



PALMERSTON NORTH CITY COUNCIL

CODE OF CONDUCT

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PART ONE: INTRODUCTION

Schedule 7 of the Local Government Act 2002 (the Act) requires each local authority to adopt a code of conduct. Once adopted, all elected members are required to comply with the code.

This code of conduct (the “Code”) provides guidance on the standards of behaviour that are expected from the Mayor and elected members of the Palmerston North City Council. The Code extends to all elected and appointed members of Council committees and sub-committees.

The Code applies to the Mayor and elected and appointed members in their dealings with:

- Each other.
- The Chief Executive.
- All staff employed by the Chief Executive on behalf of the Council.
- The media.
- The general public.

The objectives of the Code are to enhance:

- The effectiveness of the Council as the autonomous local authority with statutory responsibilities for the good local governance of Palmerston North City.
- The credibility and accountability of the Council within its community.
- Mutual trust, respect and tolerance between the elected and appointed members as a group and between the elected and appointed members and management.

The Code seeks to achieve its objectives by recording:

- An agreed statement of roles and responsibilities (see Part Two of the Code).
- Agreed general principles of conduct (see Part Three of the Code).
- Specific codes of conduct applying to particular circumstances or matters (also see Part Three of the Code).
- An agreed procedure for the resolution of alleged breaches of the Code (see Part Four of the Code).

Elected members are primarily accountable to the electors of the City through the democratic process. However both elected and appointed members must note that the Auditor-General may hold them to account for unlawful actions or expenditure or for breaches of the Local Authorities (Members’ Interests) Act 1968 (see Appendix to this Code).

The Code is based on the following general principles of good governance:

- **Public Interest:** Members should serve only the interests of the City as a whole and never improperly confer an advantage or disadvantage on any one person or discrete group of people.
- **Honesty and Integrity:** Members should act with honesty and integrity and not place themselves in situations where those qualities may be questioned, nor behave improperly and on all occasions should avoid the appearance of such behaviour.
- **Objectivity:** Members should impartially make decisions on merit including making appointments, awarding contracts, or recommending individuals for rewards or benefits. Elected members should also note that, once elected, their primary duty is to the interests of the entire City.
- **Accountability:** Members should be accountable to the public for their actions and the manner in which they carry out their responsibilities, and cooperate fully and honestly with the scrutiny appropriate to their particular office.
- **Openness:** Members should be as open as possible about their actions and those of the Council, and be prepared to justify their actions.
- **Personal Judgment:** Members can and will take account of the view of others, but should reach their own conclusions on the issues before them, and act in accordance with those conclusions.
- **Respect for Others:** Members should promote equality by not discriminating unlawfully against any person and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation, or disability. They should respect the impartiality and integrity of the Council staff and should interact with each other in a respectful manner.
- **Duty to Uphold the Law:** Members should uphold the law, and on all occasions, act in accordance with the trust the public places in them.
- **Stewardship:** Members must ensure that the Council uses resources prudently and for lawful purposes, and that the Council maintains sufficient resources to meet its statutory obligations.
- **Leadership:** Members should promote and support these principles by example, and always endeavour to act in the best interests of the community.

PART TWO: ROLES AND RESPONSIBILITIES

This part of the Code describes the roles and responsibilities of elected members, the additional roles of the Mayor and Deputy Mayor as well as the role of appointed members and the Chief Executive.

2.1 Elected Members

Elected members are elected by the city as a whole and, acting together as the Council are responsible for:

- The development and adoption of Council goals, objectives and policies.
- Monitoring the performance of the Council against its stated goals, objectives and policies.
- Prudent stewardship of Council resources.
- Employment of the Chief Executive.
- Representing the interests of the residents and ratepayers of Palmerston North City - on election, the members' first responsibility is to the City as a whole.

Unless otherwise provided in the Local Government Act 2002 or in standing orders, the Council can only act by majority decisions at meetings. Each member, including any person chairing a meeting, has only one vote. If the vote is tied, the motion is lost.

