

ITEM 5 POLICY REVIEW - CODE OF BUSINESS ETHICS

The Code of Business Ethics is a key element of Council's Ethical Framework as it provides guidance on the standards of ethical behaviour that we expect from all businesses that Council may deal with, but also outlines the ethical standards that Council will maintain as well. Following a review, this report presents an updated Code of Business Ethics to Council for endorsement to place on exhibition for 21 days.

RECOMMENDATION

That Council place the Draft Code of Business Ethics on public exhibition for a period of 21 days, inviting submissions from the public, after which time the Code shall be reported back to Council for adoption with a summary of submissions received.

REPORT AUTHORISATIONS

Report of: Todd Hopwood, Manager Customer and Business Integrity
Authorised by: Renee Campbell, Director Corporate Services - Connected + Engaged City

ATTACHMENTS

- 1 Draft Code of Business Ethics

BACKGROUND

The Code of Business Ethics was recently reviewed in conjunction with, and in line with proposed changes to, the Code of Conduct to provide greater clarity on ethical standards required by Council. The review has also responded to significant recent changes to Public Interest Disclosures legislation that impact upon suppliers to Council.

PROPOSAL

A comprehensive review of the existing Code of Business Ethics has been undertaken. The significant changes to the Code are outlined below:

- New clause requiring suppliers not to bully, harass or intimidate Council staff or any person utilising a Council service. This will provide alignment with bolstered sections in the Code of Conduct around bullying and harassment and sexual harassment.
- New clause requiring participants in tenders to not lobby or approach Councillors and to be honest and forthright when providing information to Council.
- Several new references to child safety and in particular the need for suppliers to not engage in any activity that risks children's safety, welfare or well-being.
- An extensive new section on Public Interest Disclosures and our expectations of suppliers in this area.

CONSULTATION AND COMMUNICATION

The redrafting of the Code has been done in consultation with:

- General Counsel
- Governance and Risk Manager
- Procurement and Supply Manager
- Community Support Services Manager
- Coordinator Youth Services

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2032 Goal 4. It specifically delivers on the following:

Community Strategic Plan 2032		Delivery Program 2022-2026	
Strategy		Service	
4.7	Demonstrate responsible decision-making based on our values, collaboration, and transparent and accountable leadership	Governance and Administration	

RISK MANAGEMENT

The *Code of Business Ethics* is a key mechanism for establishing the standards we expect from those we do business with but also the standards they can expect from us addresses several hazards that relate to the following strategic risks:

- SR2 Brand and Reputation
- SR8 Fraud and Corruption
- SR9 Procurement and Contracts
- SR10 Safety of our People

FINANCIAL IMPLICATIONS

There are no direct financial implications that arise from the changes to the policy as Council activities in this area are currently adequately resourced.

CONCLUSION

This update to the Code of Business Ethics will assist in the evolution of Council's best practice approach to ethical standards and business integrity.



CODE OF BUSINESS ETHICS COUNCIL POLICY

ADOPTED BY COUNCIL:

PURPOSE

This Code of Business Ethics is a key component of Council's Ethical Conduct Framework and provides guidance on the standards of ethical behaviour Wollongong City Council expects and adheres to.

Our Values

The Wollongong City Council Codes of Conduct are based on the Model Code of Conduct for Local Councils in NSW and set out the standards of conduct that meet these principles and statutory provisions applicable to local government activities.

Integrity

We must not place ourselves under any financial or other obligation to any individual or organisation that might reasonably be thought to influence us in the performance of our duties.

Leadership

We have a duty to promote and support the key principles by leadership and example and to maintain and strengthen the public's trust and confidence in the integrity of the Council.

Selflessness

We have a duty to make decisions in the public interest and not act to gain financial or other benefits for ourselves, our family, friends, or business interests.

Impartiality

We make decisions on merit and in accordance with our statutory obligations when carrying out public business.

Accountability

We are accountable to the public for our decisions and actions and should consider issues on their merits, taking into account the views of others.

Openness

We have a duty to be as open as possible about our decisions and actions, giving reasons for decisions and restricting information only when the wider public interest clearly demands.

Honesty

We have a duty to act honestly. We must declare any private interests relating to our public duties and take steps to resolve any conflicts arising in such a way that protects the public interest.

Respect

We must always treat others with respect. We do not use derogatory terms towards others, we observe the rights of other people, treating people with courtesy and recognising the different roles others play in local government decision making.

We respect, apply, and comply with the law, support human rights, child safety and equal opportunity, protect the environment, achieve operational excellence and work for the benefit of our communities.

