



**ORANGE CITY COUNCIL
ORDINARY COUNCIL MEETING**

**ATTACHMENTS
5.3 – STRATEGIC POLICY
REVIEWS**

6 DECEMBER 2022

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
5.3	STRATEGIC POLICY REVIEWS	
Attachment 1	Draft - Strategic Policy - ST06 - Statement of Business Ethics	3
Attachment 2	Draft - Strategic Policy - ST07 - Modern Slavery Prevention for Exhibition	11
Attachment 3	Draft - Strategic Policy - ST14 - Related Parties for Exhibition.....	13



Strategic Policy ST06

Statement of Business Ethics

FOR EXHIBITION



PO Box 35, Orange
NSW 2800 Australia

135 Byng Street, Orange
NSW 2800 Australia

P: +61 2 6393 8000
F: +61 2 6393 8199

council@orange.nsw.gov.au
www.orange.nsw.gov.au



All policies can be reviewed or revoked by a resolution of Council, at any time.

TABLE OF CONTENTS

1	OVERVIEW	3
2	KEY BUSINESS PRINCIPLES.....	3
3	WHAT CAN YOU EXPECT FROM COUNCIL?	4
4	WHAT COUNCIL EXPECTS FROM YOU	5
5	INTERACTION WITH COUNCIL OFFICERS	5
6	WHY IS COMPLIANCE IMPORTANT?	5
7	NON-COMPLIANCE.....	6
8	ADDITIONAL REQUIREMENTS	6
9	REPORTING UNETHICAL BEHAVIOUR	8
10	MORE INFORMATION	8

FOR EXHIBITION



All policies can be reviewed or revoked by a resolution of Council, at any time.

1 OVERVIEW

- 1.1 This policy provides guidance regarding the standards of ethical behaviour that organisations, service providers, small businesses and individuals can expect from Councillors and members of staff and that are expected of them, in their dealings with Council.
- 1.2 It outlines the ethical standards and business principles that are expected to be complied with to ensure integrity and professionalism and meet mutual expectations of the relationship.

Applicability

- 1.3 This policy applies to all Councillors, Council employees, volunteers, tenderers, consultants, suppliers and contractors.
- 1.4 If you engage subcontractor(s) in your work for Council, you must make your subcontractor(s) aware of this policy and ensure they comply with this policy.

Reference to the Code of Conduct

- 1.5 Council's Code of Conduct sets the requirements of conduct for Council officials in carrying out their functions. It reflects Council's determination to support the highest level of community confidence in the integrity of Council.
- 1.6 The Code of Conduct has been developed to assist Council officials to:
 - Understand the standards of conduct that are expected of them;
 - Enable them to fulfil their statutory duty to act honestly and exercise a reasonable degree of care and diligence (Section 439 – Local Government Act (NSW) 1993); and
 - Act in a way that enhances public confidence in the integrity of local government.

Councils Corporate Values

- 1.7 Council's corporate values are the guiding principles on which Council bases its beliefs and behaviour. They underpin all that Council does as an organisation.

Respect

Honest and respectful towards others and works as part of a team.

Ownership

Takes responsibility for actions.

High Performance

Pursues performance excellence and continually looks for improvement.

Customer Focus

Demonstrates a customer focused approach towards internal and external customers.

Safety

Works safely, in accordance with Council's Work Health and Safety policy and procedures.

Diversity

Champion a diverse and inclusive workforce.

Leadership

Council encourages all its employees to lead by example and role model our values. Leaders also need to ensure they provide constructive feedback and encourage high performance by coaching, developing, recognising and managing people effectively.

2 KEY BUSINESS PRINCIPLES

Commitment to (Local) Business

- 2.1 Council recognises the importance of their local (small) business sector as a vital community and economy contributor.
- 2.2 Council values local (small) businesses as an important stakeholder in community consultation and will undertake regular and targeted consultation with the small business sector.
- 2.3 Council acknowledges that a 'one-size-fits-all' approach will not meet the needs of a all small businesses.



All policies can be reviewed or revoked by a resolution of Council, at any time.

- 2.4 Council actively engages where appropriate with State-based businesses on matters affecting the local economy
- 2.5 Council strives to ensure that strategic and day-to-day decision making is based on the consideration of the needs and potential impacts of all stakeholders including small businesses.
- 2.6 Council supports education, networking and other development opportunities for the local business community.

