

# Identifying and Managing Conflicts of Interest Policy

<b>Policy owner</b>	Carol McNaught, People and Culture
<b>Policy approved by</b>	WorkSafe New Zealand SLT
<b>Policy reviewed and approved</b>	March 2019
<b>Next review due</b>	March 2021

This policy is provided to all staff and Board members. It is the responsibility of each staff and Board member to understand and apply this policy. It also applies to contractors engaged by WorkSafe. It is the responsibility of the Manager engaging the contractor to ensure they comply with all WorkSafe policies while working for WorkSafe.

This policy should be read in conjunction with WorkSafe New Zealand's Identifying and Managing Conflicts of Interest – Guidelines and Procedures

## Introduction

WorkSafe New Zealand, as a regulator, has a position of significant authority and responsibility. As a regulator we have the ability to make decisions and carry out actions that can have far-reaching consequences for the workplaces we regulate and the individuals who work within, and come in contact with, those workplaces. We must be able to hold ourselves to the highest standards of honesty, integrity and impartiality in undertaking our duties. One of the ways that we ensure that our integrity and impartiality cannot be called into question is through the effective management of actual and potential conflicts of interest.

This policy sets out the processes by which WorkSafe New Zealand identifies and manages actual and potential conflicts of interest, and the obligations that every worker, and every advisory, working or reference group member, employed or engaged by WorkSafe New Zealand has to ensure that conflicts of interest are identified and managed in a timely and effective manner.

This policy is consistent with [WorkSafe NZ Board Governance Manual](#) in relation to the management of conflicts of interest.

## What is a Conflict of Interest?

A conflict of interest is where someone is, or could be perceived to be, compromised when their personal interests or obligations conflict with the responsibilities of their job or position. It means that their independence, objectivity or impartiality can be called into question.

A conflict of interest can be:

- Actual: where the conflict already exists
- Potential: where the conflict is about to happen, or could happen
- Perceived: where other people might reasonably think that a person has been compromised.

A poorly managed perceived conflict of interest can be just as damaging as a poorly managed 'actual' conflict of interest.

A conflict of interest can also be positive or negative. You could be seen to favour or benefit someone, or be against them and disadvantage them.

### When can a Conflict of Interest happen?

A conflict of interest can arise in a number of ways: through a relationship, an activity, or strong personal views. For example, a person could be compromised if, in carrying out their work duties, they are required to deal with:

- A relative or close personal friend
- An organisation, club, society, or association of which they are a member
- A person who is their community or church leader
- A person or organisation:
  - To which they have a professional or legal obligation
  - With which they have a business interest or own property
  - To whom they owe money
  - For whom they have previously worked, or currently work (secondary employment)

In addition, a conflict can arise if a person holds strong personal views on an issue that WorkSafe NZ is considering, where that person is responsible for, or involved in, key decisions or actions relating to that issue.

### Policy Principles

1. WorkSafe New Zealand will actively manage actual, potential and perceived conflicts of interest to safeguard both our workers and our reputation.
2. All workers are required to declare personal and financial interests that could give rise to actual, potential or perceived conflicts of interest prior to the commencement of, and during, their employment with WorkSafe New Zealand. This includes all secondary employment and business interests.
3. All potential members of advisory, working or reference groups are required to declare personal and financial interests that could give rise to actual, potential or perceived conflicts of interest prior to their appointment and immediately it arises during their appointment term.
4. Persons in a position of significant authority (Tier 2 and Tier 3 managers and all Deputy Chief Inspectors, Assessment Managers, Investigations Managers, Response Manager, Duty Holder Review Manager, Certifications, Approvals and Registrations Manager, and all Inspectors and Duty Holder Review Officers) are required to make an annual declaration of personal and financial interests that could give rise to actual, potential or perceived conflicts of interest. This includes all secondary employment and business interests.
5. Inspectors are required to declare personal and financial interests that could give rise to actual, potential or perceived conflicts of interest immediately this becomes known to them through the assignment of work e.g. the assignment of an investigation to an Inspector who has a personal relationship with an individual within the organisation being investigated, or who has a business or financial interest in the organisation being investigated.
6. Conflicts arising from specific work assignments will be recorded on relevant work assignment files e.g. conflict in relation to an investigation must be recorded on the investigation file.
7. All workers and advisory, working or reference group members will be required to update declarations relating to conflicts and personal interests annually.
8. WorkSafe New Zealand managers must uphold the highest professional standards, led by example, and be a role model and mentor for the people around them and the people they interact with, internally and externally, as they manage conflicts.
9. Every business unit will maintain a conflicts of interest register that records all notified actual, potential and perceived conflicts of interest, and the actions taken to manage those conflicts.

