

Conflicts of Interest Policy

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| Last Review Date: | March 2019 |
| Next Review Date | March 2020 |
| Endorsed by: | Third Tier Leadership Group, February 2019 |
| Approved by: | Executive Leadership Team, March 2019 |
| Sponsor: | Deputy Chief Executive, Corporate Services |
| Owner: | General Manager, Human Resources |

Purpose

This policy outlines how the Department manages conflicts of interest. It covers:

- what a conflict of interest is
- how and when conflicts of interest should be declared
- the process for managing conflicts of interest.

This policy aligns with the Department's values and guiding principles of:

- Rangatira – Leadership; Manaaki – Respect; Wairua – Spirituality; Kaitiaki – Guardianship; and Whānāu – Relationships
- complying with the law and legislation
- ensuring a healthy, safe and secure environment
- being a good employer and
- acting in the Spirit of Service.

Scope

This policy applies to all staff (permanent, fixed-term, and casual), and to secondees, consultants, contractors, and volunteers covered by the Code of Conduct. The term 'staff' refers to all of those people.

Definitions

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| <p>Conflict of Interest</p> | <p>A conflict of interest means a conflict between your public duty (your role at the Department) and your private and/or personal interests. Personal interests can be financial or relate to family, friends, associations or associates (past or present). Conflicts of interest may be actual (real), potential or perceived.</p> |
| <p>Management Plan</p> | <p>A documented record that exists between the Manager and the staff member which outlines the conflict and the steps put in place to manage and monitor a conflict of interest where appropriate. It also includes a timeframe for review.</p> |
| <p>Conflict of Interest Register (CIR)</p> | <p>A central repository in the Department that records all conflicts of interest that are declared, the management plans in place (where applicable) and timeframes for review as well as any additional explanatory notes a Manager or a staff member may wish to make.</p> |
| <p>Manager</p> | <p>In relation to this policy, this refers to all Managers at any level. This enables visibility of conflicts of interest and their management plans at National Office, a site or district level.</p> |
| <p>Examples of Conflicts of Interest (Personal/Private)</p> | <ul style="list-style-type: none"> • Managing or working with prisoners or offenders who are family members or friends or associates • Having supervisory or direct management responsibility for a family member, or a person with whom you have a personal relationship (e.g. sexual and/or domestic relationship) • Having a personal relationship in the workplace with a colleague, offender, client, contractor or other staff working in the Department) • Taking part in appointment selection processes where a close friend or family member is a candidate for the job • Commitments to professional, community, ethnic, family or religious groups that could conflict with your professional role • Having past or present associations with gangs • Affiliations with ex-offenders or prisoners • Starting secondary employment without approval. |
| <p>Examples of Conflicts of Interest (Financial)</p> | <ul style="list-style-type: none"> • Interests in family or other private or commercial business that has dealings with the Department, such as providers and suppliers • Being involved in any tender or contracting process where a friend or family member or extended family member is interested in supplying products or services to Corrections • Receiving money, gifts or goods as an individual where it could be perceived that you are providing a preference and/or receiving an actual (real) or perceived benefit • Receiving a gift or an invitation to lunch/dinner or a sporting event or free, subsidised or upgraded travel and/or accommodation offered in exchange for a potential favour or benefit including money. Further guidance is available in the Sensitive Expenditure policy. |

Key Principles

1. The Department recognises that conflicts of interest may arise from time to time and cannot always be avoided. Identifying and declaring a conflict of interest in and of itself does not indicate any wrongdoing or misconduct. Disclosure of a conflict of interest also does not resolve a conflict, as the Department expects any conflict of interest declared to be actively managed, documented and monitored to safeguard everyone.
2. All staff must declare all actual, perceived or potential conflicts of interest to their Manager prior to appointment (permanently or contracted) or as soon as they arise during their employment. They must also advise their Manager about any changes to the conflicts of interest. Senior Managers are expected to set an example in identifying and disclosing any interests relevant to their work, given their level of influence on decisions about matters of public significance.
3. Managers are required to discuss and provide advice to their staff on how any declared conflicts of interest will be managed by them by way of a management plan and then monitor the conflict of interest on an ongoing basis.
4. When working with other stakeholders, including contractors, consultants and service providers, the Department will communicate expectations, identify potential conflict of interest areas before any contract starts, and develop and document appropriate responses to manage risks in a potential conflict situation.
5. When a conflict of interest is suspected to involve criminal activity, the matter must be referred as soon as possible to the Integrity Support Team (IST) because of their nature and the potential risks they pose to the Department (refer to the *Addressing Fraud, Corruption, Dishonesty and Other Criminal Activity Policy* and procedure). In such situations, IST, HR and the Manager (collectively) will determine whether an investigation is required and any potential referral to a law enforcement agency such as NZ Police or the Serious Fraud Office.

Associated Procedure

Refer to *Procedure on How to declare a Conflict of Interest*.

