

# Board Manual

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## Purpose

The purpose of this document is to provide Board members with a guide on how the Board operates and their role within it.

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## Purpose of the NZRAB

1. The New Zealand Registered Architects Board (NZRAB) is a statutory entity created by the Registered Architects Act 2005 (the Act). Its purpose is to provide a public register of architects and to ensure that registered architects are competent and that they comply with their code of ethical conduct.
2. The Board's powers are set out in section 49 of the Act (and, to the extent relevant, any other Act or rule of law). Under section 49(2) of the Act **“The Board may exercise its powers only for the purpose of performing its functions”**.
3. The Board's functions are set out in section 50. They are:
  - to make (including to amend) the Registered Architects Rules
  - to assess people for achievement of the minimum standards for registration as an architect, and for on-going competence as an architect
  - to maintain the Register of architects
  - to receive and investigate complaints and inquire into the conduct of registered architects and to discipline them
  - to inform the public about the registration system for architects.
4. As a matter of practice, the NZRAB runs three intakes each year of first-time applicants for registration as an architect under the primary pathway to registration. The applicants must meet criteria (published on the NZRAB's website) relating to their qualifications and work experience. They must submit case studies of their work, and they are assessed at a professional conversation. The Assessors make a recommendation to the NZRAB Board as to whether the applicant meets the minimum standard for registration.
5. Each registered architect's competence is reviewed every five years, or more frequently at the Board's discretion. The review is usually by way of a 'desktop' assessment of the information provided by the architect. The Assessors may invite the architect to a face-to-face discussion to delve deeper into any competence areas. The Assessors make a recommendation to the Board as to whether the architect meets the minimum standard for on-going registration.
6. For applicants for initial registration, the key requirements that the applicant is measured against are found in the minimum standards set out in rule 7 of the Registered Architects Rules. Rule 7 provides:

### **7 Minimum standard for registration as registered architect**

(1) To meet the minimum standard for registration, a person must demonstrate that he or she is able to practise competently to the standard of a registered architect.

(2) The extent to which the person is able to do the following must be taken into account in assessing whether or not he or she meets the overall standard in subclause (1):

(a) comprehend, and apply his or her knowledge of, accepted principles underpinning—

(i) widely applied good practice for professional architecture; and

(ii) good practice for professional architecture that is specific to New Zealand; and

- (b) demonstrate an ability to apply the accepted principles referred to in paragraph (a) through the exercise of knowledge, imagination, judgement, collaboration, and professional responsibility; and
- (c) demonstrate a sound understanding of the stages and processes of an architectural commission, including—
  - (i) project establishment; and
  - (ii) the design stages; and
  - (iii) detailed design and documentation; and
  - (iv) contractor procurement; and
  - (v) administration and observation of contract work; and
- (d) demonstrate an ability to realise a complex architectural project based on knowledge and appropriate professional experience; and
- (e) understand the risks and responsibilities of establishing and maintaining an architectural practice; and
- (f) conduct his or her practice of architecture to an ethical standard at least equivalent to the code of ethical conduct; and
- (g) understand and comply with the applicable New Zealand statutory and regulatory requirements, including the building code.

7. For architects' on-going registration, they must demonstrate their competence and that they have taken reasonable steps to maintain the currency of their architectural knowledge and skills. The primary rule relating to on-going registration is rule 21 which provides as follows:

**21 Minimum standard for continued registration as registered architect**

(1) To meet the minimum standard for continued registration, a person who is currently registered must demonstrate that—

- (a) he or she is able to practise competently in his or her practice area to the standard of a registered architect; and
- (b) he or she has taken reasonable steps to maintain the currency of his or her architectural knowledge and skills since the last assessment.

(2) The extent to which the person is able to do the following must be taken into account in assessing whether or not he or she meets the overall standard in subclause (1)(a):

- (a) within his or her practice area, each of the matters in rule 7(2)(a), (b), (f), and (g); and
- (b) demonstrate the ability to distinguish between—
  - (i) those aspects of the architectural process where he or she has sufficient skills, knowledge, and experience to practise; and
  - (ii) those aspects where, in order to practise, he or she would need the input of colleagues with the required skills, knowledge, and experience or need to first gain the additional skills, knowledge, and experience required.

