

Central Hawke's Bay District Council – Report

TO: Council

FROM: Chief Executive

DATE: 18 September 2008

FILE REF: COU1-801

SUBJECT: REGISTER OF MEMBERS' INTERESTS

1.0 SUMMARY

A Register of Members' Interests is a document where the Mayor and Elected Members of Council declare a personal involvement or interest in properties, businesses, organisations and appointments which may be seen to affect their ability to perform their role as an Elected Member.

2.0 RECOMMENDATION

THAT

Council adopts a Register of Members' Interests for the 2007-2010 term.

REASON

The objective of the decision will contribute to the following community outcomes:

- *Supportive, caring and inclusive communities*
- *Strong regional leadership and sense of belonging.*

3.0 BACKGROUND

While elected members of Council are required to operate in a transparent and unbiased manner, it is important to be seen to be operating in this manner by the community. Council at the beginning of each meeting asks for any conflicts of interest to be declared, however with issues around conflicts of interest, it is believed it may be prudent to have a more formal disclosure of members' interests.

A conflict of interest in any matter before Council must be declared to the meeting, recorded in the minutes and members refrain from discussing or voting on the matter, as is this Council's present practice. The Local Authorities (Members' Interests) Act 1968 applies to the pecuniary interests of members of local authorities, and the Auditor-General recommends that the same procedure be followed for non-pecuniary interests.

One way of expressing the issue is:

Would a reasonable, informed observer think that your impartiality might have been affected.

Councils operate different systems for the disclosure of members' interests.

Hawke's Bay Regional Council, Napier City Council, Hastings District Council and Tararua District Council all require a Register of Members' Interests to be completed at the commencement of each triennial term and it is the responsibility and obligation of elected members to ensure that the register is kept updated with any amendments, during the term.

The register could be included as an item at a Council meeting once every six months where elected members add or remove any interests declared and then sign the register. In this way, members' interests are transparent to the public, kept up to date and a matter of public record as part of the Council meeting minutes.

During the Auditing Review of our systems that is currently taking place, they have asked if Council had a Register of Members' Interests.

4.0 OPTIONS

Option 1

Adopt a Register of Members' Interests for the 2007/2010 term.

Option 2

Council does not have a Register of Members' Interests.

5.0 STATUTORY IMPLICATIONS

Local Authorities (Members Interests) Act 1968

6.0 CONSULTATION

6.1 External

Hastings District Council
 Napier City Council
 Tararua District Council
 Hawke's Bay Regional Council
 Stratford District Council
 Local Government New Zealand
 Office of the Auditor General

6.2 Internal

Chief Executive

7.0 FINANCIAL

N/A

8.0 STRATEGIC LINKS

- Local Government Act 2002
- Local Governance Statement
- Code of Conduct

9.0 POLICY/DELEGATION REFERENCE

Code of Conduct
Local Governance Statement

John Freeman
Chief Executive

MEMO

Chief Executive's Office

TO: Mayor, Barbara Arnott
FROM: Neil Taylor
DATE: 5 August 2008
SUBJECT: Register of Interests

Barbara

I spoke to Sarah Lineham from the Auditor General's Office regarding the issue of register of interests for members and senior staff particularly relating to keeping the information up to date. The Auditor General's Office understands completely that many individuals can change their particular interests regularly and the register of interest is not a tool that becomes a trap, it is a declaration at a point in time so should always be dated and obviously can't provide for every single day to day change. I spoke directly to Sarah Lineham at the Auditor General's Office and her advice is summarised as follows :-

- No specific practice notes
- Update on a regular interval is perfectly appropriate – should be a Council policy
- Does not change the need for vigilance by each member of Council in terms of their responsibility to declare an interest
- The register of interest is only one tool in the transparency box

Neil