

Procedure

Name of Procedure	Statement of Business Ethics		
Document Register ID	250.2017.412.2	Date Approved	24 August 2017
Document Author	Mathew Cross		
Authorised by	Executive Team EMT991/17		
Applicable to	This procedure is applicable to all Councillors, employees, commercial partners and suppliers undertaking any Council process		
Purpose	The purpose of this document is to provide guidelines and instructions on what to expect from Council and explains the mutual obligations, roles and constraints of all commercial partners and suppliers conducting business with Council.		
Frequency	In accordance with SMRC 163 Policy Enterprise Risk Management, the management of risk is a continuous undertaking.		
Hazard Identification	Various hazards may be identified in the undertaking of this procedure. All hazards associated with each circumstance should be recorded, assessed and controlled in accordance with Councils enterprise risk management system.		
Level of risk	Various levels of risk may be determined in the analysis of identified hazards. Levels of risk identified in each circumstance should be managed in accordance with Councils enterprise risk management system.		
PPE required for procedure	Various PPE may be required and should be considered on an individual assessment when undertaking this procedure. The following may be required to undertake various sections of this procedure. They are not required at all times when undertaking this procedure.		
	       		

Statement of Business Ethics

1 Introduction

Snowy Monaro Regional Council (“Council”) delivers a range of services to our community. We have a responsibility to achieve value for money for our community which includes ensuring that our business relationships are honest, ethical, fair and consistent.

This statement of business ethics provides guidelines and instructions on what to expect from Council and explains the mutual obligations, roles and constraints of all commercial partners and suppliers conducting business with Council.

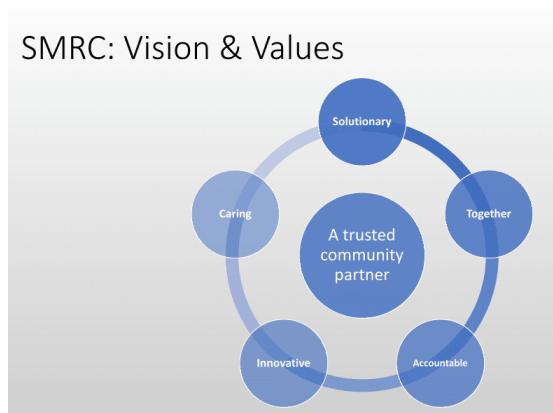
The term ethical behaviour and integrity embody the concepts of morality, respect, without bias, impartiality, fairness, equity, honesty, probity and objectivity.

Council takes responsibility for adopting and enforcing these standards of ethical behaviour internally and expects our commercial partners and suppliers dealing with the Council to do likewise.

Council employees, Councillors, volunteers and delegates are required to comply with the *Local Government Act, Model Code of Conduct for Local Council in NSW*, Council policies, procedures and guidelines to reduce the risk of potential, perceived or actual inappropriate business activities.

1.1 Council values

Council strives to be a trusted community partner. The values that underpin Council's vision as set out in its strategic and management plans include solutionary, together, accountable, innovative and caring.



2 What you can expect from Council

Council will ensure that its policies, procedures and practices related to tendering, contracting and the purchase of products and services are consistent with current Local Government requirements and the highest standards of ethical conduct and integrity.

Council's employees are bound by the Model Code of Conduct for Local Councils in NSW.

You can be guaranteed Council and our employees will:

- a) comply with applicable Council and NSW and Commonwealth Government policies and procedures;
- b) show fairness in our treatment of all individuals or organisations that supply goods or services to the Council;
- c) encourage fair and open competition while seeking value for money;
- d) try to minimise costs to suppliers participating in the procurement process;
- e) protect commercial-in-confidence information;
- f) act honestly and accept responsibility for their actions in accordance with their delegated functions, accountabilities and the Model Code of Conduct for Local Councils in NSW;
- g) pay accounts within Councils Terms of Trade;
- h) actively promote the integrity and reputation of the public sector by always acting in the public interest and not engage in any activities that would bring the public sector into disrepute;

- i) avoid and manage situations where private interests conflict with public duty;
- j) disclose any situation that involves or could be perceived to involve a conflict of interest;
- k) not ask for or accept financial or other benefits from a potential, current or past supplier/business partners for performing official duties;
- l) respond to reasonable requests for advice and information without delay; and
- m) assist commercial partners and suppliers to prevent fraud, corruption and other unethical practices in business relationships by reporting suspected unethical or corrupt conduct to the Public Officer.

