

LAKELANDS PUBLIC HEALTH (LPH)

<b>Policy</b>	<b>Pecuniary Interest</b>
Section	Board of Health
Number	02-13
Policy Lead	Board of Health
Approval Level	Board of Health
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Next Review	2027-10-15
Associated HKNP Procedures and Forms	Procedure – Pecuniary Interest Form – Declaration of Pecuniary Interest

**POLICY**

**PURPOSE**

To ensure the highest business and ethical standards and the protection of the integrity of the Board of Health (BOH), subject to the requirements of the [Health Protection and Promotion Act](#) and the [Municipal Conflict of Interest Act](#).

To guide BOH and BOH Committee members with a real, potential or perceived pecuniary interest on how to declare their conflict and the process for dealing with conflict situations.

**POLICY DETAILS**

Board members owe a fiduciary duty to the BOH. Included in that duty is the requirement to avoid conflicts of interest. Where a conflict of interest exists, the *Municipal Conflict of Interest Act* S. 5(1) and S. 5(2) imposes disclosure requirements on all BOH members.

The term “pecuniary interest” refers to situations where financial, professional or other personal considerations may compromise, or have the appearance of compromising, a Board member’s judgment in carrying out their fiduciary duties as a BOH member.

There are two types defined in the Act: A **direct pecuniary interest** may exist when the result of a matter before the BOH could impact, either positively or negatively, the member’s finances, economic prospects or asset value. An **indirect pecuniary interest** can result due to a relationship with another entity. It may exist when the result of a matter before the Board or Board Committee will impact the finances, economic prospects or asset value of a:

1. private corporation in which the member is a shareholder, director or senior officer;

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2. public corporation in which the member has a controlling interest, or is a director or senior officer of;
3. body of which the member of the Board or Board Committee is also a member;
4. member's business partner; or e.g. a member's employer

Board members have the responsibility to determine whether a pecuniary interest exists. If necessary, Board members should refer to Ontario's Municipal Conflict of Interest Act – A Handbook or consult independent legal counsel, if necessary.

Situations where a pecuniary interest might arise cannot be set out exhaustively, but generally arise in the following circumstances:

(a) When a Board member is directly or indirectly interested in a contract or proposed contract with the BOH. For example: Board members are bidding on or doing contract work for the BOH.

(b) When a Board member acts in self-interest or for a collateral purpose. When a Board member diverts to their own personal benefit an opportunity in which the BOH has an interest.

(c) When a Board member has a conflict of “duty and duty”. This might arise when:

i. The Board member serves as a board member or officer of another corporation that is related to; has a contractual relationship with; has the ability to influence the BOH policy; or has any dealings whatsoever with the BOH; or

ii. The Board member is also a Board member or officer of another corporation related or otherwise, and possesses confidential information received in one boardroom that is of importance to a decision being made in the other boardroom. The Board member cannot discharge the duty to maintain such information in confidence as a Board member of one corporation while at the same time discharging the duty to make disclosure as a Board member of the other.

(d) When a Board member uses for personal gain information received in confidence only for the BOH's purposes, for example information related to human resources, financial aspects of the BOH, or related to services provided.

(e) When a Board member or a member of the Board member's immediate family accepts gifts, payments, services or anything else of more than token or nominal value from a party that hopes to transact business with the BOH (including a supplier of goods and services) for the purposes or perceived purpose of influencing an act or decision of the Board. Board members shall not accept any financial or other endorsements for fulfilling their duties and obligations as members of the BOH other than provided for by legislation and BOH policy.

(f) When a Board member and/or a member of their family will gain or be affected by the decision of the Board. For example, a Board member or member of the Board member's family may benefit from a specific health care service or program that the BOH is considering.

All Board members must understand their duties when a pecuniary interest arises. In addition to complying with the ongoing responsibilities set out in this policy, Board members are required to complete an Annual Conflicts of Interest Declaration form.

The principles set out in this policy are to be regarded as illustrative. Board members are required to meet both the letter and spirit of this policy.

