

ACCOUNTABILITY AGREEMENT

- between -

**THE MINISTER FOR
BUILDING AND CONSTRUCTION**

- and -

NEW ZEALAND REGISTERED ARCHITECTS BOARD

- for the period -

1 July 2009 – 30 June 2010

CONTENTS

| | | |
|-----|--|---|
| 1. | PARTIES TO THE ACCOUNTABILITY AGREEMENT | 3 |
| 2. | PURPOSE AND SCOPE | 3 |
| 3. | POLICY FRAMEWORK FOR OCCUPATIONAL REGULATION | 3 |
| 4. | ROLE OF THE BOARD | 3 |
| 5. | ROLE OF THE DEPARTMENT OF BUILDING AND HOUSING | 4 |
| 6. | RELATIONSHIP BETWEEN THE CROWN AND BOARD | 4 |
| 7. | EXPECTATIONS OF BOARD PERFORMANCE | 4 |
| 8. | TERM | 5 |
| 9. | ALTERATION | 5 |
| 10. | ACCOUNTABILITY FOR PERFORMANCE | 5 |
| 11. | FUNDING | 5 |
| 12. | PROVISION OF INFORMATION TO THE DEPARTMENT | 5 |
| 13. | ANNUAL FINANCIAL REPORT AND STATEMENT OF RESPONSIBILITY .. | 5 |
| 14. | LIAISON BETWEEN THE BOARD AND THE MINISTER | 6 |
| 15. | PREPARATION OF OUTPUT AGREEMENT FOR THE NEXT PERIOD | 6 |
| | SCHEDULE ONE - OUTPUTS | 7 |
| | SCHEDULE TWO - NZRAB BUDGET 2009 – 2010 | 9 |

1. PARTIES TO THE ACCOUNTABILITY AGREEMENT

This Accountability Agreement (Agreement) is between the Minister for Building and Construction (the Minister) and the New Zealand Registered Architects Board (the Board). The Department of Building and Housing (the Department) supports the Minister by carrying out the monitoring activities related to the Board's functions.

2. PURPOSE AND SCOPE

The objective of this Agreement is to establish expectations of performance of the Board. The Agreement enables the Minister to monitor the Board, and hold the Board accountable for its performance.

This Agreement sets out the understanding of the Minister and the Board on:

- the expectations of performance of the Board for the year;
- the indicators that will be used to measure these expectations;
- the ways in which the Minister will assess the Board's performance in the delivery on those expectations; and
- other matters relevant to the relationship between the Minister and the Board.

3. POLICY FRAMEWORK FOR OCCUPATIONAL REGULATION

The Crown has a policy framework for occupational regulation, which aims to ensure that certain occupational groups are regulated in order to protect the public from the risks of an occupation being carried out in a negligent, unsatisfactory, or incompetent manner. While the regulation of occupations imposes costs and reduces flexibility, it can also provide assurance that competent people who have the necessary skills are available to carry out work, and that these people have been sufficiently trained and meet the required industry, sector or government standards.

4. ROLE OF THE BOARD

The Board is established under the Registered Architects Act 2005 (the Act). The Board's prime function is to register persons, issue certificates of registration, assess whether persons meet the requirements for continued registration, and perform other functions relating to registration.

It is also the role of the Board to make and have rules relating to registered architects that are prepared and approved in accordance with the Act; to keep and maintain the register and carry out the other functions related to the register in accordance with the Act; to receive, investigate, and hear complaints about, inquire into the conduct of, and discipline, registered architects in accordance with the Act; to provide information to the public about the registration system for registered architects; to perform any functions or duties, or exercise any powers, that are delegated to the Board under any other enactment.

5. ROLE OF THE DEPARTMENT OF BUILDING AND HOUSING

The Board recognises that the Minister has appointed the Department to:

- advise the Minister on issues arising from the Minister's responsibilities in relation to the Board; and
- monitor the delivery by the Board of the expectations specified in the relevant sections of this Agreement and as established by legislation.

The Department will work with the Board to support the achievement of the Board's outcomes.

In particular, the Department will

- provide the Board opportunity to comment on policy and legislative proposals that materially impact the Board and its functions in regard to the general broad scope encompassing Architects (this may also include informing the Board of proposals outside of the Department's direct influence or authority, where possible);
- provide the Board opportunity to comment on relevant papers it has prepared in its role as the Minister's adviser that effect the Board and its functions;
- provide advice to the Board on standard government procedures and requirements for public entities as appropriate.

6. RELATIONSHIP BETWEEN THE CROWN AND BOARD

The Board will, in carrying out its statutory functions, take into account the Crown's broader objectives in respect of implementing and maintaining a system for registration of Architects in New Zealand.

