

Resolution 14A

PERCEPTION OF CONFLICT OF INTEREST AND ETHICAL BEHAVIOUR OF COUNCIL, MEMBERS OF COMMITTEES AND MUNICIPAL STAFF (PASSED)

⇒ Town of Mahone Bay

WHEREAS municipalities are required to adhere to the provisions of the *Municipal Government Act* and the *Municipal Conflict of Interest Act*; and

WHEREAS the UNSM has encouraged municipalities in the province to adopt a Code of Conduct Policy; and

WHEREAS it is important for all municipalities to have the trust of all citizens and ratepayers as to be operating in an open, fair and transparent manner; and

WHEREAS it is desirable to prevent any perception or suspicion of any wrong doing by a member of Council, Committee or Staff person; and

WHEREAS it is felt that current legislation does not go far enough to ensure that a perception of wrong doing or suspicion does not occur;

THEREFORE BE IT RESOLVED THAT the UNSM request that the Minister of Service Nova Scotia and Municipal Relations amend current legislation that would prevent any member of Council, Committee or Staff person to be able to be directly or indirectly involved with the purchase or sale of municipal property, goods and services even if the good or service or sale or purchase of land is duly tendered; and

FURTHER BE IT RESOLVED that the legislation be amended to ensure no member of Council, Committee or Staff be permitted to purchase a property at a Tax Sale conducted by the municipality.

Response from:
Service Nova Scotia and Municipal Relations

RESPONSE:

The transparency and fairness of the purchase and sale of municipal property and services is essential to maintaining the public trust. Current legislation requires disclosure of any direct or indirect pecuniary interest in any matter under council's consideration. At this time there are no

plans to amend this legislation, as it provides clear guidelines and sufficient penalties to prevent such behaviour.

In cases when the purchase or sale of municipal property, goods and services are duly tendered, disclosure of a conflict of interest also applies. Removing council's discretion in allowing councillors, committee members and employees from participating in a duly tendered sale would, in some cases, severely limit the ability of smaller municipalities to complete such sales and services.

With regards to the purchase of property at a Tax Sale, the conflict of interest section of the Municipal Government Act, below, clearly prevents members of Council, Committees or Staff from such purchases. In response to this resolution, an information bulletin will be created in the MGA Resource Binder to clarify the conflict of interest provisions in the Act.

Service Nova Scotia and Municipal Relations is committed to ensuring the integrity and transparency of municipal purchase and sale of property and services. If there are cases that have undermined these principles, the department is willing to work with municipalities to address these issues.

Conflict of interest

144 (1) *repealed 2001, c. 35, s. 11.*

(2) No

(a) council member or employee of a municipality that sells land for arrears of taxes;

(b) member of a village commission or employee of a village that sells land for arrears of taxes;

(c) spouse of a person referred to in clause (a) or (b); or

(d) company in which person referred to in clause (a), (b) or (c) owns or beneficially owns the majority of the issued and outstanding shares,

Shall purchase the land at the sale either directly or through an agent.

(3) A person who contravenes this Section is liable, on summary conviction, to a penalty of five thousand dollars and, in default of payment, to imprisonment for a term not exceeding six months.

(4) Where there is a conviction pursuant to subsection to subsection (3), the relevant person referred to in clause (2)(a) or (b) forfeits their office or employment, as the case may be. 1998, c. s. 144; 2001, c. 35, s. 11.