3 What Council expects from You

Commercial partners and suppliers in the provision of goods and services to Council must:

- a) comply with the terms and conditions and requirements stated in documents supplied by Council to you; including but not limited to, the Model Code of Conduct for Local Councils in NSW;
- b) comply with all codes of tendering and practice that apply;
- c) present information concisely;
- d) respect the obligation of Council and its employees, and contractors and suppliers you may engage to comply with Local Government Procurement Policies, Procedures and Guidelines;
- e) disclose any situation that involves or could be perceived to involve a conflict of interest;
- f) act with integrity and openness;
- g) prevent the unauthorised release of privilege or confidential information such as commercial-in-confidence information;
- h) not discuss Council dealings with the media without Council approval;
- i) respond to reasonable requests for advice and information;
- j) not offer Council employees, contractors and consultants any financial inducements or any gifts or other benefits which may lead to, or be seen as leading to, an unfair advantage in dealings with the Council;
- k) ensure that all contractors and sub contractor engaged by you to perform work for Council are aware of and comply with this Statement of Business Ethics;
- l) not engage in collusive practices; and
- m) assist Council to prevent fraud, corruption and other unethical practices in business relationships by reporting suspected unethical or corrupt conduct to the Public Officer.

The canvassing of Elected Councillors for support of a quotation or tender is strictly prohibited and will disqualify bids from further consideration.

4 Why is compliance important

By adhering to Council's statement of business ethics, we will mutually advance our business objectives, and compliance will not disadvantage commercial partners and suppliers in any way. Complying with Council's statement of business ethics will also prepare our commercial partners and suppliers for dealing with the ethical requirements of other local government and public sector agencies, should you choose to do business with them.

Noncompliance with Councils ethical requirements can result in negative consequences to both our organisations. This may include investigations by regulatory authorities such as the Independent Commission Against Corruption that are time consuming, costly and which have a detrimental impact on the health and wellbeing of individuals involved.

Investigations may be conducted publically and will be damaging to the reputations of both Council and our commercial partners and suppliers, whether or not any breaches occurred.

Council is obliged to report any actual or suspected misconduct to external agencies such as the Independent Commission Against Corruption, who have the power to inquire when there is a complaint laid against a public officer in the course of their employment.

Demonstrated corrupt or unethical behaviour may lead to termination of contractual arrangements or the loss of future work with Council.

5 Additional information

5.1 Lawful actions and social environment responsibilities

Council will and expects its commercial partners and suppliers to act lawfully and in a manner that does not condone, or take advantage of socially disadvantaged peoples in Australia or abroad or result in irreparable environmental harm. Council will engage in environmentally sustainable procurement practices. Council will not knowingly purchase products or services from our commercial partner and suppliers that are produced under conditions of employment that do not meet international conventions or labour laws.

5.2 Health and Safety

Council and our commercial partners and suppliers have legal and moral obligations ensuring we protect the safety of our employees and the community and that they are not knowingly endangered by us.

5.3 Alcohol and drugs

No one should come to work for the 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.

5.4 Best value for money

Value for money procurement is an overarching principle that seeks to enable the best possible outcome. Obtaining competitive pricing, however, will not be achieved at the expense of compliance with specification, such as user requirements, safety and quality standards, sustainable procurement objectives, timeliness of supply, whole of life cost and other relevant business benchmarks.

5.5 Communications

To avoid misunderstanding, it is important all communications are clear, direct and accountable. This obligation on Council and our commercial partners and suppliers is to

minimise the risk of a perception of inappropriate influence being brought to bear on the business relationship.

Unless good reasons exist not to, all meetings should be either on Council (our) premises or on-site. A written record of commitments given at meetings must be made and endorsed by Council and our commercial partners and suppliers and recorded in Council's record management system.

Some communications may need to be kept confidential for commercial in confidence or other reasons and it is Council's expectations to keep those communications confidential.

5.6 Incentives, gifts, benefits and hospitality

You need not offer or give gifts to our employees. Council's employees may decline gifts, benefits, or travel offered during the course of their work, especially if the gift could be seen as seeking to influence decision making. Cash gifts (or equivalent, for example, gift vouchers) are never acceptable.

You are not expected to pay or offer to pay for any form of entertainment for Council employees. This includes such things as tickets to sporting or social events, social meals at restaurants, travel expenses to attend either local or interstate meetings or conferences, or accommodation expenses.

Council prefers that business is conducted in an appropriate formal setting and we meet all business costs for our employees. However, employee participation in some modest forms of hospitality is permitted where:

- a) a clear underlying business purpose exists
- b) it is in the normal course of business
- c) it is normal hospitality associated with greeting and meeting e.g. tea/coffee/coffee mugs/pens/pot-it notes/usb dongles; or
- d) it relates to official duties; has a public benefit; and is disclosed by the employee.

Offers, acceptance, and non-acceptance, of gifts, benefits and hospitality are required to be reported by our employees in accordance with the Model Code of Conduct for Local Councils in NSW in Council's gift register.

We acknowledge that judgement by both commercial partners and suppliers and Council employees needs to be exercised regarding the offer and acceptance of such hospitality. The essence is that it must be modest (both actual and in perception) and not be encumbered by obligation. Gifts, benefits and hospitality must never be offered at a time that could raise general concerns about conflicts of interest, for example during a tender or contract negotiation period.

5.7 Conflicts of interest

Council's employees are required by the Model Code of Conduct for Local Councils in NSW, to disclose any potential, actual or perceived conflicts of interest. This includes those that can, or could, arise from personal relationships between Council's employees and staff of commercial partners and suppliers. Council will put in place strategies to manage any actual, perceived or potential conflict of interest which could involve removing an employee from a project and replacing them with another.

A conflict of interest involves a conflict or possible conflict between a person's personal interests and that person's official duties. Any conflict of interest must be resolved in favour of the upholding the probity of Council decision making. The onus is on Council employees to identify a conflict of interest and to take appropriate action to manage the conflict in favour of their public duty. This requirement is extended to all of our commercial partners and suppliers.

5.8 Sponsorship

Council will not ask for, entertain, or enter into any sponsorship or similar arrangement that is not open and transparent or where such activity creates a perception that it could be part of an attempt to improperly influence decision-making processes.

Please refer to Councils Grants Policy for details of the types of sponsorship that Council may provide.

5.9 Confidentiality and intellectual property

Confidential information (in any form – electronic, hard copy, multimedia etc.) must be treated as such and protected as appropriate. The specific requirements of copyright laws and individual contracts must be adhered to in relation to confidentiality and intellectual property.

If a contract or other arrangement involves the exchange or handling of personal information held by our Council, we will require the contracted service provider to be contractually bound to comply with the relevant legislation.

5.10 Private employment and post separation employment

Council requires our employees to obtain the approval of the General Manager prior to entering into other business or employment consistent with the Model Code of Conduct for Local Councils in NSW. This requirement exists to ensure situations are not created where there is a potential to introduce an actual or perceived conflict with our employees Council duties and other employment they may undertake.

Private employment once approved by the General Manager must not:

- a) conflict with Council duties,
- b) involve using confidential information or Council resources obtained by our employees through their work with council,
- c) require our employees to undertake private employment work while on duty for Council or
- d) discredit or disadvantage Council.

Council's employees are not to use either their position, Council information, or intellectual property developed while serving Council to secure private employment. Commercial partners and suppliers should not offer Council employees private employment which conflicts with their public duties. Former employees who have dealings with Council employees need to ensure that they do not seek, or appear to seek favourable treatment or access to confidential information.

