



**Bayside Council**

Serving Our Community

# **Statement of Business Ethics**

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Statement of Business Ethics

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# 1 Introduction

Council partners with and engages the private sector to implement many of its responsibilities. Appropriate working relationships with the private sector enhance the efficiency and effectiveness of Council's many and varied services.

This *Statement of Business Ethics* clarifies the relationship between the private sector and Council. It provides, in one document, important information about Council's values, business principles, expectations of staff and private sector entities, and how to report unethical behaviour. In particular, the Statement outlines Council's position on:

- Gifts and benefits (including hospitality)
- Conflicts of interest
- Confidentiality
- Communications between Council and the private sector
- Other employment
- Expectations of both Council and contractors (including sub-contractors).

This *Statement of Business Ethics* is published on Council's website and provided to tenderers, contractors and other private sector entities with which Council has business dealings.

# 2 Definitions

*Council* – Bayside Council

*Council official* – includes Councillors, members of staff, members of Council committees, and others who officially represent Council.

*Private sector* – private entities, with which Council has business dealings - it includes, but not limited to suppliers, contractors, consultants, applicants, partners, and sponsors. Although this Statement does not specifically mention community organisations, the same expectations of the relationships between Council and community organisations apply.

# 3 Council's Values

Council is committed to providing a positive customer experience to our community and customers.

The guiding principles of respect, trust, accountability, leadership, innovation, collaboration and excellence in customer service define how Bayside Council strengthens its working environment to deliver on aspirations of our community.

## 4 What you can expect from Council

When doing business with the private sector, Council officials are accountable for their actions and are expected to:

- Respect and comply with Council's *Code of Conduct*, other policies and procedures, and abide by the law.
- Be accountable and act in the public interest.
- Demonstrate good faith
- Act with integrity, transparency and accountability
- Promote fair and open competition, seeking the best value for money.
- Avoid any personal conflicts of interest with public duty (whether real or perceived) – refer to Conflicts of Interest below.
- Respond promptly to reasonable requests for advice and information.
- Not solicit or accept any gift or benefit from a provider for the discharge of official duties – refer to Gifts and Benefits below.
- Protect privileged confidential information and intellectual property.
- Assess applications objectively, considering all relevant and material factors.
- Use Council resources effectively and efficiently.
- Deal fairly, honestly and ethically with all individuals and organisations.
- Provide a safe and healthy work environment.

## 5 What Council expects of the private sector

Council requires that all private sector providers of goods and services (including sub-contractors) observe the following principles when doing business with Council:

- Act ethically, fairly and honestly in all dealings with Council.
- Comply with Council's procurement and other relevant policies.
- Declare any actual or perceived conflicts of interest as soon as they are known – refer to Conflicts of Interest below.
- Safeguard privacy and prevent the unauthorised disclosure of confidential information.
- Provide accurate and reliable advice and information.
- Do not offer Council officials and / or their families any gift or benefit – refer to Gifts and Benefits below.
- Deliver value for money.
- Do not discuss Council business or dealings in the media, except with Council's consent.
- Assist Council in identifying and eliminating improper practices.
- Advise Council about any unethical business practice that is known.
- Make all employees and sub-contractors aware of their responsibilities under this *Statement of Business Ethics* and of the consequences if it is breached

## 6 Gifts and Benefits

Ratepayers and residents of Council have a right to expect the business of Council is conducted with efficiency, fairness, impartiality and integrity. Council officials have an obligation to carry out their duties conscientiously, honestly and objectively.

In the course of their duties, Council officials may be offered gifts or benefits for a variety of reasons. Officials must ensure that, not only do gifts and benefits not influence them in the performance of their duties, but also that there cannot be any public perception of undue influence due to such offers. Such actions may be seen as inducements, leading to an unfair advantage in dealing with Council.

In addition to public sector wide requirements regarding bribes and offers of money, Council's specific policy includes the following:

- In normal circumstances, all gifts and / or benefits offered to a Council official are to be declined.
- No gift or benefit will be personally retained by a Council official.
- All gifts offered are to be formally declared, and ... the details entered into Council's Gifts and Benefits Register.

In keeping with this policy, receiving the following is not allowed:

- What was formerly referred to as 'token' gifts.
- Gifts and benefits to a Council official's, their family members and / or business colleagues.
- Inducements / incentives or future employment to officers.
- Conference competition prizes and the like.
- Personal benefits of purchase incentive and / or 'frequent flyer' schemes.
- Hospitality offered to selected Council officials, as distinct from invitations at large for modest hospitality at industry functions.
- Hospitality and benefits that extend beyond courtesy and are disproportionate to the occasion, such as invitations to sporting events and social functions outside of Council offices and / or outside of normal business hours.
- Travel and / or accommodation to inspect a product and / or service.
- Discounted products, free / discounted passes to leisure facilities, vouchers and debit cards to purchase goods and services.

Receiving the following is considered acceptable:

- Modest hospitality, such as tea, coffee and a modest lunch offered as a courtesy during a business meeting at private sector offices (but not restaurants and the like).
- Modest hospitality at industry conferences, seminars, product launches and the like, at which large numbers of people from other similar organisations are also attending.
- Promotional material that includes factual information (and inexpensive stationery or office products), that is provided to a number of people rather than individuals.

