

Statement of Business Ethics

Procurement

November 2023 | Version 1.0



PORT MACQUARIE
HASTINGS COUNCIL

Doing business with us

Committed to delivering our community's vision of becoming the most liveable, sustainable, and innovative place in Australia, our mission centres on providing excellent services and infrastructure. We believe fostering collaborative, trusted partnerships with valued external providers is integral to achieving our long-term goals.

Our Statement of Business Ethics - Procurement provides guidance for our commercial partners, suppliers, contractors, and anyone 'doing business with Council', outlining our ethical principles and defining the expectations we have for ourselves, as well as other organisations and individuals, in all our interactions.

With a shared commitment to uphold the highest standards of integrity, ethical conduct, and accountability whilst adhering to the relevant laws and corporate values outlined in our Statement of Business Ethics - Procurement, together we can deliver value to our community today and build a better future today for generations to come.

We hold ourselves to the highest standards of integrity, ethical conduct, and accountability is important to us in building trust and this influences how our community and business partners feel about our organisation and the services it provides.

For additional information about this Statement of Business Ethics - Procurement, please contact our Group Manager Procurement on (02) 6581 8111

Dr Clare Allen

Chief Executive Officer



Statement of Business Ethics Procurement

Document Owner	Group Manager, Procurement
Endorsed by	Executive Leadership Team
Approved by	Council
Commencement date	November 2023
Revisions	16 May 2013, 3 June 2014, 25 May 2021
Next revision data	November 2026
File number	D2021/154977
Relevant strategic directions	<p>AHP4 Our Council manages its finite resources sustainably to support the service delivery expectations of our community</p> <p>AHP4.3 Maintain sustainable financial management and effective procurement practices across all areas of Council</p>
Relevant legislation/codes	<ul style="list-style-type: none"> • Local Government Act 1993 • Local Government (General) Regulation 2021 • Independent Commission Against Corruption Act 1988 • Public Interest Disclosures Act 2022 • Government Information (Public Access) Act 2009 • Modern Slavery Act 2018 • Work Health and Safety Act 2011 • Electoral Funding Act 2018
Related policies/procedures/guidelines	<ul style="list-style-type: none"> • Code of Conduct • Procurement Policy • Purchasing and Tendering procedures • Sponsorship Policy
Related forms	Statutory Declaration on Statement of Business Ethics



Principles supporting our business relationships

Adhere to our corporate values

When doing business with us, we expect all suppliers, potential suppliers, contractors and potential contractors to operate in a manner that is in line with our corporate values.

Our vision

*To create the most liveable,
sustainable and innovative place in
Australia*

Guiding principles

We use the following guiding principles as a foundation for our business relationships with suppliers and contractors:

Safety

Health and safety is our number one priority. We are committed to ensuring our employees, communities, contractors and suppliers remain safe during their work and dealings with us. We require our suppliers, contractors and business partners to have a similar commitment to health and safety.

Best value

Best value does not always mean selecting the lowest price. We will balance all relevant factors including ethical business practice, compliance with specifications, quality, whole-of-life costs (including disposal), reliability, safety and timeliness when selecting suppliers.

Open, fair and honest

We are an open, fair and honest business partner and our dealings are transparent and open to public scrutiny.

We will treat all parties involved in an objective, reasonable and respectful manner. We will act impartially and provide potential suppliers with equal access to information.

We will only approach potential suppliers if we have a genuine intent to enter into an arrangement.

We are committed to ethical standards and it is the responsibility of Councillors and Council staff, as well as suppliers to Council, to report any instances of suspected corruption, maladministration or illegal activities.



What you can expect from us

Performing our duties

We will ensure that our policies, procedures and practices relating to procurement and contracting are consistent with professional industry standards and with the highest standards of ethical conduct and integrity.

Our employees and Councillors are bound by our [Code of Conduct](#).

When conducting business with us, you can expect that we will:

- act fairly, ethically, lawfully, honestly and transparently with all individuals and organisations
- ensure decisions and actions are reasonable, fair and appropriate to the circumstances, based on consideration of all relevant facts, and supported by relevant legislation, policies and procedures
- accept responsibility and be accountable for their actions in accordance with delegated functions, accountabilities, and the requirements of the Code of Conduct
- promote the integrity and reputation of Port Macquarie Hastings Council by always acting in the public interest and not engage in any activities that would bring the public sector into disrepute
- treat stakeholders, clients, suppliers and each other ethically, fairly and professionally
- provide relevant and responsive service to clients and customers in accordance with agreed service standards
- foster a culture and work environment free of discrimination
- protect confidential, proprietary and commercial-in-confidence information
- act with care and diligence, utilising PMHC's resources in a proper manner.

Our procurement practices

All procurement activities are conducted in line with Local Government legislation, through strict policies and procedures and reflect high standards of ethical conduct. We expect transparency by all stakeholders in the procurement lifecycle, including:

- gaining sources of supply
- obtaining quotes/tenders/proposals covering price, availability and capability from suppliers
- placing orders for goods and services
- receiving and accepting the goods and services
- authorising payments to suppliers.