CODE OF BUSINESS ETHICS

COUNCIL POLICY

Reporting Unethical Behaviour

Council is committed to promoting ethical behaviour, reports can be made in relation to:

- Unethical behaviour
- Fraud
- Corruption
- Maladministration or waste

Reports can be made to the following Council Officers:

- General Manager
- Public Officer
- Professional Conduct Coordinator

External reporting can also be made to:

- The Independent Commission Against Corruption – 8281 5999
- NSW Ombudsman – 9286 1000
- NSW Office of Local Government – 4428 4100

For more information contact Wollongong City Council (02) 4227 7111 wollongong.nsw.gov.au

WHAT WE ASK FROM YOU

We require all who do business with Council to observe the following principles when doing business with Council:

- Be familiar with and comply with Council's procurement policies and procedures.
- Provide accurate and reliable advice and information when required.
- Declare conflicts of interest as soon as you become aware of the conflict.
- Obey all relevant laws and contractual obligations.
- Assist Council to prevent unethical practices in our business relationships.
- Provide Council with a quality product or service on time that gives value for money.
- Be honest and forthright when providing information to Council, particularly when submitting quotes or tenders.
- Abide by the Public Interest Disclosure requirements outlined later in this code.
- Not lobby or approach elected Councillors in relation to procurement (tenders and quotes) or contract management issues
- Not bully, harass or intimidate Council staff or any person utilising a Council service.
- Not engage in any activity that risks children's safety, welfare or well-being.
- Not offer gifts, benefits or hospitality to our staff at any time, and
- Not supply any goods/services that are the product of, or use any labour practices involving, Modern Slavery.

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All providers of goods and services to Council must declare to Council (at the earliest opportunity) if they:

- Have been convicted of fraud or a fraud-related offence; or
- Have been declared bankrupt, or are a director of a company that has entered a Deed of Company Arrangement, been placed into External Administration or into Liquidation; or
- Have had any corrupt findings recorded against them, or been identified as a person of interest, by the Independent Commission Against Corruption (ICAC).

The above disclosure requirements equally apply to Directors of a company providing goods or services to Council.

WHAT YOU CAN EXPECT FROM US

Council ensures that all 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.

All Council procurement activities are based upon the following core business principles –

- Transparency of process
- Accountability
- Ethical management of conflicts of interest
- Obtaining best value, and
- Monitoring and evaluation of performance.

In maintaining these business principles, Council will ensure that:

- Potential suppliers will be treated with impartiality and fairness and given equal access to information and opportunities to submit bids.
- 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.
- Tenders will not be invited unless Council has a firm intention to proceed to contract, and
- Council will not disclose confidential or proprietary information.

We always act with honesty and integrity in an open and transparent manner, performing roles efficiently, effectively, and fairly, thereby attracting the highest level of confidence from our community.

COUNCIL'S CODE OF CONDUCT

Council staff are bound by Council's Code of Conduct. When doing business with external parties, Council staff are accountable for their actions and are required to:

- Use public resources effectively and efficiently.
- Deal fairly, honestly, and ethically with all individuals and organisations
- Avoid any conflicts of interest.
- Treat all tenderers for supply of goods and services equitably.
- Meet public interest and accountability standards.
- Abide by all relevant and applicable laws and regulations.

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- Respect and follow Council's policies and procedures.
- Promote fair and open competition while seeking best value for money.
- Protect confidential information.
- Never solicit or accept remuneration, gifts or other benefits from a supplier or applicant for the discharge of official duties, and
- Respond promptly to reasonable requests for advice and information.

REQUIREMENTS UNDER THE PUBLIC INTEREST DISCLOSURES ACT 2022

Where you provide services on behalf of Council, the Public Interest Disclosures Act 2022 (PID Act) has application to you.

Under that Act, you need to be aware of the following:

- All individuals involved in providing services are public officials for the purposes of the PID Act,
- how to make a voluntary public interest disclosure,
- the terms of Council's public interest disclosure policy; and
- the fact that a person who is dissatisfied with the way in which a voluntary public interest disclosure has been dealt with may be entitled to take further action under the PID Act or another Act or law.

Where the PID Act applies to you, you must notify Council of a voluntary public interest disclosure of which you become aware where either:

- a) the disclosure relates to Council; or
- b) the maker of the disclosure is known to be a public official associated with Council.

You must also notify Council of serious wrongdoing committed, or alleged to be committed, by an individual providing services under this contract.

You must use your best endeavours to assist in an investigation of serious wrongdoing if requested to do so by a person dealing with a voluntary public disclosure on behalf of Council or any other agency (as defined in the PID Act).

You also acknowledge that:

- Council has an obligation to take corrective action under s. 66 of the PID Act;
- Council has a right to terminate the contract in response to a finding of serious wrongdoing or other misconduct involving you or an individual providing services under this contract;
- If you subcontract the contract, you must ensure that the subcontract contains terms binding the person or body engaged under the subcontract that are equivalent to the terms binding you in this Code; and
- The regulations made under the PID Act may make further provision about terms that must, or must not, be included in an agency service contract or a class of agency service contracts.

Further details on the PID Act can be obtained from Council's Public Interest Disclosures Policy available on the Council website.

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COUNCIL POLICY

APPROVAL AND REVIEW	
Responsible Division	Customer and Business Integrity
Date adopted by Council	8 May 2023
Date/s of previous adoptions	27/05/2019, 30/10/2017, 14/10/2013, 27/05/2008
Date of next review	8 May 2026
Responsible Manager	Governance + Risk Manager