

## **Management of Interests Policy**

## Introduction

1. The NZSL Board is to manage Conflicts of Interest in accordance with its Terms of Reference. Board rules may prevent a member with a conflict of interest from discussing and/or voting on matters related to the conflict.

*“In a small country like ours, conflicts of interest in our working lives are natural and unavoidable. The existence of a conflict of interest does not necessarily mean that someone has done something wrong, and it need not cause problems. It just needs to be identified and managed carefully.”* Controller & Auditor-General

## Expectation of Board Members

1. All members of the NZSL Board are expected to act in the best interest of the NZSL Board’s purpose as set out in its Terms of Reference. Members are appointed as individuals with knowledge and expertise of NZSL. They are expected to use their networks to understand and communicate the views of the community, but to govern on behalf of all stakeholders, working together to achieve the best strategic outcomes for the Board.

## Register of Interests

1. The Secretariat will hold a Register of Interests. This will be stored such that all NZSL Board members can access it at all times (e.g. hosted on Diligent).
2. NZSL Board members are required to declare any interests to the Secretariat and the Board, and to notify the Secretariat whenever there is a change to their interests.
3. The Chairperson will clarify at the start of each NZSL Board meeting the roles of each person to be in attendance.
4. All participants attending NZSL Board meetings, including those who are not NZSL Board members, will declare any interests to the Secretariat and the NZSL Board.
5. The register will be updated whenever there is a change to interests and for each NZSL Board or NZSL Board sub-committee meeting by notification to the Secretariat and the Board.
6. Disclosure of memberships (e.g. of NZSLTA) is not necessarily required. Include professional memberships that appear likely to require consideration by the Board when relevant agenda items arise. Raise these as potential conflicts when relevant (e.g. before any relevant funding considerations).
7. Include personal relationships (e.g. family relationships) only if they are in a position of influence within the Deaf community (e.g. my partner is President of xxx Deaf Club), or eligible to benefit directly from funding recommendations made by the Board.
8. Additional interests (e.g. Deaf Club membership) may be included where relevant to particular agenda items, even though they may not have been previously identified as relevant.
9. As general guidance, it is better to declare an interest and have it considered, than to leave an interest to question by not declaring it. For all that the general list of interests should not be encumbered with interests that are likely to never be relevant to Board agenda items or interests.

## Identifying Conflicts of Interest

1. Conflicts may arise when a member’s personal or business interests or obligations do, could, or could be perceived to, conflict with their obligations as an NZSL Board member. It means their independence, objectivity or impartiality can be called into question and that they may not able to meet the expectation that they will act in the best interest of the NZSL Board’s purpose. A conflict may result in either benefit or gain to the conflicted member.

 A benefit is usually monetary, such as through an employment or contracting interest.

 A gain may be by influence (e.g. of decisions), advantage (e.g. access to information or contracting opportunities) or reputation.

1. Conflicts of Interest may be:
* direct (they may benefit or gain personally)
* indirect (another party, such as partner or family member, may benefit or gain).
1. Conflicts of Interest actual, potential, or perceived.
* Actual – the member has an interest which conflicts with their role as a Board member.
* Potential - the member has an interest which is about to or could conflict with their role as a Board member but doesn’t currently do so.
* Perceived - the member does not have an interest which conflicts with their role as a Board member, but other people might reasonably think they do, or that they are not being objective.
1. Further information and guidance about recognising Conflicts of Interest is available on the following websites:
* State Services Commission[[1]](#footnote-1)
* Office of the Auditor General[[2]](#footnote-2),[[3]](#footnote-3)
* Department of Internal Affairs (Good Practice Funding)[[4]](#footnote-4).

## Declaring Conflicts of Interest

1. NZSL Board members are required to declare any conflict, potential conflict or risk of perceived conflict of interest to the NZSL Board Secretariat in a timely and effective manner.
* NZSL Board members must declare any actual or potential conflicts of interest at the start of each full Board or Board sub-committee meeting.
* If a potential or actual conflict of interest arises between a NZSL Board member and the delivery of the Board’s objectives, they must declare it at the earliest possible time.
1. Anyone involved in a NZSL Board procurement activity must complete the Conflict of Interest agreement before developing tender documents, joining an evaluation panel or making a decision.
2. The DPO nominee cannot vote on funding decisions and cannot be a member of the Finance Sub-committee.

## Levels of Conflict

1. Potential Conflicts of Interest are likely to be common for Board members. All interests which may result in a conflict, whether actual or perceived, should be declared.
2. The level of conflict will vary. It is important that the individual with a conflict or potential conflict does not make a decision about the level of that conflict. Such decisions should be made by the Board at the beginning of the meeting, and again prior to any discussion of potentially sensitive matters, such as financial matters or appointments to the Secretariat.
3. To assist in determining the level of a conflict and the appropriate response, the Board has agreed a Traffic Light risk and response template (see Table 1). This supports the Board in assessing the level of conflict and how it should respond.

