



The Corporation of the Village of Lytton

**POLICY # 5011
CONFLICT OF INTEREST POLICY**

Purpose:

To establish and clarify expectations for the behavior of officials elected to serve a term as a member of Council for the Village of Lytton, and of administrative officers appointed by Council for the Village of Lytton, in the event that there is a conflict between a Council member's or administrative officer's public duty and her or his personal, business or property interests.

Scope

Administrative officers appointed by the Council for the Village of Lytton; the Mayor and Councilors elected to serve a term on Council for the Village of Lytton

Preamble

WHEREAS Council wishes to maintain strong public confidence in the governance provided by the Village of Lytton Council and administration;

AND WHEREAS Persons in elected office and fulfilling the role of administrative officers for the Village of Lytton must be, and appear to be, free of conflict and from personal interest and benefit when carrying out their duties and exercising their authority;

AND WHEREAS Council wishes to set expectations for the behavior of Council members and administrative officers in carrying out their functions;

AND WHEREAS the *Community Charter* [SBC 2003] Chapter 26, at Part 4, Division 6 – Conflict of Interest, sets out the rules, requirements and penalties for conflict of interest on the part of members of Council;

AND WHEREAS conflicts often occur between a Councilor's or administrative officer's public duty and her or his personal, business or property interests.

Policy Statements

1. Guiding Principles:

- 1.1 Integrity – To keep the public trust and uphold the highest standards of ethical behavior, make decisions that benefit the community, act lawfully and within the authority of the

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Community Charter, and be free from undue influence and not act, or appear to act, in order to gain financial or other benefits for themselves, family, friends or business interests.

- 1.2 Accountability – To obligate Council officials and administrative officers to answer for a responsibility that has been entrusted to them, for the decisions that they make, including acts of commission and acts of omission, ensuring transparency and openness to public scrutiny, and that proper records are kept.
- 1.3 Responsibility – To act responsibly, within the law and the authority of the *Community Charter*, including the disclosure of actual or potential conflict of interest relating to a Council member's or administrative officer's public duties, and taking steps to resolve the conflict for the protection of the public interest.
- 1.4 Leadership – To demonstrate and promote the key principles of this policy through the decisions, actions and behaviour of Council members and administrative officers.
- 1.5 Respect – To conduct business efficiently, with decorum and with proper attention to the Village's diversity, treating each other and others with respect at all times, avoiding the use of derogatory language towards others, respecting the rights of other people, treating people with courtesy and recognition of the different roles people play in local government decision-making.
- 1.6 Openness – To be as open as possible about the decisions and actions of Council members and administrative officers, communicating appropriate information clearly and openly to the public about decision-making processes and issues being considered, encouraging appropriate public participation, and providing appropriate means for recourse and feedback.

2. Conflict of Interest

- 2.1 Council members and administrative officers for the Village of Lytton are expected to make decisions that benefit the community, are free from undue influence, and will not act nor appear to act in order to gain financial or other benefits for themselves, family, friends, or business interests.
- 2.2 A conflict exists when an individual is, or could be, influenced, or appear to be influenced, by a personal interest, whether financial (pecuniary) or otherwise, when carrying out their public duty. Personal interest can include direct or indirect pecuniary interest, personal bias for or against a person or issue that is under consideration, or undue influence from an inside or outside source. The standard for determining whether a conflict of interest exists is whether or not a reasonable person would believe that a conflict of interest exists.
- 2.3 Council members and administrative officers must appropriately resolve any conflict or incompatibility between their personal interests and the impartial performance of their public or professional duties in accordance with statutory requirements.
- 2.4 Part 4, Division 6, of the *Community Charter* sets out the requirements that govern Council for the Village of Lytton with respect to conflict of interest, including procedures

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mandated for disclosure of conflict, restrictions on participation in a meeting or part of a meeting when a conflict exists, restrictions on inside influence and outside influence, restrictions on accepting gifts, disclosure of contracts, restrictions on use of insider information, disqualification from office for contravention of conflict rules, and procedures for a court order to compel a person to give up unlawful financial gain. Council members must fully inform themselves of the statutory requirements in respect of conflicts, and of the related common law, and must comply with all requirements. If necessary, a Councilor must seek legal advice.

