

Business Ethics Policy

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1. Purpose

This policy provides guidance regarding the standards of ethical behaviour that organisations, service providers, small businesses and individuals can expect from Councillors and members of staff and that are expected of them, in their dealings with Council.

2. Background

Federation Council works with private, non-profit and other NSW public sector organisations, small businesses, service providers and individuals to provide a range of services to the community. Accordingly, in the interest of better business practices and better outcomes for the community, clients, and suppliers, Councillors and members of staff must observe ethical conduct consistent with Council's Code of Conduct, in order to achieve the highest standards of integrity and accountability in all business dealings and service delivery.

3. Scope

This policy applies to all Councillors, Council Staff, Suppliers and Contractors. All contracted persons must comply with this policy for doing business with Council. If you employ subcontractor(s) in your work for Council, you must make your sub-contractor(s) aware of this policy and ensure they comply with this policy.

4. Policy Statement

The following principles are integral to sound commercial practice and guide our behaviour and actions in conducting business in a socially responsible and ethical manner.

5. Our Values and Driving Principles

Council's Code of Conduct sets the requirements of conduct for Council officials in carrying out their functions. It reflects Council's determination to support the highest level of community confidence in the integrity of Council. The Code of Conduct has been developed to assist Council officials to:

- Understand the standards of conduct that are expected of them;
- Enable them to fulfil their statutory duty to act honestly and exercise a reasonable degree of care and diligence (Section 439 – Local Government Act (NSW) 1993); and
- Act in a way that enhances public confidence in the integrity of Local Government

The following values represent the values that we apply to our dealings with others.

Integrity – We will be honest, fair and ethical in all our dealings, complying with the letter and the spirit of the law. We will make decisions in an unbiased, objective manner devoid of any personal interests or prejudices. We will treat all people with respect.

Openness - We will be readily accessible and will be transparent in all our dealings. We will communicate truthfully and regularly with our community. We will give reasons for our decisions.

Responsiveness – We will consult with our community and other stakeholders and be guided by their wishes. We will deliver on our promises.

Quality of Service – We will strive to provide best-practice services through continuous improvement and embracing new ideas and will respond promptly to service problems.

The core principles in Council's business dealings are:

- Best possible value for money;
- Fair, open and effective competition;
- Impartiality and integrity at all times;
- Transparency and public scrutiny.

Value for money does not automatically mean the lowest price. It is determined by considering the factors which are relevant to the particular purpose of the procurement. Factors include quality, reliability, capacity to provide, timeliness, quality of service and initial and ongoing costs.

6. What can you expect from Council

Council will strive to ensure that all its policies, procedures and practices relating to tendering, contracting, purchasing, assessment of development applications, use of consultants and/or contractors, and interaction with lobbyists comply with regulation and are consistent with best practice and the highest standards of ethical conduct.

To achieve probity, Council will consider at all stages of the purchasing, tendering, contracting and development application processes, the following essential factors:

- Seeking value for money whilst encouraging fair and transparent competition
- Decisions will be fully and clearly documented to provide an effective audit trail
- Accountability
- Ethically managing Conflicts of Interest
- Monitoring and ongoing evaluation of performance

Councillors, staff and delegates are bound by the Council's Code of Conduct. When doing business with the community or private sector, they are accountable for their actions and are expected to:

- Use council resources efficiently and effectively
- Act fairly, honestly and ethically when dealing with suppliers, the community and others
- Disclose any situation that involves or could be perceived to involve a conflict of interest
- Protect personal, confidential and proprietary information
- Not seek or accept financial or other benefits for performing official duties

7. What we expect from our business partners

We require all suppliers, applicants, consultants, contractors, and anyone 'doing business with Council' to observe the following principles:

- Act ethically, honestly, with integrity and openness when dealing with council or acting on council's behalf
- Comply with the conditions set out in documents supplied by council, including any contracts or agreements
- Respect the obligation of councillors, staff and delegates to comply with council's Code of Conduct and procurement policies and guidelines
- Declare any actual or perceived conflicts of interest as soon as you become aware of them
- Prevent the unauthorised release of privilege or confidential information such as commercial-in-confidence information
- Not discuss council dealings with the media
- Provide accurate and reliable information when required
- Refrain from engaging in any form of collusive practice
- Assist Council to prevent unethical practices in our business relationships

8. Conflicts of Interest

When working for Council you are required to act in Council's interest. A conflict of interest would exist if you have a personal interest, or your relative, company, employer or another person you know has an interest that could influence the way you carry out your duties for Council. In determining whether or not a conflict of interest occurs Council must also consider how your actions may influence public perception. If, in your work with Council, a conflict of interest exists or arises, you must disclose it to the person with whom you are working or who is managing your contract.

9. Managing conflicts of interest in environmental planning instruments

Where a pecuniary interest or a significant non-pecuniary conflict of interest in an environmental planning instrument that applies to the whole or a significant portion of a council's area exists, the interest must be disclosed. Councillors/Staff may still participate in consideration and voting on the matter provided the only interests affected are their home or the homes of any relatives and close friends or others they are closely associated with (eg an employer or business partner).

The interests affected must be disclosed in a special return of interests that is tabled at the meeting. If they, or their relatives or close friends or associates have other property interests other than their homes that are affected by the environmental planning instrument under consideration at the meeting, they must remove themselves from any consideration and voting on the matter.

10. Political Donations

Where Councillors receive or directly benefit from a reportable political donation, this will give rise to a non-pecuniary conflict of interest.

Where they have received or knowingly benefitted from a reportable political donation of \$1,000 or more:

- made by a major political donor in the previous four years, and
- the major political donor has a matter before council,

They must declare a non-pecuniary conflict of interest in the matter, disclose the nature of the interest, and manage the conflict of interest as if they had a pecuniary interest in the matter by leaving the chamber while the matter is being considered and voted on.

11. Procurement and Tendering

Councils tendering process does not permit applicants to canvass, lobby or contact Council officials other than the advertised contact person.

Council actively seeks to ensure that goods and services procured by and for the council are not the product of modern slavery within the meaning of the *Modern Slavery Act 2018* (NSW).

Applicants may be disqualified from tendering where it is found that they have tried to influence Councils decision (outside of the tendering process).

Goods and services are ordered using an approved method such as a purchase order.

If a contract is awarded, we will include information on the preferred ordering method.

You should question any order that does not refer to a purchase order.

You may receive confidential or proprietary information in your dealings with us. This should not be released to other parties unless specifically authorised by Federation Council.

12. Sponsorship

Sponsorship accepted by Federation Council will not influence decisions or actions by Federation Council, limit its ability to carry out its functions fully or impartially.

Council will not seek, accept or provide sponsorship to an organisation if the sponsorship arrangement could compromise, or be seen to compromise, Council's ability to exercise its regulatory and planning functions.

All sponsorship arrangements must comply with Council's Financial Assistance and Donations Policy.

13. Offers of Secondary Employment to Council staff

If you offer a Federation Council employee a second job or contract work whilst they are still employed with Council, the employee will need to seek approval from the General Manager. Approval will not be given if there is a conflict of interest.

14. Gifts and Benefits

Gifts and benefits must not be offered to any council official if designed to gain an advantage for yourself or your company. Offering council staff or councillors any type of gift or benefit may jeopardise your working relationship with Council.

A cash-like gift offered to a council official MUST be declined and reported immediately.

A gift or benefit of value offered to a council official should be declined in the first instance. If a gift or benefit is offered to a council official, regardless of if accepted or not, they must report it immediately under Council's Code of Conduct.

Any offer of cash or its equivalent may be referred to the Independent Commission Against Corruption (ICAC).

15. Protecting Confidential or Personal Information

You must take care to maintain the security of any confidential or personal information you become aware of in your work with Council. You must abide by legislation governing the collection, holding, use, correction, disclosure or transfer of personal information obtained through your dealings with Council.

Personal information is any information about a person that can be used to identify them.

You must not access, use or remove from Council premises any information unless it is used for genuine Council business and you have proper authorisation to do so.

Any breach of security or misuse of Council's information must be reported to Council's Privacy Contact Officer.

16. Access to Information

The Government Information (Public Access) Act (GIPA) and Regulation requires local councils to publish on their websites, and provide copies to the public, of a range of open access information, including a register of government contracts

Under the GIPA Act, all government information is to be released unless there is an overriding public interest against disclosure. This public interest test is premised on a bias in favour of disclosing government information. One of the factors that Council can take into consideration against disclosure of a document(s) is where there the document(s) affects the business interests of agencies and other persons (including where disclosure would diminish the competitive commercial value of any information or prejudice any person's legitimate business, commercial, professional or financial interests).

