

▶▶ FIDUCIARY DUTY

Fiduciary duties can involve a number of responsibilities including:

Duty of Loyalty

As a councillor you have a fiduciary duty to act in the best interests of the entity that you serve. Should you serve on the council of a public sector entity, your duty of loyalty is expanded to the consideration of public policy and the overarching objectives of the entity.

Corporate Opportunities

You must not take personal advantage of or divert to your own benefit opportunities that arise as a result of your duties as a councillor or your association with entity you serve. You must not engage in contracts or financial transactions for personal profit that occur as a result of your role as a councillor.

Confidentiality

You must not disclose the confidential information of the entity.

Duty to Avoid Conflicts of Interest

Conflict of Interest - A conflict between the private interests and the official or professional responsibilities of a person in a position of trust (Merriam-Webster).

Avoid conflicts of interest (real or perceived) by always placing the interests of the entity ahead of personal interests. As a councilor you also have the responsibility to avoid the potential for conflicts. This would include giving consideration to other activities or businesses that you operate and the potential for a real or perceived conflict.

Always ask the question: Does it impact my ability to act impartially in my role as a councillor, or will others perceive that it may impact my ability to act impartially?

Laws, Regulations, Standards, Policies

You must make your best effort to ensure the entity complies with all laws, regulations, standards and policies including gaining a reasonable assurance that management has processes and procedures in place to ensure the entity complies with these requirements.

Integrity, Ethics

You must always act with integrity and the highest ethical standards to avoid public concern or loss of confidence. Honesty, fairness and transparency should guide every action.

Fiduciary Duty -

A duty obligating a fiduciary (as an agent or trustee) to act with loyalty and honesty and in a manner consistent with the best interests of the beneficiary of the fiduciary relationship (as a principal or trust beneficiary).

Merriam-Webster

Fiduciary duty is about safeguarding and pursuing the interests of another person as though you were that person, setting aside your personal interests while doing so. In the case of a board member you owe the duty to the corporation.

D'Silva & Wood, 2015