

Item 11: Community

11.1 Policy Review - Statement of Business Ethics

REPORT BY THE MANAGER, CUSTOMER SERVICES & GOVERNANCE
TO 15 FEBRUARY 2023 ORDINARY MEETING
GOV400103, GOV400047

RECOMMENDATION

That Council:

- 1. receive the report by the Manager, Customer Services & Governance on the Policy Review - Statement of Business Ethics;**
 - 2. place the Policy Review - Statement of Business Ethics on exhibition for 28 days to seek feedback from the community; and**
 - 3. adopt the Statement of Business Ethics if no submissions are received during the exhibition period.**
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Executive summary

The Statement of Business Ethics was last adopted by Council in June 2015. An extensive review has been undertaken on this policy in consultation with the Manager Procurement and Fleet, Director Community, Executive Manager People & Performance and the Manager Finance.

Disclosure of Interest

Nil

Detailed report

The Statement of Business Ethics defines the ethical business relationships between Council and its contractors and suppliers in addition to their responsibilities under the Code of Conduct as a delegate of Council.

Mid-Western Regional Council is committed to conducting business in a sound commercial and ethical manner and The Statement of Business Ethics lays down expectations and consequences for contractors in breach of this Statement including termination of contracts, loss of future work and investigation of corruption as well as outlining what can be expected of Council.

Major changes to the Statement of Business Ethics from the updated Local Government Procurement Supplier Code of Conduct include sections on:

- Environmental Performance – ensuring contractors are minimising the environmental impact of operations and conducting business in an environmentally responsible way and

report any adverse environmental impacts, including the measures used to remedy any such impact.

- Social Value – encouraging contractors and suppliers to engage local service providers and business as well as the employment of local and disadvantaged people.
- Labour and Human Rights – contractors must make reasonable enquires to ensure that all sub-contractors and businesses within their supply chain are not engaged in human rights violations including any form of modern slavery and will report to Council if they become aware of any such practice.

A copy of this Statement of Business Ethics will be included in all tender documentation and will accompany other contracts where Council engages any contractor or supplier to undertake work.

Community Plan implications

Theme	Good Government
Goal	Strong civic leadership
Strategy	Provide accountable and transparent decision-making for the community

Strategic implications

Council Strategies

Delivery Program

Council Policies

Code of Conduct

Procurement Policy

Contractor Management Policy

Local Preferences Policy

Fraud Control Policy

Disposal of Assets Policy

Enterprise Risk Management Policy

Public Interest Disclosure Policy

Legislation

Local Government Act 1993

Work Health Safety Act 2011

Public Interest Disclosures Act 1994

Financial implications

Contractors and suppliers not abiding by the Statement of Business Ethics could incur additional costs to Council in a way of having to engage additional services or over charging on services provided.

Associated Risks

There are potential risks associated with this policy if not adopted and subsequently if this document is not adhered to by contractors and suppliers in their business relationship with Council and the community. The risks could significantly impact the business community, contracted staff, the work and natural environment and the reputation and effective operations of Council.

RICHARD CUSHWAY
MANAGER, CUSTOMER SERVICES &
GOVERNANCE

PETER RAINES
ACTING DIRECTOR COMMUNITY

30 January 2023

Attachments: 1. Review - Statement of Business Ethics - Clean Version - 30 Jan 2023.

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER



*Good
Government*

STATEMENT OF BUSINESS ETHICS

REVIEW: OCTOBER 2022

30 JANUARY 2023

MID-WESTERN REGIONAL COUNCIL
COMMUNITY: GOVERNANCE

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REVIEW

THIS DOCUMENT WAS PREPARED BY RICHARD CUSHWAY, MANAGER CUSTOMER SERVICES & GOVERNANCE FOR MID-WESTERN REGIONAL COUNCIL. JANUARY 2023

ANY QUESTIONS IN RELATION TO THE CONTENT OF THIS DOCUMENT SHOULD BE DIRECTED TO:
MANAGER CUSTOMER SERVICES & GOVERNANCE VIA COUNCIL@MIDWESTERN.NSW.GOV.AU OR (02) 6378 2850

DATE OF PUBLICATION: 30 JANUARY 2023

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REVIEW

1. INTRODUCTION

Mid-Western Regional Council is committed to conducting its business in a sound commercial and ethical manner. This Statement of Business Ethics sets out the standards the Council requires of its contractors and suppliers. All individuals and organisations that seek to deal with Mid-Western Regional Council are required to comply with these standards of ethical behaviour in their dealings with Council.

Mid-Western Regional Council will demonstrate and practice a professional and ethical approach to all its business activities. All contractors and suppliers are required to conduct their activities in accordance with this document and to observe a high standard of probity, ethical behaviour and integrity in all their business dealings.