## Governance

8. The NZRAB's institutional and governance arrangements are set out in Part 3 of the Registered Architects Act and in the Schedule to the Act. Part 3 of the Act:
  - establishes the NZRAB as a body corporate and defines its capacity and powers (ss 47 to 49)
  - sets out the NZRAB's functions (s 50)
  - describes the role and composition of the Board members (ss 51 to 54)
  - describes the appointment process and powers of Board committees (ss 55 to 57)
  - describes the NZRAB's accountability and reporting obligations (ss 58 to 66)
  - requires the NZRAB to make the Registered Architects Rules, stipulates some of the content of the rules and the process for making the Rules (ss 67 to 74).
9. The Schedule to the Act provides for:
  - Board members' appointment process, term of appointment, resignation and removal (clauses 1 to 8)
  - the duties of Board members to the Minister of Building and Construction and to the NZRAB (clauses 9 to 11)
  - the information and advice that Board members may rely on, and Board members' remuneration (clauses 12 and 19)
  - Board members' obligations to disclose interests (clauses 13 to 16) and to maintain confidentiality (clause 17)
  - an exclusion from liability (clause 18)
  - the appointment, removal, and roles of the Board Chairperson and Deputy Chairperson (clauses 20 to 24)
  - procedures for Board meetings (clauses 25 to 32)
  - Board powers to delegate, contract, and enter into certain types of agreements (clauses 33 to 37)
  - the NZRAB's obligations and status as an employer (clauses 38 and 39)
  - the NZRAB's funds, banking, audit and investments (clauses 40 to 45)
10. The NZRAB may exercise its powers only for the purpose of performing its functions. The NZRAB is a statutory entity, i.e. it is established by the Act, but it is not a Crown entity, and so the Crown Entities Act 2004 does not apply to it. The NZRAB is currently funded entirely from fees paid by architects and applicants for registration, and it receives no Crown funding. The NZRAB is not required to appear before a select committee for an annual expenditure review.
11. The NZRAB is subject to the Official Information Act, but not to the Public Records Act.

12. The NZRAB is accountable to the Minister responsible for the Act (the Minister of Building and Construction), primarily through the NZRAB's Annual Report, the three-yearly Performance Agreement, and complying with the 'no surprises' convention through good communications with officials.
13. The Ministry for Business, Innovation and Employment (MBIE) is the monitoring agency that advises the Minister on the Act and the Board's performance. The relationship between the Minister, MBIE and the NZRAB is set out in the Performance Agreement.
14. Under clause 33 of the Schedule to the Act, the NZRAB Board is empowered to delegate, by resolution and written notice, its functions, duties and powers to any person. However, the functions, duties and powers in regard to registration, continuing registration and disciplinary penalties, must be exercised by the Board itself.
15. The Board can have between six and eight members. They are appointed by the Minister. Up to four of the appointed Board members must have been nominated by the New Zealand Institute of Architects. Members are not required to be architects, but the Minister can only appoint people whose knowledge, experience or expertise qualifies them for appointment, having regard to the functions, duties and powers of the NZRAB.
16. The Board's key tasks include:
  - appointing the Chief Executive, setting their annual KPIs, and monitoring their performance against the KPIs
  - annually approving and monitoring the implementation of the Strategic Plan
  - annually approving the budget and throughout the year monitoring the NZRAB's financial performance
  - ensuring that the organisation operates in a financially responsible manner and is financially accountable, via planning and budgeting, reviewing financial reporting at Board meetings, and approving the information for the annual audit and financial reporting to the Minister
  - determining Board policy and monitoring its implementation
  - making the decisions specifically required of the Board under the Act in relation to registration, continuing registration and discipline
  - conducting disciplinary hearings
  - ensuring that the Act's reporting requirements are met.
17. The collective duties of the Board are set out in clause 11 of the Schedule to the Act, as follows:
  - to not contravene the Registered Architects Act
  - to ensure that the NZRAB acts in a manner consistent with its objectives and functions and with the three-yearly Performance Agreement
  - to ensure that the NZRAB performs its functions efficiently and effectively and in a manner consistent with the spirit of service to the public
  - to ensure that the NZRAB operates in a financially responsible manner and endeavoring to ensure that the NZRAB—

- maintains its long-term financial viability
  - covers its annual costs from its net annual income
  - acts as a successful going concern
  - prudently manages its assets and liabilities.
18. Board meetings are held regularly throughout the calendar year. Full Board meetings are held two-monthly, usually in February, April, June, August, October and December, and usually from 9.00 am through to 3.00 pm. The day before the February Board meeting is usually a Strategy Day for Board members.
19. Board decisions are sometimes made by written resolution via email, most commonly for registrations, but also for other matters that arise between Board meetings. Ad hoc Board meetings may also occur using video technology and conference calls, where debate on the matter is necessary and it cannot wait until the next scheduled Board meeting.