Value for Money

- 2.7 The principle of best value for money is central to Council's business relationship with private sector suppliers of goods and services. Decisions based on price alone are not necessarily representative of best value for money.
- 2.8 Best value requires an assessment of whole of life cycle costs including factor such as initial cost, quality suitability, reliability, on-going costs, legal compliance, timelessness, environmental sustainability in order to determine the true value for money.
- 2.9 An important element in obtaining the best value of money also include ensuring Council's business dealings are impartial, honest, ethical, fair and consistent.

Transparency

- 2.10 Transparency means visible and verifiable confirmation of the integrity of the purchasing process and compliance with the relevant legislation and adopted Council procedures.
- 2.11 Council's business decision will be transparent with decisions based upon merit and in accordance with Council's policies and procedures. Under the Government Information (Public Access) Act, there is a presumption to provide access to government information unless there is an overriding public interest against disclosure.

- 2.12 Impartiality means the purchasing process must be undertaken in a fair, objective consistent and business-like manner leading to improve performance and cost effective business processes and procedures for Council. Council strives to be impartial by ensuring its processes are appropriate.

- 2.13 Tenders will not be called unless Council has a firm intention to proceed to contract. All potential suppliers will be treated with impartiality and fairness and given equal access to information and opportunities to submit bids. All procurement activities will be clearly documented to allow for effective performance review.

Openness and Accountability

- 2.14 Council is committed to the purchase of goods, equipment and services in accordance with Council's Purchasing policies and legislation and be able to account for all decisions and provide feedback on these decisions.
- 2.15 Where all other factors are equal, Council may give preference to Australian made products and/or goods and services from local businesses.

3 WHAT CAN YOU EXPECT FROM COUNCIL?

Council will ensure that all its policies, procedures and practices related to tendering, contracting and the purchase of goods or services are consistent with best practice and the highest standards of ethical conduct.

Staff are bound by Council's Code of Conduct. When doing business with external parties Council staff are accountable for their actions and are expected to:

- Act with integrity
- Use public resources effectively and efficiently
- Deal fairly, honestly and ethically with all individuals and organisations
- Avoid actual, potential or perceived personal or professional conflicts of interest



All policies can be reviewed or revoked by a resolution of Council, at any time.

- Treat all potential suppliers impartially and fairly
- Make decisions solely on merit
- Give reasons for decisions (where appropriate)
- Not call tenders unless there is a firm intention to proceed to contract
- Respect confidentiality of commercial information and privacy of individuals
- Respect and follow Council's policies and procedures
- Promote open competition while seeking best value for money
- Meet or exceed public interest and accountability standards
- Never solicit or accept remuneration, gifts or other benefits from a supplier for the discharge of official duties
- Respond promptly to reasonable requests for advice and information.
- Obtain Council's consent before discussing Council business in the media.
- Ensure that environmental sustainability is a key element of your business practice.
- Provide working conditions for your employees that comply with industrial relations laws and regulations.
- Ensure that you do not lobby or seek to influence Council Officers or Councillors while business proposals or tenders are being considered.
- Advise the General Manager if you believe any person has breached the law, this Statement of Business Ethics or Council's other policies and procedures.

4 WHAT COUNCIL EXPECTS FROM YOU

Council requires all external parties to observe the following principles when conducting business with Council:

- Act ethically, fairly and honestly in all dealings with Council.
- Abstain from collusive practices.
- Comply with the law including legislation and regulations, and relevant Council documentation, policies and procedures including the Code of Conduct, Purchasing Policy, and Equal Employment Opportunity Management Plan.
- Respect the obligation of Council staff to abide by Council policies.
- Not offer Council employees or Councillors or other Council delegates any financial or other inducements, gifts or benefits.
- Provide accurate and reliable information and advice when required.
- Prevent actual, potential or perceived conflicts of interest and declare these as soon as possible if they occur.
- Respect confidentiality of commercial and Council information, and privacy of individuals.

5 INTERACTION WITH COUNCIL OFFICERS

Any interaction between suppliers and Council Officers must comply with the following requirements:

- Meetings are to be by appointment only, unannounced visits to Council sites are not allowed.
- Meetings are to occur only in the designated public areas of Council buildings, not in workplaces, staff lunchrooms or operational areas of work sites.
- Meetings with suppliers are to be attended by more than one Council Officer.
- Businesses wishing to demonstrate a new product or service should provide details to Council's email address, council@orange.nsw.gov.au for referral to the Purchasing Officer and other appropriate staff.