REVIEW

2. WHAT YOU CAN EXPECT FROM US

Our business dealings will be transparent, impartial, fair and open to public scrutiny wherever possible. The way we deliver our services is driven first and foremost by a need to ensure and demonstrate that our community receives the best possible value for its investment. We are accountable for ensuring that the provision of best value starts with the elected Council, extending to the General Manager and Council staff at all levels.

Unlike a private business, Council deals with public money and must comply with many legislative requirements, state agency policies and its own policies. These dictate the way Council operates both internally and in its dealings with the community. They also require that most of Council's information is dealt with publicly and is made available for public scrutiny. These rules, regulations and policies are designed to ensure that Council maintains high standards of ethical conduct, both internally and in its dealings with members of the public.

Mid-Western Regional Council will ensure that all its policies, procedures and practices related to tendering, contracting and the purchase of goods or services, are consistent with the highest standards of ethical conduct.

Staff will ensure that procurement will be conducted with honesty and fairness that all prospective contractors and suppliers are afforded equal opportunity to tender/quote for all goods and services requested by Council. Our staff will comply with all aspects of Council's policies and procedures including;

- Council's Code of Conduct
- Local Government Act, 1993
- Delegated Authorities
- Work Health Safety Act, 2011
- Procurement Policy
- Contractor Management Policy
- Local Preferences Policy
- Fraud Control Policy
- Council's Disposal of Assets Policy
- Council's Enterprise Risk Management Policy

Staff will always ensure that no opportunity exists for their personal interest, or those of people they have an association with, to remain in conflict with the proper performance of their public duties. Where any conflict of interest is identified, it will be declared and properly managed. All members of the community must be confident that all decisions made by Council are impartial and in the best interests of the community.

3. OUR VALUES

Council's values underlie all of our actions and decision-making processes.

It is important that these values are consistent across all levels of the organisation. We must use the same set of values in our internal processes within the organisation, as we do in dealing with people external to the organisation, be they ratepayers, visitors, private companies or government departments.

Our values are reflected in the following workplace environment statement:

Mid-Western Regional Council

Workplace Environment Statement

Our core values are

- Respect**
- Integrity**
- Recognition**

Respect

- We respect ourselves, our team mates and our organisation as a whole.
- When we talk or write to each other we show respect by:
 - being positive, polite and truthful
 - really listening
 - responding politely
 - providing honest feedback
- We never tolerate bullying and discrimination in the workplace.

Integrity

- We are all accountable for our own actions and also for assisting and supporting our fellow workers.
- We seek solutions, we don't cast blame.
- We work for the community and we are proud to show our care for the place in which we live.
- We are committed to action – we do what we say we will do.
- We are honest with each other in everything we say and we do and we are committed to open two-way communication.

Recognition

- We are committed to a healthy, safe and constructive working environment where everyone's well-being is our major focus.
- We work together to develop employment policies and practices that are adaptable to individual circumstances.
- We celebrate our achievements and recognise that everyone's contribution is essential to this Council's success.
- In supporting each other and working together we create the right environment in which we all can achieve our very best.
- We seek continuous improvement both individually and collectively.
- We admit our mistakes and focus on getting better.
- We strive to achieve our personal best and be industry leaders.

We are one organisation and one team

4. WHAT WE WILL ASK OF YOU

Mid-Western Regional Council expects that its tenderers, contractors, suppliers and their employees and subcontractors, will all be guided by the same policies, procedures and practices that bind Council and its staff to act in an ethical manner.

We require all contractors and suppliers of goods and services to observe the following principles when doing business with Mid-Western Regional Council;

- Deliver value for money
- Comply with Council's Procurement Policy, Contractor Management Policy and procedures,
- Provide accurate and reliable advice and information when required
- Declare actual or perceived conflicts of interest as soon as you become aware of the conflict
- Act ethically, fairly and honestly in all dealings with the Council
- Take all reasonable measures to prevent the disclosure of confidential Council information
- Refrain from engaging in any form of collusive practice, by not offering Council employees gifts, inducements or incentives designed to improperly influence the conduct of their duties
- Refrain from discussing Council business or information in the media
- Assist Council to prevent unethical practices in our business relationships

A copy of this Statement of Business Ethics will be included in all tender documentation, along with relevant Council policies. This Statement will accompany any other relevant business documentation where Council requires work to be undertaken on its behalf. It will also be included on Council's Website.

4.1 Why should the private sector comply with the above principles?

All Mid-Western Regional Council suppliers of goods and services are required to comply with this statement.

Compliance with this Statement of Business Ethics will not disadvantage you in any way.

Complying with Mid-Western Regional Council's principles will prepare your business for dealing with the ethical requirements of other public sector agencies, should you choose to do business with them.

You should also be aware of the consequences of not complying with Mid-Western Regional Council's ethical requirements, when doing business with us. Demonstrated corrupt or unethical conduct could lead to:

- Termination of contracts
- Loss of future work
- Loss of reputation
- Investigation for corruption

4.2 Ethical Behaviour

Particular situations in which businesses engaging with Mid-Western Regional Council should exercise care include:

4.2.1 Gifts, Benefits and Inducements

While it may be common practice for the private sector to offer incentives to those they want to do business with, as a way of promoting their company or their particular interests, Councillors and staff are constrained by legislation. (*Local Government Act s440AAA Content of Model Code*)

Council decisions on contracts and partnerships with the private sector will be made on merit. There is no place for gifts or incentives, when doing business with Council.

Public officials, must never request any gift or benefit for themselves or anyone else in connection with their work or duties, or accept any token gift that may give a perception that the person offering the gift, is seeking to influence the staff member.

Council's Code of Conduct clearly set out Council's position in relation to gifts and benefits.

4.2.2 Conflict of Interest

A conflict of interest exists when individuals could be influenced, or a reasonable person would perceive that you could be influenced, by a personal interest when carrying out your public duties.

Council's Code of Conduct requires that Council officials disclose and resolve any possible conflict of interests and also must not be involved in any discussion or decision making, regarding any matter affected by a conflict of interests.

Please refer to the Council's Code of Conduct for further advice in this regard.

4.2.3 Confidentiality of Information

Council deals with all requests for information, under the provisions of the Government Information (Public Access) Act. Council is transparent in all its dealings and will only deal with a matter in confidential session at Council Meetings, in accordance with Section 10A of the NSW Local Government Act 1993.

This can include information related to businesses and suppliers of Council. Any matters arising out of your business dealings with Council should remain confidential as part of this business arrangement and following its termination.

Also, importantly with any dealings with Council one should not make any assumptions regarding intellectual property rights. These should be specifically negotiated as part of any relevant dealings.

4.2.4 Ethical Communication

As a general principle, all communication by Council officials with other parties including suppliers to the Council, will be clear, direct and accountable. In turn, Council expects that those parties with whom the Council is doing business, will ensure that their communication with the Council will also be clear, direct and accountable, to minimise the risk of inappropriate influences being brought to bear on the business relationship.

There will be times when some communication needs to be strictly confidential, for commercial-in-confidence or other reasons. This however should not preclude proper accountability and both parties should be able to explain the reasons for instituting specific communication protocols, or keeping some communication confidential.

Public perception of inappropriate influence can be damaging to the reputation of both parties, even if nothing inappropriate has occurred. Therefore it is in the best interests of both parties to ensure that formal communication processes are observed.

4.2.5 Use of Council Resources

Council resources include financial, material and human resources. They should only be used:

- For the benefit of Council
- Effectively, economically and carefully

4.2.6 Discrimination and Harassment

Contractors and suppliers shall not discriminate against anyone on the grounds of: race, sex, colour, nationality, religious conviction, ethno-religious background, marital status; age; pregnancy; physical, intellectual and/or psychiatric disability; sexual preference; transgender; association or political conviction. Any proven examples of discrimination may lead to termination of contract.

4.2.7 Reporting Corruption and Maladministration

It is the responsibility of all contractors and suppliers to Council to not only to act honestly, but also to report any instances of possible corruption or maladministration.

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 Mid-Western Regional Council's General Manager (02) 6378 2850, or ICAC on (02) 8281 5999; or toll free on 1800 463 909.

4.2.8 Workplace Health and Safety

Council is committed to providing a safe and healthy work environment for all workers and others in the workplace, so far as reasonably practical. This is achieved with effective consultation between Management, Workers and other Stakeholders in accordance with the requirements of the Work Health and Safety Act 2011 and Regulations.

For further details refer to Council's Work Health and Safety Policy on Council's website.

4.2.9 Environmental Performance

We expect our contractors and suppliers to proactively minimise the environmental impacts of their operations and maintain environmentally responsible policies and practices.

Any adverse environmental impacts resulting from operations must be reported to Council as soon as possible following an incident. Reporting should outline specific details of the incident and resulting impacts, along with details of any remedial activities undertaken and preventative measures put in place to reduce the risk of further related incidents.

4.2.10 Social Value

We expect our contractors and suppliers to look for and embrace opportunities to engage local workers, service providers and/or businesses, where practicable. This includes opportunities for the employment of disadvantaged people and social enterprises within our community.

4.2.11 Labour and Human Rights

We expect our suppliers to provide a fair and ethical workplace free from workplace bullying, harassment, victimisation and abuse.

Our suppliers are expected to make all reasonable efforts to ensure that businesses within their supply chain are not engaged in, or complicit with, human rights abuses, such as forced or child labour or any other form of modern slavery.

If our suppliers become aware of the presence of modern slavery in their operations or supply chain, they must report this to Council as soon as possible. Reporting should outline details of the human rights violation discovered and what remedial and preventive measures are occurring.

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