

Te Take/ Purpose

To mitigate the risks to NZQA and NZQA personnel of actual and potential conflicts of interest.

This policy provides NZQA personnel with a basis for recognising and resolving any conflicts of interest that may arise. It highlights where conflict situations may arise:

- in the employee recruitment and selection process
- during the course of employment of employees
- in the procurement process for contractors
- during the term of engagement as a contractor where their agreement with NZQA applies this policy.

As the Controller and Auditor-General states in clause 6.16 of Managing conflicts of interest: A guide for the public sector *“A lack of integrity in relation to conflicts can impact the culture of an entire team. At an extreme end, the normalising and acceptance of conflicts can permeate throughout a team and facilitate criminal corruption”*.

Te Tirohanga Whānui/ Scope

This policy:

- shall be read in conjunction with the policies and processes for Giving and receiving gifts, Provide Koha, and Sensitive Expenditure, and
- applies to all NZQA personnel.

The conduct expected of NZQA personnel is given effect in policies, processes and other QMS documents and a failure to follow these may be a breach of the Code of Conduct which could lead to disciplinary action including dismissal in the case of employees, or termination of the engagement in the case of contractors. This includes where the employee or contractor has failed to disclose relevant information or follow this policy.

Te Kaupapahere/ Policy

- 1 NZQA requires that all NZQA personnel give serious consideration to conflicts of interest.

Refer to [10.1.4.2 Identify and resolve conflicts of interest and other](#) referenced processes to address specific issues.

- 2 **Governance responsibilities**

- 2.1 SLT shall issue regular statements of their expectations of people within the organisation to act honestly and ethically, and to disclose conflicts of interest fully and openly. SLT shall lead by example.
- 2.2 NZQA as a public sector organisation has an obligation to disclose certain types of interests and potential conflicts (*for example, under financial reporting standards*). Refer to the Attachment ‘More information on conflicts of interest, including examples’ for an overview of the importance of managing conflicts and examples of them.

- 3 **Recruitment, employment, procurement, and contractors**

- 3.1 NZQA’s working relationships with clients, suppliers, and other organisations in the Education sector require that employees (*including applicant employees*) and

contractors (*including at the procurement stage*) must always act in a transparent manner and minimise the potential for conflicts of interest to occur.

3.2 All applicants for employment at NZQA must declare all actual or potential conflicts of interest in their employment application.

For the avoidance of any doubt this includes:

- All close family members or more distant family members whom they know reasonably well, and all individuals they have close personal relationships with, who are existing employees of NZQA, and
- any secondary employment or contracting.

3.3 Once employed, NZQA employees must not have:

- any direct or indirect supervisory or reporting relationship with any close family members or more distant family members whom they know reasonably well, or other individuals with whom they have a close personal relationship, or
- any involvement in decisions affecting the work or employment of such persons.

This restriction can only be waived by the Chief Executive on the recommendation of an unconflicted Strategic Leadership Team (SLT) member, which waiver may be given only where adequate measures have been put in place to manage any actual or potential conflicts of interest. Those measures must be implemented continuously. Where the Chief Executive is conflicted the decision will be made by a member of SLT who has no conflict in relation to this restriction.

3.4 Secondary employment

3.4.1 Secondary employment by an NZQA employee or prospective NZQA employee must be approved by the Chief Executive in the following scenarios (or by an unconflicted member of SLT where the Chief Executive has a conflict):

- the other employment is in direct competition with NZQA:
- the employee's NZQA work performance could be affected (can they realistically complete all the hours of work and all the tasks for both roles?):
- there is the potential for use by the employee of NZQA's property outside of their NZQA role:
- there is the potential for use by the employee of confidential information of NZQA outside of their NZQA role:
- the employee is using his/her NZQA position to solicit business for the other employment:
- the employee has not provided NZQA with written permission from the other employer for the dual employment, where NZQA is the secondary employer:
- the employee's secondary job could be perceived by the public to involve double-dipping by the employee or any other kind of actual or potential conflict of interest.

3.4.2 Secondary employment that is not approved under 3.4.1 must not be undertaken.

3.4.3 The approver under 3.4.1 may impose restrictions or conditions on the approval. The employee must adhere to those restrictions or conditions continuously.

