



Statement of Business Ethics

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INSIGHTS FOR BETTER GOVERNMENT

Foreword from the Auditor-General



The Audit Office of New South Wales is committed to conducting its work and business with the highest standards of ethical conduct.

We highly value our professional relationships which are built on integrity and professionalism.

Our Statement of Business Ethics outlines the key principles that underpin these relationships. Each principle is designed to ensure that our interactions are transparent, offer value, and uphold our reputation. We expect third parties to adhere to these principles and we commit to do the same in all interactions we have.

The Statement of Business Ethics has my full support and that of the Office Executive. We welcome feedback and suggestions on how we can continuously improve how we work constructively with clients and service providers.

A handwritten signature in black ink, which reads "Bola Oyetunji". The signature is written in a cursive, flowing style.

Bola Oyetunji

Auditor-General for New South Wales

27 February 2025

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 or 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 (all Audit Office employees and contingent workers). 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 (ASPs), suppliers, technology partners, consultants, contractors, external business associates, sub-contractors (fourth parties) 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 officer of the NSW Parliament. 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 real or perceived conflicts of interest or threats to professional independence must be avoided or appropriate safeguards put in place to mitigate any risks.

If a conflict of interest or threat to professional independence is identified, third parties must report the conflict or threat to the Audit Office immediately. Refer to the Audit Office's [Conflict of Interest and Professional Independence Policy](#) available on our website for further guidance. ASPs must refer to the [ASP Manual](#) for disclosure requirements.

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 to maintain public trust. Those who work for or on behalf of the Audit Office must not be influenced or reasonably perceived to be influenced by gifts, benefits and hospitality.

When working for or on behalf of the Audit Office, third parties are expected not to accept offers of gifts, benefits and hospitality that compromise their independence or the independence of the Audit Office, whether real or perceived. ASPs must refer to the ASP Manual for specific guidance on disclosures and other related obligations.

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 offering, promising, giving, accepting or soliciting of undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to performance of that person's duties.

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 role, race, culture, age, disability, religious or political beliefs, gender or sexual orientation. The Audit Office does not tolerate bullying, unlawful discrimination and other forms of harassment (including sexual harassment) against any person.

This principle of acting ethically and legally is also closely linked to the [NSW Government procurement objectives](#) of:

- Easy to do business – to attract suppliers that includes small to medium, regional and Aboriginal businesses
- Innovation – for better outcomes both for government and NSW as a whole without taking on unacceptable risks
- Social outcomes and sustainability – integrate sustainability principles into every procurement.

Modern Slavery

Our commitment extends to respecting and protecting human rights in both our operations and supply chains, by taking reasonable steps to address the risk of modern slavery and comply with the Modern Slavery Act 2018. 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.

Third parties may be required to complete a modern slavery risk assessment as part of their contractual obligations with the Audit Office.

Fraud and corruption

The 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 other wrongdoing immediately on becoming aware to the Audit Office. This includes immediately reporting inappropriate offers such as a bribe which is considered corrupt conduct. See '[Speak up culture](#)' section below.

Transparency

Our business dealings must be transparent and open to public scrutiny wherever possible. This includes proactively releasing certain information and meeting other 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 - see '[Maintaining confidentiality, privacy and security of information](#)' section below.

Acting legally

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

Protecting the environment

Third parties must comply with all relevant laws and regulations about the environment, which includes but is not limited to land and water management, waste and recycling, discharges and emissions, transportation of products, wastes and materials and environmental issues management.

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 for official purposes in an efficient, effective and prudent manner, in particular when procuring goods or services, and avoid waste and extravagance. This includes not using public resources for an unauthorised purpose, not accessing government resources and information for personal gain or the gain of another person, and 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. Third parties must also maintain appropriate information security and confidentiality access restrictions and protections at all times.

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. The Audit Office manages the personal and health information it holds in accordance with the *Privacy and Personal Information Protection Act 1998*, the *Health Records and Information Privacy Act 2002*, and applicable *Commonwealth legislation*. The Audit Office's approach to privacy protection is outlined in our [Privacy Management Plan](#). Third parties must also lawfully protect and appropriately manage personal and health information that is obtained through the course of working for or on behalf of the Audit Office.

If a third party becomes aware of any suspected or actual data breaches, including cyber security incidents or other matters that impact the Audit Office's data systems infrastructure, they are expected to and in certain cases must notify the Audit Office immediately.

Third parties are expected and may be required to cooperate with the Audit Office in taking steps to contain, manage and remediate data breaches.

Authorised and official use of information

Audit Office information and documents must only be used for official purposes. 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. Third parties should limit the distribution of Audit Office information and documents within their organisation, applying the principle of sharing information on a 'need-to-know' basis.

Former Audit Office staff or third parties 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 post official Audit Office content unless they are specifically contracted to do so. Third parties must not communicate on behalf of the Audit Office in any capacity, 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.

Speak up culture

All third parties are encouraged to 'speak up' if they see something that concerns them and is within the Audit Office's mandate to address, whether it relates to the Audit Office or other public sector agencies that they interact with while working for or on behalf of the Audit Office. Generally, third parties should report such concerns to governance@audit.nsw.gov.au.

The Audit Office is committed to supporting those who raise concerns in good faith and in maintaining as far as reasonably practicable the confidentiality of those who report wrongdoing.

In addition, some third parties may be afforded ‘whistleblower’ protections under the *Public Interest Disclosure Act 2022* (PID Act) if making a disclosure about serious wrongdoing.¹ Protections can apply where a third party meets the definition of a ‘public official’ under [section 14](#) of the PID Act, such as persons that are providing services on behalf of, or exercising the functions of, the Audit Office.

- Public officials concerned about serious wrongdoing by Audit Office staff or that otherwise relates to the Audit Office should refer to our [Internal Public Interest Disclosure Policy](#).
- Public officials concerned about serious wrongdoing that relates to another agency, such as a NSW public sector entity or local government authority, should refer to our [External Public Interest Disclosure Policy](#).

In some cases, it is mandatory for public officials to report suspected serious wrongdoing, such as the obligations on ASP staff to report suspect fraud or corruption identified during an audit. ASPs should refer to the ASP Manual for further information.

The NSW Ombudsman also provides extensive guidance on the operations of the PID Act and support for public officials making reports. Refer to their [website](#) for further information.

Responsibility

What the Audit Office expects of you

When working for or 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
 - offers of gifts, benefits, hospitality, or bribes
 - actual or suspected data breaches, including cyber security incidents
 - actual or suspected incidents of 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.

¹ For the purposes of the PID Act, ‘serious wrongdoing’ means corrupt conduct, serious maladministration, serious and substantial waste of public money, a government information contravention, a privacy contravention or a local government pecuniary interest contravention.

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 reporting any breaches, please contact the Executive Director, Quality, Improvement and Performance on:

t +61 2 9275 7100

e governance@audit.nsw.gov.au

a GPO Box 12, Sydney, NSW 2001

For details on making a complaint about the Audit Office, providing information that relates to our audit mandate and entities we audit, or making a public interest disclosure as a public official refer to our [website](#).

Alternatively, you can contact the following external organisations:

Independent Commission Against Corruption

For matters of corruption involving NSW public officials

t 02 8281 5999

t 1800 463 909 (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)

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