

# CHAPTER TEN RSA REPRESENTATIVE TO A STATUTORY BOARD

10.1	Introduction
10.2	Administration of Legislation
10.3	Involvement of Interest Group (RSA)
10.4	Disagreements
10.5	Board Members Duty
10.6	Conflicts of Interest

## RSA REPRESENTATION TO A STATUTORY BOARD

## 15.1 Introduction

This paper is written to guide an RSA nominee on a Statutory Board to discharge honourably, his duty when he accepts the burdens and obligations of serving the community. This duty demands constant vigilance on their part to ensure that he does not compromise or surrender the integrity and independence that he must bring to the Boards affairs.

## 15.2 Administration of Legislation

Many public undertakings are controlled by Boards and by statutory requirements. They comprise a number of persons nominated or chosen by various groups, each of which has a direct interest in the public undertaking.

Each person on a Board owes his membership to the interested group but he must be careful not to use his membership merely to promote the particular interest of the group which chose him. The governing consideration of each person must be the advancement of the public purpose for which Parliament (or other competent legal authority) has set up the Board.

A Board member must not allow himself to be compromised by looking only to the interests of the group which appointed him rather than the interests for which the Board exists. He is most certainly not a mere channel of communication or a listening post on behalf of the group which elected him. There is cast upon him the ordinary obligation of respecting the confidential nature of Board affairs where the interest of the Board itself so requires.

# 15.3 Involvement of Interest Group (RSA)

There are three objects in providing for interest groups to nominate the members of a Board:

- The public can be confident that an interest group will select a person whose personal qualities and competence equip them for membership.
- It promotes the confidence of that particular group in the Board and provides a means of liaison between the two.
- It ensures that the Board as a single entity has in its deliberation the views of all the interested groups.

The above statements make it necessary that a Board member has the highest standard of integrity both in his thinking and their actions.

Once a group has selected a member the person assumes office as a member of the Board and becomes subject to the overriding and predominant duty to serve the interests of the Board in preference to serving the group which appointed them, especially if any conflict may arise.

#### 15.4 **Disagreements**

Disagreement is to be expected from time to time and undoubtedly there will be differences between the Board members. Indeed it is well that this should be so sound and wise decisions by a Board can only be based upon a full and informed discussion of varying and conflicting views and considerations.

Nomination of individual members by interested groups ensures that the Board has access to a wide range of views and it is to be expected that there will be differences in opinions, approaches and philosophies of the members.

### 15.5 **Board Members Duty**

A Board member will be derelict in discharging honourably his public duty if he compromises with the basic proposition that the predominating element which each individual must constantly bear in mind is the promotion of the interests of the Board itself.

#### 15.6 **Conflicts of Interests**

The Controller and Auditor General has published a booklet entitled "Conflicts of Interest" – A guide to the Local Authorities (Members' Interests) Act 1968 and Non-pecuniary Conflicts of Interest. (August 2004, ISBN 0-478-18121-3).

This publication is a guide to the law about Conflicts of Interest for members of the governing bodies of territorial authorities, regional councils, tertiary institutions, and those other public bodies that are covered by the Local Authorities (Members' Interests) Act 1968. Whilst the publication does not specifically relate to local Associations and RSA Clubs, the law has two underlying purposes:

- Ensuring that members are not affected by personal motives when they participate in authority matters, and
- In contracting situations, preventing members from using their position to obtain preferential treatment from the authority.

A copy of the publication may be downloaded (in PDF format) off the website, or may be obtained by writing to:

Office of the Controller and Auditor-General Private Box 3928

Wellington

Telephone: 04 – 917 1500 Facsimile: 04 – 917 1549 Email: enquiry@oag.govt.nz Website: www.oag.govt.nz