In the interest of a fair and competitive marketplace, we apply the same evaluation and selection process to all potential suppliers.

How we will engage you

Goods and services are ordered using an approved method such as a purchase order.

If a contract is awarded, we will include information on the preferred ordering method. You should question any order that does not refer to a purchase order.

If you submit invoices which do not match a valid purchase order you will be at risk of a significant delay in payment.

Diversity and inclusion

We will foster a diverse and inclusive workplace culture. One that makes everyone, regardless of who they are or what they do for the business, feel equally involved in and supported in all areas of the workplace, our premises and worksites.



The commitment we seek from you

Be committed to safety

Being a PMHC supplier means that you are required to maintain compliance with the Work Health and Safety Act 2011, the Work Health and Safety Regulation 2017 and any other relevant laws, regulations, codes or standards, as they relate to Council's operations.

This means you must:

- demonstrate and maintain an outstanding and measurable safety record
- provide evidence of your safety excellence and a Health and Safety (H&S) management system or practices
- advise us of any hazards or risks for activities on behalf of Council, and your methods for effectively managing them
- notify us of any incidents and WHS performance issues associated with activities undertaken on behalf of Council
- adhere to Council's WHS policies and procedures, which applies to all workers on our sites. No worker is permitted to be impaired by the use of alcohol or illicit drugs while working on Council's sites
- maintain adequate insurance coverage including workers' compensation, public liability, professional indemnity and motor vehicle as applicable.

Modern Slavery

We are committed to maintaining and improving systems and processes to avoid complicity in modern slavery or human rights violations related to our own operations, our supply chain, and our services.

When responding to our procurement opportunities, we ask you to demonstrate your willingness to work with us to implement and improve modern slavery risk mitigation strategies over time. We believe positive and collaborative relationship with suppliers can encourage transparency and help improve suppliers' response to modern slavery risks.

Any concerns regarding slavery and human trafficking should be reported to procurement@pmhc.nsw.gov.au

Comply with the Competition and Consumer Act 2010

The Competition and Consumer Act 2010 is in place to ensure that organisations do not engage in business practices that will restrict or limit competition. In particular, you must:

- never collude with other competitors or suppliers about supplies, prices, terms, tenders, other competitors or other competitive factors
- never try to influence another supplier's or competitor's dealings with Council
- not take advantage of others' disadvantage by acting unfairly or unconscionably
- not supply goods and services in a manner that contravenes the Competition and Consumer Act 2010 or other legislation
- not mislead or deceive through your advertising, predictions, opinions or other material that you either supply or omit to supply us.

Lobbying of Councillors and Council employees

Any canvassing of Council employees or Councillors during a procurement opportunity will disqualify you from further consideration. Contact with Councillors whilst performing work with or for Council is prohibited unless expressly authorised by the Council.

Why you need to comply

The standards and principles outlined in this Statement reflect the highest standard expected by our local community.

All suppliers of goods or services to us, are expected to maintain these standards and principles when working with, for, or on behalf of PMHC.

Failure to comply with this Statement, as well as corrupt or unethical conduct may lead to:

- termination of contracts
- loss of future work
- reputational damage
- investigation for corruption
- matters being referred for criminal investigation.



Guidance notes

Incentives, gifts, benefits and hospitality

You must not offer or give gifts to our employees or Councillors and there is no expectation from our employees that any gifts will be provided. Our employees will decline gifts, benefits, or travel offered during the course of their work. Cash gifts or equivalent (for example, gift vouchers) are never acceptable.

You must not pay or offer to pay for any form of entertainment for our employees. Entertainment includes tickets to sporting or social events, social meals at restaurants, travel expenses to attend either local or interstate meetings or conferences, or accommodation expenses. PMHC meets all such business costs for employees. Employee participation in some modest forms of hospitality is permitted where:

- there is a clear underlying business purpose exists
- it is in the normal course of business
- it relates to the work of PMHC
- it has a public benefit
- it is disclosed by the employee.

Offers, acceptance, and non-acceptance of gifts, benefits and hospitality must be disclosed by employees in accordance with the [Code of Conduct](#).

We acknowledge that judgement by parties needs to be exercised regarding the offer and acceptance of such hospitality – the essence is that it must be modest (both actual and in perception) and not be encumbered by obligation. It must also not be offered at a time that could raise general concerns about conflicts of interest (for example, during a tender or contract negotiation period). Modest hospitality could include basic refreshments at meetings or a light working lunch.

Communication and cooperation

To minimise the risk of a perceived inappropriate influence being brought to bear on the business relationship, all communication should be clear, direct and accountable.

You are not permitted to discuss Council's business or information publicly in the media, online or in any other publication or at any event without prior approval.

Endorsement of products or services

Council employees must not endorse any external product or services. Individual requests for endorsement must be referred to Director level or higher.

Conflicts of interest

Our employees are required to disclose any actual, perceived, or potential conflicts of interest. This includes conflicts of interest that can, or could, arise from personal relationships between our employees and staff of our suppliers.