### **Special Considerations for the Board of Health**

The BOH's unique governance structure creates automatic potential conflicts. These structural conflicts need not be a bar to participation in most aspects of the Board's deliberations. In these circumstances, the Board members are aware of the potential for pecuniary interest and as a practical matter it should not be necessary to make note of the potential conflict in regular Board proceedings. Where the potential for conflicts might not be obvious, the potential pecuniary interest should be declared and recorded in the minutes so that all Board members are aware of the situation. This places an extra burden on Board members to be acutely aware of when their actions and/or other responsibilities might create a conflict and follow the procedures in this policy to protect themselves and the best interests of the BOH.

## **PROCEDURE – PECUNIARY INTEREST**

### **PROCEDURE DETAIL**

1. Members should review agendas in advance of all meetings to identify matters that could give rise to direct and/or indirect pecuniary interests under the Act.
2. If a conflict is identified, members must complete a Declaration of Pecuniary Interest Form (or a written statement including the specific details noted in the form), and submit this to the Executive Assistant to the Board of Health prior to, or on the same day, of the meeting.
3. In addition to providing a completed form, at the beginning of the meeting during the "declarations of interest" portion, members can read the declaration using language provided on the form. Members can consider the following sample statements:

Example:

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“I declare an interest in [*Item #, Report Name*], given that my partner is employed by the company in question. I make this declaration in accordance with section 5.1 of the Municipal Conflict of Interest Act.”

4. While members should use best efforts to identify possible pecuniary interests in advance of meetings, members may not identify a pecuniary interest until the meeting is in progress for a variety of reasons. In circumstances where a member becomes aware that a matter before the Board may engage their pecuniary interests, members should follow the above best practices to the best of their ability. Completion of the declaration form should still occur as described.
5. Once a pecuniary interest has been identified, the member(s) with the conflict of interest cannot participate in the discussion or vote. The member(s) cannot attempt, in any way, to influence the voting on the issue under consideration.
6. Where the number of members who are unable to participate in a meeting is such that at that meeting the remaining members are not of sufficient number to constitute a quorum, then, despite any other general or special Act, the remaining number of members shall be deemed to constitute a quorum, provided such number is not less than two.
7. Where the meeting is not open to the public (in camera or closed session), the member shall leave the meeting or the part of the meeting during which the matter is under consideration.
8. Where the interest of a member has not been disclosed due to absence from the meeting, the member shall disclose the interest at the first meeting of the Board/Committee, as the case may be, attended by the member after the meeting where the matter was considered.
9. Disclosures must be recorded in the minutes as follows:
  - 9.1. Where the meeting is open to the public, the declaration of interest and the general nature is to be recorded in the minutes of the meeting.
  - 9.2. Where the meeting is not open to the public, every declaration, but not the general nature of that interest, is to be recorded in the minutes of the next meeting that is open to the public.
10. The Board is required to maintain a registry of all declarations made under the Act. This registry will be managed and updated by the Executive Assistant to the BOH. The registry must include the original written declaration provided by the member and must be available to the public.

**ADDITIONAL INFORMATION**

**VERSION HISTORY**

<b>DATE</b>	<b>LEAD</b>	<b>DESCRIPTION</b>
October 15, 2025	A. Gorizzan	Original

**FORM - DECLARATION OF PECUNIARY INTEREST**

Pursuant to Subsection 5.1, of the Municipal Conflict of Interest Act, R.S.O. 1990, Board members must complete this form prior to the meeting at which they will be making a declaration of pecuniary interest, direct or indirect. Each member who is declaring a pecuniary interest shall read the statement at the appropriate time during the applicable meeting and provide this written statement to the Executive Assistant (EA) to the Board of Health.

**Declaration:**

I, \_\_\_\_\_, declare a pecuniary interest  
(Print Full Name)

in Item \_\_\_\_\_ on the \_\_\_\_\_ meeting agenda.  
(Agenda Item #) (Date of Council Meeting)

I am making this declaration because (General nature of pecuniary interest):

I confirm that I will not vote on the matter, I will not take part in discussion on any question in respect of the matter, and I will not attempt in any way whether before, during or after the meeting to influence the voting on any such question.

\_\_\_\_\_  
Signature Date

**EA Acknowledgement:**

Received on \_\_\_\_\_ by \_\_\_\_\_  
(Date) (Print Name)

\_\_\_\_\_  
Signature of EA or Designate