WHAT GOOD LOOKS LIKE

Probity

What is probity?

Probity means honesty and doing the right thing. It is important in the public sector where significant processes need to be conducted with integrity and fairness. Operating fairly means treating people the way they expect to be treated. The public needs confidence that decisions are made impartially, are made for the right reasons, and are not influenced by personal interests or ulterior motives. Failing to apply good practice can also impact probity.

Why does managing probity matter?

Being treated fairly is fundamental in significant processes that confer a benefit or impose a punishment (for example, public sector procurement, commissioning, grants, funding processes, and consenting).

Acting with integrity helps to:

· maintain the trust and confidence of affected parties;

· protect the reputation of your organisation, and staff in high-risk roles;

· establish a culture of appropriate behaviour; and

· resolve ethical dilemmas.

About this guide

This guide is for governors and senior managers. It poses questions and provides some indicators of whether your organisation meets our definition of what good looks like. It can help you manage risks, operate with high ethical standards, and act with probity.

Effective probity management

Establishing an ethical culture to manage probity effectively includes:

· having a **framework** in place – a code of conduct and a principled approach;

· having the right **infrastructure** – awareness, training, and enough information to identify and manage risk;

· being able to **apply** your policies in practice consistently and well – good planning, implementation and decision-making; and

· ensuring that senior managers and governors' **monitoring and review** assure them that probity risk is managed.

Where to find out more

Audit New Zealand's assurance services

New Zealand Government – guidance on managing probity and acting ethically

New Zealand Government – probity checklist

What good looks like: Integrity

What good looks like: Managing conflicts of interest

	10 questions	Indicators of what good looks like
Framework	**1. Is there a code of conduct that guides ethical behaviour?**	· An integrity framework of values, systems, and expected behaviours. · A code of conduct that fosters responsibility and accountability. · A commitment to significant processes being fair and free from bias.

	2. Is your probity framework up to date and consistent with good practice?	· Probity is referenced in key policies.
		· Probity framework guides significant processes.
		· A principles-based approach to probity, which might reference:
		  - the principles of government procurement: plan and manage for great results, be fair to all suppliers, get the right supplier, get the best deal for everyone, and play by the rules;[1]
		  - the Auditor-General's principles for the conduct of public business: integrity, impartiality, accountability, trustworthiness, respect, and responsiveness;[2] or
		  - the Government's five principles of probity: acting fairly, impartially and with integrity, being accountable and transparent, being trustworthy and acting lawfully, managing conflicts of interest, and securing commercially sensitive and confidential information.[3]

Infrastructure	**3. Is there good awareness, training, and guidance?**	· Framework and principles are easy to access and understand. · Staff are trained and supported to identity probity risks and resolve ethical dilemmas.
	4. Do you have information to help plan and manage the probity of high-risk processes?	· Enough data to identify likely sources of probity risk. · Data is accurate, up to date, stored securely, and readily accessible.
Application	**5. Are processes well planned, with probity risks specifically identified and managed?**	· Planning for significant processes specifically covers fairness, transparency, and accountability. · A specific probity plan for high-profile, high-value, high-risk processes.
	6. Are risks from gifts, hospitality, conflicts of interest, confidentiality, and contact identified and managed?	· A process for identifying, considering, and managing risk from conflicts. · Declarations and controls cover gifts, hospitality, confidentiality, and limiting contact with participants in significant processes.
	7. Are significant processes robust?	· Processes are clear, well understood, and applied equally to all parties. · Processes are consistent with good practice and implemented well.
	8. Is your decision-making well informed and documented?	· Decision-making criteria are fair, open, and well understood. Decision-making follows due process. · Appropriate approvals are obtained and documented.
Monitor and review	**9. Do you review your approach? What have you learned?**	· Probity assurance used for high-profile, unusual, or high-risk projects. · Reviews confirm principles are met and codes of conduct followed.
	10. Are governors informed enough to assess whether probity risks are well managed?	· Governors are committed to maintaining trust and confidence. · Governors are assured of probity before approving process outcomes.

1 Ministry of Business, Innovation, and Employment, Government Procurement Rules.

2 Office of the Auditor-General, *Managing conflicts of interest: A guide for the public sector.*

3 Ministry of Business, Innovation, and Employment, Managing probity and acting ethically.