



**GREYTOWN
TRUST LANDS**

Growing the Community since 1871

Greytown District Trust Lands Trust

Code of Conduct

Adopted on 26 October 2022

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1. Introduction

The Code of Conduct (the Code) sets out the standards of behaviour expected from elected members in the exercise of their duties. Its purpose is to:

- Enhance the effectiveness of the Trust as an autonomous statutory body in the Greytown District.;
- Promote effective decision-making and community engagement;
- Enhance the credibility and accountability of the Trust to its community; and
- Develop a culture of mutual trust, respect and tolerance among Trustees as a group, and between Trustees and those people with whom Trustees may deal with in the course of their duties.

This purpose is given effect through the values, roles, responsibilities and specific behaviours agreed in the code.

2. Scope

This code of conduct is intended to provide positive guidance on the standards of behaviour that are expected from elected Trustees (together and individually referred to in this code as “Trustees”) of the Greytown Trust Lands Trust (“Trust”) in their dealings with:

- Each other;
- The General Manager, Technical Property Advisor and other external contractors;
- The media; and
- The general public.

It is also concerned with the disclosure of information that members receive in their capacity as elected members and information which impacts on the ability of the Trust to give effect to its statutory responsibilities.

The Code can only be amended (or substituted by a replacement Code) by a vote of at least 75 per cent of Trustees present at a meeting when amendment to the Code is being considered. The Code should be read in conjunction with the Trust’s Standing Orders.

3. Values

The Code is designed to give effect to the following values:

1. **Public interest:** Trustees will serve the best interests of the people within their community, and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** Trustees, in order to foster community confidence and trust in the Trust, will work together constructively in an accountable and transparent manner;
3. **Ethical behaviour:** Trustees will act with honesty and integrity at all times and respect the impartiality and integrity of officials, and will be alert to any possible actual or perceived conflict of interest;

4. **Objectivity:** Trustees will make decisions on merit; including when making grants, considering property transactions, and awarding contracts.
5. **Openness:** Trustees should be as open as possible about their actions and those of their Trust, and should be prepared to give reasons for those actions.
6. **Personal Judgement:** Trustees may take account of the views of others, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.
7. **Respect for others:** Trustees will treat people, including other members, with respect and courtesy, regardless of their race, age, religion, gender, sexual orientation, or disability.
8. **Duty to uphold the law:** Trustees will comply with all legislative requirements applying to their role, abide by the Code of Conduct and act in accordance with the trust placed in them by the public.
9. **Equitable contribution:** Trustees will take all reasonable steps to fulfil the duties and responsibilities of office, including attending meetings and workshops, preparing for meetings, and participating in relevant training seminars.
10. **Stewardship:** Trustees should do whatever they are able to do, to ensure that the Trust's use of resources is prudent and in accordance with the law.
11. **Leadership:** Trustees will actively promote and support these principles and ensure they are reflected in the way in which the Trust operates, including a regular review and assessment of the Trust's collective performance.

4. Role and responsibilities

The Code of Conduct is designed to strengthen the good governance of your community. Good governance requires that the complementary roles of the governing body and the administration are understood and respected. These roles involve:

4.1 Trustees

The role of the governing body includes:

- Acting in a prudent manner in accordance with the Trust Act;
- Providing prudent stewardship of the Trust's assets;
- Establishing policies and strategic direction;
- Monitoring management and financial performance;
- Establishing delegated authority limits for capital expenditure and treasury;
- Employment of the General Manager;
- Representing the interests of the residents and ratepayers of the Greytown District;
- Ensuring overall compliance by the Trust with its obligations and responsibilities under the Greytown District Trust Lands Act 1979 ("the Act");
- Ensuring overall compliance by the Trust with its obligations and responsibilities under any other enactment;
- Employing independent contractors or staff on behalf of the Trust (including negotiation of the terms of employment for staff) and providing leadership to any staff;

- Ensuring the Trust fulfils its responsibilities to be a 'good employer' and meets the requirements of the Health and Safety at Work Act 2015.

