

2.7 Disclosures of Interests

Statement of Intent

Paraparaumu College is expected to meet public sector expectations for management of conflicts of interest. Disclosures of interests ensure that decision-making at Paraparaumu College is transparent, objective, and free of potential claims of bias or preferential treatment.

The purpose of this policy is to ensure

- i) compliance with the provisions of the *Education Act 1989 (Attachment 1 – Education Act, Schedule 6; Attachment 2 – Education Act, S 103A)*; and
- ii) that any significant conflicts of interest arising from any Paraparaumu College activities are identified, recorded, and addressed.

This statute applies to:

- i) all members of the Paraparaumu College Board of Trustees;
- ii) members of Board committees and sub-committees;
- iii) College employees;
- iv) independent contractors to the College;
- v) visiting staff; and
- vi) any other persons providing executive or secretarial advice or services to the College.

Definitions

A 'concern' or 'interest' is defined as an involvement in a matter which could give rise to an expectation of or an actual significant gain or loss of money on the part of the person concerned or a partner or dependent of the person concerned.

A 'conflict of interest' is the conflict or potential for conflict arising when an individual has a concern or interest in a matter or with a party with which Paraparaumu College is negotiating or doing business; that is, where the Board member, employee or a partner or dependent has a direct or indirect pecuniary interest or may gain a significant personal benefit.

Concerns or conflicts may include (but are not limited to)

- any affiliation with, family connection to, or financial involvement in, any organisation or business entity which may be in conflict with the discharge of his/her College duties or responsibilities; or
- any personal or financial relationship with a person or that may influence any decisions about the appointment, promotion, leave or discipline of that person.

Board Expectations

As decision-makers for, or on behalf of Paraparaumu College, parties covered by this policy are required to exercise discretion in their personal and professional capacities, managing interests so not to breach fiduciary or good faith obligations.

All declarations resulting in a conflict must include a brief statement of the matter concerned and the nature and extent of the conflict. Every such disclosure of interest must be recorded in writing or in the minutes of the meeting at which it was made, together with a record how the conflict was resolved. The Board Secretary must be advised of the declaration for the purpose of recording it in the Interests Register.

Board disclosures

- i) Upon election or appointment and annually thereafter, Board members (including the Principal) shall disclose to the Board Chair, using the Disclosure of Interest form (Attachment 3), a list of any potential or actual external interests which may conflict with their role at Paraparaumu College.
- ii) The onus is on the Board member to update this list as necessary throughout the year.
- i) Interests arising from any decision or transaction during the course of any activity or meeting shall be immediately disclosed to the Board Chair.

- ii) Disclosures shall be assessed by the Board Chair in accordance with the Education Act 1989.
- iii) Where a conflict is determined to exist, the Board Chair shall decide the appropriate course of action (see "Seriousness of Conflicts" and Attachments 1 & 2).

Staff disclosures

- i) Senior managers and any other College employees identified by the Principal shall, using the Disclosure of Interest form (Attachment 3), annually disclose a list of any potential or actual interests.
- ii) Interests arising from any decision or transaction during the course of any activity or meeting shall be immediately disclosed by the staff member concerned to the Principal or the staff member's manager (as appropriate).
- iii) The onus is on the staff member concerned to disclose.
- iv) Disclosures shall be assessed by the Principal or manager.
- v) Where a conflict is determined to exist, the Principal or manager shall decide the appropriate course of action.

Any unresolved conflicts shall be brought before the Board, who will seek advice from NZSTA, or another employment adviser approved by the Board's liability insurer, on how to handle the matter.

Delegations

Board Secretary

The Board Secretary will keep a register of all disclosures and will prepare and maintain a summary of the register. The summary of the register will be available to all members of the Board and the Executive Officer.

The Board Secretary will monitor the register in order to offer annual reminders to those who are due to update their list of interests. The onus to disclose remains with the member concerned.

Executive Officer

All companies identified in the register will be marked in the school's financial systems in such a way that payments cannot be made to those companies without the knowledge of the Executive Officer.

The Executive Officer will also monitor payments to the companies on the register. As payments to any of those companies in which a Board member has a concern or interest approach \$25,000 including GST in any financial year, the Board Secretary will apply to the Office of the Auditor-General for prior approval to exceed the limit.

Attachments:

1. Education Act, Schedule 6
2. Education Act, S 103A
3. Disclosure of Concern or Interest

Approval Date(s): 24 June 2014

Review Date: 23 June 2015

Signed by the Chairperson of the Board of Trustees
on behalf
of the Board of Trustees



Attachment 1 - Education Act, Schedule 6

Clause 8 - 11 (A)

(8) Subject to subclause (11) of this clause, a trustee who has a pecuniary interest in any matter or any interest that may reasonably be regarded as likely to influence a trustee in carrying out his or her duties and responsibilities as a trustee shall be excluded from any meeting of the Board while it discusses, considers, considers anything relating to, or decides, the matter.

(9) Subject to sub clause (11) of this clause, a trustee who is a member of the Board staff shall be excluded from any meeting of the Board while it discusses, considers, considers anything relating to, or decides, any matter relating to the trustee's employment by the Board, or to the course of action to be taken following the hearing of a complaint against the trustee (being a complaint against the trustee in the trustee's capacity as a member of the Board staff).

