

TEMORA SHIRE COUNCIL



TEMORA

The Friendly Shire

STATEMENT OF BUSINESS ETHICS

ACTIVE

Review Details

ABOUT THIS RELEASE

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STATEMENT OF BUSINESS ETHICS

Statement from the General Manager

The landscape in which business dealings occur between Local Government and the Private Sector is becoming significantly more complex and inevitably raises sensitive ethical issues by which Temora Shire Council and other organisations must deal with. It is for this reason that Temora Shire Council has developed this Statement of Business Ethics to provide a guideline for behaviour appropriate to business dealings with Council. The statement is provided for external organisations, service providers, small business and individuals to ensure that the standard of ethical behaviour displayed by these external parties are aligned with the Council expectations in relation to ethical behaviour. Along the same lines, the statement sets out Temora Shire Council expectations of its staff to ensure that there is unambiguous understanding of the relationship between business and Council.

The statement provides guidelines on what third party's should expect from our organisation and defines the mutual obligations, roles and constraints that applies to all party's involved in such business partnership. It is my belief and the belief of Council that there is great benefit to be gained by being transparent in dealings between Council and business in that all parties are aware of the expectations established within the dealings. Similarly the document will explain the consequences of not complying with the requirements of the statement.

I trust that you will find the guidelines of assistance when dealing with Temora Shire Council.

G Lavelle PSM
GENERAL MANAGER

WHAT TO EXPECT FROM COUNCIL

Temora Shire Council is committed to ethical business practice based on the principles of public duty. Such principles include value for money, transparency, impartiality and fairness.

Value for money does not automatically mean the lowest price. Council will balance various factors when assessing the best value for money. These factors include initial cost, quality, and reliability, whole of life running costs, timeliness and potential trade/sale price in determining true value for money. In addition Council will consider the potential impact on the community of purchasing decisions and will take into account the social impacts in accordance with the local purchase policy of Council.

The dealings of Council will always be transparent. To achieve transparency, decisions must be honest, subject to scrutiny and with a clear paper trail. Council will provide all relevant information for consideration; however will be cognisant of the commercial confidentiality involved in any dealings.

Council will be fair in all dealings. Fairness means being objective, reasonable and even handed. It does not mean pleasing everyone. If some people are adversely affected by a particular decision, that may be unfortunate but it is not necessarily unfair. We strive to be fair by ensuring that our processes are appropriate and demonstrate this by being open and accountable.

This does not mean that we will always go to open public tender or will call for bids for items of low monetary value. We only deal exclusively with parties in exceptional circumstances and where we can demonstrate that there is solid reason for doing so based on sound probity principles. We will always ensure that local businesses are given every opportunity to tender, however expertise, costs and ability to deliver a proven product will be taken into account.

BUSINESS PRINCIPLES

Temora Shire Council will ensure that all its policies, procedures and practice relating to tendering contracts in the purchase of goods and services are consistent with best practice and the highest standards of ethical conduct. Council staff are bound by their code of conduct when doing business with the private sector.

1. Council staff is expected to abide by the law and all relevant policies and procedures.
2. Staff are accountable for their actions and are expected to act in the public interest.
3. Staff always expected to act with due care and diligence.
4. Staff are expected to use public resources effectively and efficiently.
5. Council staff should avoid any conflicts of interest perceived pecuniary or non pecuniary.

In addition to Council procurement, activities are guided by the following core business principles.

1. All potential suppliers will be treated with impartiality and fairness and given equal access to information and opportunities to submit bids.
2. All procurement activities and decisions will be fully and clearly documented to provide an effective audit trail and to allow for an effective performance review of contracts.
3. Tenders will not be called unless Council has a firm intention to proceed to contract. Council will not disclose confidential or property information.

WHAT COUNCIL ASKS OF THE PRIVATE SECTOR

Council requires all private sector providers of goods and services to observe the following principles when doing business with Temora Shire Council.

1. Provide accurate and reliable advice and information when required.
2. Declare actual or perceived conflicts of interest as soon as the business becomes aware of the conflict.
3. Respect for the obligation of Council staff to act in accordance with this statement.
4. To act ethically, fairly and honestly in all dealings with Council.
5. To not exert pressure on Council staff to act in ways that contravenes the business ethics or code of conduct of our organisation.
6. To refrain from engaging in any form of collusive practice, including offering Council employee's inducements or incentives designed to improperly influence the performance of their duties.
7. To commit to not offer Council staff inducements or incentives such as money, gifts, benefits, entertainment or employment opportunities.
8. To assist Council to prevent unethical practices in its business relationship.

WHY SHOULD THE PRIVATE SECTOR COMPLY WITH THIS STATEMENT

By adhering to the principles of Temora Shire Council Statement of Business Ethics, you will ensure that your business has the opportunity to bid for Council work on a level playing field and enhance your capacity to undertake public sector work with similar compliance requirements in the future. In accordance with the fairness standards, your business can be assured that all suppliers of goods and services to Council are required to comply with this statement and as such no provider will be disadvantaged in any way.

There are of course adverse consequences to business if company's with which Council deal do not comply with the principles of business ethics as outlined in this statement. These consequences can be significant for both public officials and anyone doing business with Council as follows;

Consequences for Council Staff

- Investigation
- Disciplinary action
- Dismissal
- Potential criminal charges

Consequences for Private Sector Contractor/Partners

- Investigation for corruption or other offences
- Possible loss of work
- Damage to reputation
- Termination of contracts
- Loss of rights
- Referral of matters for criminal investigation

INCENTIVES GIFTS BENEFITS

It is the general principle held by Council that staff are expected to decline gifts, benefits, hospitality, travel and accommodation offered during the course of their work. Accordingly the private sector should refrain from offering any such incentives to Council staff.

