



OCTOBER 2022

# Statement of Business Ethics

# FOREWORD FROM THE AUDITOR-GENERAL

As the auditor of the public sector in New South Wales, the Audit Office of New South Wales (the Audit Office) must approach its work and the way it conducts business to meet the highest possible standards of ethical conduct.

The Audit Office values its business relationships with third parties. These relationships are founded on a mutual understanding that business will be conducted in an environment of trust, the highest ethical standards, professionalism and where laws and regulations are complied with.

Our Statement of Business Ethics sets out the key principles that underpin our business relationships. Each principle is designed to ensure that our relationships generate value for money, are transparent and open, and uphold our reputation. As is expected of all Audit Office staff, we expect that third parties in their dealings with us act in accordance with these principles

The Statement of Business Ethics has my full support and the support of the Office Executive.



A handwritten signature in black ink, which appears to read 'Margaret Crawford'. The signature is fluid and cursive.

**Margaret Crawford**

Auditor-General for New South Wales

October 2022

## Purpose

The Audit Office's Statement of Business Ethics (the Statement) provides principles that underpin our business relationships and sets expectations that third parties who work for or on behalf of the Audit Office will act in the highest possible standards of conduct and ethics.

In doing so, the Audit Office upholds its reputation and ensures there is trust in the work we do.

## Scope

The Statement applies to third parties who work for and on behalf of the Audit Office, including who provide goods and services. The Statement does not apply to individuals who are considered Audit Office staff (permanent, temporary and the contingent workforce). Audit Office staff are guided by the Audit Office's Code of Conduct.

The third parties include, but are not limited to, audit service providers, suppliers, technology partners, consultants, contractors, external business associates and others the Audit Office has a business relationship with.

The Statement applies to individuals, organisations, government and non-government entities. Where the third party is an organisation or entity, the organisation or entity must also ensure that its staff or its third parties who work for or on behalf of the Audit Office are also aware of and adhere to the Statement.

## Principles underpinning our business relationships

The Statement operates on the following key principles that underpin our business relationships with third parties. These principles inform every decision and action a third party takes when working for or on behalf of the Audit Office.

### Maintaining our independence

Independence is a concept fundamental to the auditing profession, and particularly to the Audit Office as an integrity agency and with the Auditor-General as an independent statutory office holder. This requires the Audit Office and third parties to approach work with utmost integrity and objectivity. Prejudice, bias, conflict of interest, or undue influence must not override objective professional or business judgments, decisions or relationships.

#### *Conflicts of interest and threats to professional independence*

Situations which may give rise to potential, perceived or actual conflicts of interest or threats to professional independence that cannot be mitigated with appropriate safeguards, must be avoided.

If a conflict of interest or threat to professional independence arises when working for or on behalf of the Audit Office, third parties must check for and report the conflict or threat to the Audit Office as soon as they become aware. Refer to the Audit Office's Conflict of Interest and Professional Independence Policy available on our website for further guidance.

Third parties should not offer Audit Office staff private employment which conflicts with their public duties.

#### *Gifts, benefits and hospitality*

The Audit Office must meet public expectations of integrity, accountability, independence, transparency and professionalism. Those who work for and on behalf of the Audit Office must not be influenced or perceived to be influenced by gifts, benefits and hospitality.

When working for or on behalf of the Audit Office, third parties are expected to decline offers of gifts, benefits or hospitality that compromise or could be perceived to compromise the independence of the Auditor-General. Audit service providers are also required to be open and transparent about offers of gifts, benefits and hospitality and report such offers over \$25, whether accepted or declined.

Third parties should not offer any incentives to Audit Office staff which may lead, or be seen as leading to, an unfair advantage in dealings with the Audit Office.

### *Bribes*

Third parties must not offer, provide, authorise, request or receive a bribe or anything which may be viewed as a bribe (including any secret commission) in relation to work with the Audit Office irrespective of the value.

A bribe refers to a gift, benefit or other undue advantage of any value, offered to or solicited by someone to influence that person to act or refrain from acting in relation to performance of the person's duty.

Third parties who suspect are being offered a bribe, must immediately report this to the Audit Office, irrespective of the value.