No individual member has authority to act on behalf of the Council unless the Council has expressly delegated such authority to him or her.

2.2 Mayor

The Mayor is elected by the City as a whole and as one of the elected members shares the same responsibilities as other members of the Council. The Mayor also has the following roles and powers:

- Appointment of the Deputy Mayor.
- Establishment of committees and the appointment of committee chairpersons.
- Leading the development of Council's plans (including the long term plan and annual plan), policies, and budgets for consideration by the members of the Council.
- Presiding as chairperson at Council meetings. The Mayor is responsible for ensuring the orderly conduct of business during meetings as determined in standing orders.
- Advocating on behalf of the community. This role may involve promoting the community and representing its interests. Mayoral advocacy will be most effective where it is carried out with the knowledge and support of the Council. The Mayor has no authority to act on behalf of the Council unless the Council has expressly delegated such authority.

- Acting as ceremonial head of the Council.
- Providing leadership and feedback to other elected members on teamwork and chairpersonship of committees.
- Being a Justice of the Peace during the period the Mayor holds office.

The Mayor must follow the same rules as other elected members about making public statements and committing the Council to a particular course of action.

2.3 Deputy Mayor

The Deputy Mayor is usually appointed by the Mayor. The Deputy Mayor generally exercises the same roles as other elected members. If the Mayor is absent or incapacitated, the Deputy Mayor must perform all of the responsibilities and duties, and may exercise the powers of the Mayor. The Deputy Mayor may be removed from office by resolution of the Council.

2.4 Committee Chairperson

The Council may create one or more committees of the Council. A committee chairperson presides over all meetings of the committee, ensuring that the committee acts within the powers delegated to it by the Council, and as set out in the committee's Terms of Reference and Council's Delegations Manual. A committee chairperson may be called on by the Mayor to act as an official spokesperson on a particular issue. They may be removed from office by resolution of the Council.

2.5 Appointed Members

The Council may appoint members of the public to any of its committees and a committee may appoint members of the public to sub-committees (with the prior approval of the Council) if it believes they have a significant contribution to make to the work of the committee or sub-committee. Appointed members also include the Chairperson and members of the Council's District Licensing Committee and all persons appointed by the Council to consider matters under the Resource Management Act 1991. Appointed members are subject to this Code. They will be made aware of this and will be provided a link to the on-line version, or a hard copy, of the Code upon their appointment.

2.6 Chief Executive

The Chief Executive is appointed by the Council in accordance with section 42 of the Local Government Act 2002. The Chief Executive is responsible for implementing the Council's policies and decisions so as to accomplish its objectives within the budgetary constraints established by the Council. In terms of section 42 of the Act, the responsibilities of the Chief Executive are:

- Implementing the decisions of the local authority.
- Providing advice to the local authority.

- Ensuring that all responsibilities, duties and powers delegated to the Chief Executive or to any person employed by the Chief Executive, or imposed or conferred by any Act, regulation or bylaw are properly performed or exercised.
- Managing the activities of the local authority effectively and efficiently.
- Maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the local authority.
- Providing leadership for the staff of the local authority.
- Employing staff on behalf of the local authority (including negotiation of the terms of employment for the staff of the local authority).

Under section 42 of the Local Government Act 2002 the Chief Executive employs all other staff on behalf of the local authority.

PART THREE: RELATIONSHIPS AND BEHAVIOURS

3.1 Relationships with Other Members

Successful teamwork is a critical element in the success of any democratically elected organisation. No team will be effective unless mutual respect exists between members. To achieve this objective elected and appointed members should conduct their dealings with each other in ways that:

- Maintain public confidence in the office to which they have been elected.
- Are open and honest.
- Focus on issues rather than personalities.
- Avoid behaviour which would be seen, by society in general, as aggressive, offensive or abusive conduct.