6 WHY IS COMPLIANCE IMPORTANT?

- 6.1 By complying with Council's Statement of Business Ethics, you will be able to advance your business objectives and interests in a fair and ethical manner. As all Council suppliers of goods and services are required to comply with this statement, compliance will not disadvantage you in any way.



All policies can be reviewed or revoked by a resolution of Council, at any time.

- 6.2 Complying with Council's stated principles will also prepare your business for dealing with the ethical requirements of other public-sector agencies, should you choose to do business with them.
- 6.3 Ethical practice makes good business sense.

7 NON-COMPLIANCE

- 7.1 You should be aware of the consequences of not complying with the Council's ethical requirements when doing business with Council. If you engage in corrupt conduct, such as trying to influence the outcome of a tender, Council takes it very seriously.
- 7.2 Non-compliance with the requirements of the Statement of Business Ethics resulting in demonstrated corrupt or unethical conduct could lead to:
- Termination of contract
 - Loss of future work or opportunities
 - Loss of reputation
 - Investigation for corruption
 - Referral to external agency for investigation of criminal activity
 - Disqualification of tender
- 7.3 If an apparent breach of any agreed standard of ethical conduct is identified, the matter should immediately be brought to the attention of Council's Chief Executive Officer.

8 ADDITIONAL REQUIREMENTS

Conflicts of Interest

- 8.1 All Council staff are required to disclose any conflicts of interests. Council extends this requirement to all our business partners, contractors and suppliers. Should a conflict of interests arise or be recognised by you in your dealing with Council you must notify and declare this conflict of interests to Council in writing.
- 8.2 A conflict of interests occurs when a public official is in a position to be influenced, or appears to be influenced, by their private

interests when doing their job. A conflict of interests can involve avoiding personal disadvantage as well as gaining personal advantage. A private interest may include social and professional activities, and interests with individuals or groups, including family and friends, as well as financial interests. There are different types of conflict of interest:

- **Actual conflict of interests:** A public official is in a position to be influenced by their private interest when doing their job.
- **Perceived conflict of interests:** A public official is in a position to appear to be influenced by their private interests when doing their job.
- **Potential conflict of interests:** A public official is in a position where they may be influenced in the future by their private interests when doing their job.
- **A pecuniary interest** involves a situation where there is the potential to gain or lose financially from a public position, for example from owning property, having unpaid debts to others, or receiving hospitality or travel.
- **A non-pecuniary interest** does not have a financial component. It can involve personal or family relationships or involvement in sporting, social or cultural activities that could influence a public official's judgement or decisions, even though there is no financial benefit to them.

Confidentiality and Personal Information

- 8.3 You must take care to maintain the security of any confidential or personal information you become aware of in your work with Council.
- 8.4 You must abide by the privacy legislation governing the collection, holding, use, correction, disclosure or transfer of personal information obtained through your dealings with Council.



All policies can be reviewed or revoked by a resolution of Council, at any time.

8.5 No one should access, use or remove from Council premises any information or personal information, unless they need it for their work purposes and have authorisation to use or disclose the information.

8.6 Any breach of the security, or misuse, of Council's confidential or personal information must be reported to the Manager Corporate Governance (Privacy Contact Officer).

Communication between Parties

8.7 All communication should be clear, direct and made through the appropriate channels (i.e. accountable). This will minimise the risk of perception of inappropriate influence being brought to bear on the business relationship.

Use of Council Equipment, Resources & Information

8.8 All Council equipment, resources and information should only be used for its proper official purpose.

8.9 Contractors, subcontractors, suppliers and business associates may only use Council resources and equipment if it is in accordance with specific conditions of a formal contract. Council resources include material, equipment, vehicles, documents, records, data and information.

Intellectual Property Rights

8.10 In business relationships with Council, parties will respect each other's intellectual property rights and will formally negotiate any access license or use of intellectual property.

Gifts & Benefits

8.11 In accordance with Council's code of Conduct, Council staff do not accept any gifts from its suppliers to avoid creating a sense of obligation to offer repeat business. Failure to comply with this requirement may result in Council ceasing to do business with the supplier.

8.12 Council maintains a Gifts and Benefits Register which tracks and monitors all declared offers of gifts and benefits and is made publicly available on request.

8.13 Please refer to Council's Code of Conduct and Council's website for further information.

Employment of Council Staff/Secondary Employment

8.14 All suppliers and contractors who deal with Council are not permitted to offer Council staff outside employment or business proposals of any kind.

