

## POLICY

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### REGISTER OF INTERESTS POLICY

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#### 1 Introduction

Elected members of the Council have a number of professional and personal interests and roles. Conflicts of interest sometimes cannot be avoided but they need not cause problems when promptly disclosed and well managed. Disclosure by an elected member is voluntary.

This policy is intended to reflect best practice, and will generally be applied by the Council (ie Councillors).

Examples of conflicts include paid outside employment, company directors or commercial relationships that interface with the Council or a Community Board.

#### 2 Policy Context

This policy applies to all elected members, including committees and hearing panels. A disclosure of interest policy is already in place for Council employees.

A conflict of interest occurs when:

- the activities of an elected member leads, or could lead, to material benefit for that elected member concerned or to an external entity, either directly or indirectly, to the detriment, or potential detriment, of the Council.
- the activities of an elected member interfere, or could interfere, with that elected member's fulfilment of their obligations.

If elected members are unclear about the application of this policy to specific circumstances or situations they should seek clarification from the Governance Manager or Chief Executive.

#### 3 Policy Objective

The objective of this policy is to:

- provide best practice guidance to Council members so that such decisions are seen to be transparent and unbiased and without giving rise to any perception of conflict of interest;
- set rules around disclosing actual, potential and perceived conflicts and accepting gifts and other benefits; and
- set out Council's expectations for its members to ensure compliance with the provisions of the legislation and good practice guides listed below;
- preserve public trust in Council by avoiding actual, perceived or potential bias.

#### 4 Policy Statement

Elected members must carry out their duties in an efficient and competent manner and avoid any behaviour which might impair their effectiveness, or damage the integrity or standing of the Council. Thus it is fundamental to the protection of the reputation of Waimakariri District Council that no elected members have, or are perceived to have, a conflict between their official responsibilities and their personal interests.

A conflict of interest can arise where two different interests overlap, i.e. in any situation where an elected member has a financial interest, a private or personal interest or business interest

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sufficient to influence or appear to influence the impartial exercise of their official duties or professional judgment.

Members must at all times avoid situations where their integrity might be questioned or where they may appear to favour one party, supplier or customer over another. In addition, members must act honestly and impartially and in no circumstances reveal or make private use of personal, confidential or other non-public information obtained as a result of their employment by the Council.

The existence of a conflict of interest may not necessarily mean that the elected member concerned has done anything wrong or that the interests of Council or the public have been compromised. For an elected member a conflict of interest that creates risks may be where their duties or responsibilities to Council could be affected by some other interest or duty that they may have. For example, other interests or duties might exist for an elected member because of their own financial affairs; a relationship (private or personal interest) or other role (business interest) that the elected member has; or something the elected member has said or done.

Disclosure provides transparency and protects those concerned from allegations of duplicity and enables the avoidance of being unwittingly placed in situations that may lead to a conflict of interest.

#### 5 Policy Actions

Council members are to conduct themselves at all times under the above principles, ensuring that:

- self-interest or personal factors are not permitted to influence their decision making;
- financial, family, personal or business relationships or interests do not in fact, nor appear to, unfairly advantage or disadvantage the Council, elected members or other individuals or organisations;
- they are not involved in the appointment process of people with whom they have a close personal or family relationship;
- they do not take part in discussions, deliberations, decision-making or voting on a matter in which he/she (or a member of his/her immediate family or a dependent) has a material interest;
- they observe the highest standards of behaviour in accepting gifts or rewards. Any gift that might attract the suspicion of improper motive, or which obligates the individual should not be accepted. In any event all gifts offered (received or not) are to be declared (refer to WDC Gifts & Hospitality Policy and Elected Members' Code of Conduct);
- Council's name, resources, information and time are not used for private or personal benefit without prior written consent of an authorised person;
- any conflict of interest identified is declared as soon as possible;

As part of the induction process, new Council members will receive advice on how to identify, report, and manage conflicts of interest.

**Council members must monitor any business interactions between the Council and any company or organisation in which the member has a material interest and ensure that such business does not exceed \$NZ25,000 (including GST) in value without the prior approval of the Auditor-General.**

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Elected Members shall:

- declare any interests in contracts in the Council's Interest Register;
- discuss any proposed interest in contracts (of whatever value) in advance with the Chief Executive and/or the OAG and follow the advice that they are given;
- not participate in decision-making relating to any contract in which they have an interest;
- not accept any gifts (including hospitality, entertainment) from tendering parties where the Council or community board/committee will be part of the decision-making process.