Government information also extends to that held by private sector contractors. In entering into a service contract, Council must have an immediate right of access to information;

- Relating to the performance of services under the contract;
- Collected by the contractor from members of the public; and
- Received by the contractor from the agency to facilitate the provision of services.

Information that discloses or would tend to disclose the contractor's financing arrangements, financial modelling, cost structure or profit margins will not be released at any time.

17. Public Comment

You must not make any public comment or statement that would lead anyone to believe that you are expressing the views or policies of Council.

This includes comments or statements made at public meetings, via the media, or when it is reasonably foreseeable that the comments, or statements, will become known to the public at large.

18. Alcohol and Other Drugs

You must ensure your performance is not impaired by alcohol or other drugs and you must not consume alcohol or other drugs whilst carrying out work for Council.

19. Council Resources

Council resources include employees, material, equipment, vehicles, documents, records, data and information. They must only be used for Council purposes and with Council's approval.

20. Reporting Corruption / Maladministration

When working for Council in a paid, unpaid or contracted capacity, you are considered to be a public official for the purposes of the Independent Commission Against Corruption (ICAC) Act and you are therefore subject to the ICAC's jurisdiction.

When doing work for Council you have a responsibility to report any suspected instances of corruption, maladministration or serious and substantial waste to Council's Public Interest Disclosures Co-ordinator or the General Manager on 02 6033 8999.

Corruption occurs when a public official carries out public duties dishonestly or unfairly or when something happens that could result in a public official carrying out their duties dishonestly or unfairly. Maladministration is conduct that involves action or inaction of a serious nature that is contrary to law; unreasonable, unjust, oppressive or improperly discriminatory; or based wholly or partly on improper motives.

If you wish to provide information about a suspected fraud, or a possible breach of the Council's business ethics, or about any conduct that could involve maladministration, corrupt conduct, serious or substantial waste, please write to the General Manager, PO Box 77, Corowa 2646. A report may be made anonymously, however this may limit Council's ability to investigate or provide protection from reprisal.

External reports can be made to the:

Independent Commission Against Corruption 02 8281 5999

NSW Ombudsman 02 9286 1000

NSW Office of Local Government 02 4428 4100

Public officials reporting corrupt conduct, maladministration, or waste can be protected by the Public Interest Disclosure Act 1994. This Act protects public officials who are disclosing corrupt conduct from reprisal or detrimental action and ensures disclosures are properly investigated.

21. Non Compliance

Not complying with Council's business ethical standards could lead to:

- Termination of contracts and, or loss of future work
- Damage to reputation
- Investigation for corruption or referral to the Independent Commission Against Corruption (ICAC)
- Matters being referred for criminal investigation and possible criminal charges
- Complications and delays in obtaining development approval
- Possible legal action
- Dismissal or loss of civic office, or disciplinary action

22. Definitions

Council Official - includes councillors, members of staff of council, administrators, council committee members, conduct reviewers and delegates of council.

Cash-like gift – include but are not limited to, gift vouchers, credit cards, debit cards with credit on them, prepayments such as phone or internet credit, lottery tickets, memberships or entitlements to discounts that are not available to the general public or a broad class of persons.

23. Related Legislation

- *Copyright Act 1968*
- *Government Information (Public Access) Act 2009 (NSW)*
- *Government Information (Public Access) Regulation 2009 (NSW)*
- *Environmental Planning and Assessment Act 1979 (NSW)*
- *Modern Slavery Act 2018 (NSW)*
- *Privacy Act 1988*
- *Privacy and Personal Information Protection Act 1998 (NSW)*

24. References & Associated Council Documents

- Code of Conduct (16/21900)
- Complaints Handling Policy (16 21939)
- Gifts and Benefits Policy (16/21833)
- Financial Assistance and Donations Policy (18/41954)
- Procurement Policy (16/19597)
- Privacy Policy (16/21925)
- Public Interest Disclosure Policy (18/31129)
- Alcohol and other Drugs Policy

25. Policy History

Version	Date	Changes / Amendments
1.0	16/10/2018	New policy for Federation Council
2.0	28/08/2022	<ul style="list-style-type: none">• Addition of contacts for making a report• clarification concerning conflict types• inclusion of Modern Slavery Act (mandatory for all Councils from July 2022).

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