



# STATEMENT OF BUSINESS ETHICS

## GENERAL PRINCIPLES

Gilgandra Shire Council expects all its representatives, staff and Councillors to behave ethically and to abide by a written Code of Conduct. Council also expects private industry and its representatives to maintain similar standards of ethical conduct in their dealings with Council.

There are two main principles that form the basis of Gilgandra Shire Council's business agreements. Firstly, there is the need to get the best possible value for public money. Secondly, Council needs to demonstrate impartiality and fairness at all stages of the process.

These principles enable suppliers to promote their interests productively and avoid potentially questionable activity. Those providing goods and services also benefit from the assurance that their competitors are required to behave in accordance with the same guidelines.

**VALUE FOR MONEY** is determined by considering all the factors which are relevant to a particular process. For example quality, reliability, timeliness, service, initial and ongoing costs are all factors which can make a significant impact on benefits and costs. Value for money does not mean "lowest price".

However, the lowest price bid might offer best value if it meets other essentials such as quality and reliability.

**IMPARTIALITY AND FAIRNESS** are about being objective, evenhanded and reasonable. An impartial person will try objectively to establish criteria for determining best value for money and will work hard to objectively assess each quotation against criteria. A fair person would not for example change or introduce new selection criteria midway through the quotation process without advising all persons submitting a quotation.

Being impartial includes taking into account the practicalities of a given situation. Impartiality does not require for example inviting bids from firms which have performed poorly in the past. In some circumstances, fairness takes into account the effects of actions of others. It would be unfair to call quotes when there is no serious intent to award a contract subject to a satisfactory offer.

Fairness does not necessarily mean pleasing everyone. Some people are occasionally adversely affected by fair decisions. Council operates from a view point where it wishes to be fair in all its dealings and minimise where possible, any adverse effects of its decisions.

## **Gilgandra Shire Council expects staff and Councillors to:**

- Respect and follow Council's policies and procedures.
- Treat all quotes for the supply of goods and services equitably.
- Promote fair and open competition while seeking best value for money.
- Protect confidential information.
- Meet or exceed public interest and accountability standards.
- Respond promptly to reasonable requests for advice and information.
- Avoid situations where private interest could conflict with public duty.
- Never solicit or accept remuneration, gifts or other benefits from a supplier for the discharge of official duties.

## **Council expects tenderers, suppliers, consultants and contractors to:**

- Respect the conditions set out in documents supplied by Council,
- Respect the obligation of Council staff to abide by Council's procurement and disposal policy.
- Abstain from collusive practices.
- Prevent unauthorised release of privileged information, including confidential Council information.
- Refrain from offering Council employees or Councillors any financial or other inducement which may give any impression of unfair advantage.

## **HOW IT WORKS**

There is no absolute definition of "ethical behaviour". If there is any doubt about the ethics of a proposed action, a sensible test is whether or not you would be happy to see your behaviour published in the local newspaper.

Staff and Councillors of Gilgandra Shire Council or those in the employ of a tenderer, supplier, consultant or contractor who are concerned that a breach of the law or of ethical conduct may have taken place, should discuss the matter with Gilgandra Shire Council's Public Officer on (02) 6817 8800.

If an apparent breach of any agreed standard of ethical conduct is identified, then the matter should be immediately brought to the attention of the General Manager or the Public Officer on (02) 6817 8800.

## **CODE OF CONDUCT**

Council contractors will also be required to observe the relevant provisions of Council's Code of Conduct based on the Department of Local government Model Code of Conduct for Local Councils in NSW, adopted by Gilgandra Shire Council March 2013.

The Code of Conduct is accessible on Council's website: [www.gilgandra.nsw.gov.au](http://www.gilgandra.nsw.gov.au).