



Business ethics for Narrandera Shire Council

The Shire Council dealings with the private sector can range from purchasing of goods and services, joint ventures to complete contracting out of works and services. Both Narrandera Shire Council and the private sector need to be aware of the ethical standards adopted by Council and its staff in day-to-day operational activities when conducting business.

This statement sets out the appropriate standards of ethical behaviour that meets Council's requirements. It also provides guidelines for staff as an indicator of what can be expected when dealing with Council on matters of business.

I trust that these guidelines provide assistance in your dealings with Council. Further information on these guidelines can be obtained from the General Manager's Office on telephone (02) 6959 5500.

Ken Murphy

A handwritten signature in black ink, appearing to read 'Ken Murphy', with a small dot at the end of the line.

General Manager

General Principles

Narrandera Shire Council requires staff and Councillors to conduct their roles and responsibilities in an ethical manner. Both staff and Councillors work to a written Code of Conduct.

Council is guided by three (3) key principles when considering a business agreement. These principles are:

- Value for money to the ratepayer;
- Impartiality through the assessment stages, and
- Fairness.

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

Value for Money

Is determined by considering the impact of factors such as quality, reliability, timeliness, service and 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.

Impartiality

Means trying to be objective, evenhanded and reasonable. As an 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.

Fairness

Council works within an environment where it seeks to be fair with its all its dealings and endeavours to minimise any adverse effects from the decision making process, however it must be understood that fairness does not mean pleasing everyone. If people are adversely affected by a decision, it can be considered unfortunate but not necessarily unfair.

Narrandera Shire Council Councillor and Staff Expectations:

- Compliance with Council policies and procedures;
- Provide fairness to all individuals and or organisations who quote or tender for the provision of goods and services;
- Encourage fair and open competition while at the same time seeking value for money;
- Protect commercial in confidence information;
- Comply with public interest and accountability standards;
- Deal honestly and equitably with suppliers;
- Avoid personal conflicts of interest with public duty;
- Not to solicit or accept financial or other benefits from a supplier for performing official duties;
- Promptly respond to reasonable requests for advice and information.

Expectations of Tenderers, Suppliers, Consultants and Contractors:

- Respect the conditions and requirements stated in documents supplied by Council;
- Present information concisely;
- Comply with Council's tendering and practice requirements;
- Respect the obligation of Council staff to comply with council's procurement policies;
- Abstain from collusive practices and not act secretly or fraudulently;
- Prevent the unauthorised release of privileged or confidential information, such as commercial in confidence information;
- Respond to reasonable requests for advice and information;
- Do not discuss Council dealings with the media without Council consent;
- Refrain from offering Council employees or Councillors any financial or other inducement, which may lead to a position of unfair advantage in dealings with Council.

Some practical Guidelines:

Confidentiality: Council is obliged by the NSW Local Government Act 1993 criteria. Section 10A through to 10D describes matters that can be discussed in closed committee. Generally tenders, quotations and business dealings fit into the criteria described in Sections 10A (2) (c) and (d).

Conflicts of Interest: Councillors and Council staff conduct their activities through a Code of Conduct and in the case of Meetings through a Code of Meeting Practice. Both these codes require a declaration and non-involvement on a matter if a staff member or Councillor believes they may have either a pecuniary or non-pecuniary interest. The Local Government Act 1993 within Chapter 12 provides the requirements for both staff and Councillors with respect to Conflicts of Interest.

Among other matters Councillors and Designated persons within the organisation are also required to submit an annual disclosure of interest return. Sections 442 and 443 provide a definition of Pecuniary and non-pecuniary interest. Conflicts of interest can involve spouses, family members and friends.

A **pecuniary interest** is described where an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person or another person with whom the person is associated (Sections 442 and 443 of the Local Government Act). A **non-pecuniary interest** is described in the Local Government Act as a private or personal interest the councillor, staff member or delegate has that does not amount to a pecuniary interest as defined but for example, a friendship, membership of an association, society or trade union or involvement or interest in an activity.

Any complaints or alleged breaches of Conflict of interest can be investigated by the General Manager who can refer such matters to the Pecuniary Interest Tribunal, which has the authority to hand down severe penalties.

Intellectual Property rights: These rights are subject to negotiation. No individual or organisation is entitled to acquire any intellectual property rights because they are employed by or have a contract with the Narrandera Shire Council.

Gifts: Gifts should not be given to Council staff or Councillors and there should be no expectation that any gifts will be provided. Council does, however have a gift register where Councillors and staff are required to register any incidental and unrelated gifts, as example through a sister city relationship etc.

Meals etc: Councillors and staff are expected to pay for their own meals. Council discourages external parties from providing Councillors and Council staff with benefits such as social lunches.

Councillors and staff participation is allowed only if clear underlying business purpose exists and the value and frequency of such functions are not excessive.

Travel and Accommodation: The Narrandera Shire Council policies meet all approved business travel and accommodation for Councillors and staff. The Council or General Manager, not the individual who is affected, must agree to any variation to this policy. Public liability and insurance requirements must also be considered.

Entertainment: Councillors or staff are generally not entitled to use Council funds to pay for entertainment. Likewise suppliers should not pay any form of entertainment for Councillors or staff.

Sponsorship: The Narrandera Shire Council will not enter into any form of sponsorship that is not open or transparent or if such sponsorship creates a perception that it could be seen as an attempt to improperly influence the decision making process.

Secondary Employment: Council within its staff policy has a requirement, for approval by the General Manager, for any staff member who seeks secondary

employment. Any secondary employment will not be approved if it has the potential either perceived or real to conflict with their Council employment

Expectations of contractors and sub-contractors: Contractors are expected to advise any sub-contractor employed on their behalf of Narrandera Shire Councils business ethics as outlined within this statement.

Contact: Any person or organisation wishing to report any alleged breach of ethics need to bring the matter to the attention of the General Manager in writing to 141 East Street Narrandera NSW 2700 or by telephone (02) 6959 5500.

NARRANDERA SHIRE COUNCIL VISION STATEMENT

To make the Narrandera Shire one of the best places in country NSW to live, work and visit through leadership, teamwork and excellence in management by the provision of quality lifestyle services, whilst retaining the traditional rural values, character and culture.

NARRANDERA SHIRE COUNCIL MISSION STATEMENT

To enhance the quality of life in the Shire, by ensuring the provision of cost effective works and services to residents, and the promotion of opportunities for economic development to ensure the future viability of the Narrandera Shire.

NARRANDERA SHIRE COUNCIL VALUES

- Teamwork
- Respect for community, Councillors and staff
- Honesty, openness and transparent democratic government
- Responsibility and commitment
- Quality and promptness of customer service
- Competitive works and services
- Integrity
- Professional management