## 7 Conflicts of interest

Conflicts of interest arise if it is likely that a private interest could conflict, or be seen to conflict, with a performance of a public or professional duty. Many conflicts of interest occur at the individual level due to relationships of Council officials with friends, relatives, close associates, as well as through financial investments, past and future employment, and the like.

All potential conflicts, whether real or perceived, must be handled effectively. Council officials and the private sector are to disclose potential and real conflicts of interest as soon as they become aware of them. Refer to the *Code of Conduct* and *Conflict of Interests* Policy on Council's [website](#) for more information.

## 8 Other employment

The term 'other employment' (previously known as 'secondary employment') refers to the situation where a Council employee is also engaged in private employment or contract work outside the service of Council. There are often potential real and / or perceived conflict of interests when employees work in a sector, which they regulate, or about which they make decisions.

In addition to the Act (section 353) and *Code of Conduct* provisions, Council has adopted a distinct *Other Employment Policy*, which outlines the process for seeking approval to engage in secondary employment. The Policy also reinforces the Code requirement that Council information and resources are not to be used for private purposes.

## 9 Confidentiality

Council officials, and the private sector engaged by Council, must abide by privacy legislation governing the collection, holding, use, correction, disclosure or transfer of personnel information obtained through dealings with Council. Information obtained from Council must only be used for the purpose for which it has been provided and should not be used or removed from Council premises unless authorised.

Council, and the private sector engaged by Council, must protect the intellectual property rights of each other.

All council information is to be treated as confidential unless otherwise indicated.

The *Government Information (Public Access) Act 2009* and Council related policies provides the mechanism for the public to gain access to Council information.

## 10 Intellectual property

Businesses and Council must respect each other's intellectual property rights. Any access, license or use of intellectual property must be formally negotiated and approved.

## 11 Modern Slavery

'Modern slavery' is the term used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom.

In its dealings with suppliers Bayside Council addresses the standard required from suppliers and how Council will manage the risk of modern slavery in the procurement process.

When responding to Council's tenders, suppliers must ensure that their responses to the tender schedules are transparent, complete, and candid, and demonstrate a supplier's willingness to work with Council to implement and improve modern slavery risk mitigation strategies over time.

Action taken by suppliers to address modern slavery risks can vary across industries, and therefore supplier action should be tailored and effective for the relevant industry.

Bayside Council believes positive and collaborative relationship with suppliers can encourage transparency and help improve suppliers' response to modern slavery risks.

Suppliers must provide a fair and ethical workplace that is free from bullying, harassment, victimisation and abuse. Suppliers must also take reasonable action to ensure that businesses within their supply chain are not engaged, or complicit with, human rights abuses such as forced or child labour.

Modern slavery is a serious issue, and it is important Bayside Council and its suppliers work together.

## 12 Ethical communication

Communication between Council and the private sector should be clear, direct and accountable to ensure that there is no inappropriate influence brought to bear on the business relationship.

Council will respect limitations on disclosing communications which are agreed to be commercial-in-confidence, in accordance with the *Government Information (Public Access) Act 2009*.

## 13 Reporting unethical behaviour

Council promotes ethical behaviour. Reporting of unethical behaviour, including fraud, corrupt conduct, maladministration, waste, and government information contravention may be made to:

- Council's Public Officer
- Independent Commission Against Corruption (ICAC)
- Office of Local Government
- NSW Ombudsman.

## 14 Breaches

Breaches of this Statement by Council officials may result in disciplinary action as outlined in the *Code of Conduct* and other Council policies.

Breaches of this Statement by a private sector entity may result in termination of contract (or other agreement), removal of employees and / or sub-contractors who may have initiated the breach. In addition, it could damage the business' reputation, an investigation and may be referred for corruption and or criminal investigations.

## 15 Responsibilities

The General Manager is responsible for ensuring Council has this Statement in place.

The Manager Governance & Risk is responsible for this document and its communication to Council officials and the private sector.

All employees, who procure goods and services from (or otherwise have dealings with) the private sector, are responsible for ensuring that Council policies and this Statement are complied with when dealing with the private sector.

## 16 Related documents

It is acknowledged that material has been drawn from the following publications:

- *Local Government Act 1993*
- *Council's Code of Conduct*
- *Council's Gifts and Benefits Policy*
- *Council's Conflict of Interests Policy*

## 17 Review

Council is committed to continuous improvement, including achieving higher levels of 'good governance'. This Statement will be reviewed at least each elected term of Council, and each time the *Code of Conduct* and procurement arrangements are amended.

The General Manager and/or Manager Governance & Risk is authorised to make amendments to the Statement of Business Ethics to reflect any changes to the Code of Conduct or Council's procurement arrangements, adoption of Council Values in addition to any grammatical or formatting changes.

## 18 Version control

| <b>Version</b> | <b>Release Date</b>  | <b>Author</b>             | <b>Reason for Change</b>                    |
|----------------|--|---------------------------|---|
| 1.0            | 07/12/2016   | Coordinator<br>Governance | Harmonised document from former<br>Councils |
| 1.1            | 10/01/2017   | Coordinator<br>Governance | Minor administrative edits                  |
| 2.0            | 10/05/2017   | Coordinator<br>Governance | Council review of document                  |
| 2.1            | 18/10/2022<br>(approved by<br>Manager<br>Governance &<br>Risk) | Procurement<br>Specialist | Addition of "Modern Slavery"<br>section     |