## Table 1: *Traffic Light:* Conflict of Interest risk evaluation and response template

|  |  |  |
| --- | --- | --- |
| **Nature of conflict**  | **Likely Level of Conflict** | **Required Response to Level of Conflict** |
| Lead and/or representative (e.g. the member of their immediate family and/or business partner(s) stand to receive benefit or gain from the issue) | **Very high**  | Declare your conflict of interest and provide Chair/Secretariat with details of the conflict.Must not be involved in or participate in discussion or voting in any way. |
| Directly involved (e.g. helped develop a relevant NZSL Fund application) | **High** | Declare your conflict of interest and provide Chair/Secretariat with details of the conflict. May be involved in discussions but not in decision-making or voting related.Chair/Secretariat may determine further risk mitigation actions. |
| Background involvement (e.g. in staff or has knowledge of competing organisation) but not directly involved in current issue | **Medium** |
| Stakeholder (e.g. member of same community organisation) | **Low** | Declare your conflict of interest and provide Chair/Secretariat with details of the conflict.May be involved in discussions and decision-making or voting related to this issue.Chair/Secretariat may determine further risk mitigation actions. |
| No relationship / interest / benefit / gain | **No Conflict** | No action required |

## Evaluating conflicts

1. The meeting Chair will call for any updates to the Register of Interests at the start of each meeting.
2. During agenda items, Board members without a conflict will consider the identified conflicts against the Traffic Light to determine the level of conflict and an appropriate response, if any.
3. The Secretariat will record decisions and the rationale for them in the Minutes.

## Managing Conflicts of Interest

1. A range of processes are available to the Board for mitigating and assessing Conflicts of Interest:
* establishing and maintaining a Register of Interests
* updating the Register of Interests when alerted to a new interest and reviewing it at the start of each Board meeting
* seeking declaration from all Board members at the start of each meeting of any interests which may result in or be perceived as a conflict of interest
* collectively applying the Traffic Light to:
	+ determine whether a conflict is actual, potential or perceived
	+ assess the level of conflict
	+ identify an appropriate response
* ensuring the Secretariat records the interests discussed and the rationale for all decisions made.
1. The Board also has a range of available processes for assessing and responding to Conflicts of Interest. The Traffic Light risk and response template supports consistency across conflicts and individuals. The Board may find:

**No conflict**: The Board may agree there is no relationship or potential benefit and no action required.

**Low level of conflict**: The Board may agree there is a low level of conflict or potential conflict. The Chair/Secretariat may determine specific actions to mitigate the risk, but that the member may still be involved in discussions, and decision-making or voting related to the issue.

**Medium level of conflict:** The Board may agree there is a medium level of conflict or potential conflict. The Chair/Secretariat may determine specific actions to mitigate the risk, and that the member may be involved in discussions, but not decision-making or voting related to the issue.

**High level of conflict**: The Board may agree there is a high level of conflict or potential conflict. The Chair/Secretariat may determine specific actions to mitigate the risk, and that the member may be partially excluded from the meeting. The member may be involved in discussions, but not in decision-making or voting related to the issue.

**Very high level of conflict**: If the Board agrees there is a very high level of conflict or potential conflict the member is to be excluded and must not be involved or participate in discussion or voting in any way on the issue. The Chair/Secretariat may also determine specific actions to further mitigate the risk.

1. The Chairperson may, with agreement from the Board, adopt a more flexible approach, for example, such that a member might:
* be able to vote on a decision to fund a particular service and then not be able to vote on the details around any potential contracts
* be able to contribute to decisions on processes and requirements for a procurement, but not be able to be part of the selection process
* be present when funding decisions are being made but be excluded when necessary under the Managing Interests Policy, as would other members.
1. The Chairperson will identify at the start of each NZSL Board meeting any known agenda items an attendee will be excluded from, or for which they will have limited participation. Such decisions may be updated by the Chairperson, with the agreement of non-conflicted members in attendance, as the meeting proceeds.
2. The Board has a range of additional processes available for responding to identified Conflicts of Interest:
* The Board may consider sector or targeted communication to seek information or views, or to clarify or explain its decisions.
* From time to time the NZSL Board may seek advice from experts from outside of the Board to ensure that:
	+ broad perspectives regarding NZSL issues are considered
	+ appropriate procurement and contracting processes are applied
	+ ensure necessary legal advice is considered.

## Delegation of duties and powers of the Chair

1. Where the Chair is unable to attend a meeting, or because of actual or potential conflicts of interest, is unable to take part in discussions on a matter, or is otherwise unavailable, they may delegate the duties and powers of the Chair for that period to the Deputy Chair.
2. Where the Chair and the Deputy Chair are unable to attend a meeting, or because of potential or actual conflicts of interest, are unable to take part in discussions on a matter, or are otherwise unavailable, the members of the Board may appoint a member or the Director of the Office for Disability Issues, or their representative, to assume the duties and powers of the Chair for that period.
3. The duties and powers of the Chair cannot be delegated to the DPO nominee.
4. Where a quorum cannot be achieved due to the number of Board members with conflicts of interest, and at other times with the agreement of the Board, the duties and powers of the Chair will be delegated to the Director of the Office for Disability Issues, or their representative.
5. When delegated the duties and powers of the Chair, the Director of the Office for Disability Issues will seek advice and guidance from relevant parties within the Ministry of Social Development as needed.
1. <http://www.ssc.govt.nz/node/9242> [↑](#footnote-ref-1)
2. <http://www.oag.govt.nz/2007/conflicts-public-entities/docs/oag-conflicts-public-entities.pdf> [↑](#footnote-ref-2)
3. <http://www.oag.govt.nz/2007/conflicts-public-entities/> [↑](#footnote-ref-3)
4. <http://www.goodpracticefunding.govt.nz/integrity/recognising-a-conflict-of-interest.html> [↑](#footnote-ref-4)