Key Accountabilities and Responsibilities

| Role | Responsibilities |
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| <p>Staff</p> | <ul style="list-style-type: none"> • Ensure they are familiar with this policy and any obligations they have under it • Comply with this policy and the related conflict of interest procedures • Seek advice from their Manager, HR or others if they have a question or are unsure about a conflict of interest • Declare all actual, potential or perceived conflicts of interest by logging them in the register • Advise their Manager of any change of circumstances relating to any current or potential conflict of interest situations • Comply with management strategies to mitigate the risks posed by the conflict • Ensure their new supervisor or one up Manager is aware of the conflict if they move to a different area, and provide a copy of any existing management plan so it can be reviewed • Make declarations promptly, fully and appropriately in the register or in terms of the Procurement Policy process • Declare any gifts received in accordance with the Sensitive Expenditure Policy • Speak up if there is a concern about a conflict of interest either not being declared or not being managed well. |
| <p>Chief Executive</p> | <ul style="list-style-type: none"> • Lead and promote the Department's commitment to exercising a high standard of judgement in relation to declaring and managing conflicts of interest • Responsible for the Department meeting its obligations under this policy • Act in accordance with this policy and procedures where any instances arise including their own. |
| <p>Deputy Chief Executives (DCEs) National Commissioner (NC) Regional Commissioners (RC)</p> | <ul style="list-style-type: none"> • Lead and promote the Department exercising a high standard of judgement in relation to reporting and managing conflicts of interest. • Act in accordance with this policy and procedures where any instances arise including their own • Embed this policy in their business groups • Ensure teams are aware of and comply with this policy. |

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| <p>Executive Leadership Team (ELT)</p> | <ul style="list-style-type: none"> • Lead and promote the Department exercising a high standard of judgement in relation to reporting and managing conflicts of interest • When a conflict of interest is suspected to involve criminal activity, the Department will report the matter to the Police or Serious Fraud Office • Act in accordance with this policy and procedures where any instances arise including their own • Approve this policy and any subsequent major amendments to it. |
| <p>Managers</p> | <p>In addition to their responsibilities as staff, Managers are responsible for:</p> <ul style="list-style-type: none"> • Ensuring their staff are aware of the policy and act in accordance with it • Ensuring their staff are given appropriate information and training about this policy to assist them to comply with their obligations to this policy and providing support where appropriate • Regularly promoting awareness of this policy • Having yearly conflict of interest conversations with each of their staff about conflicts of interest • Being aware of the risks of conflicts inherent in the work of the staff they manage and monitoring the work of staff and the risks they are exposed to • Discussing this policy and procedures with new staff as part of their induction • Advising staff when they are covered by the Procurement Policy requirements for disclosure and ensuring this policy is complied with • Receiving and managing declarations of conflicts of interest in a timely manner • Discussing with staff the options for managing the conflict, deciding on the most appropriate course of action in consultation with their Manager or HR or the Integrity Support Team • Monitoring and managing active conflicts of interest • Ensuring all plans and actions taken are recorded centrally. |
| <p>Human Resources</p> | <ul style="list-style-type: none"> • Provide advice to Managers on options to manage a conflict of interest or gift disclosure to ensure that all conflicts are managed in accordance with this policy and procedures. |

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| Recruitment Panel Member | <ul style="list-style-type: none"> • Declare a possible conflict of interest if they have a personal relationship with a candidate before any recruitment begins. |
| Staff involved in procurement activities | <ul style="list-style-type: none"> • Complete a conflict of interest declaration form under the Procurement Policy before any procurement work begins. |
| Policy Owner <i>(General Manager, Human Resources)</i> | <ul style="list-style-type: none"> • Ensure the policy is working effectively through regular monitoring and reporting of compliance to the policy • Review this policy in accordance with the next stated review date • Recommend any amendments required to the policy • Ensure the production and maintenance of any supporting procedures required • Promote awareness of this policy. |

Monitoring and Assurance

HR will monitor the effectiveness of this policy through measuring and reporting at least once annually on:

- All declared conflicts of interest recorded in the register (whether actual, perceived or potential)
- Whether management plans for these have been agreed; are in place; monitored and reviewed in accordance with agreed timeframes
- Whether Managers are aware of their responsibilities and are having at least yearly reminder conflict of interest responsibility discussions with their staff.

Compliance information regarding the performance of this policy will be provided by the Policy Owner to the National Manager Audit Integrity and Risk on a quarterly basis.

Training and Communication

Learning about this policy and procedure will form part of the induction programme for all staff and Managers when joining Corrections (permanently or contracted).

Learning material for all existing staff and Managers will available to access on the Learning Hub.

The policy will be posted on Tātou along with the How to Guide (procedures) and any other supporting documentation.

The policy will be promoted in news articles on Tātou, Staff Updates and FrontLine News.

Communications will be issued (at least once annually) to remind staff of their obligations under this policy and remind Managers of the need to have annual discussions with their staff about conflicts of interest.

Other Related Policies and Procedures

[State Services Standards of Integrity and Conduct](#)

[Code of Conduct](#)

Conflict of interest register

[Procurement Policy](#)

[Privacy Policy](#)

[Sensitive Expenditure policy](#)

Addressing Fraud Corruption Dishonesty and Other Criminal Activity Policy and Procedure

Responding to Staff Conduct and Behaviour Policy and Procedure.

Useful Websites, Tools and Resources

[Understanding the State Services Code of Conduct – Guidance for State servants](#)

[Managing Conflicts of Interest: Guidance for public entities](#)

[Conflicts of Interest standards](#)

[Board Appointment and Induction Guidelines \(2012\)](#)

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