- 2.5 Administrative officers must fully disclose to the Chief Administrative Officer, and the Chief Administrative Officer must disclose to Council, any direct or indirect pecuniary interest, bias or undue influence with respect to any matter they are dealing with, as soon as is practicable.
- 2.6 When an administrative officer is uncertain whether a conflict exists, the situation must be immediately presented to the Chief Administrative Officer for guidance.
- 2.7 Administrative officers and Council members must not use confidential information gained through their position for the purpose of securing a private benefit for themselves or for any other person.
- 2.8 Examples of conflicts that may be encountered include but are not limited to:
 - 2.8.1 Obligation to others – an obligation to someone who has business dealings with the Village of Lytton and who would benefit from special consideration or treatment;
 - 2.8.2 Special advantage or disadvantage – The possibility of gaining a special advantage because of their position, or when the Village of Lytton is disadvantaged as a result of the other interests of a Council member or administrative officer;
 - 2.8.3 Provision of special consideration or treatment – in the performance of their duties, administrative officers may only grant special consideration or special treatment as specifically authorized by Council or the Chief Administrative Officer.
 - 2.8.4 Representation to City Council, Committees or Commissions – Administrative officers must not represent any private interests except on their own behalf.
 - 2.8.5 Use of Equipment or Supplies – Administrative officers must only use equipment or supplies owned by the Village of Lytton for a purpose authorized by Council or the Chief Administrative Officer.
 - 2.8.6 Discounts or Rebates – Administrative officers may not take advantage of discounts or rebates on personal purchases from suppliers having an existing business relationship with the Village of Lytton, unless those suppliers offer the same discounts or rebates to the general public, or those discounts or rebates are offered to staff of other large employers (public or private) on a no-strings-

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attached basis.

- 2.9 Members of Council and administrative officers must not expect or request preferential treatment for themselves or their family because of their position, and must avoid any action that could lead members of the public to believe that they are seeking preferential treatment.
- 2.10 A Council member has a conflict of interest if he or she votes on a matter that helps or is reasonably capable of helping or hindering his or her own business, or hinders or is reasonably capable of helping or hindering the competition. An administrative officer whose business is likewise affected shall not participate in that part of a Council meeting where there is discussion regarding the matter.
- 2.11 If a Council member votes on a land use bylaw that makes his or her own property sub-dividable, or more or less valuable in any way, a conflict arises unless there is an applicable exception under the law, such as an interest in common with electors generally. An administrative officer whose land is likewise affected shall not participate in that part of a Council meeting where there is discussion regarding the matter.
- 2.12 If a Council member votes on a matter that is to the benefit or disadvantage of a spouse, child or parent, as in increasing salary or increasing or decreasing property values, a conflict arises. An administrative officer whose spouse, child or parent has an interest that is likewise affected shall not participate in that part of a Council meeting where there is discussion regarding the matter.
- 2.13 Competing loyalties may give rise to a conflict of interest when an elected official sits as a member of a board of directors of a non-profit society or organization, and where questions of money arise, the conflict may be characterized as a pecuniary one.
- 2.14 An administrative officer who is considering outside employment, contract work or any business or undertaking that relates in any way to the business of the Village of Lytton, or that might conflict or appear to conflict with their duties to the Village of Lytton, must notify and seek the approval of the Chief Administrative Officer in writing, and if the Chief Administrative Officer is considering the same, she or he must notify Council.
- 2.14.1 In dealing with such notification, the Chief Administrative Officer (or Council if the notification is from the Chief Administrative Officer) must not unreasonably withhold approval except where such employment is deemed to be inappropriate or present a high probability of the existence of a conflict.
- 2.14.2 Before an administrative officer engages in outside employment or business, they must ensure that it will not:
- 2.14.2.1 Conflict or appear to conflict with their official duties;
 - 2.14.2.2 Interfere with their work for the Village of Lytton;
 - 2.14.2.3 Involve the use of confidential information nor any resources obtained through their work for the Village of Lytton;
 - 2.14.2.4 Require work during the Village of Lytton's work hours;
 - 2.14.2.5 Discredit or disadvantage the Village of Lytton or its Council;

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2.14.2.6 Result in their holding any property or interest which may be in conflict with the employee's duties to the Village of Lytton.