7. EXPECTATIONS OF BOARD PERFORMANCE

The Board will carry out its functions using good governance practice, and with appropriate regard to the public sector environment in which it operates.

Good governance practice includes:

- having effective policies and procedures in place, which are reviewed and updated as necessary
- maintaining effective oversight of the Board's finances, and ensuring that financial resources are used prudently
- engaging with stakeholders regularly
- undertaking decision making consistent with the legislative framework
- reviewing delegations from time-to-time and making adjustments as necessary
- ongoing capability development and driving for service improvement
- ensuring appropriate employment contracting and performance review procedures are in place
- ensuring long term contracting arrangements are reviewed and that performance is regularly monitored

8. TERM

This Agreement commences on 1 July 2009.

9. ALTERATION

The Minister and the Board may amend this Agreement at any time during its term by mutual agreement. Any such amendments will be in writing.

10. ACCOUNTABILITY FOR PERFORMANCE

The Board will report on its performance expectations as specified in this Agreement through its annual report.

The Board and the Minister undertake to revise the performance expectations of the Board to reflect any changes to the role and functions of the Board agreed upon by the Minister and/or Parliament during the period covered by this agreement.

If the Board becomes aware that it will not be able to meet any of the performance expectations in this agreement, the Board will advise the Minister and the Department, as soon as practicable.

11. FUNDING

The Board is funded by fees collected under statutory authority from the Registered Architects Act 2005. It receives no direct Crown funding for its operations.

Any financial reserves held by the Board are to be managed prudently and used in ways that contribute to its goals and are consistent with its statutory functions.

12. PROVISION OF INFORMATION TO THE DEPARTMENT

The Board may invite Department officials to attend Board meetings as appropriate, generally at least once a year.

The Board will also provide to the Department information as required by the Minister, or to enable the Department to carry out its monitoring functions effectively.

The Board will notify the Minister of any potentially contentious issues of public interest that may have a significant impact on the Board.

The Board will advise the Minister and Department of any significant information arising from an auditor's report.

13. ANNUAL FINANCIAL REPORT AND STATEMENT OF RESPONSIBILITY

The Board must prepare its annual financial statements with respect to its affairs for each financial year in accordance with generally accepted accounting practice (within the meaning of section 3 of the Financial Reporting Act 1993, applied as if the Board were a reporting entity)(Section 60). The Board must prepare an annual report on its operations for each financial year (section 58). This report will include information on the performance expectations specified in schedule one of this agreement.

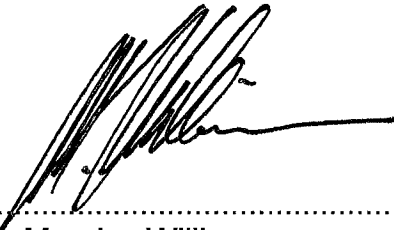
14. LIAISON BETWEEN THE BOARD AND THE MINISTER

The Board and the Minister may wish to meet from time to time in order to discuss issues that either party wishes to raise with the other.

15. PREPARATION OF ACCOUNTABILITY AGREEMENT FOR THE NEXT PERIOD

The Department will provide the Minister with a draft Accountability Agreement by 1 March 2010, developed in consultation with the Board for the 2010 financial year. If a new Accountability Agreement is not completed by the Parties before the commencement of the next reporting year, the Parties will continue to operate under the terms of the existing Agreement.

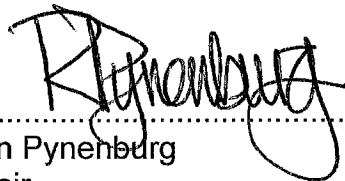
SIGNED:



.....
Hon Maurice Williamson
Minister for Building and Construction

Date:

27/9/2009



.....
Ron Pynenburg
Chair
New Zealand Registered Architects
Board

Date:

20/10/09.