4.2 Chair

The Chair is elected by the Trust as a whole and shares the same responsibilities as other Trustees of the Trust. The Chair is the ceremonial head of the Trust. The Chair is also responsible for:

- presiding at Trust meetings and ensuring the conduct of meetings in accordance with standing orders;
- advocacy on behalf of the community, with the knowledge and support of the Trust;
- providing leadership to Trustees.
- Providing leadership and support to the General Manager
- Ensuring the overall well being of the General Manager

4.3 Deputy Chair

The Deputy Chair exercises the same role as any other Trustee but, if the Chair is absent or incapacitated, the Deputy Chair must perform all of the responsibilities and duties of the Chair, and may also exercise the powers of the Chair in case of absence.

4.4 Committee Chairs

A committee Chair exercises the same role as any other Trustee but has responsibility to preside over all meetings of the relevant committee, and to ensure that the committee acts within the powers delegated to it by the Trust.

4.5 General Manager

The General Manager is responsible for:

- providing advice to the Trustees;
- implementing the decisions of the Trust;
- ensuring that all responsibilities, duties and powers delegated to, or imposed or conferred upon the General Manager, are properly performed or exercised;
- managing the Trust's activities effectively and efficiently;
- maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the Trust;
- ensuring overall compliance by the Trust with its obligations and responsibilities in law.
- Providing leadership and support to any staff or contractors engaged to provide services to the Trust

5. Relationships

This section of the Code sets out agreed standards of behaviour between Trustees; Trustees and staff; and Trustees and the public. Any failure by a Trustee to comply with the provisions of this section can represent a breach of the Code.

5.1 Relationships with other Trustees

Successful teamwork is an element in the success of any democratically elected organisation. No team will be effective unless mutual respect exists between Trustees. Trustees must conduct their dealings with each other in ways that:

- Maintains public confidence;
- Are open, honest and courteous;
- Focus on issues rather than personalities;
- Avoids abuse of meeting procedures, such as a pattern of unnecessary notices of motion and/or repetitious points of order; and
- Avoids aggressive, bullying or offensive conduct, including the use of disrespectful or malicious language.

Please note, nothing in this section of the Code is intended to limit robust debate.

5.2 Relationships with General Manager and Independent Contractors

The effective performance of the Trust also requires a high level of co-operation and mutual respect between Trustees and staff (if any) or independent contractors. To ensure that the required level of co-operation and trust is maintained Trustees must:

- Recognise that the Trust is the employer of all staff and independent contractors.
- Make themselves aware of the obligations that the Trust and the General Manager have as employers and observe those requirements at all times.
- Treat all staff and independent contractors with courtesy and respect, avoiding conduct which is aggressive, offensive or abusive, or may constitute unlawful or inappropriate harassment.
- Observe any guidelines which the General Manager has put in place regarding contact with employees or contractors.
- Not do anything which compromises, or could be seen as compromising, the impartiality of an employee or contractor.
- Avoid publicly criticising a staff member or contractor in any way, including criticism that reflects on the competence and integrity of the staff member or contractor.
- Raise concerns about staff or contractors only with the General Manager.
- Raise concerns about the General Manager only with the Chair.
- Trustees must be aware that any failure to observe this portion of the Code may compromise the Trust's obligations to act as a good employer, resulting in the Trust being exposed to civil litigation, and individual Trustees being exposed to responsibility for loss.

5.3 Relationship with the Community

Trustees should act in a manner that encourages and values community involvement. The views of members of the public must be accorded respect with Trustees listening to and deliberating on concerns carefully and patiently. Trustees should avoid aggressive or abusive behaviour towards members of the public.

Trustees are at all times to be mindful and adhere through their behaviours and actions to the values of the Trust:

Transparency. We are mindful that we act on behalf of others while building on the legacy of the past. Transparency and openness in what we do is paramount.

Integrity. We act honestly and ethically, with our customers and our community. We strive for professionalism and excellence in all we do. We hold each other to account.

