

GOVERNANCE POLICY			
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AUTHOR	TRUST BOARD	ISSUE DATE: 11/06/09	REFERENCE

1. Preamble

1.1 This policy sets the Auckland War Memorial Museum's (the Museum) Conflict of Interest Policy and, in particular, relates to the members of the Museum's Trust Board (the Board).

2. Purpose

2.1 The purpose of this policy is to ensure that Board deliberations and decisions are conducted impartially, without bias, in a fair and open minded manner and in accordance with the law. In addition, conflicts of interest when they arise are identified and managed.

2.2 The "*Guidance for members of local authorities about the law on conflicts of interest*:" and the "*Managing Conflicts of Interest: Guidance for public entities*" *good practice guides, June 2007*, published by the Controller and Auditor – General, have both been followed in the formation of this Policy, The Policy complies with the Local Authorities (Members Interests) Act 1968.

3. Definitions

- 3.1 **Direct interest:** Where the member has a direct interest other than in common with the public.
- 3.2 **Indirect interest;** Where the member's partner or a company in which the member or partner, directly or indirectly has a 10% or more interest, or is the general manager.
- 3.3 **Pecuniary interest:** A matter which could reasonably give rise to an expectation of a gain or loss of money for the member concerned. Member's motives and good faith and whether or not they were actually influenced are irrelevant in determining whether there is a pecuniary interest.
- 3.4 **Non-pecuniary interest:** Interests that may give the appearance of bias because of a member's statements or conduct or close relationships with people or organisations involved in the matter. Close relationships include family, close friends, an organisation where the member is an executive officeholder or senior employee.
- 3.5 **Conflict of interest:** A member's duties or responsibilities to the Museum could be affected by some other interest or duty that the member may have.¹

¹ "*Managing Conflicts of Interest: Guidance for public entities*" *Good practice guides, June 2007*, published by the Controller and Auditor – General, June 2007.

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4. Policy

- 4.1 The Local Authorities (Members Interests) Act 1968 applies.
- 4.2 Under the Act, members of the Board may not hold office and are disqualified from office if they have a direct or indirect pecuniary interest in contracts with the Museum, exceeding \$25,000 including GST, in any financial year, without prior approval of the Auditor General. The disqualification lasts until the next opportunity for appointment.
- 4.3 It is an offence under the Act for members to participate in any matter in which they have a direct or indirect pecuniary interest, other than an interest in common with the public, unless the member has an exemption or declaration on the matter from the Auditor General. If convicted, the member automatically vacates office.
- 4.4 At any meeting of the Board, members shall declare any direct or indirect, pecuniary or non pecuniary interest and then abstain from discussion and voting on the matter. The declaration shall be recorded in the minutes of the meeting.
- 4.5 At any meeting of the Board, members shall declare any conflict of interest and then abstain from discussion and voting on the matter. The declaration shall be recorded in the minutes of the meeting.