SCHEDULE ONE – Outputs: New Zealand Registered Architects Board 2009/10

| Outcome | Key Performance Indicators |
|---|--|
| Governance | |
| The Board's governance arrangements will be stable, defensible and well understood by those using them. | <p>All Board members have access to a secure website which contains governance resources.</p> <p>All new Board members receive an induction kit within one month of their appointment.</p> |
| The Board will maintain a regular policy review cycle. | All Board policies and the Board manual reviewed every five years. |
| The Board will operate in an open and transparent manner. | <p>The NZRAB's Board minutes and other governance documents made public within one week of being finalised.</p> <p>The NZRAB's annual report delivered to the Minister within one week of the audit report being received and made public within one week of the Minister having received the report.</p> |
| Service Delivery | |
| Registration applicants will be well informed as to the requirements for registration. | Eighty per cent of initial registration applicants say they were well informed as to initial registration requirements. |
| Registration applicants will perceive the Board's initial registration procedures and requirements as being efficient and fair. | <p>Eighty per cent of initial registration applicants see the initial registration procedures as efficient.</p> <p>Eighty per cent of initial registration applicants see the initial registration procedures as fair.</p> |
| Newly registered Architects will understand their obligations and entitlements as Registered Architects and the role of the Board as it impacts on them. | All newly registered architects receive information explaining their obligations and entitlements as Registered Architects. |
| Every five years, or when required, Registered Architects will be reassessed in terms of whether they continue to meet the applicable minimum standards for registration, this being a requirement for ongoing annual registration. | Eighty per cent of each year's competence reviews completed by 1 July and 100 per cent by 31 December. |
| Registered Architects will understand the Board's continuing registration requirements | Up to date information on the Boards Continuing Registration policies and requirements made available to all architects where practicable. |
| The media will know that persons who are not Registered Architects but who nonetheless design buildings should not be described as Architects or confused with Registered Architects. | Appropriate action taken for every protection of title complaint received within three months. |

| | |
|--|---|
| All complaints about the conduct of architects will be investigated and resolved in a timely and just manner in accordance with legislative requirements. | All complaints against architects resolved within 12 months. |
| The outcome of disciplinary procedures, where applicable, will be communicated to the profession to foster best practice. | Where appropriate, reports on resolved discipline cases made available to architects within two months . |
| Strategy and Capability | |
| Good open relationships will be in place with all key stakeholders. | Four newsletters issued annually. Comprehensive information about the registration of architects available to the public at all times . |
| A group of well-informed Registered Architects will be available to undertake registration assessments, Competence Reviews and public protection functions | At least 40 registration assessors available to undertake initial and continuing registration assessments. Registration assessors provided with at least one full day's training annually. |

*Quantifiable/assessable aspects in bold.

SCHEDULE TWO – NZRAB Budget 2009 - 2010

| Income | Budget \$ 09/10 | Actual \$ 08/09 | Budget \$ 08/09 | Notes |
|--|--------------------|--------------------|--------------------|---|
| Application for Registration | 108,600 | 108,323 | 181,000 | Fees (ex GST) \$1810 x 60 applicants |
| Certificate of Registration | 759,500 | 792,016 | 769,300 | \$490 x 1550 architects |
| Voluntary suspension | - | 1,800 | 4,500 | Fee abolished |
| Qualification Equivalency Assessment | 9,900 | 33,000 | 24,000 | \$1500 x 12 P5 applicants + \$450 x 12 P4 applicants |
| Review of Assessment Process | 750 | 1500 | 750 | \$750 x 1 applicant |
| Review of Assessment Process reinstatement | - | -750 | - | Review of Assessment Process fee returned when appeal successful |
| Competence Reviews | - | - | - | \$100 x 0 (desktop) + \$450 x 0 (interactive) – none required till 2011 |
| Interest | 15,000- | 45,733 | - | Current 1 year term deposit rate applied to equity |
| Total | 893,750 | 981,622 | 979,550 | |

| Expenditure | Budget \$ 09/10 | Actual \$ 08/09 | Budget \$ 08/09 | Covers |
|----------------------------------|--------------------|--------------------|--------------------|--|
| Registration | 171,000 | 166,523 | 209,300 | International and Standards Committee costs; Registration Committee costs; APEC membership; AACA competencies fee; Annual & Joint Visiting Panels; initial registration costs; assessors' fees; meetings; training & travel; equivalency assessments; Certificate of Registration; review of registration assessment |
| Continued Registration | 334,700 | 313,010 | 308,240 | Continuing Registration Committee costs; Certificate of Registration printing and mail out; CPD fees to NZIA; Competence Review development, Roadshow |
| Title Protection | 1,000 | - | - | Actions (Legal advice already purchased) |
| Public Protection/ Discipline | 46,700 | 25,470 | 124,710 | Public Protection; Investigation & Disciplinary Committee costs; legal fees; alternative dispute resolution fees |
| Governance | 66,100 | 61,127 | 50,380 | Board administration, meeting expenses, attendance fees, training, travel & accommodation; legal fees |
| Communications | 11,600 | 22,599 | 13,000 | Web & register; publishing, advertising |
| Administration | 337,200 | 326,520 | 355,960 | Audit fees; accounting; employment costs; staff travel & accommodation; rent; office administration costs; equipment hire; depreciation; bank charges; IT support; insurance, print & stationery; tolls and phone; post/couriers |
| Total | 968,300 | 915,249 | 1,061,590 | |
| Balance | -74,550 | 66,373 | -82,040 | |