## **Acting ethically and legally**

The Audit Office and third parties must ensure our business relationships (including how we communicate and treat each other and the Audit Office's stakeholders) are consistent with the Audit Office's values of pride in purpose, curious and open minded, valuing people, contagious integrity and courage (even when it's uncomfortable).

The Audit Office and third parties must also ensure business relationships are ethical, honest, clear, respectful, fair, and without prejudice or discrimination, regardless of position, race, culture, age, disability, religious or political beliefs, gender or sexual orientation. The Audit Office does not tolerate any form of harassment and bullying or mistreatment against any person.

### *Modern Slavery*

Our commitment extends to respecting and protecting human rights in both our operations and supply chains, by taking steps to address the risk of modern slavery. We will continue to build our business relationships with third parties that positively impact society, the economy and the environment. We expect third parties to respect and protect human rights in their operations and supply chains by identifying, assessing and addressing actual or perceived modern slavery risks and complying with applicable laws and regulations.

### *Fraud and corruption*

Audit Office and its third parties must not engage in unethical practices and must report any suspected or actual incidents of fraud and corruption or wrongdoing immediately to the Audit Office. This includes inappropriate offers such as a bribe which is considered corrupt conduct.

### *Transparency*

Our business dealings must be transparent and open to public scrutiny wherever possible. This includes meeting the disclosure requirements under the *Government Information (Public Access) Act 2009* (which are subject to certain exclusions). We also have legal obligations to preserve secrecy relating to audit information as provided for in the *Government Sector Audit Act 1983* and the *Local Government Act 1993*.

### *Acting legally*

We expect the Audit Office and third parties to comply with applicable laws and regulations. We also expect third parties to respect Audit Office staff's obligations to comply with Audit Office policies and applicable government policies and guidelines.

## **Ensuring the safety and wellbeing of people**

The Audit Office is committed to maintaining a high standard of work, health and safety for everyone who works for the Audit Office and who visits our workplace. We expect third parties to operate to a similar standard and abide by relevant work, health and safety legislation when conducting work for or on behalf of the Audit Office.

## **Accountable for use of public resources**

The Audit Office must be fiscally responsible in using public resources, in an efficient, effective and prudent manner and avoid waste and extravagance. This includes not misusing Audit Office assets, resources, or intellectual property.

In working for or on behalf of the Audit Office, third parties must ensure their practices and approach are efficient, effective and prudent to support the appropriate use and spend of public money. Third parties must conduct all duties with diligence and responsibility and meet contractual obligations.

The Audit Office conducts procurement and contract management activities in line with the Audit Office's Procurement and Contract Management Policy which ensures accountability for use of public resources. This is closely linked to the NSW Government procurement objectives of:

### *Achieving value for money*

The Audit Office follows procurement practices that promote value for money and considers financial and non-financial factors including quality, reliability and timeliness. Refer [here](#) for further information.

### *Promoting fair and open competition*

The Audit Office follows procurement practices that promote fair and open competition, and which lead to obtaining the best possible range of goods and services at the best possible price. Refer [here](#) for further information.

## **Maintaining confidentiality, privacy and security of information**

All Audit Office information that is not publicly available must be treated as confidential unless otherwise expressly indicated. Third parties should also be aware that all information and documents obtained in dealing with the Audit Office must be kept secure and not accessed by unauthorised persons.

The legal requirement to preserve secrecy relating to audit information as provided for in the *Government Sector Audit Act 1983* and the *Local Government Act 1993* must be observed.

The Audit Office takes the privacy of its staff and other stakeholders seriously and it manages and protects the personal information it handles in accordance with the *Privacy and Personal Information Protection Act 1998* and the Audit Office Privacy Management Plan. Third parties must also appropriately manage and protect personal information.

If a third party becomes aware of any data breaches including data theft, loss, security breaches or any other matter which impacts the Audit Office they must notify the Audit Office as soon as possible.

## **Authorised and official use of information**

Audit Office information and documents must only be used for proper official purpose. Third parties must not misuse the information gained from their engagement with the Audit Office to benefit themselves or any other person or organisation including to secure future employment advantages.

Former Audit Office staff who have dealings with current staff need to ensure that they do not seek, or appear to seek, favourable treatment or access to confidential information.

## **Restricting public comments**

Third parties must not comment or post any material that might cause damage to the Audit Office's reputation. Third parties should consider the risks, benefits and implications that may arise from making private statements that relate to their work, when working for or on behalf of the Audit Office.