3.5 Holding office in other organisations in the Education sector

3.5.1 NZQA employees who hold office in other organisations that are part of the Education sector (*other than secondary employment which is covered above*), in order that they may continue to hold that office, must:

- declare their interest to their SLT representative or to the Chief Executive, then

Version: 1.0	Issue Date: 01/02/2024	Last Review Date: 13/12/2023	Next Review Date: 13/12/2026
Content Owner: Chief Legal Counsel.			Approver: SLT

Deemed valid on day of printing only.

- obtain permission for holding that office from their SLT representative or the Chief Executive (*provided there is no conflict in the SLT representative or Chief Executive doing so*) after the matters set out in clause 3.4.1 above have been taken into account, which permission must include adequate measures to manage or mitigate any actual or potential conflicts, and
- implement those measures continuously.

3.6 Communicating with former colleagues

3.6.1 NZQA personnel must be discrete when communicating with former NZQA employees who are now employed at organisations with which NZQA has working relationships, e.g. clients, suppliers, and other organisations in the Education sector.

This is to avoid any allegation that the former employee is obtaining preferential treatment or privileged access after leaving public office.

3.7 Employee contracting with NZQA

3.7.1 NZQA employees must not be engaged as contractors to NZQA. It may be possible for this restriction to be waived by the Chief Executive on the recommendation of a Strategic Leadership Team (SLT) member, which waiver may be given only where adequate measures have been put in place to manage or mitigate any actual or potential (*see Definitions*) conflicts of interest. The employee must implement those measures continuously.

3.8 Procuring and engaging contractors

3.8.1 NZQA employees procuring contractors to provide services to NZQA must ensure the contractor declares all actual and potential conflicts, including any offices they hold in the Education sector that may or will overlap in any way with the services they are, or will be, undertaking for NZQA.

Where the contractor is a body corporate, this applies to the body corporate entity, its governing members and shareholders, its senior executives, and its staff who are engaged to work on NZQA premises.

3.8.2 NZQA employees who procure contractors must also ensure the contractors declare any new conflicts that arise during the term of engagement.

4 Register of conflicts

4.1 People and Capability shall maintain a register of conflicts of interest of employees (including conflicts declared in the recruitment process).

4.2 Procurement shall maintain a register of conflicts of interest of contractors (including conflicts declared in the procurement process).

5 Annual conflicts declarations

All NZQA employees shall make an annual declaration of their actual and potential conflicts of interest (usually in July of each year). Refer to process [10.1.4.2 Identify and resolve conflicts of interest](#).

6 Employee and manager support

6.1 Employees should speak to their team leader or manager about any questions they have in relation to conflicts. If for any reason employees feel uncomfortable doing so, or their team leaders or managers wish to clarify issues related to the questions, they can arrange to speak with their DCE, or the Manager Internal Assurance, or the Chief Legal Counsel.

6.2 Managers should speak with either their DCE, the Manager Internal Assurance, or the Chief Legal Counsel where they have any questions about receiving and managing conflicts of interest of their staff or contractors.

7 Contractor Support

Contractors should speak in the first instance with the employee of NZQA managing their contract on NZQA's behalf. If for any reason a contractor feels uncomfortable doing so,

Version: 1.0	Issue Date: 01/02/2024	Last Review Date: 13/12/2023	Next Review Date: 13/12/2026
Content Owner: Chief Legal Counsel.			Approver: SLT

Deemed valid on day of printing only.

they can arrange to speak with the Chief Financial Officer, as can the employee managing the contract.

8 Complaints

Employees may make any complaints in relation to this policy (*which are not within clause 9, Speaking Up*) to the Manager Internal Assurance or the Chief Legal Counsel. The Manager Internal Assurance or the Chief Legal Counsel will then assess the matter and if warranted develop and implement a plan of action to address the complaint.

9 Speaking Up about conflicts of interest

9.1 Employees may contact staff in People & Capability, Legal, or Internal Assurance where they have concerns about:

- any actual or potential breach of this policy
- non-disclosure of a conflict of interest by another employee
- the management of a conflict of interest of another employee
- management of a conflict of interest personal to them.