Respect. We give and earn respect to each other and those we interact with. We do what we say we will.

Legacy. We are mindful of the Trust's past, and leverage it to shape our future. We take a long-term view in all we do.

Inclusive. We recognise the impact on our community through our distribution mandate. We take ownership for our decisions. We work as a team.

6. Media and social media

The media plays an important role in the effective operation of the Trust. In order to fulfil this role, the media needs access to accurate and timely information about the affairs of the Trust. Any failure by member to comply with the provisions of this section can represent a breach of the Code.

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

- No Trustee may speak to the media on behalf of the Trust unless first approved to do so by resolution of the Trust, or of a committee of the Trust, or by the Chair, as set out below.
- The Chair is the first point of contact for the Trust view on any issue. If the Chair is absent, or unable to act, a matter may be referred to the Deputy Chair or to the General Manager (in that order) for a response.
- The Chair may refer any matter to the relevant committee Chair, a Trustee or to the General Manager for comment.
- Elected Trustees remain free to express a personal view in the media at any time, but any comments made must observe all requirements of this Code and must state that:
 - the comments represent a personal view only
 - (if the comment is contrary to a Trust decision or Trust policy) that the comment is a minority view.

- Social media pages controlled by Trustees and used for making observations relevant to their role as an elected Trustee should be open and transparent, and not include abusive or inflammatory content; and
- Social media posts about other Trustees, staff or the public must be consistent with section five of this Code. (See **Appendix A** for guidelines on the personal use of social media).

7. Information

A failure to comply with the provisions below can represent a breach of the Code.

7.1 Confidential information

In the course of their duties Trustees will receive information, whether in reports or through debate, that is confidential. This will generally be information that is either commercially sensitive or is personal to a particular individual or organisation. Accordingly, Trustees agree not to use or disclose confidential information for any purpose other than the purpose for which the information was supplied to the Trustee.

7.2 Information received in capacity as an elected member

Occasionally Trustees will receive information, including documents, in his or her capacity as an elected Trustee. Where this occurs, and the information does not contravene the privacy of natural persons, the Trustee will disclose such information to other Trustees and/or the General Manager as soon as practicable.

If information of that nature is offered on a confidential basis the Trustee must:

- inform the supplier of the information that the Trustee may have a disclosure obligation under this code
- decline to receive the information if the supplier insists upon absolute confidentiality.

One possible outcome is that internal dissemination of the information or document may be restricted on a “need to know” basis.

7.3 Use of Trust Information

A Trustee who has or seeks information in his or her capacity as a Trustee, being information that would not otherwise be available to him or her, must not disclose that information to any person, or make use of or act on that information, except for the purposes of the Trust.

8. Conflicts of Interest

The phrase “Conflicts of Interest” is used to describe three distinct and separate circumstances where there is or may be a conflict between the personal interests, or the conduct of a Trustee, and that Trustee’s duties as an elected Trustee. The statutory and common law rules relating to conflicts of interest are part of the rules of natural justice. They reflect the expectation of the community that,

when making decisions on behalf of the community, Trustees will act impartially and in a manner appropriate to the nature of the decision.

The two classes of conflict of interest are:

1. **A pecuniary interest** in the matter before the Trust, which gives rise to a presumption that there is a conflict with the Trustee's duties. The pecuniary interest may be direct or indirect and involve either financial gain or financial loss. These matters are regulated, in part, by the Local Authorities (Members Interests) Act 1968.
2. **Non-pecuniary interest**, which may give rise to a perception of conflict between interest and duty. These may be interests or relationships arising out of kinship, marriage, domestic relationships, wider family relationships, employment or involvement in community organisations. Such a connection might be argued to taint the Trustee's impartiality. Whether or not this risk exists in any given case will depend on such things as the strength of the Trustee's personal links with the other person or group, and the degree to which the matter under discussion directly affects that person or group.