5.11 Contractors and sub contractors

Council acknowledges that our commercial partners and suppliers may need to engage with contractors and sub contractors in the provision of their agreed services to Council. Council requires that this disclosure be made at the time of tendering or before a good or service is procured and that all required probity checks are completed before Council agrees to procure a good or service.

All contractors and sub contractors and their employees are required to comply with this statement of business ethics. Council expects commercial partners and suppliers to make their contractors and sub contractors aware and ensure their compliance with this statement of business ethics.

5.12 Public comment

Non-Council employees must not make any public comment or statement that would lead anyone to believe that they are representing Council, or expressing its views or policies whether at public and community meetings, via the media, or when it is reasonable that comments or statements will become known to the public at large.

Council's employees are not permitted to provide public comment or any form of endorsement, on behalf of Council, or on behalf of our commercial partners and suppliers or their products without the authorisation of the General Manager.

5.13 Political donations

The NSW *Election Funding, Expenditure and Disclosure Act* requires that persons who have a financial interest in, or have made a submission in relation to a Development Application (DA) or a planning instrument must disclose certain information about political donations and other gifts. This is a mandatory requirement if a gift or donation has been made to a Councillor or Council employee within the previous two years of the application or submission.

A reportable political donation is a single donation of \$1,000 or more, or multiple donations from one donor to the same recipient in one financial year that total \$1,000 or more.

5.14 No cold calling

In accordance with Council's purchasing policy and procedures all meetings between commercial partners and suppliers and Council employees are to be by appointment only. Cold calling is not permitted at any time. Please contact Council on 1300 345 345 to arrange an appointment.

5.15 Heavy Vehicle National Law (NHVL) Chain of Responsibility (CoR)

Snowy Monaro Regional Council (Council) acknowledges the requirements of the Heavy Vehicle National Law (HVNL) and Regulations and the Heavy Vehicle National Regulator (HVNR) Chain of Responsibility (CoR).

Council requires all Service Providers to take decisive action and not to encourage nor require transport drivers to:

- a) Exceed the speed limits;
- b) Exceed regulated driving hours;
- c) Fail to meet the minimum rest requirements;
- d) Drive while impaired by fatigue.

Where a Contractor breaches the HVNL and/or HVNR CoR, then Council may terminate any contract with that Contractor.

6 Reporting unethical behaviour

Council is committed to promoting ethical behaviour. If you have any questions about this statement or wish to provide information about a possible breach or any conduct that could involve fraud, corrupt conduct, maladministration, or serious and substantial waste of public funds please contact the General Manager on 1300 345 345 or Council's Public Officer on (02) 6458 3777.

Public officials reporting fraud, corrupt conduct, maladministration, or serious and substantial waste of public funds may be protected by the *Public Interest Disclosures Act*. This protects public officials disclosing corruption related matters in the public sector from reprisals or detrimental action and aims to ensure disclosures are properly investigated and addressed. The NSW Ombudsman is responsible for promoting public awareness of the *Public Interest Disclosure Act* and monitoring its operation. For more information contact the PID Unit on (02) 9286 1000.

Alternatively, alleged unethical behaviour can also be made to the NSW Independent Commission Against Corruption on 1800 463 909 or the NSW Office of Local Government on (02) 4428 4100.

7 Review

This statement will be reviewed annually.

8 Related Documents

This procedure should be read in conjunction with the following documents:

Documentation

List the name and document reference number of any other document referred to in this document, including any related policies and procedures

250.2016.163.1 Policy SMRC 163 Enterprise Risk Management

250.2016.1.1 Policy SMRC 1 Code of Conduct

250.2016.4.1 Policy SMRC 4 Communications

250.2016.55.1 Policy SMRC 55 Tendering and Purchasing

250.2016.83.1 Policy SMRC 83 Gifts and Benefits

250.2016.302.1 Terms and Conditions for Supply of Goods and Services