9.2 The staff contacted under clause 9.1 will help to ensure the matter is looked into (*including by referral to staff who may be better able to assist*) with a view to resolving the concern.

Ngā Kawenga Mahi/ Responsibilities

Position	Responsible for
All NZQA personnel	Declaring conflicts of interest: <ul style="list-style-type: none"> • At time of employment • Annually • At any other time when they arise.
Chief Executive or SLT representative or unconflicted SLT member	Processing waivers, approvals, and permissions under clauses 3.3, 3.4, 3.5 or 3.7.
Chief Legal Counsel	Receiving reports of complaints in relation to this policy, of breaches of this policy, or of undisclosed conflicts.
Manager, Internal Assurance	Receiving reports of complaints in relation to this policy, of breaches of this policy, or of undisclosed conflicts.
People and Capability	Providing or making available training on Conflict of Interest as needed. Ensuring conflicts are disclosed by job applicants Maintaining a register of staff conflicts Organising the annual conflicts declaration exercise Receiving reports of breaches of this policy or of undisclosed conflicts.
Procurement	Maintaining a register of contractor conflicts
Strategic Leadership Team	Issuing regular statements of their expectations for the purposes of clause 2.1 of this policy, and leading by example.

Ngā Puna Tautoko/ References

Attachment 1 - What are Conflicts of Interest

- [NZQA Code of Conduct](#)

Version: 1.0	Issue Date: 01/02/2024	Last Review Date: 13/12/2023	Next Review Date: 13/12/2026
Content Owner: Chief Legal Counsel.			Approver: SLT

Deemed valid on day of printing only.

- [10.1.4.2 Identify and resolve conflicts of interest](#)
- [Sensitive Expenditure policy](#)
- [8.6.1.3.1 Obtain approval to provide refreshments at events and meeting \(includes alcohol\)](#)
- [8.6.1.3.2 Obtain approval for goods and services for official entertainment](#)
- [8.6.1.3.3 Obtain NZQA sponsorship for social teams](#)
- [Giving and receiving gifts policy](#)
- [10.1.4.3 Provide a gift](#)
- [10.1.4.4 Receive a gift](#)
- [Provide Koha policy](#)
- [8.6.2.3 Arrange a koha](#)
- [6.3.3.4 Conduct a disciplinary investigation](#)
- [Public Service Act 2020](#)
- [Speaking up in the State services](#)

Ngā Kōrero Tautuhi/ Definitions

For the purposes of this policy, unless otherwise stated, the following definitions apply.

Actual conflict of interest	Where a conflict of interest exists.
Conflict of interest	A conflict between a public duty and private, personal and/or other interests. Personal interests can be financial, or relate to family, friends or associates. Conflicts of interest can be actual, potential or perceived.
Contractor	Includes, for the avoidance of any doubt, suppliers, consultants, and agents.
NZQA personnel	All NZQA employees and prospective employees (<i>permanent, fixed term, and casual</i>), and contractors whose agreement with NZQA applies this policy, but excludes the NZQA Board members.
Perceived conflict of interest	Where others might reasonably think a conflict of interest exists.
Potential conflict of interest	Where a conflict of interest could happen.
QMS	NZQA's Quality Management System
SLT	NZQA's Senior Leadership Team.
'Unconflicted' SLT	An SLT member who can review actual or potential conflicts independently (<i>ie, has no conflict of interest themselves in undertaking the review</i>).

Ngā Kōrero Whakatau/ Measurement Criteria

How will the organisation know that the intention of the Policy is being met?

Attachment

Version: 1.0	Issue Date: 01/02/2024	Last Review Date: 13/12/2023	Next Review Date: 13/12/2026
Content Owner: Chief Legal Counsel.			Approver: SLT

Deemed valid on day of printing only.