(10) Subject to sub clause (11) of this clause, a trustee who is a student enrolled at the school or institution shall be excluded from any meeting of the Board while it discusses, considers, considers anything relating to, or decides, any matter relating to the trustee as an individual student.

(11) A trustee may attend any meeting of the Board to give evidence, make submissions, or answer questions.

(11A) A meeting of the board may be held-

(a) by more than half the trustees then holding office being assembled together at the time and place appointed for the meeting; or

(b) by means of audio, audio and visual, or electronic communication provided that-

- (i) all of the trustees who wish to participate in the meeting have access to the technology needed to participate in the meeting; and
- (ii) a quorum of members can simultaneously communicate with each other throughout the meeting.

Attachment 2 - Education Act, S 103A

Financial interests that disqualify persons from being trustees

(1) In this section,-

contract, in relation to a Board,-

- (a) means a contract made by any person directly with the Board; and
- (b) includes any relationship with the Board that is intended to constitute a contract but is not an enforceable contract; but
- (c) does not include any contract for the employment of any person as an officer or employee of the Board

company means a company incorporated under the Companies Act 1993 or any former Companies Act or a society incorporated under the Industrial and Provident Societies Act 1908 or any former Industrial and Provident Societies Act

subcontract, in relation to any contract made by a Board,-

- (a) means a subcontract made with the contractor under that contract, or with another subcontractor, to do any work or perform any service or supply any goods or do any other act to which the head contract relates; and
- (b) includes any subsidiary transaction relating to any such contract or subcontract.

(2) A person is not capable of being a trustee of a Board or a member of a committee of a Board, if the total of all payments made or to be made by or on behalf of the Board in respect of all contracts made by it in which that person is concerned or interested exceeds in any financial year-

- (a) the amount determined for the purpose by the Secretary, in consultation with the Auditor-General, by notice in the Gazette; or
- (b) in the absence of an amount determined under paragraph (a), \$25,000.

(3) For the purposes of subsection (2), a trustee or a member of a committee of a Board is deemed to be concerned or interested in a contract made by a Board with a company, if-

- (a) the trustee owns, whether directly or through a nominee, 10% or more of the issued capital of the company or of any other company controlling that company; or
- (b) the trustee is the managing director or the general manager (by whatever names they are called) of the company.

(4) For the purposes of this section, a company is deemed to control another company if it owns 50% or more of the issued capital of that other company or is able to control the exercise of 50% or more of the total voting powers exercisable by all the members of that other company.

(5) Despite anything in this section,-

(a) a person is not disqualified under this section if the Secretary approves the contract at the request of the Board, whether or not the contract is already entered into; and

(b) the Secretary may, by notice in the Gazette, issue guidelines setting out the basis on which applications for approval under paragraph (a) will be considered.

FORM: DISCLOSURE OF INTERESTS

Paraparaumu College is expected to meet public sector expectations for management of conflicts of interest. Disclosures of interests ensure that decision-making at Paraparaumu College is transparent, objective, and free of potential claims of bias or preferential treatment.

Board members, senior managers, and any other parties identified by the Principal are required to annually complete this form to enable compliance with the provisions of the Education Act 1989 (Section 103A and Schedule 6) and that any significant conflicts of interest arising from any Paraparaumu College activities are identified, recorded, and addressed.

Types of conflicts of interest

A conflict of interest may take a number of forms. It may be financial or non-financial. It may be direct or indirect. It may be professional or family related. A conflict of interest may arise from:

- family relationships
- existing or former professional or personal relationships
- directorships or other employment
- interests in business enterprises or professional practices
- share ownership
- beneficial interests in trusts
- professional associations or relationships with other organisations, including appointing bodies
- personal associations with other groups or organisations
- decisions taken which may have a benefit to the decision-maker

Trustees will need to assess the risk of a conflict of interest on a case-by-case basis, but there are some situations that can be highlighted, including:

- involvement in meetings where decisions relating to close relatives (e.g., students or staff) are being discussed;
- attendance at meetings by principals or staff representatives where any matter relating to their own employment is being discussed; and
- attendance at meetings by the student representative where any matter relating to that student is being discussed.
- where a trustee has a child at school where any matter specifically relating to their child is being specifically considered at the meeting.
- where an appointed trustee is faced with an issue and the interests of the school diverge from the outside interests of the trustees appointing body (e.g. the appointing body profits from managing home stay accommodation for international students).

General Disclosures

PLEASE TAKE NOTICE that I,(Name)
declare that, for the purpose of recording in the Interests Register maintained by Paraparaumu College, the list below is a list of companies or organisations in which I have an "interest".

Write 'Nil' in the first row if you have no known interests.

Company / Organisation	Involvement / Position Held	Date of Appointment

Related Party Disclosures

PLEASE TAKE NOTICE that I, (Name)
declare that, for the purpose of recording in the Interests Register maintained by Paraparaumu
College, the list below is a list of companies or organisations in which my close family members have
an "interest".

*List those who could influence, or be influenced by you in your dealings with the organisation they are
involved in. Close family members may include:*

- *domestic partner and children or dependants; and*
- *children or dependants of the domestic partner.*

Write 'Nil' in the first row if you have no known interests.

Name and Relationship	Company / Organisation	Involvement / Position Held	Date of Appointment

Signed:

Position at / Involvement with Paraparaumu College:

Date: