

**Statement of Business Ethics
Policy 2022
POL061**



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Policy Title:	Statement of Business Ethics Policy
Section Responsible:	Executive Services
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1. INTENT

The purpose of this Statement of Business Ethics is to raise private sector awareness of public sector values. It is critical that Council and its private sector contractors, suppliers, consultants, tenderers, or business partners have mutual expectations of the relationship. This Statement defines the principles of conduct that are expected of both parties to ensure the integrity and professionalism of both organisations is enhanced and is a statement of Council's values and systems of accountability.

2. SCOPE

This policy applies to all activities being undertaken with Narrandera Shire.

3. OBJECTIVE

Council is committed to ethical business practices based on public duty principles. Council's business principles are as follows:

- All procurement is conducted on the basis of value for money
- All business relationships with external parties will be transparent
- Procurement and appointment decisions will be based on merit and will be impartial and will not take extraneous issues into account
- Council procurement decision making processes will be open (where practicable) and accountable.

4. POLICY STATEMENT

Narrandera Shire Council requires Councillors and staff to conduct their roles and responsibilities in the highest ethical manner consistent with the position of trust they hold on to behalf of the community. Both Councillors and staff work to a written Code of Conduct.

The Council also expects private industry and its representatives to maintain similar standards of ethical conduct in their dealing with Council. It is essential that all Council officials, contractors, suppliers and their staff and other business associates work together to maintain Council's reputation.

The standards contained in this statement reflect those which are contained in Council's Management Plan and Code of Conduct.

5. PROVISIONS

5.1 GENERAL PRINCIPLES

Council is guided by three key principles when considering a business agreement. These principles are:

- Value for money to the ratepayer
- Impartiality through the assessment stages
- Fairness and integrity.

All potential providers of goods and services are subject to the same ethical operating environment and must comply with these guidelines.

5.1.1 Value for money

Value for money is determined by considering the impact of factors such as quality, reliability, timeliness, service and initial and ongoing costs. It does not mean 'lowest price'. However, the lowest price might offer the best value if it meets other essential criteria such as quality and reliability.

Part of obtaining best value for money also includes ensuring all of our business relationships are honest, ethical, fair and honest. Council's business dealings will be transparent and open to public scrutiny wherever possible. Given the nature of some of Council's work, there will be times when the details of some business relationships will not be made publicly available.

Council is committed to the purchase of all goods, equipment and services through established NSW Government contract systems, where possible and reasonably practical.

5.1.2 Impartiality

The objective is to be impartial and deal with suppliers fairly and even-handedly to achieve reasonable results for all participants. An impartial person will try objectively to establish criteria for determining best value for money and will objectively assess each submission against criteria.

Impartiality means trying to be objective, even handed, and reasonable. As an example, an impartial person will try to objectively establish the criteria for determining best value for money and then assess each bid against these criteria.

Being impartial includes taking account of practicalities of a given circumstance and situation. For example, the principle of impartiality does not entail publicly advertising for bids for items of low monetary value or inviting bids from firms that have performed poorly in the past.

5.1.3 Fairness

Council works within an environment where it seeks to be fair with all its dealings and endeavours to minimise any adverse effects from the decision-making process, however it must be understood that fairness does not mean pleasing everyone. If people are adversely affected by a decision, it can be considered unfortunate but not necessarily unfair.

5.2 EXPECTATIONS

Council will ensure that all its policies, procedures and practices relating to tendering, contracting and the procurement of goods and services are consistent with best practice and the highest standards of ethical conduct.

5.2.1 Staff

All Council procurement activities are guided by the following core business principles:

- Compliance with Council policies and procedures
- Provide fairness to all individuals and or organisations who quote or tender for the provision of goods and services
- Encourage fair and open competition while at the same time seeking value for money
- Protect commercial in confidence information
- Comply with public interest and accountability standards
- Deal honestly and equitably with suppliers
- Avoid personal conflicts of interest with public duty
- Not to solicit or accept financial or other benefits from a supplier for performing official duties
- Promptly respond to reasonable requests for advice and information
- Be accountable and act in the public interest
- Assess applications objectively, considering all relevant and material factors
- Use public resources effectively and efficiently

