Statement of business ethics
Required in dealings between Roads and Maritime Services and the private sector

Chief Executive’s message

Dealings between Roads and Maritime Services (RMS) and the private sector, including purchasing goods and services, joint ventures and the complete contracting out of activities must be undertaken with transparency and integrity.

To facilitate this RMS and private sector employees must always be aware of the ethical standards the public demands when RMS money is used either directly or indirectly.

This statement sets out the appropriate standards for doing business with RMS. It provides guidelines on what to expect from RMS and explains the mutual obligations, roles and constraints of all parties. These ethical standards are not an additional requirement but an integral part of sound commercial practices.

All individuals and organisations that deal with RMS must adopt these standards of ethical behaviour. The standards comply with NSW Government guidelines for procurement, contracting and market testing.

The likely reward for maintaining ethical business dealings is enhanced public confidence and repeat business.

If you need more information about these guidelines or any ethical issue, please contact RMS Ethics Information Line on 1800 043 642.

Ken Kanofski
Chief Executive
Business ethics for RMS and the private sector

The role of all parties

The NSW Government now relies on the private sector to perform many tasks it once carried out. This means that RMS employees are involved in purchasing goods and services from the private sector.

RMS expects both its permanent and contract employees to behave ethically and comply with its Code of Conduct and Ethics.

RMS also relies on industry and its employees to maintain similar standards of ethical conduct in their dealings with RMS.

A common understanding between RMS and the private sector on ethical issues will help us develop a productive and mutually beneficial working relationship.

RMS business principles

Three key principles form the basis of RMS business agreements.

- Obtain the best possible value for public money.
- Impartiality through all stages and processes.
- Fairness.

These principles enable suppliers to promote their interests effectively but avoid unproductive and potentially questionable activities.

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

Value for money

Value for money is determined by considering the impact of factors such as quality, reliability, timeliness, service, 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

Impartiality means trying to be objective and even-handed. For 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

Fairness overlaps with impartiality in the sense of being even-handed. In some circumstances fairness can also entail taking into account the effects of actions on others. For example, it would be unfair to call tenders when there is no serious intent to award a contract, even if a satisfactory or exceptional offer was received.

Fairness does not mean pleasing everyone. If people are adversely affected by a decision, it is unfortunate but not necessarily unfair.

RMS requires its employees and contract staff to:

- Comply with RMS and government policies and procedures.
- Show fairness in their treatment of all individuals or organisations that supply goods or services to RMS.
- Encourage fair and open competition while seeking value for money.
- Try to minimise costs to suppliers participating in the procurement process.
- Protect commercial-in-confidence information.
- Deal honestly with suppliers and pay accounts on time.
- Always be accountable and act in the public interest.
- Avoid situations where private interests conflict with public duty.
- Not solicit or accept financial or other benefits from a supplier for performing official duties.
- Respond to reasonable requests for advice and information without delay.

Tenderers, suppliers, consultants and contractors are expected to:

- Respect the conditions and requirements stated in documents supplied by RMS.
- Present information concisely.
- Comply with any codes of tendering and practice that apply.
- Respect the obligation of RMS staff to comply with government procurement policies.
- Not act fraudulently or secretly.
- Prevent the unauthorised release of privileged or confidential information, such as commercial-in-confidence information.
- Not discuss RMS dealings with the media, without consulting RMS first.
- Respond to reasonable requests for advice and information.
- Not offer RMS employees or contract staff any financial or other inducements which may lead to, or be seen as leading to, gaining an unfair advantage in dealings with RMS.
- Comply with RMS post separation employment guidelines.

**Some practical guidelines**

**Communications between parties**

To avoid misunderstandings it is important to use written correspondence (letter, fax or email) for communications involving a business related decision. Telephone communications in this regard should be followed up with written confirmation of any decisions or commitments made.

Unless good reasons exist not to, all meetings should be either on RMS premises or on-site. A written record of commitments given at meetings must be made and endorsed by all parties.

**Confidentiality**

Information which is marked confidential, or which a reasonable person would expect to be confidential, should be treated as such. The information could be in various formats such as hardcopy documents or electronically stored.

Intellectual property rights must be negotiated. No individual or organisation is entitled to acquire any intellectual property rights because they are employed by or have a contract with RMS.

**Entertainment**

Suppliers should not pay for any form of entertainment for RMS employees. Likewise, RMS employees are generally not entitled to use government funds to pay for entertainment.

**Lunches etc.**

RMS employees are expected to pay for all their own meals.

RMS discourages external parties from providing RMS employees with benefits such as social lunches.

Employee participation is permitted only if a clear underlying business purpose exists and the value and frequency of such functions is not excessive.

**Gifts**

Gifts should not be given to RMS staff or its agencies and there should be no expectation that any gifts will be provided.

**Travel and accommodation**

RMS meets all business travel and accommodation costs for its employees. Any variation to this policy must first be agreed with RMS, not the individual employee affected, and approved by a senior employee. Public liability and insurance requirements must also be considered.

**Contracting former RMS employees**

Former employees are generally not employed as contractors for at least 12 months after they have left RMS.

Any organisation intending to use a current or former RMS employee for contract work with RMS should first discuss this with RMS.

This policy protects RMS, the individual and the organisation from any potential charge of impropriety or conflict of interest.

**RMS – Ethics Information Line**

Contact the Ethics Information Line for:

- Advice on any related issues.
- If you are concerned that a breach of the law or unethical conduct may have occurred. This could include fraud, corrupt conduct, maladministration, or serious or substantial waste.

1800 043 642 (free call)

For further enquiries:

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