We extend this requirement to all our suppliers. Some examples of conflicts of interest are:

- knowing that a Council employee (or their friends or relatives) stand to benefit from a matter in which you are involved
- having a personal relationship with a Council employee that goes beyond a normal professional working relationship
- using business information that you have acquired through your work with Council for personal gain
- engaging in party political activities or making adverse political comments that relate to Council's business.

Confidentiality and intellectual property

Confidential information in any format must be treated as such and protected as appropriate. The specific requirements of copyright laws and individual contracts must be adhered to.

In relation to any information that is available or obtained in connection with your Council dealings (hardcopy, electronic or any other form) you must:

- treat the information as confidential unless advised otherwise
- take appropriate measures to protect the information and never release the information without express permission
- comply with relevant legislation governing the handling or treatment of legislation, or information
- only access the information if it is needed to complete your activities for, or on behalf of Council
- not use the information for private or any other non-Council purposes
- not seek or obtain either directly or indirectly any financial benefit or other improper advantage for yourself, or any other entity, from the information to which you have access to in relation to your work with Council.



Use of resources

All Council's resources, such as equipment, facilities, vehicles, employee time and information are only to be used for its official Council purpose.

Inappropriate or unapproved use of any of Council's resources may result in the termination of your services.

Sponsorship

From time to time, we may seek financial or in-kind sponsorship from the private sector to support Council's activities or events. We may also provide sponsorships or grants to community organisations for their activities or events.

Our [Sponsorships Policy](#) outlines the principles of all inbound (received by Council) and outbound (offered by Council) sponsorship for Council and aims to establish a standardised and transparent approach to sponsorship arrangements.

We will not ask for, entertain, or enter into any sponsorship or similar arrangement that is not open and transparent or where such activity creates a perception that it could be part of an attempt to improperly influence decision-making processes.

Private employment and post-separation employment

You must not offer our employees private employment which conflicts with their public duties.

Council employees must obtain the approval of the Chief Executive Officer prior to entering into any private or secondary employment arrangement. Secondary employment will not be approved if it has the potential to create an actual or perceived conflict of interest between the employee's public official role and their private interests.

Our employees are not to use either their position, government information, or intellectual property developed while serving Council to secure private employment.

Former employees:

- must not disclose confidential information obtained in the course of their employment or convert any property of the Council to their own use, unless properly authorised, and
- who have dealings with Council need to ensure that they do not seek, or appear to seek, favourable treatment or access to confidential information.

Political Donations

The Electoral Funding Act 2018 requires that persons who have a financial interest in or have made a submission in relation to a development application or a planning instrument, must disclose certain information about political donations and other gifts. This is a mandatory requirement if a donation or gift has been made to a Councillor or council employee within the previous two years of the application or submission.



Who to contact

If you have any questions or comments concerning this Statement, please contact:

Group Manager, Procurement

Phone: (02) 8581 8111

Email: council@pmhc.nsw.gov.au

Public interest disclosures and other reports of wrongdoing

We do not tolerate corrupt conduct, maladministration, serious and substantial waste of public money and other forms of serious wrongdoing.

Under the Public Interest Disclosure Act 12022 (the PID Act), a public interest disclosure is a report by a public official about potential corrupt conduct, maladministration, a government information contravention, a local government pecuniary interest contravention, or serious and substantial waste within the public sector.

A person engaged by Council under a contract to provide services to or on behalf of Council is a public official for the purposes of the PID Act.

The PID Act provides certain protections against reprisals for public officials who report such matters in accordance with its provisions. The NSW Ombudsman's website contains additional information about the PID Act.

To make a report of unacceptable conduct, including conduct covered by the PID Act and breaches of this Statement, please contact:

Group Manager, Governance

Phone: (02) 8581 8111

Email: council@pmhc.nsw.gov.au

Alternatively, you can contact the following external organisations:

For matters of corruption involving NSW public officials

Independent Commission Against Corruption (ICAC)

Phone: 02 8281 5999

Toll free: 1800 463 909

Tel. typewriter (TTY): 02 8281 5773

Email: icac@icac.nsw.gov.au

Web: www.icac.nsw.gov.au

For matters of maladministration

NSW Ombudsman

Phone: 02 9286 1000

Toll free (outside Sydney metro): 1800 451 524

Tel. typewriter (TTY): 02 9264 8050

Email: nswombo@ombo.nsw.gov.au

Web: www.ombo.nsw.gov.au

For disclosures about breaches of the GIPA Act

Information Commissioner

Toll free: 1800 472 679

Email: ipcinfo@ipc.nsw.gov.au

Web: www.ipc.nsw.gov.au

Business and Performance

Procurement

For direct enquiries

procurement@pmhc.nsw.gov.au

Port Macquarie Hastings Council

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Socials @pmhcouncil

Customer Service Tel 6581 8111

17 Burrawan Street Port Macquarie

49 High Street Wauchope

9 Laurie Street Laurieton

