

## **APPENDIX B1**

# **PROPOSAL FOR A REGISTER OF PECUNIARY AND OTHER SPECIFIED INTERESTS FOR ELECTED MEMBERS (INCLUDING THE MAYOR) OF THE CHRISTCHURCH CITY COUNCIL**

### **OBSERVATIONS**

1. The then elected Mayor and Councillors of the Christchurch City Council (the Council) accepted a “Charter for Christchurch City Council (the Charter) on 17 May 2012.
2. The cover sheet of the Charter states:

“This charter is to document in one place, operations and guidelines, and reflects all parties’ commitment to the good governance of the city and the fulfilment of statutory responsibilities.”
3. The provision of a “Register of Pecuniary and other Specified Interests” is a process to further the objective of good governance to which elected members have committed and the fulfilment of all responsibilities as an elected person to be the Mayor or a Councillor of the Christchurch City Council.
4. The emergence of transparent processes to ensure publicly available information of relevance to the governors for the governed, is seen as desirable throughout business (of which elected councils can be seen as part), voluntary organisations such as registered charities, and other public organisations with appointed members, including Crown Entities. This is part of a range of new approaches to assist in managing conflict of interest issues in governance.
5. The Local Government Act 2002 contains principles and processes that, inter alia, require a local authority to conduct its business in an open, transparent and democratically accountable manner. Any local authority should ensure that the role and function of democratic governance of the community, and the expected conduct of elected members is clear and understood, and that the governance structures and

processes are effective, open and transparent. The disclosure of pecuniary and other specified interests by elected members, and making such disclosures publically available through a person independent of the Council, is one of the processes that will assist in ensuring democratic governance and establishing public confidence in the democratic process and its elected representatives. It seems clear, for whatever reason, that there is a crisis in public confidence in public and commercial organisations.

6. As the Office of the Auditor-General has stated:

“In a small country like ours, conflicts of interest in our working lives are natural and unavoidable. The existence of a conflict of interest does not necessarily mean that someone has done something wrong, and it need not cause problems. It just needs to be identified and managed carefully.”

(emphasis added)

7. Of particular relevance is the fact, that since 2006, members of Parliament have been required, in accordance with the Standing Orders of the House of Representatives, to provide information of certain personal interests as identified in the Standing Orders. This process is now seen by members as responsible and reasonable and, so I am informed, is complied with without dissent.

8. An intelligent and judicious process to establish a register of pecuniary and other specified interests for the Council that does not create barriers or impose intrusive obligations, but can give confidence in the democratic process in both the governors and the governed, is a wise and useful step. It will also be a step that will enhance the status and credibility of the City’s authority and management at the central government level.

9. The register should be designed to meet two essential criteria. The first, as outlined above is, in summary, to provide transparency in the governance of the Council, to increase public confidence, and to enhance the democratic process. The second is to protect elected members in the event of scrutiny and public criticism. Such a register is not a recital of wealth or indebtedness. It should disclose the kinds of interests disclosed by an elected member and not their individual value or specific location.

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