Where a conflict of interest is established, Trustees must take no part in the discussion of the matter or the decision. At meetings of the Trust, a Trustee should withdraw from a matter concerning a grant application by an organisation in which they are an officeholder (or in which they have some other active management role or public profile). A decision that may significantly affect an organisation in some other way (such as the existence or price of a lease) would similarly warrant withdrawal. On the other hand, it may not be necessary for a Trustee who is merely a passive member of a large club to withdraw. A Trustee who is a Director of a company but has no financial interest in that company is not considered to have a pecuniary interest. However, where a Trustee is also a trustee of a family trust that has a shareholding in a company that provides services to the Trust, or has an interest in land that the Trust may consider as part of a development proposal, that would be deemed to be a pecuniary interest. In all cases, if the interest is less than 10% the member is free to participate.

In a case of doubt a Trustee should withdraw.

Trustees withdrawing should (in protection of their own and the Trust's interests) ensure that their actions are appropriately minuted and, where appropriate, absent themselves from the meeting room.

The issue of conflicts of interest is a difficult one for Trustees. Commonly, issues may arise at short notice. Matters which seem straightforward at the outset can also commonly become less clear as a matter progresses. Vigilance by Trustees is required. While the decision to disqualify is ultimately a matter for the Trustee alone, Trustees are encouraged to seek guidance and assistance from the Chair or the General Manager.

9. Register of Interests

Members shall, at least annually, make a declaration of interest. These declarations are recorded in a public Register of Interests maintained by the Trust. The declaration must include information on the nature and extent of any interest, including:

- a) Interests in land, whether as owner or tenant, identified by street address or, if there is no street address, by legal description.
- b) Investments in companies, partnerships or joint ventures. Trustees are not, however, required to disclose details of shareholdings in publicly listed companies.

- c) Occupation, employment status and name of employer and, if self-employed, the name of the Trustee's business.
- d) Directorships or similar governing body roles in companies or other business vehicles.
- e) Membership of community organisations, for example clubs, environmental protection organisations or charitable bodies, and the position held.
- f) Appointments (except appointments made by the Trust) such as appointments to a Health Board, University or government agency.
- g) All of the above in respect of the Trustee's domestic partner.
- h) When making this statement, the Trustee must treat any interest in land or investment held by a trust of which the Trustee is a trustee or beneficiary, or a company of which the Trustee is a director or shareholder, in the same manner as if that interest was held by the Trustee.
- i) 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 (if the member is in any doubt on this, the member should seek guidance from the Chair or General Manager)

Please note, where a member's circumstances change, they must ensure that the Register of Interests is updated as soon as practicable.

10. Ethical behaviour

Trustees will seek to promote the highest standards of ethical conduct. Accordingly, Trustees will:

- Claim only for legitimate expenses as determined by the remuneration determination and any policy of the Trust developed in accordance with that determination;
- Not influence, or attempt to influence, any Trust employee to take actions that may benefit the Trustee, or the Trustee's family or other interests associated with the Trustee;
- Not use Trust resources for personal business (including campaigning); and
- Not solicit, demand, or request any gift, reward or benefit by virtue of their position and notify the General Manager if any such gifts are accepted. Where a gift to the value of \$50 or more is accepted by a Trustee, that Trustee must immediately disclose this to the General Manager.

Any failure by members to comply with the provisions set out in this section represents a breach of the code.

11. Creating a supportive and inclusive environment

In accordance with the purpose of the Code, Trustees agree to take all reasonable steps in order to participate in activities scheduled to promote a culture of mutual trust, respect and tolerance.

12. Breaches of the Code

Trustees must comply with the provisions of the Code. Any Trustee, or the General Manager, who believes that the Code has been breached by the behaviour of a Trustee may make a complaint to that effect. All complaints will be considered in a manner that is consistent with the following principles.