#### *Governance Principles*

20. The following principles should apply to the way the NZRAB Board carries out its functions.

- **The Board speaks with one voice**

The Board makes its decisions collectively and having done so Board members are obliged to support those decisions. The Chairperson is the Board's public representative.

- **The Board's focus should be on governance, statutory decisions, and policy**

The Board is the statutory decision-maker regarding applications for initial registration and continuing registration, and for discipline matters. The Board is assisted in these decisions by experienced architects who act as Registration Assessors and who undertake the initial registration and continuing registration interviews and reviews, and make recommendations to the Board (which the Board must take into account in its decision). The Board relies strongly on these recommendations. In respect of complaints and disciplinary matters, the Board is assisted by experienced architects who undertake the investigations and make a recommendation to the Board on the action that should be taken in respect of the matter. The Board receives the report of the Investigating Panel (IP) into the investigation and decides whether to adopt the recommendations made by the IP.

21. For its governance role and policy decisions, the Board is assisted by an Executive Office staff who prepare the papers for the Board's consideration at Board meetings, and who execute the Board's decisions.

#### *Board Committees*

22. The Board may appoint committees with terms of reference. The Board had, in earlier times, operated with a large number of Board committees. Most of these were wound up in August 2020. The Board retained the Finance, Audit and Risk Committee. The

Committee has three members, chaired by a Board member with financial expertise. The Board Chair is a member of the Committee in an ex officio capacity.

- **Finance, Audit and Risk Committee**

Function:

- To assist the Chief Executive in developing the annual Strategic Plan and Budget and to provide oversight in their implementation
- To report to the Board on financial and other risks, procedures and controls
- To undertake the Remuneration Committee responsibilities of the Board
- To manage the process for protected disclosures (whistle-blower complaints).

- **APEC Architect Monitoring Committee**

Function:

- To make determinations in regard to admission to the New Zealand section of the APEC Architect Register and carry out other functions as required by the APEC Architect Manual.

### *The Chair and Deputy Chair*

23. The appointment and office-holding provisions, and the chairing roles, of the NZRAB's Chairperson and Deputy Chairperson are set out in clauses 20 to 24, 26, and 30 of the Schedule to the Act. Both the Chair and Deputy Chair are appointed into their respective roles by the Minister (but these provisions are permissive, not mandatory, so it is conceivable that the NZRAB could have no statutorily appointed Chair or Deputy Chair, in which case the Board members would appoint from amongst themselves a Chairperson).
24. The Chair and Deputy Chair can resign from their respective roles (by written notice to the Minister and a copy to the Board) without necessarily resigning from the Board. The key role of the Deputy Chair is to stand in for the Chair when the Chair is absent or unavailable (e.g., due to leave of absence or a conflict of interest).
25. The key duties of the Chairperson are to:
  - set the Board meeting dates and the agenda for Board meetings (this is normally in conjunction with the Chief Executive)
  - chair Board meetings, ensuring each Board member has an opportunity to contribute to the debate, and aiming to achieve consensus in decision-making—but determining when to go with a majority decision
  - provide leadership for the Board with a focus on achieving the NZRAB's strategic goals
  - represent the NZRAB publicly, unless it is more appropriate in the circumstances for the Chief Executive or another Board member to provide the public representation
  - represent the NZRAB to the Minister and other stakeholders, which may be in conjunction with the Chief Executive

- ensure that the Board minutes are accurate
- lead the Board's annual performance self-review
- act as the interface between the Board and the Chief Executive.

### *The Chief Executive*

26. The Chief Executive is accountable to the Board for meeting the performance objectives as set out in the Chief Executive's annual KPIs.
27. The Chief Executive is responsible for setting, in conjunction with the Board, and for carrying out, the Board's work programme. The Chief Executive is responsible for employment decisions and for managing employee performance, and for ensuring that the organisation's policies and procedures are followed.
28. The Chair of the Board and the Chief Executive need to maintain a close working relationship based on mutual trust and confidence. The Chief Executive should proactively inform the Chair of all matters of significance for the organisation.

