



YOUNG SHIRE COUNCIL

# **STATEMENT OF BUSINESS ETHICS POLICY**

DATE ADOPTED: 17TH JULY 2013

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## **1 INTRODUCTION**

### **1.1 General Manager's message**

Dealings between Young Shire Council and the private sector, including purchasing goods and services, joint ventures and the complete contracting out of activities must be undertaken with transparency and integrity.

To facilitate this, Young Shire Council and private sector workers must always be aware of the ethical standards the public demands when Young Shire Council money is used either directly or indirectly.

This statement sets out the appropriate standards for doing business with Young Shire Council. It provides guidelines on what to expect from Young Shire Council and explains the mutual obligations, roles and constraints of all parties. These ethical standards are not an additional requirement but an integral part of sound commercial practices.

All individuals and organisations that deal with Young Shire Council must adopt these standards of ethical behaviour. The standards comply with NSW Government guidelines for procurement, contracting and market testing.

The likely reward for maintaining ethical business dealings is enhanced public confidence and repeat business.

Not complying with Young Shire Council's ethical requirements when undertaking business with us may lead to termination of contract, loss of future work and loss of reputation. Serious breaches of compliance may lead to further investigation.

The consequences for non compliance by workers are disciplinary action, dismissal or further investigation.

If you need more information regarding this statement, or wish to provide information about suspected corrupt conduct, please contact Young Shire Council on 6382 1688.

Peter Vlatko  
General Manager  
YOUNG SHIRE COUNCIL

## **2 PURPOSE**

This statement of Business Ethics forms part of Young Shire Council's policies and is intended to provide guidance for the private sector when doing business with Young Shire Council.

### **3 POLICY**

#### **3.1: The role of all parties**

Young Shire Council workers are involved in purchasing goods and services from the private sector.

Young Shire Council expects both its permanent and contract workers to behave ethically and comply with its Code of Conduct and Ethics.

Young Shire Council also relies on industry and its workers to maintain similar standards of ethical conduct in their dealings with Young Shire Council.

A common understanding between Young Shire Council and the private sector on ethical issues will help develop a productive and mutually beneficial working relationship.

#### **3.2: Business principles**

Three key principles form the basis of Young Shire Council business agreements.

- 3.2.1 Obtain the best possible value for public money.
- 3.2.2 Impartiality through all stages and processes.
- 3.2.3 Ensuring our business relationships are fair, honest, ethical and consistent

These principles enable suppliers to promote their interests effectively but avoid unproductive and potentially questionable activities.

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

#### **3.3: Definitions**

##### **3.3.1 Value for money**

Value for money is determined by considering the impact of factors such as quality, reliability, timeliness, service, 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.

##### **3.3.2 Impartiality**

Impartiality means trying to be objective and even-handed. For 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. 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.

### **3.3.3 Fairness**

Fairness overlaps with impartiality in the sense of being even-handed. In some circumstances fairness can also entail taking into account the effects of actions on others. For example, it would be unfair to call tenders when there is no serious intent to award a contract, even if a satisfactory or exceptional offer was received.

Fairness does not mean pleasing everyone. If people are adversely affected by a decision, it is unfortunate but not necessarily unfair.

### **3.4: Policy:**

#### **3.4.1 Young Shire Council requires its workers and contract staff to:**

- Comply with Young Shire Council and Government policies and procedures.
- Show fairness in their treatment of all individuals or organisations that supply goods or services to the Young Shire Council.
- Encourage fair and open competition while seeking value for money.
- Try to minimise costs to suppliers participating in the procurement process.
- Protect commercial-in-confidence information.
- Deal honestly with suppliers and pay accounts on time.
- Always be accountable and act in the public interest.
- Avoid situations where private interests conflict with public duty.
- Not solicit or accept financial or other benefits from a supplier for performing official duties.
- Respond to reasonable requests for advice and information without delay.
- Avoid any conflict of interest, real or perceived.

#### **3.4.2 Tenderers, suppliers, consultants and contractors are expected to:**

- Respect the conditions and requirements stated in documents supplied by the Young Shire Council.
- Present information clearly and concisely
- Ensure information is accurate.
- Comply with any codes of tendering and practice that apply.
- Respect the obligation of Young Shire Council staff to comply with Government procurement policies.

- Not act fraudulently or secretively.
- Prevent the unauthorised release of privileged or confidential information, such as commercial-in-confidence information.
- Ensure that any sub-contractors are aware of Young Shire Council's statement of Business Ethics and the consequences of not complying with the statement.
- Not discuss Young Shire Council dealings with the media, without consulting the Young Shire Council first.
- Respond to reasonable requests for advice and information.
- Not offer Young Shire Council workers or contract staff any financial or other inducements which may lead to, or be seen as leading to, gaining an unfair advantage in dealings with the Young Shire Council.
- Comply with Young Shire Council post separation employment guidelines.
- Declare any actual or perceived conflict of interest.

### **3.5: Guidance Notes:**

#### **3.5.1 Communications between parties**

To avoid misunderstandings it is important to use written correspondence (letter, fax or email) for communications involving a business related decision. Telephone communications in this regard should be followed up with written confirmation of any decisions or commitments made.

Unless good reasons exist not to, all meetings should be either on Young Shire Council premises or on-site. A written record of commitments given at meetings must be made and endorsed by all parties.

#### **3.5.2 Confidentiality**

Information which is marked confidential, or which a reasonable person would expect to be confidential, should be treated as such. The information could be in various formats such as hardcopy documents or electronically stored.

Intellectual property rights must be negotiated. No individual or organisation is entitled to acquire any intellectual property rights because they are employed by or have a contract with the Young Shire Council.

#### **3.5.3 Conflict of Interest**

All workers of Young Shire Council are required to disclose real or perceived conflicts of interest. There is an expectation that all business partners, contractors and suppliers to also disclose any real or perceived conflicts of interest.

### **3.5.4 Young Shire Council property**

All property belonging to Young Shire Council, including equipment, information and other resource material should be used in accordance with its official purpose.

### **3.5.5 Intellectual Property Rights**

All parties will respect the use of each others intellectual property rights by formally negotiating any access, license or use of intellectual property.

### **3.5.6 Entertainment**

Suppliers should not pay for any form of entertainment for Young Shire Council workers. Likewise, Young Shire Council workers are generally not entitled to use Government funds to pay for entertainment.

### **3.5.7 Lunches etc.**

Young Shire Council workers are expected to pay for all their own meals.

The Young Shire Council discourages external parties from providing Young Shire Council workers with benefits such as social lunches.

Worker participation is permitted only if a clear underlying business purpose exists and the value and frequency of such functions is not excessive.

### **3.5.8 Gifts**

Gifts should not be given to Young Shire Council staff or its agencies and there should be no expectation that any gifts will be provided.

### **3.5.9 Travel and accommodation**

The Young Shire Council meets all business travel and accommodation costs for its workers. Any variation to this policy must first be agreed with the Young Shire Council, not the individual worker affected, and approved by a senior worker. Public liability and insurance requirements must also be considered.

## **4 RESPONSIBILITY**

Carriage of this policy is the responsibility of the General Manager Young Shire Council. However, implementation of this policy is the responsibility of all workers of Young Shire Council.

**Date Adopted: 21.04.10**

**Date Amended: 17.07.13**

**Resolution No. 104/10**

**Resolution No. 267/13**