12.1 Principles

The following principles will guide any processes for investigating and determining whether or not a breach under the code has occurred:

- That the approach for investigating and assessing a complaint will be proportionate to the apparent seriousness of the alleged breach;
- That the processes of complaint, investigation, advice and decision-making will be kept separate as appropriate to the nature and complexity of the alleged breach; and
- That the concepts of natural justice and fairness will apply in the determination of any complaints made under the Code. This includes, conditional on the nature of an alleged breach, directly affected parties:
 - Have a right to know that an investigation process is underway;
 - Are given due notice and are provided with an opportunity to be heard;
 - Have confidence that any hearing will be impartial;
 - Have a right to seek appropriate advice and be represented; and
 - Have their privacy respected.

12.2 Complaints

All complaints made under the code must be made in writing and forwarded to the General Manager. On receipt of a complaint the General Manager must forward the complaint to the Chair or, where the Chair is a party to the complaint, an independent investigator, drawn from a pool of names or agency agreed in advance.

Please note, only Trustees and the General Manager may make a complaint under the code.

Complaint referred to Chair

On receipt of a complaint made under the provisions of the Trust's Code of Conduct the Chair will, as the situation allows:

- Interview the complainant to assess the full extent of the complaint.
- Interview the Trustee (s) subject to the complaint.
- Assess the complaint to determine materiality.
- Where a complaint is assessed by the Chair to be trivial, frivolous or minor, either dismiss the complaint, require an apology or other course of action, or assist the relevant parties to find a mutually agreeable solution.
- Where a complaint is found to be material, or no mutually agreed solution can be reached, the Chair will refer the complaint back to the General Manager who will forward it, along with any recommendations made by the Chair, to the Trust Board or an adjudicative body established by the Trust Board to assess and rule on complaints made under the Code.

If the Chair chooses they may, instead of undertaking an initial assessment, immediately refer the complaint to the independent investigator, via the General Manager.

Complaint referred to Independent Investigator

On receipt of a complaint from a Trustee which concerns the Chair, or from the Chair after initial consideration, the General Manager will forward that complaint to an independent investigator for a preliminary assessment to determine whether the issue is sufficiently serious to be referred, with recommendations if necessary, to the Trust Board or an adjudicative body for assessing and ruling on complaints. The process, following receipt of a complaint, will follow the steps outlined in **Appendix C**.

12.3 Materiality

An alleged breach under the Code is material if, in the opinion of the Chair or independent investigator, it would bring the Trust into disrepute or, if not addressed, adversely affect the reputation of a Trustee.

An alleged breach under this Code is non-material if, in the opinion of the Chair or independent investigator, any adverse effects are minor and no investigation or referral is warranted.

13. Penalties and actions

Where a complaint is determined to be material and referred to the Trust Board or an adjudicative body established to consider complaints, the nature of any penalty or action will depend on the seriousness of the breach.

13.1 Material breaches

In the case of material breaches of the Code, the Trust Board, or the adjudicative body with delegated authority, may require one of the following:

1. A letter of censure to the Trustee;
2. A request (made either privately or publicly) for an apology;
3. Removal of certain Trust-funded privileges (such as attendance at conferences);
4. Removal of responsibilities, such as committee chair, or deputy committee chair;
5. A vote of no confidence in the Trustee;
6. Suspension from committees or other bodies to which the Trustee has been appointed;
or
7. Invitation to the Trustee to consider resigning from the Trust.

A Trust Board or adjudicative body with delegated authority may decide that instead of a penalty, one or more of the following may be required:

- Attend a relevant training course; and/or
- Work with a mentor for a period of time; and/or
- Participate in voluntary mediation (if the complaint involves a conflict between two Trustees); and/or
- Tender an apology.

The process is based on the presumption that the outcome of a complaints process will be made public unless there are grounds, such as those set out in the Local Government Official Information and Meetings Act 1987 (LGOIMA), for not doing so.

13.2 Statutory breaches

In cases where a breach of the Code is found to involve regulatory or legislative requirements, the complaint will be referred to the relevant agency. For example:

- Breaches relating to Trustees' interests (where Trustees may be liable for prosecution by the Auditor-General under LAMIA);
- Breaches which result in the Trust suffering financial loss or damage (where the Auditor-General may make a report on the loss or damage under s.44 LGA 2002 which may result in the member having to make good the loss or damage); or
- Breaches relating to the commission of a criminal offence which will be referred to the Police (which may leave the elected Trustee liable for criminal prosecution).