3. Gifts and Personal Benefits

3.1 Members of Council and administrative officers must not, directly or indirectly, accept a gift or personal benefit that is intended to influence their performance of their respective official duties related to the Village of Lytton, including but not limited to:

- 3.1.1 Cash;
- 3.1.2 Gift cards;
- 3.1.3 Tickets to events;
- 3.1.4 Items of clothing;
- 3.1.5 Jewelry;
- 3.1.6 Pens;
- 3.1.7 Food or beverages; and
- 3.1.8 Discounts or rebates on personal purchases;

unless the gift or personal benefit is, for the purposes of this policy, compensation authorized by law, reimbursement for out-of-pocket costs incurred for an authorized expense associated with the performance of their respective official duties, or is a lawful contribution made to a Council member who is a candidate for election.

3.2 Members of Council may accept gifts and personal benefits received as an incident of the protocol or social obligations that normally accompany the responsibilities of elected office, but must never accept a gift of cash.

3.3 Administrative officers may accept a gift or personal benefit if it has a value of \$50 or less, and is received as an incident of protocol or as a representative of the Village of Lytton as a result of activities such as speaking engagements, technical presentations, business meetings or social obligations reasonably related to their role with the Village of Lytton, but must never accept a gift that could reasonably be expected to result in a real or perceived conflict of interest as set out in this policy.

3.4 Council members and administrative officers must take all reasonable steps to ensure that their immediate family members do not receive gifts or personal benefits that could appear to an impartial observer to be an attempt to subvert this policy or to influence or secure a favour from the Council member or administrative officer. Immediate family members include parents, spouses, children and siblings.

3.5 Council members and administrative officers that receive a gift or personal benefit valued at more than \$50 must disclose it to the Chief Administrative Officer, and must also disclose a description of the gift, the source of the gift, and the circumstances under which the gift or personal benefit was given and accepted.

3.6 If a gift has been received in contravention of this policy, it must be turned over to the Chief Administrative Officer immediately for safekeeping or disposition, and will become the property of the Village of Lytton unless it is returned to the donor. The Chief Administrative Officer must maintain a record of all gifts received or reported, and regarding the disposition of the gift. Such gifts may be disposed of by: returning it to the donor; displaying it in the Village office; disposing of it by donation, sale or auction, with

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any proceeds credited to the Village’s general revenues.

4. Declaration of Interest

4.1 If a Council member has a direct or indirect pecuniary interest or another interest that constitutes a conflict of interest, they must not participate in the discussion of a matter nor vote on a question in respect of the matter. The Council member must declare this and state in general terms the reason for the declaration and must not discuss or vote on the matter, must immediately leave the meeting and must not attempt to influence the vote in any way whether before, during, or after the meeting where the interest is disclosed. An administrative officer in attendance at a Council meeting where he or she has a conflict of interest must also declare it and leave the meeting, and must not participate in any discussion or attempt to influence the Council’s discussion in any way.

5. Exceptions

5.1 No conflict exists if:

- 5.1.1 The pecuniary interest is in common with electors of the municipality generally or where a local service is involved in common with others liable for the local service tax;
- 5.1.2 The matter relates to remuneration or expenses payable to elected officials;
- 5.1.3 The pecuniary interest is of a nature prescribed by regulation; or
- 5.1.4 The pecuniary interest is so remote or insignificant that it cannot reasonably be regarded as likely to influence the Council member or administrative officer.

6. Disqualification for Conflict of Interest

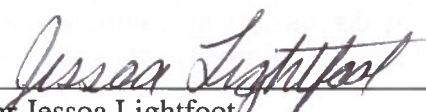
6.1 A person is disqualified from continuing to hold office as a Council member or administrative officer if he or she participates in a Council discussion, or if the Council member votes on a question, in respect of a matter in which the person has a direct or indirect pecuniary interest, unless the contravention was in good faith or through inadvertence. Good faith or inadvertence may not apply if the person deliberately chooses not to disclose a pecuniary interest or proceeds against legal advice that there is a pecuniary interest.

6.2 An administrative officer is removed from office for disqualification by way of a majority vote by Council.

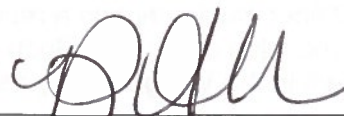
6.3 A member of Council is removed from office for disqualification in accordance with the applicable provisions of the *Community Charter*.

This policy shall be referenced as “Policy #5011 Conflict of Interest Policy”

Adopted by the Council of the Village of Lytton this 28th day of March, 2018



Mayor Jesso Lightfoot



CAO/Corporate Officer Rebecca Anderson