5.2.2 Tenderers, suppliers, consultants, and contractors

Council, in return, has similar expectations of its business clients, contractors, lessees, suppliers and sponsors and asks the business community to:

- Act ethically, fairly and honestly in all dealings with the Council
- Declare actual or perceived conflicts of interest as soon as possible

- Refrain from lobbying or canvassing Councillors or members of staff during the tender process
- Assist Council to prevent unethical and fraudulent behaviour in our business relationships
- Deliver value for money
- Ensure that your company representatives do not 'cold call', but rather request in advance an appointment to meet with a Council officer
- Respect the conditions and requirements stated in documents supplied by Council
- Present information concisely
- Comply with Council's tendering and practice requirements
- Respect the obligation of Council staff to comply with Council's procurement policies
- Abstain from collusive practices and not act secretly or fraudulently
- Prevent the unauthorised release of privileged or confidential information, such as commercial in confidence information
- Respond to reasonable requests for advice and information
- Do not discuss Council dealings with the media without Council's consent
- Refrain from offering Council employees or Councillors any financial or other inducement, which may lead to a position of unfair advantage in dealings with Council.

5.3 CONFIDENTIALITY

All Council information should be treated as confidential unless otherwise indicated. Council is obliged by the NSW Local Government Act 1993 criteria.

- Section 10A through to 10D describes matters that can be discussed in closed committee.
- Tenders, quotations and business dealings generally fit into the criteria described in sections 10A (2) (c) and (d).

Staff must take care to maintain the security of any confidential or personal information they become aware of in their work with Council:

- Abide by the privacy legislation governing the collection holding, use correction, disclosure or transfer of personal information obtained through dealings with Council.
- Report any breach of the security or misuse of Council's confidential or personal information to the General Manager.

5.4 CONFLICTS OF INTEREST

Councillors and staff conduct their activities through a Code of Conduct and, in the case of meetings, through a Code of Meeting Practice. Both codes require a declaration and non-involvement on a matter if a staff member or Councillor believes they may have either a pecuniary or non-pecuniary interest. The Local Government Act 1993 within Chapter 12 provides the requirements for both staff and Councillors with respect to conflicts of interest.

Among other matters, Councillors and designated persons within the organisation are also required to submit an annual disclosure of interest return. Sections 442 and 443 provide a definition of pecuniary and non-pecuniary interest. Conflicts of interest can involve spouses, family members and friends.

- A pecuniary interest is described where an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person or another person with whom the person is associated (Sections 442 and 443 of the Local Government Act).
- A non-pecuniary interest is described in the Local Government Act as a private or personal interest the councillor, staff member or delegate has that does not amount to a pecuniary interest as defined but for example, a friendship, membership of an association, society or trade union or involvement or interest in an activity.

Any complaints or alleged breaches of conflict of interest can be investigated by the General Manager who can refer such matters to the Pecuniary Interest Tribunal, which has the authority to hand down severe penalties.

5.5 PRACTICAL GUIDELINES

5.5.1 Communication

All communication should be clear, direct and accountable to minimise the risk of perception of inappropriate influence being brought to bear on the business relationship.

5.5.2 Council resources

Council resources, including materials, equipment, vehicles, documents, records, data and information, may only be used to do work for the Council with Council's approval.

5.5.3 Intellectual property rights

These rights are subject to negotiation. No individual or organisation is entitled to acquire any intellectual property rights because they are employed by or have a contract with Council.

5.5.4 Incentives, gifts, benefits, hospitality, meals, travel, accommodation and entertainment

Gifts should not be given to Council staff or Councillors and there should be no expectation that any gifts will be provided. Council has a gift register where Councillors and staff are required to register any incidental and unrelated gifts, as example through a sister city relationship, etc.

Councillors and staff are expected to pay for their own meals. Council discourages external parties from providing Councillors and staff with benefits such as social lunches. Councillors and staff participation is allowed only if a clear underlying business purpose exists, and the value and frequency of such functions are not excessive.

Council policies meet all approved business travel and accommodation for Councillors and staff. Council or the General Manager must agree to any variation to this policy, rather

than the individual who is involved. Public liability and insurance requirements must also be considered.