14. Review

Once adopted, the Code continues in force until amended by the Trust Board. The Code can be amended at any time but cannot be revoked unless the Trust Board replaces it with another Code. Amendments to the Code require a resolution supported by at least 75 per cent Trustees present at the Trust meeting at which the amendment is considered.

The Trust is encouraged to formally review its existing Code and either amend or re-adopt it as soon as practicable after the beginning of each triennium in order to ensure that all Trustees have the opportunity to provide their views on the Code's provisions.

Appendix A: Guidelines on the personal use of social media

There's a big difference in speaking "on behalf of Trust" and speaking "about" the Trust. While your rights to free speech are respected, please remember that citizens and colleagues have access to what you post. The following principles are designed to help you when engaging in **personal or unofficial online** communications that may also refer to the Trust.

1. **Adhere to the Code of Conduct and other applicable policies.** Trust policies and legislation, such as LGOIMA and the Privacy Act 1993, apply in any public setting where you may be making reference to the Trust or its activities, including the disclosure of any information online.
2. **You are responsible for your actions.** Anything you post that can potentially damage the Trust's image will ultimately be your responsibility. You are encouraged to participate in the social media but in so doing you must exercise sound judgment and common sense.
3. **Be an "advocate" for compliments and criticism.** Even if you are not an official online spokesperson for the Trust, you are one of its most important advocates for monitoring the social media landscape. If you come across positive or negative remarks about the Trust or its activities online that you believe are important you are encouraged to share them with fellow Trustees and / or the General Manager.
4. **Let the subject matter experts respond to negative posts.** Should you come across negative or critical posts about the Trust or its activities you should consider referring the posts to the Trust's authorised spokesperson, unless that is a role you hold, in which case consider liaising with the Deputy Chair and / or General Manager before responding.
5. **Take care mixing your political (Trust) and personal lives.** Elected Trustees need to take extra care when participating in social media. The public may find it difficult to separate personal and Trust personas. Commenting online in any forum, particularly if your opinion is at odds with what the Trust is doing, can bring you into conflict with the Code should it not be clear that they are your personal views.
6. **Never post sensitive and confidential information** provided by the Trust, such as confidential items, public excluded reports and/or commercially sensitive information. Such disclosure will contravene the requirements of the Code.
7. **Elected Trustees' social media pages should be open and transparent.** When commenting on matters related to the Trust no members should represent themselves falsely via aliases or differing account names or block. Neither should they block any post on any form of social media that they have control over unless there is clear evidence that the posts are actively abusive. Blocking constructive debate or feedback can be seen as bringing the whole Trust into disrepute.

Appendix B: Legislation bearing on the role and conduct of elected Trustees

This is a summary of the legislative requirements that have some bearing on the duties and conduct of elected Trustees. The full statutes can be found at www.legislation.govt.nz.

The Local Authorities (Members' Interests) Act 1968

The Local Authorities (Members' Interests) Act 1968 (LAMIA) provides rules about members discussing and voting on matters in which they have a pecuniary interest and about contracts between Trustees and the Trust.

A pecuniary interest is likely to exist if a matter under consideration could reasonably give rise to an expectation of a gain or loss of money for a Trustee personally (or for their spouse/partner or a company in which they have an interest). In relation to pecuniary interests the LAMIA applies to both contracting and participating in decision-making processes.

With regard to pecuniary or financial interests, a person is deemed to be "concerned or interested" in a contract or interested "directly or indirectly" in a decision when:

- A person, or spouse/partner, is "concerned or interested" in the contract or where they have a pecuniary interest in the decision; or
- A person, or their spouse/partner, is involved in a company that is "concerned or interested" in the contract or where the company has a pecuniary interest in the decision.

There can also be additional situations where a person is potentially "concerned or interested" in a contract or have a pecuniary interest in a decision, such as where a contract is between a Trustees' members' family trust and the Trust.