3.2 Relationships with Staff

The effective performance of the Council also requires a high level of cooperation and mutual respect between elected and appointed members and staff. To ensure that level of cooperation and trust is maintained, elected and appointed members will:

- Recognise that the Chief Executive, (on behalf of the Council), is the employer of all Council employees. Only the Chief Executive may hire, dismiss, instruct or censure any employee.
- Make themselves aware of the obligations that the Council and the Chief Executive have as employers and observe those requirements at all times.
- Treat all employees with courtesy and respect, including the avoidance of behaviour which would be seen, by society in general, as aggressive, offensive or abusive conduct towards employees.
- Observe any guidelines that the Chief Executive puts in place regarding contact with employees.
- Not do anything which compromises, or could reasonably be seen as compromising, the impartiality of an employee.
- Avoid publicly criticising any employee in any way that reflects on the competence and integrity of the employee.
- Raise concerns about employees only with the Mayor or Chief Executive, and concerns about the Chief Executive only with the Mayor or the Chief Executive's Performance Appraisal Panel.

Elected members should be aware that failure to observe this section of the Code may compromise the Council's obligations to act as a good employer and may expose the Council to civil litigation and audit sanctions.

3.3 Relationships with the Community

Effective Council decision-making depends on productive relationships between elected members and the community at large.

Members should ensure that individual citizens are accorded respect in their dealings with the Council and have their concerns heard and deliberated on in accordance with the requirements of the Act.

Members should act in a manner that encourages and values community involvement in local democracy.

The expectations set out above also apply, as far as practicable, to comments made and images taken by elected and appointed members and published in any form of social media.

3.4 Contact with the Media

The media plays an important part in local democracy. In order to fulfil this role the media needs access to accurate, timely information about the affairs of the Council. From time to time, individual members will be approached to comment on a particular issue either on behalf of the Council, or as an elected member in their own right. This part of the Code deals with the rights and duties of Councillors when speaking to the media on behalf of the Council, or in their own right.

The following rules apply for media contact on behalf of the Council:

- The Mayor is the first point of contact for the official view on any issue. Where the Mayor is absent, any matters will be referred to the Deputy Mayor or relevant committee chairperson.
- The Mayor may refer any matter to the relevant committee chairperson or to a member holding a relevant portfolio or to the Chief Executive for his or her comment.
- No other member may comment on behalf of the Council without having first obtained the approval of the Mayor.

Elected and appointed members are free to express a personal view in the media, at any time, provided the following rules are observed:

- Media comments must not state or imply that they represent the views of the Council.
- Where an elected member is making a statement that is contrary to a Council decision or Council policy, the member must not state or imply that the statement represents a majority view.
- Media comments must be consistent with all other requirements of the Code.

3.5 Confidential Information

In the course of their duties elected and appointed members will occasionally receive information that may need to be treated as confidential. This will generally be information that is either commercially sensitive or is personal to a particular individual or organisation.

Elected and appointed members must not use or disclose confidential information for any purpose other than the purpose for which the information was supplied to the member.

Elected and appointed members should be aware that failure to observe these provisions will impede the performance of the Council by inhibiting the flow of information and undermining public confidence in the Council. Failure to observe these provisions may also expose the Council to prosecution under the Privacy Act 1993 and civil litigation.

3.6 Conflicts of Interest

Elected and appointed members must be careful that they maintain a clear separation between their personal interests and their duties as a member of the Council, a committee or sub-committee. This is to ensure that people who fill positions of authority carry on their duties free from bias (whether real or perceived). Members therefore need to familiarise themselves with the provisions of the Local Authorities (Members' Interests) Act 1968 which concerns financial interests, and with other legal requirements concerning non-financial conflicts of interest such as the common law rule against bias.

The Act provides that an elected member is disqualified from office, or from election to office, if that member is concerned or interested in contracts under which payments made by or on behalf of the local authority exceed \$25,000 in any financial year.

Additionally, elected and appointed members are prohibited from participating in any Council discussion or vote on any matter in which they have a pecuniary interest, other than an interest in common with the general public. The same rules also apply where the member's spouse contracts with the authority or has a pecuniary interest. Members must declare their interests at Council meetings where matters in which they have a pecuniary interest arise.

