

1.6 Statement of Business Ethics

POLICY TITLE: STATEMENT OF BUSINESS ETHICS

FILE REF: SC67

EXPIRY DATE: MARCH 2026

FOREWORD

This statement provides guidance for the private sector when doing business with Lockhart Shire Council.

It outlines Lockhart Shire Council's ethical standards and our expectation that goods and service providers and contractors will comply with these standards in all their dealings with us. The Statement also outlines what goods and service providers and contractors can expect of Lockhart Shire Council.

The protection of the public interest and the prevention of breaches of public trust are among Lockhart Shire Council's primary concerns.

Lockhart Shire Council aims to promote integrity, ethical conduct and accountability.

Lockhart Shire Council's procurement policies and business ethics are designed to be consistent with State Government policy.

Lockhart Shire Council staff are expected to maintain high standards of integrity and ethical conduct, consistent with the positions of trust they hold, and Lockhart Shire Council expects no less of the service providers and contractors that undertake work for Council.

This Statement is designed to ensure that business relationships between Lockhart Shire Council and private sector service providers and contractors are fair and productive for all.

OUR KEY BUSINESS PRINCIPLES

The principle of best value for money is at the core of all Lockhart Shire Council's business relationships with private sector suppliers of goods and services.

Best value for money does not automatically mean the lowest price. Rather, Lockhart Shire Council will balance all relevant factors including initial cost, whole-of-life costs, quality, reliability and timeliness in determining true value for money.

Part of obtaining best value also includes ensuring all our business relationships are honest, ethical, fair and consistent.

Our business dealings will be transparent and open to public scrutiny wherever possible.

WHAT YOU CAN EXPECT FROM US

Lockhart Shire Council will ensure that all its policies, procedures and practices related to tendering, contracting and the purchase of goods or services are consistent with best practice and the highest standards of ethical conduct.

Our staff are bound by the Council's Code of Conduct. When doing business with the private sector, Lockhart Shire Council staff are accountable for their actions and are expected to:

- Use public resources effectively and efficiently.
- Deal fairly, honestly and ethically with all individuals and organisations.
- Avoid any conflicts of interest (whether real or perceived).

In addition, all Lockhart Shire Council procurement activities are guided by the following core business principles:

- All potential suppliers will be treated with impartiality and fairness and given equal access to information and opportunities to submit bids.
- All procurement activities and decisions will be fully and clearly documented to provide an effective audit trail and to allow for effective performance review of contracts.
- Energy efficient equipment, products containing recycled materials and environmentally friendly products will be purchased wherever reasonably possible.
- Tenders will not be called unless Lockhart Shire Council has a firm intention to proceed to contract.
- Lockhart Shire Council will not disclose confidential or proprietary information.

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WHAT WE ASK OF YOU

We require all private sector providers of goods and services to observe the following principles when doing business with Lockhart Shire Council:

- Comply with Lockhart Shire Council's procurement policies 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 Council.
- Take all reasonable measures to prevent the disclosure of confidential Lockhart Shire Council information.
- Refrain from engaging in any form of collusive practice, including offering Lockhart Shire Council employees inducements or incentives designed to improperly influence the conduct of their duties.
- Refrain from discussing Lockhart Shire Council business or information in the media.
- Assist Lockhart Shire Council to prevent unethical practices in our business relationships.

WHY IS COMPLIANCE IMPORTANT?

By complying with our Statement of Business Ethics, you will be able to advance your business objectives and interests in a fair and ethical manner. As all Lockhart Shire Council suppliers of goods and services are required to comply with this statement, compliance will not disadvantage you in any way.

Complying with Lockhart Shire Council's principles will also 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 Lockhart Shire Council's ethical requirements when doing business with Council. Demonstrated corrupt or unethical conduct could lead to:

- Termination of contracts.
- Loss of future work.
- Loss of reputation.
- Matters being referred to ICAC.
- Matters being referred for criminal investigation.

GUIDANCE NOTES

Gift and benefits

In general, Lockhart Shire Council expects its staff to decline gifts, benefits, travel or hospitality offered during the course of their work.

You should refrain from offering any such 'incentives' to Lockhart Shire Council staff.

Lockhart Shire Council only permits its staff to accept gifts if:

- It does not create a situation, real or perceived, that any person or body, through the provision of a gift, hospitality or benefits of any kind, is securing or attempting to influence or secure a favour from staff or the Council.
- Gifts are token and of nominal value.
- Refusing a gift is likely to be perceived as rude or offensive.

Gifts and benefits Register

- Council will maintain a Gifts and Benefits Register.
- Where a gift or benefit of more than token value is received in circumstances where it cannot reasonably be refused or returned, the details of the gift must be disclosed to your supervisor, General Manager or the Mayor (in the case of councillors) and recorded in the Gifts and Benefits Register held by Council. The gift or benefit must be surrendered to the Council unless the nature of the gift or benefit makes this impractical.

CONFLICTS OF INTEREST

All Lockhart Shire Council staff are required to disclose any potential conflicts of interest. The Lockhart Shire Council extends this requirement to all our business partners, contractors and suppliers.

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Confidentiality

All Lockhart Shire Council information should be treated as confidential unless otherwise indicated.

Communication between parties

All communication should be clear, direct and accountable to minimise the risk of perception of inappropriate influence being brought to bear on the business relationship.

USE OF LOCKHART SHIRE COUNCIL EQUIPMENT, RESOURCES AND INFORMATION

All Lockhart Shire Council equipment, resources and information should only be used for its proper official purpose.

Contracting employees

All contracted and sub-contracted employees are expected to comply with Lockhart Shire Council's Statement of Business Ethics. If you employ sub-contractors in your work for Lockhart Shire Council, you must make them aware of this Statement.

INTELLECTUAL PROPERTY RIGHTS

In business relationships with Lockhart Shire Council, parties will respect each other's intellectual property and will formally negotiate any access, license or use of intellectual property.

WHO TO CONTACT

If you have any questions regarding this Statement or to provide information about suspected corrupt conduct, please contact Lockhart Shire Council directly by letter, phone, fax or email at the contact details provided.

Public officials reporting corrupt conduct, maladministration or serious waste of public funds are protected by the Public Interest Disclosures Act 1994. This Act protects public officials disclosing corruption-related matters from reprisal or detrimental action and ensures disclosures are properly investigated and dealt with.

Lockhart Shire Council Contact Details

ADDRESS	65 Green Street, Lockhart NSW 2656
POSTAL	PO Box 21, Lockhart NSW 2656
EMAIL	mail@lockhart.nsw.gov.au
TELEPHONE	(02) 6920 5305
FACSIMILE	(02) 6920 5247
BUSINESS HOURS	8.30am – 5.00pm Monday to Friday
WEBSITE	www.lockhart.nsw.gov.au

REFERENCE DOCUMENTS

This policy should be read in conjunction with the following documents:

- Policy 1.4 – Code of Conduct
- Policy 1.18 – Public Interest Disclosures and Reporting System
- Policy 1.19 – Local Preference Purchasing Policy
- Policy 1.24 – Bribes, Gifts and Benefits Policy
- Policy 2.31 – Procurement Policy

*Confirmed by Council 20 March 2023
Refer minute 47/23*

*Adopted by Council 16 March 2020
Refer minute 49/20*

Revised by General Manager in February 2017

*Amended by Council 17 August 2009
Refer minute 283/09*

*Adopted by Council – 21 February 2005
Refer Minute No. 24494*