

**Notice of Motion No. 6.5. Byron Shire Council Ethical Tender Policy**

COR405527/#574928

I move that Council develop an ethical tendering policy to ensure that consideration is given when assessing tenders or contracts that the business and work practices of companies and corporations are ethical in terms of the values of Byron Shire.

**Signed: Cr Jan Barham**Councillor's Background Notes:

As a result of the recent KBR contract and concerns with the associations of this company with the American Haliburton company and the Iraq War, there has been great concern raised in the community about the tendering processes of Council. The option for Council is to develop a set of guidelines in policy to determine the range of issues that may be set in policy to direct the assessment of contracts. To facilitate this I have included a policy that was developed by Marrickville Council in relation to dealing with Burma, see attached.

Comments Director Corporate and Community Services:

Considerations include the following:

**Financial Impacts:** Exclusion of some companies from consideration in tendering contracts may limit Council's ability to accept best value tender offers in financial terms.

**Resource Impacts:** Staff resources will be required to research and develop a policy. Council's Values are not sufficiently specific to cover issues such as the involvement of a tenderer in particular relation to international conflicts. Staff resources would also be required to implement the policy, research and review the background and ethical checks of individual tenderers. As the dealings of companies varies in any period of time, Council staff could not be certain that a selected tenderer would not at some time in the period of its dealings with Council provide services to other organisations which subsequently do not meet Council requirements.

**Statutory / Legal / Policy Implications:** The Local Government Act (General) Regulations 2005 require an open and transparent process for inviting and assessing tenders. Any tender that is selected and/or recommended is required to demonstrate clear reasoning for the selection.

General Manager Comments:

Council does need to develop a Statement of Business Ethics (as identified in best practice assessments). Should Council wish to be more specific, it is suggested that Council appoint a working group of interested Councillors to provide input.