Elected members must make a general declaration of interest annually and as soon as practicable after becoming aware of any new interests. These declarations are recorded in a register of interests maintained by Council. The declaration must notify the Council of the nature and extent of any interest, including:

- Any employment, trade or profession carried on by the member or the member's spouse for profit or gain.
- Any company, trust, partnership etc. for which the member or their spouse is a director, partner, trustee or beneficiary.
- The address of any land in which the member has a legal or beneficial interest and which is in Palmerston North City. A beneficial interest in land is an interest where the member is not the legal owner of the freehold or leasehold estate, but has some right to the land which might be the right of occupation of the land or a

right to the income or proceeds of sale of the land, or a share of such income or sale proceeds.

- The address of any land where the landlord is the Palmerston North City Council and:
 - The member or their spouse is a tenant; or
 - The land is tenanted by a firm in which the member or spouse is a partner, or a company of which the member or spouse is a director, or a trust of which the member or spouse is a trustee or beneficiary.
- Any other matters which the public might reasonably regard as likely to influence the member's actions during the course of their duties as a member.

Appointed members are not required to make a declaration but are advised to do so if their business or other activities might reasonably be regarded as likely to influence the member's actions during the course of their duties as a member.

Declarations of interest from elected and appointed members are available for public inspection at any time.

In addition to the statutory rules under the Local Authorities (Members' Interests) Act 1968, members are also subject to the common law rules governing conflicts of interest. These can be broad in nature and include non-pecuniary matters. They arise where a member's duties to the local authority could be affected by some other interest or duty that the member may have. This includes rules against bias which arises if a member might unfairly regard with favour (or disfavour) the case of a party to the issue under consideration.

If the member is in any doubt as to whether or not a particular course of action including a decision to take no action raises a conflict of interest, then the member should immediately seek guidance from the Chief Executive.

Members may also contact the Office of the Auditor-General for guidance as to whether that member has a pecuniary interest. If there is a pecuniary interest, the member may seek an exemption to allow that member to participate or vote on a particular issue in which they may have a pecuniary interest. The latter must be done before the discussion or vote. The Chief Executive must also seek approval from the Office of the Auditor-General for contractual payments to members, their spouses or their companies that exceed the \$25,000 annual limit.

Failure to observe the requirements of the Local Authorities (Members' Interests) Act 1968 could potentially invalidate the particular decision made, or the action taken, by the Council. Failure to observe these requirements could also leave the elected member open to prosecution under the Local Authorities (Members' Interests) Act 1968. In the event of a conviction elected members can be ousted from office.

3.7 Standing Orders

Elected and appointed members must adhere to any standing orders adopted by the Council under the Local Government Act 2002. Those standing orders are subject to the same legal requirements as a code of conduct with regard to their adoption and amendment.

3.8 Ethics

Palmerston North City Council seeks to promote the highest standards of ethical conduct amongst its elected members. Accordingly, elected members in relation to Council activities will:

- Claim only for legitimate expenses as laid down by any determination of the Remuneration Authority then in force, and any lawful policy of the Council developed in accordance with that determination.
- Not influence, or attempt to influence, any Council employee to take actions that may benefit the member, or the member's family or business interests.
- Not use Council resources for personal business unless approved by the Council, including campaigning for election or promotion of a particular point of view.
- Not solicit, demand, or request any gift, reward or benefit by virtue of their position.
- Where a gift to the value of \$100 or more is received by virtue of their position as a member, immediately disclose this to the Chief Executive for inclusion in the publicly available register of interests.

3.9 Dress Code

Elected members must maintain a reasonable standard of dress when attending Civic Functions, Council meetings and committee meetings.