Council staff must not:

1. Seek or accept a bribe or any other improper inducement.
2. By virtue of their position, acquire a personal profit or advantage which has a monetary value other than a token value.
3. Must not seek or accept payment, gift, or benefit intended or likely to influence or that could be reasonably perceived by an impartial observer as intended or likely to influence them to act in a particular way, fail to act in particular circumstances or otherwise deviate from the proper exercise of their official duties. These specific details are outlined in the Council Code of Conduct.

Council staff may only accept gifts if they are a token and are of nominal value (<\$50). Generally speaking token gifts and moderate acts of hospitality could include;

1. Gifts of single bottles of reasonably priced alcohol to Council officials at end of year functions.
2. Free or subsidised meals of a modest nature and or beverages provided infrequently that have been arranged primarily for, or in connection with discussion of Council official business.
3. Free meals of a modest nature and or beverages provided to Council staff who formally represent their Council at work related events such as training education sessions and workshops.
4. Refreshments of a modest nature which are provided at conferences where the councillor or staff member may be a speaker.
5. Ties, scarves, coasters, tie pins, diaries, chocolates, flowers and small amount of beverages.

If a gift is accepted the Council requires a staff member to provide a written report to the General Manager to ensure that any gifts received are recorded in a gifts register.

CONFLICTS OF INTEREST

All Council staff are required to disclose any potential conflicts of interest. Council also extends this requirement to its business partners, contractors and suppliers. A conflict of interest can take two forms namely;

1. Pecuniary – which is an interest that a person or company has in a matter because of a reasonable likelihood or expectation of a financial gain or loss to the other person with whom the person is associated.
2. Non Pecuniary – which is a private or personal interest, an official or staff member or delegate that does not amount to a pecuniary interest defined by the Local Government Act 1993 eg. friendship, membership of an association, society or trade union or involvement or interest in an activity.

Any complaints about possible conflicts of interest should be directed to Councils General Manager for attention.

CONFIDENTIALITY

In general all dealings with Council will be transparent and open to public scrutiny. There are however some information that may be considered sensitive due to the following reasons;

1. Personnel Matters relating to a particular individual
2. Personal Hardship of any resident or ratepayer
3. Information that would, if disclosed confer a commercial advantage on a person with whom the Council is conducting or proposes to conduct business.
4. Commercial information of a confidential nature that would if disclosed
 - a. Prejudice the commercial position of the person who supplied it
 - b. Confer a commercial advantage on a competitor of Council
 - c. Reveal a trade secret
5. Information that would if disclosed prejudice the maintenance of law.
6. Matters affecting the security of Council, Councillors, Council staff or Council property.
7. Advice concerning litigation, or advice that would other wise be privileged from production in legal proceedings on the grounds of legal professional privilege.
8. Information concerning the nature and item of aboriginal significance on community land.

In essence there is an obligation on all parties which Council deal with that issues relating to confidentiality are strictly adhered to. As an organisation we will ensure that

our staff, Councillors and any other party involved with Council will retain strict confidentiality. Our expectation is that this will be reciprocated.

Under the Government Information (Public Access) Act 2009 (GIPA) confidential information may be accessed upon payment of appropriate application fees and application to Councils GIPA Officer. All applications will be considered in accordance with the Act.

Intellectual property rights will not be assumed and must be negotiated and noted prior to recognition.

COMMUNICATIONS

In most situations, where communication occurs between public and private sector parties, the issues are generally ordinary matters that are not highly sensitive or controversial, hence the specific communication protocols are not usually necessary.

Communication should however be clear, direct and accountable. Adherence to these three principles will minimise the risk of inappropriate influences being brought to bear on a business relationship.

In any business dealings, some communication might need to be confidential or commercial in confidence or other reasons. All communication and information should be treated professionally, even those not necessarily of a confidential nature. Council expects that dealings with Council are of a private nature and would not be discussed in general terms in a public forum by the contractor or staff.

USE OF COUNCIL RESOURCES

All Council resources must be used ethically, effectively, efficiently and carefully in the course of official business and must not be used for private purposes.

SECONDARY EMPLOYMENT

Under the Local Government Act 1993, all Council staff must obtain the consent of the General Manager for any secondary employment that relates to business of Council or might conflict with their Council duties. The General Manager will make the final determination whether to grant or refuse consent. Secondary employment will not be approved if it has the potential to create a real or perceived conflict of interest between the staff member's public official role and their private interest.

Private organisations shall not make offers of employment to Council staff that may be construed to obtain an unfair advantage. Approaches to staff in Councils employ by a contractor will be considered to be unethical.

CONTRACTORS AND SUB CONTRACTORS

All contracted and sub contracted employees are to comply with the Council Statement of Business Ethics. It is the responsibility of the contractor to inform all sub contractors working on Council jobs of the contents of this statement.

WHO TO CONTACT

If you are concerned about a possible breach of this statement or about any conduct that could involve fraud, corrupt conduct, maladministration or serious and substantial waste of public funds, please contact the General Manager of the Temora Shire Council by Letter or Email at:-

PO Box 262
Temora NSW 2666

Phone: 02 69801103
Fax: 02 69801138

Email glavelle@temora.nsw.gov.au

People reporting corrupt conduct are protected by the Public Interest Disclosure Act 1994. This Act protects individuals disclosing corruption in related matters from reprisal or detrimental action and ensures the disclosures are properly investigated and dealt with.

Associated Policy

- Fraud Control Policy