

## APPENDIX B2

### REQUIREMENTS FOR A REGISTER OF PECUNIARY AND OTHER SPECIFIED INTERESTS

#### Register of Pecuniary and other Specified Interests of Elected Members of the Christchurch City Council.

##### Background

1. All elected members of the Council will be required to disclose certain assets and interests in an annual *Register of Pecuniary and other Specified Interests*. This register, administered by an independent person appointed as the Registrar of Pecuniary Interests of Elected Members of the Christchurch City Council (the Council), is designed and intended to promote accountability and transparency by identifying personal financial interests that might influence elected members, and to assist the good governance of the City of Christchurch and to meet the obligations provided in the Local Authorities (Members' Interests) Act 1968. The detailed requirements are set out in paragraphs 9 to 24 below.
2. It is important to note that the requirements to disclose do not require the actual amount, value or extent to be included in any disclosure (see paragraph 21 below).
3. Elected members are responsible for ensuring that no conflict exists, or appears to exist, between their personal interests and their public duty. Members must conduct themselves at all times in the knowledge that their role is a public one; appearances and propriety can be as important as an actual conflict of interests. Members should avoid situations in which they, or those close to them, gain remuneration or other advantage from information or other advantage is acquired only by reason of their office.
4. The Charter for the Council includes a Code of Conduct as required under the Local Government Act 2002. The Register should be seen as an integral part of the Code and intended to assist elected members in their complying with the law and the Charter.

##### Types of conflicts of interests

5. A conflict of interest may be pecuniary (that is arising from a member's direct financial interests), or non-pecuniary (concerning, for example, a member of the member's family or whanau). A conflict of interest may be direct or indirect.

Members must consider all types of interest when assessing whether any of their personal interests may conflict, or be perceived to conflict, with their responsibilities as an elected member of the Council.

### Pecuniary interests

6. Pecuniary interests are financial interests such as assets, debts, and gifts. A pecuniary conflict of interest may arise if an elected member could reasonably be perceived as standing to gain or lose financially from decisions or acts for which he or she has a responsibility, or from information to which he or she has access. A pecuniary conflict of interest could, for example, relate to the value of land or shares that the member owns, or the turnover of a business in which a member has an ownership interest.

### Interests of family, whanau, and close associates

7. A conflict of interests may arise if people close to an elected member, such as a member's family, whanau, or close associates, might derive, or be perceived as deriving, some personal, financial, or other benefit from a decision or action to which a member contributed. Members must therefore be careful not to use information which they access in the course of their business as an elected member, in a way that might provide some benefit that would not otherwise occur to family members, whanau, or close associates.
8. Similarly, it may not be appropriate for elected members to participate in the making of any decision on matters affecting family members, whanau or close associates; for example by attempting to intercede or provide a reference or other support for a Council position, or proposing family members, whanau or close associates for appointments or some other benefit that can be provided by the Council, or participating in decisions that may affect the financial position of a family member.

### Pecuniary Interests Requirements

#### Definitions

9. For the purposes of the return and registration of pecuniary interests, unless the context otherwise requires:

**business entity** means any body or organisation, whether incorporated or unincorporated, that carries on any profession, trade, manufacture or any undertaking for pecuniary profit, and includes a business activity carried on by a sole proprietor;

**company** means a company registered under Part 2 of the Companies Act 1993, or a body corporate that is incorporated outside New Zealand;

**effective date of the return** means the date at which the return is effective as required by paragraphs 10 to 13;

**employed** means a person employed under a contract of service, but does not include holding the position of an elected member of the Council or any other position for which the person in question would not be qualified unless he or she had been elected a member of the Council;

**election** means the election that takes place on a prescribed date for the election of members of the Council;

**register** means the Register of Pecuniary and other Specified Interests established in accordance with paragraph 1 above;

**registrar** means the person appointed to manage the process for the Register of Pecuniary Interests for the Christchurch City Council and to publish the Register based on returns provided by elected members;

**voting right** means a currently exercisable right to cast a vote at meetings of the owners or proprietors of any business entity, not being a right to vote that is exercisable only in relation to a special, immaterial, or remote matter that is inconsequential to control of the entity;

Every reference in this document to a person elected at an election includes a person elected as a consequence of any process following an election that confirms the election of a member of the Council following a Council election.

### **Duty to make return of pecuniary and other specified interests**

10. Every elected member must make an initial return of pecuniary and other specified interests as at the day that is 90 days after the date that the member is declared to be a duly elected member of the Council.
11. An initial return must be transmitted by the member to the registrar within 30 days of the effective date of the return.
12. Every member must make an annual return of pecuniary and other specified interests in each year as at 31 January.
13. The annual return must be transmitted to the registrar by 28 February in each year in which an annual return must be made.