3.10 Disqualification of Members from Office

Elected members are automatically disqualified from office if they:

- Are convicted of a criminal offence punishable by two or more years imprisonment; or
- Breach the provisions of or are convicted of an offence under the Local Authorities (Members' Interests) Act 1968; or
- Cease to be or lose their status as a parliamentary elector.

The Council requires elected members who are declared bankrupt to notify the Chief Executive as soon as practicable after being declared bankrupt. The Chief Executive will then notify the Mayor and all other elected members.

PART FOUR: COMPLIANCE AND REVIEW

In this Part, 'complainant' and 'member' refer to the singular or the plural as the context may require.

4.1 Compliance

Elected members must note that they are bound to comply with the provisions of the Code pursuant to the Local Government Act 2002, Schedule 7, clause 15(4). The Council also requires appointed members to comply with this Code.

Members are also bound by the other legislative provisions, in particular those of the Local Government Act 2002, the Local Authorities (Members' Interests) Act 1968, the Local Government Official Information and Meetings Act 1987, the Secret Commissions Act 1910, the Crimes Act 1961 and the Financial Markets Conduct Act 2013. The Chief Executive will ensure that an explanation of these Acts is made at the first meeting after each triennial election and that copies of these Acts are available to elected members. Short explanations of the obligations each of these impose with respect to conduct of elected members are attached in the Appendix to this Code.

4.2 Making and Withdrawing a Complaint

A complaint may be initiated by any elected member or the Chief Executive. A complaint may be made jointly by more than one person. A single complaint may be made jointly against more than one member. The rules of natural justice will be applied in all cases.

Any allegation of a breach of the Code must be in writing, making a specific allegation of a breach of the Code, and the complainant must provide corroborating evidence.

All complaints should be addressed to and delivered to the Chief Executive.

A complainant may withdraw his or her complaint at any time.

All alleged breaches of the Code, whether by elected or appointed members, will be investigated in the manner set out below in clauses 4.3 to 4.6.

4.3 Informal Resolution of Complaints

Before any formal investigation of a complaint is commenced, the Chief Executive will endeavour to settle or resolve the complaint informally. This could involve seeking assistance or the advice of a suitable third party. However, where a complaint is instigated by the Chief Executive and is not about the Mayor or Deputy Mayor, the Mayor will endeavour to settle or resolve the complaint informally. Where a complaint instigated by the Chief Executive is about the Mayor or Deputy Mayor, the independent legal counsel will endeavour to settle or resolve the complaint informally.

As part of this process, the member against whom the complaint is made will be provided with a copy of the allegations against him or her and the corroborative evidence provided with the complaint.

4.4 Preliminary Investigation of Complaints

Subject to the outcome of the informal process described in clause 4.3, all complaints will be investigated by the Mayor and Chief Executive in the first instance, except that if the complaint is:

- About the Mayor or Deputy Mayor, the investigation would be undertaken by the Chief Executive and independent legal counsel who is to be appointed by PNCC's in-house legal counsel.
- Instigated by the Chief Executive and is not about the Mayor or Deputy Mayor, the investigation will be undertaken by the Mayor and independent legal counsel who is to be appointed by PNCC's in-house legal counsel.
- Instigated by the Chief Executive and is about the Mayor or Deputy Mayor, the investigation will be undertaken by independent legal counsel alone who is to be appointed by PNCC's in-house legal counsel.

The preliminary investigation will be undertaken on the basis of information provided with the complaint and any additional information requested by those undertaking the preliminary investigation.

Those undertaking the preliminary investigation shall prepare a written report stating whether or not they consider there is a case to answer (the "Report"). This Report shall include reasons. A copy of the Report shall immediately be provided to each of the complainant and the member alleged to have breached the Code.

If those undertaking the preliminary investigation are unable to agree, the matter will automatically proceed to mediation.

4.5 Mediation

If the Report states that there is no case to answer the complainant may elect to proceed with the complaint provided the complainant makes such election in writing within 10 working days of the date of the Report. If the complainant does not make such an election in writing within 10 working days of the date of the Report the complaint shall be deemed to have been withdrawn and no further action will be taken.