8.15 Council staff have a duty to maintain public trust and confidence, and not use commercially sensitive information to facilitate future employment opportunities in the private sector.

8.16 Under Council's Code of Conduct, all staff are required to seek approval from the Chief Executive Officer prior to undertaking secondary employment. Approval will not be given if the secondary employment is likely to result in unmanageable conflict or the appearance of conflict with their Council duties.

Canvassing Support

8.17 During a tender process, any prospective supplier or contractor shall not directly or indirectly discuss their tender bid with a Councillor, or canvass support from an employee of Council, at any time. Any supplier or contractor involved in such activity will result in their tender being rejected.

Alcohol & Drugs

8.18 No contractor, subcontractor, supplier or business associate should come to work for Council, or return to work, under the influence of alcohol or other drugs that could impair their ability to carry out their job or cause danger to the safety of themselves or others.



All policies can be reviewed or revoked by a resolution of Council, at any time.

Contractors & Sub-Contracting

8.19 All Contracted and sub-contracted employees are expected to comply with the Council's Statement of Business Ethics. If you employ sub-contractors in your work for the Council, you must make them aware of this statement.

Public Comment

8.20 You must not make any public comment or statement that would lead anyone to believe that you are expressing the views or policies of Council. This includes comments or statements made at public meetings, via the media, or when it is reasonably foreseeable that the comments, or statements, will become known to the public at large.

9 REPORTING UNETHICAL BEHAVIOUR

- 9.1 Council is committed to promoting ethical behaviour.
- 9.2 Reports of unethical behaviour, fraud, corruption, maladministration or waste can be made to the Council's Chief Executive Officer.
- 9.3 Public Officials (Councillors and Council Officers) reporting corrupt conduct, maladministration or waste can be protected by the [Public Interest Disclosures Act 1994](#) (PID Act). This Act protects public officials who are disclosing corrupt conduct from reprisal or detrimental action and ensures disclosures are properly investigated. Council's Public Interest Disclosures and Internal Reporting Policy provides information on when and how to make a disclosure.

9.4 Please be aware that if wrongdoing is reported to the Chief Executive Officer under the PID Act, the Chief Executive must refer actual or suspected corrupt conduct to the Independent Commission Against Corruption (ICAC).

9.5 External reports may also be made to:

- The Independent Commission Against Corruption (ICAC) 02 8281 5999
- NSW Ombudsman 02 9286 1000
- NSW Office of Local Government 02 4428 4100

10 MORE INFORMATION

10.1 If you have questions or comments concerning this Statement of Business Ethics, or have information on suspected corruption, maladministration or serious waste of funds, please contact Council's Chief Executive Officer's office by letter, phone or email (details below).

10.2 If you would like a copy of Council's Code of Conduct, or any other relevant policy or procedure, please visit Council's website at www.orange.nsw.gov.au or contact Council's Manager Corporate Governance (and Public Officer):

Orange City Council
PO Box 35
Orange NSW 2800
P: 02 6393 8000
E: council@orange.nsw.gov.au

ST06 – Strategic Policy – Statement of Business Ethics

Review Due: November 2024	Version 1_22	Last Revision: 6 February 2018
Approved By:	Minute Number:	Approval Date:



Strategic Policy ST07

Modern Slavery Prevention

FOR EXHIBITION



PO Box 35, Orange
NSW 2800 Australia

135 Byng Street, Orange
NSW 2800 Australia

P: +61 2 6393 8000
F: +61 2 6393 8199

council@orange.nsw.gov.au
www.orange.nsw.gov.au



All policies can be reviewed or revoked by a resolution of Council, at any time.

1 OVERVIEW

Purpose

- 1.1 To ensure Orange City Council's (**Council**) operations and supply chains do not cause, involve, or contribute to modern slavery; and
- 1.2 To ensure its suppliers, relevant stakeholders, and others with whom Council does business, respect and share its commitment regarding minimising the risk of modern slavery.

Definition

- 1.3 **Modern slavery** (as defined in the Modern Slavery Act 2018 (NSW)) is any conduct constituting a modern slavery offence within the meaning of that Act and any conduct involving the use of any form of slavery, servitude or forced labour to exploit children or other persons taking place in the supply chains of organisations.

Applicability

- 1.4 The Chief Executive Officer has overall responsibility for ensuring this policy complies with Council's legal and ethical obligations, and that all those under Council's control comply with it.
- 1.5 Council's managers have primary and day-to-day responsibility for implementing this policy and ensuring all employees are given adequate and regular training on it and the issue of modern slavery in supply chains.
- 1.6 This policy applies to all persons employed by Council or on Council's behalf in any capacity. The prevention, detection, and reporting of modern slavery in any part of Council's operations or supply chain is their responsibility.