### **Contents of return relating to a member's position as at effective date of return**

14. Every return of pecuniary interests transmitted to the registrar must contain the following information as at the effective date of the return:
  - (a) the name of each company of which the elected member is a director or holds or controls more than 10% of the voting rights, and a description of the main business activities of each of those companies;
  - (b) the name of every other company or business entity in which the member has a pecuniary interest, and a description of the main business activities of each of those companies or entities;
  - (c) if the elected member is employed, the name of each employer of the member, and a description of the main business activities of each of those employers;
  - (d) the name of each trust in which the elected member has a beneficial interest;
  - (e) if the elected member is a member of the governing body of an organisation, or a trustee of a trust that receives, or has applied to receive funding from the Council, the name of that organisation or trust, and a description of the main activities of that organisation or trust;
  - (f) the title and description of any organisation in which the elected member holds an appointment by virtue of being an elected member of the Council;
  - (g) the location of each parcel of real property in which the elected member has a pecuniary interest, unless the member has no beneficial interest in that real property;
  - (h) the name of each debtor of the elected member who owes more than \$50,000 to the member, and a description of each of the debts that are owed to the member by those debtors;
  - (i) the name of each creditor of the elected member to whom the member owes more than \$50,000, and a description of each of the debts that are owed by the member to those creditors.
15. For the purpose of 14(b) above an elected member does not have a pecuniary interest in a company or business entity (entity A) merely because the member has a pecuniary interest in another company or business entity that has a pecuniary interest in entity A.

### **Debts owed by certain family members do not have to be disclosed**

16. An elected member does not have to disclose the name of any debtor of the member and a description of the debt owed by that debtor if the debtor is the member's spouse or domestic partner, or any parent, child, step child, foster-child or grandchild of the member.

### **Short term debts for supply of goods or services do not have to be disclosed**

17. An elected member does not have to disclose the name of any debtor or creditor of the member and a description of the debt owed by that debtor or to that creditor if the debt is for the supply of goods or services and payment is required within 90 days after the supply of the goods or services, or because the supply of the goods or services is continuous and periodic invoices are rendered for the goods or services within 90 days after the date of an invoice rendered for those goods or services.

### **Contents of return relating to an elected member's travel activities, any receipt of gifts, discharged debts, and payment for activities or services, for period ending on effective date of return**

18. Every return must contain the following information for the period specified in paragraphs 18 to 20 but note paragraph 21.
- (a) for each country (other than New Zealand) that the elected member travelled to:
    - (i) the name of the country;
    - (ii) the purpose of travelling to the country;
    - (iii) the name of each person, organisation or other source that contributed (in whole or in part) to the costs of the travel to and from the country;
    - (iv) the name of each person, organisation or other source that contributed (in whole or in part) to the accommodation costs incurred by the member during the travel;
  - (b) a description of any gift (including hospitality and donations in cash or kind) received by the member that has an estimated market value in New Zealand of more than \$500, and the name of the donor of any gift (if known or reasonably ascertainable by the member);
  - (c) A description of all debts of more than \$500 that were owing by the member that were discharged or paid (in whole or in part) by any other person and the names of any such person;
  - (d) A description of payments received by the member for activities or services in which the member is and was involved at the time of his or her election, but not including remuneration or allowances received from the Christchurch City Council for being an elected member of the Council.

19. The information referred to in paragraph 18 (a) above does not have to be included in the return if the travel costs and/or accommodation costs were paid in full by the following or any combination of the following:
- (a) the member him or herself
  - (b) the member's spouse or domestic partner
  - (c) any parent, child, step-child, foster-child or grandchild of the member.
20. The period for which the information specified in paragraph 18 above must be provided is the 12 month period ending on the effective date of the return, but:
- (a) A member does not have to include any information specified in paragraph 18 above that has been included in a previous return, or
  - (b) If the member is elected at an election and the member was not a member of the Council immediately before that election, and the return is the first return required to be made by the member after that election, the period for which the information must be provided is the period beginning on polling day for that election and ending on the effective date of that return.

**Actual value, amount or extent not required to be disclosed**

21. Nothing in this requirement to register a pecuniary interest requires any elected member to disclose the actual value, amount, or extent of any asset, payment, interest, gift, contribution or debt.

**Form of Returns**

22. Returns must be in a form approved by the Registrar.

**Functions of the Registrar**

23. The functions of the Registrar are to:
- (a) compile and maintain the register;
  - (b) provide advice and guidance to elected members in connection with their obligations under this Requirement;
  - (c) within 90 days of the due date for transmitting any initial returns that are required to be made following an election of members of the Council, cause to be published on the Council website and in booklet form a summary containing a fair and accurate description of the information contained in those initial returns;
  - (d) within 90 days of the due date for transmitting annual returns, cause to be published on the Council website and in booklet form a summary containing information provided in those annual returns that have been transmitted to him by persons who, as at the date of publication are elected Council members;
  - (e) to promptly provide to all elected members of the Council and to the Council's chief executive a copy of the booklet;

- (f) to ensure that a summary containing a fair and accurate description of information contained in all returns provided by elected members is:
  - (i) maintained on the Council website;
  - (ii) available for inspection by any person on every working day during normal Council opening hour;
- (g) ensure that all returns and information held by him or her relating to an individual elected member (other than information that is required to be published under 23 (c) and (d) above) are confidential and that immediately following the election of a new Council all returns and information relating to individual members of the previous Council are destroyed.

#### **Responsibilities of Elected Members**

24. It is the responsibility of each elected member to ensure that he or she fulfils the obligations imposed on members by this Requirement.