Determining whether a pecuniary interest exists

Trustees are often faced with the question of whether or not they have a pecuniary interest in a decision and if so whether they should participate in discussion on that decision and vote. When determining if this is the case or not the following test is applied:

"...whether, if the matter were dealt with in a particular way, discussing or voting on that matter could reasonably give rise to an expectation of a gain or loss of money for the Trustee concerned." (OAG, 2001)

In deciding whether you have a pecuniary interest, Trustees should consider the following factors:

- What is the nature of the decision being made?
- Do I have a financial interest in that decision – do I have a reasonable expectation of gain or loss of money by making that decision?
- Is my financial interest one that is in common with the public?
- Do any of the exceptions in the LAMIA apply to me?
- Could I apply to the Auditor-General for approval to participate?

Trustees may seek assistance from the Chair or other person, to determine if they should discuss or vote on an issue, but ultimately it is their own judgment as to whether or not they have pecuniary interest in the decision. Any Trustee who is uncertain as to whether they have a pecuniary interest is

advised to seek legal advice. Where uncertainty exists Trustees may adopt a least-risk approach which is to not participate in discussions or vote on any decisions.

Trustees who do have a pecuniary interest will declare the pecuniary interest to the meeting and not participate in the discussion or voting. The declaration and abstention needs to be recorded in the meeting minutes. (Further requirements are set out in the Trust's Standing Orders.)

The contracting rule

A Trustee is disqualified from the Board if he or she is "concerned or interested" in contracts with the Trust if the total payments made, or to be made, by or on behalf of the Trust exceed \$25,000 in any financial year. The \$25,000 limit includes GST. The limit relates to the value of all payments made for all contracts in which you are interested during the financial year. It does not apply separately to each contract, nor is it just the amount of the profit the contractor expects to make or the portion of the payments to be personally received by you.

The Auditor-General can give prior approval, and in limited cases, retrospective approval for contracts that would otherwise disqualify you under the Act. It is an offence under the Act for a person to act as a Trustee of the Trust while disqualified.

Non-pecuniary conflicts of interest

In addition to the issue of pecuniary interests, rules and common law govern conflicts of interest more generally. These rules apply to non-pecuniary conflicts of interest, including common law rules about bias. In order to determine if bias exists or not Trustees need to ask:

"Is there a real danger of bias on the part of the Trustee of the decision-making body, in the sense that he or she might unfairly regard with favour (or disfavour) the case of a party to the issue under consideration?"

The question is not limited to actual bias, but relates to the appearance or possibility of bias reflecting the principle that justice should not only be done, but should be seen to be done. Whether or not Trustees believe they are not biased is irrelevant.

Trustees focus should be on the nature of the conflicting interest or relationship and the risk it could pose for the decision-making process. The most common risks of non-pecuniary bias are where:

- Trustees' statements or conduct indicate that they have predetermined the decision before hearing all relevant information (that is, members have a "closed mind"); and
- Trustees have a close relationship or involvement with an individual or organisation affected by the decision.

In determining whether or not they might be perceived as biased, Trustees must also take into account the context and circumstance of the issue or question under consideration. For example, if a Trustee has stood on a platform and been voted into office on the promise of implementing that platform, then voters would have every expectation that the Trustee would give effect to that promise, however he/she must still be seen to be open to considering new information.

Local Government Official Information and Meetings Act 1987

The Local Government Official Information and Meetings Act 1987 sets out a list of meetings procedures and requirements that apply to local authorities and local/community boards. Of

particular importance for the roles and conduct of elected members is the fact that the chairperson has the responsibility to maintain order at meetings, but all elected Trustees 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 Trustee is speaking;
- Be disrespectful when they refer to each other or other people; or
- Use offensive language about the Trust, other Trustees, any employee of the Trust or any member of the public.

See Standing Orders for more detail.

Crimes Act 1961

Under this Act it is unlawful for an elected Trustee 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 Trust; and
- Use information gained in the course of their duties for their, or another person's, monetary gain or advantage.