10. Every business unit will forward a copy of their conflict of interest register to the People & Culture Group for recording and filing.
11. Personal information contained in a declaration and register is protected by the Privacy Act and declarations and registers will be maintained in a manner that ensures the information is appropriately secure.
12. All conflicts of interest registers will be reviewed by the responsible General Manager at least six-monthly to ensure that conflicts continue to be effectively assessed, monitored and managed.
13. All conflicts of interest registers will be reviewed by the Senior Leadership Team at least annually to ensure that conflicts continue to be effectively monitored and managed.
14. Managers are responsible for reviewing, assessing and acting on declared conflicts of interest within their area of responsibility. This includes the recording of those conflicts into the Conflicts of Interest Register, the effective assessment of risk in relation to the declared conflict, and the effective identification and implementation of actions to manage the conflict appropriately.
15. Workers involved in procurement must complete conflicts of interest declarations under the Procurement policy in addition to the general declarations made in accordance with this policy.

## Accountabilities

### Managers

Complying with the policy with respect to their own interest and conflicts and facilitating the compliance of those they manage by:

- Disclosing any actual, perceived, or potential interest or conflict irrespective whether they have the interest or conflict or it involves another employee, another manager, a contractor, a consultant, or another party with the business relationship.
- Being aware of the risks of conflicts inherent in the work of the people they manage.
- Monitoring the work of the people they manage and the potential risks in relation to conflicts of interest their people are exposed to in undertaking their duties.
- Making workers aware of this policy and associated procedures, and the requirements necessary to comply with it.
- Receiving declarations of conflicts of interest from workers and ensuring these are entered into the appropriate register.
- Discussing with workers the options for managing declared conflicts.
- Developing and implementing appropriate responses to effectively manage declared conflicts and ensuring these are recorded in the appropriate register, monitored for effectiveness, and updated when appropriate.
- Recording actual, potential or perceived conflicts of interest relating to a specific work assignment on the file associated with that assignment e.g. conflict in relation to an investigation must be recorded on the investigation file.
- Ensuring that management plans for all declared conflicts are developed, documented and in place within 5 days of receipt of a declared conflict.
- Advising workers when they are covered by the Procurement policy requirements for disclosure.
- Ensuring that the requirements of this policy and its associated procedures are met for members of advisory, working or reference groups within their area of responsibility.

## Employees, Contractors and Advisory, Reference or Working Group Members

- Disclosing any actual, perceived or potential interest or conflict irrespective of whether you have the interest or conflict, or it relates to another worker, another manager, a contractor, a consultant, or another party with a business relationship.
- Completing, in a timely manner, all required declarations associated with this policy.
- Declaring any circumstances that could result in a third party reasonably perceiving a conflict to exist.
- Making your declaration promptly, fully and appropriately on the relevant declaration form.
- Complying with any actions or requirements that are deemed appropriate by your manager, or the manager responsible for convening the advisory, reference or working group to effectively manage declared conflicts, or the Chief Executive.

## Human Resources

- Management of annual Declaration of Interests process.
- Development, maintenance and regular review of Conflicts of Interest policy and procedures, and supporting tools
- Maintain organisation wide register of conflict of interest declarations

## Other Relevant Policies

- WorkSafe New Zealand Code of Conduct
- WorkSafe New Zealand Gifts Hospitality and Entertainment Policy 2018
- WorkSafe New Zealand Procurement Policy 2018

## References

- Managing Conflicts of Interest: Guidance for Public Entities – Office of the Controller and Auditor General, June 2007
- Code of Conduct for the State Services - Standards of Integrity and Conduct

## Assistance

- Employees and contractors with questions should talk to their manager in the first instance.
- Managers may seek advice on managing conflicts of interest from their Human Resources Advisor.