If the Report states that there is a case to answer, or the complainant elects to proceed with the complaint despite the Report stating that there is no case to answer, those undertaking the preliminary investigation shall, within 15 working days of the date of the Report, appoint an independent mediator to seek to resolve the complaint to the satisfaction of both the complainant and the member.

In appointing the mediator those undertaking the preliminary investigation shall first endeavour to appoint a mediator mutually agreeable to the complainant and the member. If, however, within 20 working days of the date of the Report the complainant and the member have not agreed on a mediator, those undertaking the preliminary investigation may appoint a mediator provided such person is a member on the Arbitrators' and Mediators' Institute of New Zealand Incorporated or its successor.

Mediation shall be private and confidential and any agreed settlement in writing signed by the complainant and the member shall be binding on the parties. The mediator shall

be empowered and required to inform, at the end of the mediation, those people who carried out the preliminary investigation whether or not an agreement was reached through the mediation (without disclosing any agreement made).

If no mutual agreement is reached at mediation, the matter will be referred by those undertaking the preliminary investigation to a panel comprised of three members of the public suitably familiar with local government and qualified in arbitration, ethics and/or local government itself to carry out a hearing and to make a recommendation to the Council. The members of the panel will be appointed by the Council.

Any complaints that have been resolved formally or by mediation are to be reported to the Council without the requirement to state the specifics of the resolution

4.6 Hearing of Complaints

If the alleged breach of the Code proceeds to a hearing, the following procedures will generally apply:

- The person who is the subject of the complaint will be given at least 20 working days notice of the hearing and the procedure to be followed at it. A copy of the complaint will be sent to that person at the time this notice is given.
- The complainant and the person who is the subject of the complaint will be entitled to appear and speak at the hearing. He or she may be supported by any person of their choice who may also address the hearing and may table relevant information or request that this information be pre-circulated before the hearing.
- On hearing each complaint, the panel will first decide whether the hearing will be heard in an open meeting or with the public excluded. Where the alleged breach relates to the misuse of confidential information or could impinge on the privacy of a member of staff or of the general public, the hearing will be held with the public excluded. Otherwise the hearing will be held in public.
- In either event, after all parties' evidence and submissions have been heard, the panel will, unless it otherwise decides, continue its deliberations with the public excluded for the purpose of discussing the complaint, evidence and submissions and will prepare a report for consideration of the Council. The report will include a recommendation concerning whether or not the complaint should be upheld and the reasons the panel reached its conclusion, and, if appropriate, a recommendation concerning any action the Council should take in terms of Clause 4.7 of this Code.
- The Council will determine whether the panel's report will be considered in an open meeting of the Council or with the public excluded, in accordance with the requirements of the Local Government Official Information and Meetings Act 1987. Where the alleged breach relates to the misuse of confidential information or could impinge on the privacy of a member of staff or of the general public, the meeting will be held with the public excluded.
- The Council may adopt, modify or reject the panel's recommendation(s) regarding the complaint, but in the event of rejection of the recommendation(s) must rehear the complaint itself following the procedure set out above before substituting a different decision.

4.7 Responses to Breaches of the Code

The exact nature of the action the Council may take depends on the nature of the breach and whether there are statutory provisions dealing with the breach.

Where there are statutory provisions:

- Breaches relating to members' interests render members liable for prosecution by the Auditor-General under the Local Authorities (Members' Interests) Act 1968.
- Breaches which result in the Council suffering financial loss or damage may be reported on by the Auditor-General under the Local Government Act 2002, which may result in an elected member having to make good the loss or damage.
- Breaches relating to the commission of a criminal offence may leave the elected or appointed member liable for criminal prosecution.

In these cases, the Council may refer an issue to, or any member of the public may make a complaint to, the relevant body,. Alternatively, the body itself may take action of its own initiative.