Councillors and staff are generally not entitled to use Council funds to pay for entertainment. Likewise, suppliers should not pay any form of entertainment for Councillors or staff.

Councillors and staff should refer to Council's Gifts Benefits and Hospitality Policy for more information.

5.5.5 Public comment

Council officials, contractors, suppliers and their staff and other business associates must not make any public comment or statement that would lead anyone to believe that they are the views or policies of Council. This includes public meetings or via any form of mainstream or social media.

5.5.6 Secondary employment and post-separation employment

Council has a requirement for any staff member who seeks secondary employment to obtain approval from the General Manager. Secondary employment will not be approved if it has the potential of either perceived or real to conflict with their Council employment. Staff should refer to Council's Secondary Employment Policy for more information.

Post-separation, staff must not:

- disclose confidential information obtained in the course of their employment.
- convert any property of the Council to their own use unless properly authorised.

5.5.7 Sponsorship

Council will not enter into any form of sponsorship that is not open or transparent or if such sponsorship creates a perception that it could be seen as an attempt to improperly influence the decision-making process.

5.5.8 Alcohol and drugs

No person should come to work for Council or return to work under the influence of alcohol or other drugs that could impair their ability to carry out their job or cause danger to the safety of themselves or others.

5.6 REPORTING CORRUPTION MALADMINISTRATION AND WASTAGE

Contractors to Council are considered to be public officials for the purposes of the Independent Commission Against Corruption (ICAC) Act and subject to the ICAC's jurisdiction.

When doing work for Council, contractors have a responsibility to report any suspected instances of corruption, maladministration, or serious and substantial waste to the Council. Alternatively, any suspected instances of corruption can be reported to the ICAC or maladministration to the Ombudsman.

5.7 BREACHES

Failure to comply with this policy may cause penalty clauses in a contract with Council to be invoked and or civil or criminal proceedings to be brought or other action considered by the Council.

Any person or organisation wishing to report any alleged breach of ethics need to bring the matter to the attention of the General Manager in writing to 141 East Street Narrandera NSW 2700 or by telephone (02) 6959 5510.

6. DEFINITIONS

- **ICAC:** Independent Commission Against Corruption
- **NSC:** Narrandera Shire Council

7. ROLES AND RESPONSIBILITIES

7.1 STAFF

Council's staff are bound by Council's Code of Conduct. When doing business, staff are accountable for their actions and are expected to use public resources effectively and efficiently, avoid conflict of interest and deal fairly, honestly and ethically with all individuals and organisations.

7.2 CONTRACTORS AND SUB-CONTRACTORS

Contractors are expected to advise any sub-contractor employed on their behalf of Council's business ethics as outlined within this policy.

8. RELATED LEGISLATION

- Independent Commission Against Corruption Act 1988
- Local Government Act 1993

9. RELATED POLICIES AND DOCUMENTS

- POL058 Gifts Benefits and Hospitality Policy
- POL091 Secondary Employment Policy

10. VARIATION


Council reserves the right to review, vary or revoke this policy in accordance with legislation, regulation and award changes, where applicable. Council may also make changes to this policy and the relevant procedures from time-to-time to improve the effectiveness of its operation.

11. PREVIOUS VERSIONS

Reference to a superseded policy number and/or name is also considered a reference to the new policy number. This policy was previously named:

- S5001 Statement of Business Ethics
- ES90 Statement of Business Ethics Policy

POLICY HISTORY

Responsible Officer	Executive Assistant		
Approved by	General Manager		
Approval Date	22 June 2022		
GM Signature <i>(Authorised staff to insert signature)</i>			
Next Review	1 July 2024		
Version Number	Endorsed by ELT	Endorsed by Council	Date signed by GM
1 Adopted	-	15/02/2005	15/02/2005
2 Reviewed	-	17/02/2009	17/02/2009
3 Reviewed	-	18/02/2014	19/02/2014
4 Reviewed	12/04/2022	17/05/2022	24/06/2022
5 Reviewed	DD/MM/YYYY	DD/MM/YYYY	DD/MM/YYYY

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12. Acknowledgement of Training Received (if required)

I hereby acknowledge that I have received, read and understood a copy of Council's Statement of Business Ethics Policy.	
Employee Name	
Position Title	
Signature	
Date	