. They may decide that it is not in fact a conflict after all; they may decide it is a conflict, but they still want to hear your input into the matter (you would not be involved in making any decisions on the matter though); or they may decide it's best that you have no further input or dealings with the matter at all.

This process should be well documented so that if you or the group are ever questioned about the matter, you can show you dealt with it appropriately.

And if you (or anyone else) have any permanent *Conflict of Interest*, set up a Conflict of Interests register so that any conflicts are permanently on record—and update it annually. The key message is just be open, honest and transparent with any *Conflict of Interest*.