Where there are no statutory provisions, the Council may take the following action:

- Censure.
- Removal of the elected or appointed member from Council committees and/or other representative type bodies.
- Dismissal of the elected member from a position as Deputy Mayor or chair of a committee.
- Dismissal of the appointed member from a committee.
- Removal of a portfolio or portfolios.

A decision to apply one or more of these actions requires a Council resolution in the appropriate terms.

4.8 Review

Once adopted, a code of conduct continues in force until amended by the Council. The Code can be amended at any time but cannot be revoked unless the Council replaces it with another Code. Once adopted, amendments to the Code require a resolution supported by 75 per cent or more of the members of the Council present.

The Council will formally review the Code as soon as practicable after the beginning of each triennium. The results of that review will be presented to the Council for its consideration and approval while any amendment will require a resolution supported by 75 percent or more of the members of the Council present.

APPENDIX TO THE CODE: LEGISLATION BEARING ON THE ROLE AND CONDUCT OF ELECTED MEMBERS

This is a summary of the legislation requirements that has some bearing on the duties and conduct of elected members. Copies of these statutes can be found in the City Library or in the Corporate Library at the Civic Administration Building.

Local Authorities (Members' Interests) Act 1968

This Act¹ regulates situations where a member's personal interests impinge, or could be seen as impinging on their duties as an elected member.

The Act provides that an elected member is disqualified from office if that member is concerned or interested in contracts under which payments made by or on behalf of the local authority exceed \$25,000 in any financial year.

Additionally, elected members are prohibited from participating in any Council discussion or voting on any matter in which they have a pecuniary interest, other than an interest in common with the general public. The same rules also apply where the member's spouse contracts with the authority or has a pecuniary interest.

Members may also contact the Audit Office for guidance as to whether that member has a pecuniary interest, and if so, may seek an exemption to allow that member to participate or vote on a particular issue in which they may have a pecuniary interest. The latter must be done before the discussion or vote. The Chief Executive must also seek approval from the Audit Office for contractual payments to members, their spouses or their companies that exceed the \$25,000 annual limit.

Failure to observe these requirements could also leave the elected member open to prosecution under the Local Authorities (Members' Interests) Act 1968. In the event of a conviction elected members can be ousted from office.

Local Government Official Information and Meetings Act 1987

The Local Government Official Information and Meetings Act 1987 sets out a list of meeting procedures and requirements. Of particular importance for the roles and conduct of elected members is the fact that the chair has the responsibility to maintain order at meetings, but all elected members should accept a personal responsibility to maintain acceptable standards of address and debate. No elected member should:

- Create a disturbance or a distraction while another Councillor is speaking.
- Be disrespectful when they refer to each other or other people.
- Use offensive language about the Council, other Councillors, any employee of the Council or any member of the public.

¹ The Audit Office publication *Guidance for Members of Local Authorities about the Local Authorities (Members' Interests) Act 1968 (2010)* provides further guidance on this Act.

Secret Commissions Act 1910

Under this Act it is unlawful for an elected member (or officer) to advise anyone to enter into a contract with a third person and receive a gift or reward from that third person as a result, or to present false receipts to the Council.

If convicted of any offence under this Act a person can be imprisoned for up to two years, or fined up to \$1,000, or both. A conviction therefore would trigger the ouster provisions of the Local Government Act 2002 and result in the removal of the member from office.

Crimes Act 1961

Under this Act it is unlawful for an elected member (or officer) to:

- Accept or solicit for themselves (or anyone else) any gift or reward for acting or not acting in relation to the business of the Council.
- Use information gained in the course of their duties for their, or another person's, monetary gain or advantage.

These offences are punishable by a term of imprisonment of seven years or more. Elected members convicted of these offences will also be automatically ousted from office.

Financial Markets Conduct Act 2013

The Financial Markets Conduct Act 2013 essentially places elected members in the same position as company directors whenever the Council offers stock to the public. Elected members may be personally liable if investment documents such as a prospectus contain untrue statements and may be liable for criminal prosecution if the requirements of the Act are not met.



Palmerston North City Council

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