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## REPORT TO GOVERNANCE COMMITTEE MEETING OF WEDNESDAY, JUNE 7, 2017

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**SUBJECT**      **Board Standards of Conduct**

**ISSUE**

To provide additional information on Board standards of conduct.

**BACKGROUND**

At its meeting of April 12, 2017, the Board of the Capital Regional District (CRD) directed staff to report back to the Governance Committee with additional information on Board standards of conduct in conjunction with a report on exempt staff protection policies. The staff report that was on the April Board and Governance Committee meeting agendas is attached as Appendix A and provides background information on the issue.

The Union of British Columbia Municipalities (UBCM) has established a working group that is examining the issue of responsible elected official conduct. The working group is scheduled to report on its findings to the UBCM membership at the 2017 convention. The working group has published a consultation paper and UBCM is proceeding with a process of consulting stakeholders on the paper. The Local Government Management Association is part of the working group and is also undertaking a consultation process on the paper with its members.

The current legislation includes standards of conduct for elected officials that were developed in consultation with UBCM. Part 4 of Division 6 of the *Community Charter* has detailed provisions that address the following issues:

- Conflict of interest – the *Charter* requires disclosure of direct or indirect pecuniary interests and other non-pecuniary interests and sets out the rules that must be followed if a conflict exists (there are also exceptions from the general conflict rule).
- Inside influence – a member of a local government must not use his or her office to influence a decision of the local government where the member has an indirect or direct pecuniary interest in a matter.
- Outside influence – a member of a local government who has a direct or indirect pecuniary interest in a matter must not use his or her office to attempt to influence a decision of any other person or body.
- Gifts – a member of a local government is prohibited from accepting a gift, fee or personal benefit that is connected to the role of an elected official unless it is: a gift or benefit received as an incident of the protocol or social obligations that normally accompany the responsibilities of office; compensation authorized by law; or a lawful campaign contribution. Members are also required to disclose any gift or benefit which they are permitted to receive that is worth more than \$250.
- Contracts – the *Charter* requires public disclosure of any contract in which an existing member has a direct or indirect pecuniary interest (including companies with whom the member is connected, which could also include contracts where the member's spouse or partner or close relative is the party that contracts with the local government).
- Use of insider information – the *Charter* restricts elected officials from using information obtained during office which is not available to the general public for gaining or furthering a direct or indirect pecuniary interest.

To assist elected officials in interpreting and applying the legislated conduct rules, many local governments have adopted a policy (or policies) covering one or more of the issues set out in the legislation. As indicated in Appendix A, local governments have also adopted codes of conduct to ensure that elected officials have a shared understanding of acceptable conduct beyond the baseline set out in the legislation and to establish appropriate and respectful relationships between elected officials and local government staff.

Attached at Appendix B are example codes of conduct that have been adopted by the City of Vancouver and the District of Saanich.

### **ALTERNATIVES**

#### *Alternative 1:*

That the Governance Committee recommend to the Capital Regional District Board:

That this report be received for information and that staff report back to the Board on the issue following the completion of the work on responsible elected official conduct undertaken by the Union of British Columbia Municipalities.

#### *Alternative 2:*

That the Governance Committee recommend to the Capital Regional District board:

That staff be directed to draft a Board Standards of Conduct Policy for the Board's consideration.

#### *Alternative 3:*

That the matter be referred back to staff for additional information.

### **IMPLICATIONS**

The preliminary consultation paper drafted by the working group indicates that adopting codes of conduct by policy is a trend being used in local government to encourage certain standards of conduct. However, the paper also notes that codes of conduct should be viewed as one component of a larger responsible conduct framework. Other tools to support responsible conduct that are used across the country include:

- Peer-based advice and mediation programs
- Mandatory education
- Codes of conduct
- Mandatory policies that set standards for relationships between elected officials and staff
- Integrity commissioner
- Spectrum of penalties (other than disqualification)

The final report of the working group is expected to be made available at the 2017 UBCM convention. As the issue of elected official conduct is multi-faceted and complex, the CRD would benefit from waiting to review the final report of the working group prior to advancing the issue to ensure that the approach is aligned with any recommendations or conclusions of the UBCM work.

### **CONCLUSION**

The Governance Committee directed staff to report back with additional information on Board Standards of conduct in conjunction with a report on exempt staff protection policies. It is recommended that staff report back on the issue following review of the final report of the UBCM working group so that the report can inform the Board's discussion and approach to the issue.

### **RECOMMENDATION**

That the Governance Committee recommend to the Capital Regional District Board:

That this report be received for information and that staff report back to the Board on the issue following the completion of the work on responsible elected official conduct undertaken by the Union of British Columbia Municipalities.

Submitted by:	Brent Reems, MA, LLB, Corporate Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

Attachments: Appendix A: Staff Report, April 5, 2017  
Appendix B: Codes of Conduct