More information on conflicts of interest, including examples

1. Overview

- 1.1 The Controller and Auditor-General (CAG) provides for four categories of conflicts of interest – financial, non-financial, conflict of roles, and predetermination. Essentially, a conflict of interest is any situation where your duties or responsibilities as an employee or office holder in NZQA conflict, or could be seen to conflict, with some other interest you might have outside of NZQA work. Many conflicts can be managed by sensible conflict management plans to prevent the conflict from becoming a real and direct conflict.
- 1.2 Having a personal interest, on its own, is not what causes a conflict. Everyone has multiple roles and interests at work, at home, in their extended families, or in the community. A potential conflict of interest arises only where your duties or responsibilities as an employee in or contractor of NZQA overlap with one of your other roles or interests or those of your family or friends. If the conflict is not properly managed it will likely turn into an actual conflict of interest.
- 1.3 The primary responsibility for identifying and disclosing conflicts of interest in a timely and effective manner and in accordance with this policy and its processes rests with the employee or contractor concerned. This is because it is the individual employee or contractor who will always have the fullest knowledge of their own affairs. They will be in the best position to realise whether and when something at NZQA has a connection with another interest of theirs.
- 1.4 Managers and other senior NZQA personnel should remain generally alert for issues affecting other people that might create a problem.

2. Common examples of conflicts of interest that might arise in employment or contracting with NZQA (*these could be actual and potential depending on the circumstances*)

- 2.1 The following are some common examples of conflicts of interest, and some can fit more than one of the CAG's four categories described in clause 1.1 of this Attachment:
 - a close family member or more distant family member the employee knows reasonably well, or a student residing in the employee's household, is sitting NCEA
 - being a student of a TEO or a close family member of someone (or a more distant family member of someone the employee knows reasonably well) who is a student at a TEO
 - holding another public office or being employed or contracted in another role where there is any actual or possible cross-over with NZQA business, or where there are any health, safety, or wellbeing impacts on the person or others due to the total hours worked between the NZQA and other role, or where the payment for the roles is consistent with the time and effort commitment required. Note that permission of the employer (*or the organisation contracting the person*) is usually needed where the person is taking on extra external role
 - in relation to organisations, trusts or people with which NZQA has or may have some involvement:
 - being a current or (*recent*) former employee, advisor, director, or partner of them
 - having a beneficial interest, for example owning shares or assets, or having some other investment, in them
 - where the organisation or trust is a club, society, or association, being a member
 - having a professional or legal obligation to them (*such as being a trustee or owing them money*)

- having received a gift, hospitality, or other benefit from them (refer to [Giving and receiving gifts policy](#) for further details)
- being a relative or close friend of someone who has one of these interests, or who could otherwise be personally affected by a decision of NZQA
- being a relative or close friend of someone who is already employed in NZQA.

3. Extreme risks arising from Conflicts of Interest

3.1 At their extreme, conflicts of interest may result in issues of actual or potential corrupt conduct. Experience shows that many, if not most, forms of corrupt conduct involve a conflict of interest. It is also possible to engage in corrupt conduct to do with another person's conflict of interest. Here are some examples of where corrupt conduct may arise:

- concealing a conflict of interest
- failing to disclose a conflict of interest
- making false or understated declarations about a conflict of interest
- favouring another interest over an NZQA public duty
- improperly influencing others to favour a personal interest
- misusing NZQA resources or confidential information to favour a personal interest
- being involved in arranging contracts with friends or with close family members or with more distant family members you know reasonably well
- improperly accessing, using, or disclosing information about a conflict of interest
- acting improperly to favour another person's personal interests
- improperly allowing others to conceal or fail to disclose a conflict of interest
- double dipping such as where you are being paid by NZQA and another organisation for the same hours worked
- when being recruited or contracted by NZQA, failing to declare relatives or close friends already employed in NZQA.

4. Why does managing conflicts of interest matter?

4.1 Effectively managing risks from conflicts of interest helps to:

- protect the reputation of NZQA, staff, and others in the eyes of the public, its customers, or the government of the day
- avoid disharmony in the work-place
- promote Ngā Mātāpono and the Code of Conduct
- ensure decisions are made impartially and for the right reasons
- safeguard decisions from the influence of personal interests or ulterior motives
- reduce the risk of project delays arising from a complaint, or investigation
- maintain the trust and confidence of private and voluntary sector suppliers to compete for public sector contracts, which is essential for achieving best public value.