Trustees convicted of these offences will automatically cease to be Trustees.

Financial Markets Conduct Act 2013

Financial Markets Conduct Act 2013 (previously the Securities Act 1978) essentially places Trustees in the same position as company directors whenever the Trust offers stock to the public. Trustees 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.

Appendix C: Process where a complaint is referred to an independent investigator

The following process is a guide only and can be adapted if required.

Step 1: General Manager receives complaint

On receipt of a complaint under the Code, whether from a Trustee (because the complaint involves the Chair) or from the Chair after an initial assessment, the General Manager will refer the complaint to an independent investigator. The General Manager will also:

- Inform the complainant that the complaint has been referred to the independent investigator and the name of the investigator, and refer them to the process for dealing with complaints as set out in the Code; and
- Inform the respondent that a complaint has been made against them, the name of the investigator and remind them of the process for dealing with complaints as set out in the Code.

Step 2: Investigator makes preliminary assessment

On receipt of a complaint the investigator will assess whether:

1. The complaint is trivial or frivolous and should be dismissed;
2. The complaint is outside the scope of the Code and should be re-directed to another agency or institutional process;
3. The complaint is minor or non-material; or
4. The complaint is material and a full assessment is required.

In making the assessment the investigator may make whatever initial inquiry is necessary to determine their recommendations, including interviewing relevant parties, which are then forwarded to the General Manager. On receiving the investigator's preliminary assessment the General Manager will:

1. Where an investigator determines that a complaint is trivial or frivolous, inform the complainant, respondent and other Trustees (if there are no grounds for confidentiality) of the investigator's decision.
2. In cases where the investigator finds that the complaint involves a potential legislative breach and outside the scope of the Code, forward the complaint to the relevant agency and inform the General Manager who will then inform the complainant, the respondent and Trustees.

Step 3: Actions where a breach is found to be non-material

If the subject of a complaint is found to be non-material, but more than trivial or frivolous, the investigator will inform the General Manager and, if they choose, recommend a course of action appropriate to the breach, such as:

- That the respondent is referred to the Chair for guidance; and/or
- That the respondent attend appropriate courses or programmes to increase their knowledge and understanding of the matters resulting in the complaint.

The General Manager will advise both the complainant and the respondent of the investigator's decision and any recommendations, neither of which are open to challenge. Any recommendations made in response to a non-material breach are non-binding on the respondent and the Trust.

Step 4: Actions where a breach is found to be material

If the subject of a complaint is found to be material, the investigator will inform the General Manager, who will inform the complainant and respondent. The investigator will then prepare a report for the Trust on the seriousness of the breach. In preparing that report, the investigator may:

- Consult with the complainant, respondent and any directly affected parties; and/or
- Undertake a hearing with relevant parties; and/or
- Refer to any relevant documents or information.

On receipt of the investigator's report, the General Manager will prepare a report for the relevant body charged with assessing and ruling on material complaints, which will meet to consider the findings and determine whether or not a penalty, or some other form of action, will be imposed. The General Manager's report will include the investigator's full report.

Step 5: Process for considering the investigator's report

The investigator's report will be considered by the Trust or adjudicative body established for considering reports on Code of Conduct complaints, or any other body that the Trust may resolve, noting that the process will meet the principles set out in section 12.1 of the Code.

The Trust, or adjudicative body, will consider the General Manager's report in open meeting, except where the alleged breach concerns matters that justify, in accordance with LGOIMA, the exclusion of the public. Before making any decision on a specific complaint, the relevant body will give the respondent an opportunity to appear and speak in their own defence. Trustees with an interest in the proceedings, including the complainant and the respondent, should not take part in these proceedings in a decision-making capacity.

The form of penalty that might be applied will depend on the nature of the breach and may include actions set out in clause 13.1 of the Code.

The report, including recommendations from the adjudicative body, should that body have no formal delegations, will be heard and accepted by the Trust in open session, unless grounds for excluding the public exist, without debate.