#### **6 Interests Register**

The Governance Manager will maintain an elected member Interests Registers which is to be updated at least annually (1<sup>st</sup> December) and as required when an elected member declares a conflict of interest at any time during the year.

The Elected Members Interests Register will be published on the Council website and in the Council agenda each December and following any amendment.

#### **7 Links to legislation, other policies and community outcomes**

- Local Authorities (Members Interests) Act 1968
- Managing Conflicts of Interest: Guidance for Public Entities (Office of the Auditor-General)
- Guidance for Members of Local Authorities about the Local Authorities (Members' Interests) Act 1968
- Purchasing Policy (including Tendering) 2017
- Elected Members Code of Conduct.

#### **8 Guidance Notes relating to the making of returns:**

The following explanatory notes are intended to assist members in preparing their returns for the register but a final judgment on interpreting the requirements in the responsibility of the members themselves.

- You may have financial interests that are not covered by the requirements for the register but do need to be declared orally to a committee before you participate in debate relating to that interest. This might include an interest you have acquired but is not due for registration until several months later, or it may relate to an interest of a family member. If in any doubt, you should consider making an oral declaration to the committee before participating in consideration of a related item of business, regardless of any written registration.
- There is no formal requirement to register any change in your interests 1<sup>st</sup> December each year (or any other date required for an initial return) until the next return is required. However the requirements for an oral declaration will apply to any interests that have not been registered.
- At no stage are you required to state the actual value or extent of any interest. You simply need to register its existence.
- If any interest is held jointly with another person or persons, you should indicate the interest. You can list it as jointly owned but do not need to name the other owner(s).

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#### 9 Definitions

- Business entity** means anybody or organisation, whether incorporated or unincorporated, that carries on any profession, trade, manufacture, or undertaking for pecuniary profit, and includes a business activity carried on by a sole proprietor.
- Company means:** a) A company registered under Part 2 of the Companies Act 1993, or  
b) A body corporate that is incorporated outside New Zealand
- Relevant Interest** is when an elected member has a business, financial or personal interest in a company, trust, or community organisation that is likely to do business with council at any time.
- Conflict of Interest** means any situation when a person has a financial, personal or business interest sufficient to influence or appear to influence the impartial exercise of their official Council duties or professional judgement.
- Matter** means the Council's performance of its functions or the exercise of its powers, or an arrangement, agreement or contract the Council has entered into or proposes to enter.
- Member** means elected members of Waimakariri District Council and Community Boards.
- Business Interest** An elected member will have a business interest in an enterprise seeking to do business with the Council if they:
- are a director of the enterprise;
  - are an owner of or partner in the enterprise;
  - have a shareholding in the enterprise;
  - have a close personal or familial relationship with a person who is an owner or partner or significant shareholder in the enterprise.
  - Holds a significant managerial role that trades with Waimakariri District Council.
- Declarations of a Conflict:** is a reference to a real, perceived or potential conflict and is valid for Council, Committees and Community Boards.
- Financial Interest** means anything of monetary value, including but not limited to:
- Salary or payments for service, e.g. consulting fees and honoraria;
  - Equity interests, e.g. stocks, stock options and other ownership interests;
  - Gifts;
  - Allowances, forgiveness of debts, interests in real estate or personal property, dividends, rents, capital gains; and
  - Intellectual property rights, e.g. patents, copyrights and royalties from these rights.
  - The term does not include salary or other remuneration received from or approved by Council.
- Pecuniary Interest:** An interest that involves money.
- Personal Interest** An elected member has a personal interest in a matter if their spouse or partner, or other person in their family with whom there is a close friendship or relationship, could be advantaged or disadvantaged by any decision that the

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staff or elected member either can make, or does make, or is in a position to influence.

**Relevant Interest** is when an elected member has a business, financial or personal interest in a company, trust, or community organisation that is likely to do business with council at any time.

**Spouse/Partner/  
Family:** Under the various Acts pertaining to Conflict or Pecuniary Interests it is also relevant to the elected member if the conflict of interest pertains to their spouse, partner or close family member (ie brother/sister, son/daughter, parent).

#### **10 Adopted by and date**

This Policy was considered and adopted by the Council at its meeting of 1 May 2018.

#### **11 Review**

The Policy was reviewed in November 2019 and will be every six years thereafter, or sooner on request.