### **Responsibilities of Board members**

29. Board members have a fiduciary duty to act in the NZRAB's interest and not to let personal gain in any way override the interests of the NZRAB. No Board member may make any personal gain at the expense of the NZRAB.
30. The responsibilities of individual Board members include:
  - to act in good faith, with reasonable care, diligence and skill, and with honesty and integrity
  - being informed as to the Act and the Rules, the NZRAB's strategic plan and budget, and the NZRAB's policies and procedures
  - attending Board meetings, having received and considered meeting papers
  - attending, where applicable, committee meetings, having received and considered meeting papers
  - supporting the organisation in public fora etc., where appropriate and subject to liaison with the Chairperson.
31. Board members also have a duty to:
  - avoid, or declare and manage, any conflicts of interest or bias or apparent bias
  - not misuse information obtained as a Board member.
32. Each Board member is accountable to the Minister for performing his or her duties and responsibilities as a member (clause 9 of the Schedule to the Act).
33. Under Clause 17 of the Schedule, Board members must not disclose any information to any person, make use of or act on any information, obtained as a Board member, except for the purposes of the NZRAB, or as required by law.



## Code of Conduct

34. The following are principles which Board members should use to guide their individual conduct.
35. A Board member must:
- act honestly, in good faith and in the best interest of the NZRAB as a whole
  - use care and diligence in fulfilling the functions of office and exercising the powers attached to that office
  - use the powers of office for proper purposes, in the best interest of the NZRAB as a whole
  - recognise that his or her primary responsibility is to the NZRAB as a whole, but should, where appropriate, have regard for the interests of the Board's stakeholders.
  - not make improper use of information acquired as a Board member
  - not take improper advantage of the position of Board member
  - not allow personal interests, or the interests of any associated person, to conflict with the interest of the NZRAB
  - be independent in judgement and actions and take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board
  - ensure confidential information received in the course of the exercise of directorial duties remains the property of the NZRAB, it being improper to disclose, or allow to be disclosed, confidential information unless authorised by the NZRAB, or the person from whom the information is provided, or as required by law
  - not engage in conduct likely to bring discredit upon the NZRAB
  - at all times comply with the spirit, as well as the letter of the law and with the principles of this code.

## Conflict of Interest

36. Board members must not take improper advantage of their position to gain, directly or indirectly, a personal advantage or an advantage for any associated person.
37. Board members should seek to avoid conflicts of interest wherever possible. Full disclosure of any interest that could cause a conflict must be made to the Board. Also at each Board meeting Board members should declare any changes required to the Board Members Schedule of Interests.
38. The Chair and Board should review declared conflicts, taking account of the significance of the potential conflict for the NZRAB and possible consequences if it is not handled properly. At the beginning of each Board meeting members are asked to declare any conflicts of interest relating to the matters being raised at the meeting.
39. Where a conflict does arise, the Board member must consider whether the conflict meets the statutory threshold to amount to being an 'interest' as defined in clause 13 of the Schedule to the Act, and if so, to:

- refrain from participating in the debate and voting on the matter
  - absent themselves from the meeting for the discussion of the matter
  - arrange that the relevant Board papers are not sent (if this is considered necessary)
  - in an extreme or continuing case, resign from the Board.
40. If a Board member is an architect and is the subject of a complaint relating to their provision of professional architectural services that is under investigation, the Board member should withdraw from all Board activities until the matter is resolved, given the conflict of interest.
41. If a Board member is the subject of a complaint relating to their performance of duties as a Board member or other NZRAB delegated office, that will be dealt with as an Internal Complaint under the Internal Complaints Policy.

*Principles for Board members to weigh up for conflict or bias:*

42. When Members are weighing up whether to declare that they are interested in a matter before the Board (and therefore have a conflict and need to recuse/disqualify themselves from the decision-making, as required by the Registered Architects Act 2005), they should note that merely being a member of a professional architecture body does not constitute being interested. They should declare an interest if and only if:
- a) They are a party to the matter under decision (in other words, the decision is being made about the Member themselves) or they will derive a material financial benefit from the decision;
  - b) They have a material financial interest in a party involved in the matter under decision;
  - c) They have a business or professional relationship with a party to the decision or with a person who will or may derive a material financial benefit from the decision;
  - d) They are a parent, child, or spouse of a party to the decision or of a person who will or may derive a material financial benefit from the decision; or
  - e) They are **otherwise directly or indirectly materially interested**.
43. When Members are weighing up whether to recuse themselves from being involved in a Board decision due to actual, potential or perceived bias (or in order for the Board to be seen to be doing justice), they need to weigh up, more strictly for complaints and inquiries than for registration matters:
- a) Whether they have a material financial interest (same as under the declaration of conflict of interest principles above);
  - b) Whether they were on an Investigating Committee/Investigation Panel in relation to the matter, or have acted for the architect, in which case they should recuse themselves from decision-making by the Board. But for registration matters, the same Board Members can consider a person's application and re-application.
  - c) Whether they are a close personal friend of a party involved in the decision, in which case for disciplinary matters, the Member should recuse themselves from decision-making by the

Board. For registration matters, depending on how close the friendship is, it may be sensible to recuse themselves;

- d) Whether they have a business or family relationship. Since the Act covers this area, probably a level of materiality could be applied, but the safest approach for disciplinary matters would be to apply the high standard of the common law and consider themselves disqualified from involvement in the decision. For registration matters, the materiality tests in the Act would apply.
- e) Whether they have a predetermined view of how the matter should be decided—if so, they should recuse themselves.