Third parties are not to communicate matters concerning the Audit Office's business activities with the media/press or through social media. Any media enquiries are to be directed to your Audit Office representative.

Third parties can report, or re-tweet Audit Office posts, material or comment without substantial or meaningful change as part of showing their affiliation to the Audit Office.

## Responsibility

### What the Audit Office expects of you

When working for and on behalf of the Audit Office, third parties (including their staff or any third parties they use in carrying out Audit Office work) have a responsibility to:

- act in accordance with this Statement
- be aware of, understand and demonstrate conduct and values that are consistent with the Audit Office's [Code of Conduct](#)
- seek assistance if unsure about how to apply the Statement
- inform the Audit Office of breaches of the Statement or other requirements outlined in the Statement including where it could impact the independence or reputation of the Auditor-General, but not limited to:
  - any conflicts of interest or threats to professional independence that
  - offers of gifts, benefits, hospitality, or bribes
  - data breaches
  - actual or suspected fraud and corruption.

### What you can expect from the Audit Office

Our staff are bound by the Audit Office's [Code of Conduct](#). When doing business with third parties, Audit Office staff are accountable for their actions and are expected to:

- act in accordance with the Audit Office's [Code of Conduct](#) and supporting policies, which are aligned with the Statement
- work with and support third parties to act in accordance with the Statement
- conduct procurement and contract management activities in line with the Audit Office's Procurement and Contract Management Policy including:
  - treating potential suppliers with impartiality and fairness
  - fully and clearly documenting procurement and contract management activities and decisions
  - effectively reviewing the performance of third parties we contract with.
- actively consider how our business relationships can positively impact society, the economy and the environment.

## Compliance

### Why compliance is essential

The Audit Office takes compliance with the Statement very seriously and expects all third parties to uphold their responsibilities. We will only deal with third parties who comply with this Statement.

Non-compliance with the Statement when doing business with the Audit Office could lead to:

- termination of contracts
- loss of future work
- loss of reputation
- investigation for corruption, and / or
- matters being referred for criminal investigation or to a relevant law enforcement agency.

## Contact

### Who to contact

If you have any questions regarding this Statement, need to make any reports to the Audit Office in accordance with this Statement, including any breaches, please contact the Executive Director, Professional Services on:

t +61 2 9275 7100  
e [governance@audit.nsw.gov.au](mailto:governance@audit.nsw.gov.au)  
a GPO Box 12, Sydney, NSW 2001

For details on making a complaint about the Audit Office or giving feedback about an entity the Audit Office audits, refer to our [website](#).

If you are a public official as defined in the *Public Interest Disclosures Act 1994* (PID Act) (an individual who is an employee of or otherwise in the service of a public authority) reporting corrupt conduct, maladministration, serious and substantial waste, government information contravention or a local government pecuniary interest contravention, you may be protected by the PID Act. The PID Act provides protection to public officials from reprisal or detrimental action.

Alternatively, you can contact the following external organisations:

#### **Independent Commission Against Corruption (ICAC)**

For matters of corruption involving NSW public officials  
t 02 8281 5999  
t 1800 436 909 (outside Sydney metro)

#### **NSW Ombudsman**

For matters of maladministration  
t 1800 451 524

#### **Office of Local Government**

For matters involving local councils  
t 02 4428 4100

#### **Law Enforcement Conduct Commission**

For matters about police misconduct  
t 02 9321 6700  
t 1800 657 079

#### **Information Commissioner**

For matters about government information contraventions  
t 1800 472 679

#### **Privacy Commissioner**

For matters about privacy contraventions  
t 1800 472 679

## OUR VISION

Our insights inform and challenge government to improve outcomes for citizens.

## OUR PURPOSE

To help parliament hold government accountable for its use of public resources.

## OUR VALUES

Pride in purpose  
Curious and open-minded  
Valuing people  
Contagious integrity  
Courage (even when  
it's uncomfortable)

Level 19, Darling Park Tower 2  
201 Sussex Street  
Sydney NSW 2000 Australia

**PHONE** +61 2 9275 7100

[mail@audit.nsw.gov.au](mailto:mail@audit.nsw.gov.au)

Office hours: 8.30am-5.00pm  
Monday to Friday.