### *Professional Integrity*

- 44. Board members may from time to time disagree with colleagues including the Chair or Chief Executive. In general, all Board members should accept the decisions of the Board and the instructions of the Chair, as loyal members of the Board.
- 45. When a Board member cannot accept a Board decision, he or she should consider:
  - making the extent of the dissent and its possible consequences clear to the Board in order to influence the decision
  - asking for additional legal, accounting or other professional advice
  - asking that the decision be postponed to the next meeting to allow time for further consideration and informal discussion
  - tabling a statement of dissent and asking that it be minuted
  - writing to the Chair or all members of the Board, and asking that the letter be filed with the minutes
  - if necessary, resigning and advising the Minister as to the reasons.
- 46. A decision to resign must be communicated in writing to the Minister and the Chair.

### **Relationship with Monitoring Department and Minister**

- 47. The NZRAB's main governmental relationship is with its monitoring Department, MBIE. It is a key convention that bodies like the NZRAB maintain an open and transparent relationship with their monitoring agency. A key feature of this is the 'no surprises' convention under which the Chief Executive ensures that MBIE is alerted to any significant policy changes, public announcements or potential for negative publicity. The key MBIE contact for this will be the Manager of the Board Appointments and Governance team.
- 48. From time to time the NZRAB Board Chair and Chief Executive meet directly with the Minister (ideally twice per year, but this will depend on the Minister's availability and priorities). The meetings and an Agenda should be set up through MBIE, not directly with the Minister's office. This is because the Minister will usually expect the officials to also attend the meeting and to provide any relevant advice to the Minister in advance of the meeting.

## Board members' fees

49. Board members receive payment for their time spent on NZRAB work in accordance with the rates set periodically by the Minister under the Cabinet Fees Framework. The NZRAB's Honoraria Policy sets out how the rates are applied to Board members and also the payment rates for members of Board Committees and for persons acting under delegated authority to exercise functions or duties of the Board.

## Online information for Board members

50. Most of the information pertinent to Board members is available on the public section of the NZRAB website – [www.nzrab.org.nz](http://www.nzrab.org.nz)
51. All policies of the Board are published at - <https://www.nzrab.nz/c/Key-Documents>. This includes the following:

### Registration

- Initial Registration Policy
- Annual Registrations and Voluntary Suspension Policy
- Continuing Registration Policy
- CPD Points Allocation Policy
- Redacting Information from Project in a Case Study Policy

### Public Protection

- Complaints and Discipline Policy
- Privacy Policy
- Fraud Policy

### Finance

- Finance and Delegations Policy
- Honoraria Policy
- Sensitive Expenditure Policy

### HR and Administration

- Appointments Policy
- Bullying Harassment and Discrimination Policy
- Health and Safety Policy
- Internal Complaints Policy
- Personnel Policy

52. There is a section of the website that is only available only to Board members, containing the schedules of Board meetings and claim forms for fees and expenses. Passwords for access can be obtained from the Executive. We are progressively replacing this with BoardPro which is the software we use to schedule meetings, distribute Board meeting packs, managing written resolutions, and the schedule of interests.

## Useful external information resources

53. A guide on integrity and conduct / Public Service Commission – <https://www.publicservice.govt.nz/guidance/guide-he-aratohu/>
54. Crown Entity Resource Centre / Public Service Commission – <https://www.publicservice.govt.nz/system/crown-entities/crown-entity-resource-centre/>
55. Good practice guides / Office of the Controller and Auditor-General – <https://oag.parliament.nz/good-practice>
56. Government Regulatory Practice Initiative / Ministry of Business, Innovation and Employment – <https://www.mbie.govt.nz/cross-government-functions/government-regulatory-practice-initiative/>
57. Treaty of Waitangi resources / State Services Commission – <https://nzhistory.govt.nz/politics/treaty/treaty-faqs#WherecanIobtainprintedbookletsabouttheTreaty>

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