2 COUNCILS COMMITMENT

Council is committed to combating modern slavery by:

- 2.1 Identifying where modern slavery risks are in Council's supply chain and assessing the degree of those risks.
- 2.2 Engaging with Council's suppliers to identify which are committed to minimising the risk of modern slavery in their own supply chains and operations. This will primarily be done by asking suppliers to complete a Modern Slavery Questionnaire.
- 2.3 Completing a modern slavery risk checklist prior to making a purchase.
- 2.4 Including modern slavery assessment criteria in Requests for Quotations and Requests for Tenders.
- 2.5 Including a modern slavery clause in Contracts.
- 2.6 Providing adequate training for all Council staff to ensure they are aware of what modern slavery is, what Council's modern slavery risks are and how to raise any identified or potential concerns.
- 2.7 Establishing a complaint process enabling staff and others to raise concerns about modern slavery.

3 RELATED DOCUMENTS

- Strategic Policy Purchasing Policy
- Strategic Policy Buy Local Purchasing
- Purchasing Policy and Procurement Procedure Manual
- Conduct of Conduct
- Work Health and Safety Management Policy Statement
- OCCOHS 028 V2_11 Risk Assessment for Purchasing and Hiring
- Local Government Act 1993
- Modern Slavery Act 2018

ST07 – Strategic Policy – Modern Slavery Prevention

Review Due: November 2024	Version 1_22	Last Revision: New Policy
Approved By:	Minute Number:	Approval Date:



Strategic Policy ST14

Related Parties

FOR EXHIBITION

PO Box 35, Orange
NSW 2800 Australia

135 Byng Street, Orange
NSW 2800 Australia

P: +61 2 6393 8000
F: +61 2 6393 8199

council@orange.nsw.gov.au
www.orange.nsw.gov.au



All policies can be reviewed or revoked by a resolution of Council, at any time.

TABLE OF CONTENTS

1	OVERVIEW	3
2	AASB 124 FRAMEWORK	4
3	IDENTIFICATION AND REPORTING	4
4	DISCLOSURE REGISTER	5
5	KEY MANAGEMENT PERSONNEL (KMP)	5
6	COMPENSATION DISCLOSURE REQUIREMENTS	5
7	CLOSE FAMILY MEMBERS	6
8	CONSIDERATION OF TRANSACTIONS	6
9	DISCLOSURE OF INFORMATION	7

FOR EXHIBITION



All policies can be reviewed or revoked by a resolution of Council, at any time.

1 OVERVIEW

Purpose

- 1.1 To ensure Council complies with its obligations under Local Government Act 1993, Australian Accounting Standards and AASB 124 – Related Party Disclosures concerning disclosures required to be made by Key Management Personnel (KMP).
- 1.2 To provide guidance on determining what equates to Related Party Transactions, who are the Related Parties of Council and who are KMPs
- 1.3 To provide responsibilities for recording and reporting on Related Party Transactions
- 1.4 To ensure that Council's financial statements contain the disclosures necessary to draw attention to the possibility that Council's financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

Application

- 1.5 This policy applies to those who have authority and responsibility for planning, directing and controlling the activities of Council and entities controlled by Council, including elected Councillors, the Chief Executive Officer, Directors, and close family members who can be expected to influence or be influenced by Key Management Personnel named in this policy.

What is a related party?

- 1.6 A Related Party is:
 - a) a person who is a close family member of a KMP where that person has control or joint control of the reporting entity or has significant influence over, or could be influenced by any nominated person in the key management personnel.

b) an entity related to the Council if the entity is the member of the same group of companies (e.g. parent company or one of its subsidiaries), is part of arrangements such as joint ventures or is an associate of the reporting entity, is a post-employment benefit plan, is an entity controlled, jointly controlled or is significantly influenced by a person identified in (a), is an entity that a person identified in (a) is a key management personnel of, as a related party.

- 1.7 Entities frequently carry on parts of their activities through subsidiaries, joint ventures and associates. Entities may also include companies, trusts, partnerships, incorporated association or unincorporated groups or bodies and non-profit associations such as sporting clubs. In those circumstances, there is the possibility of the entity having the ability to affect the financial and operating policies of Council through the presence of control, joint control or significant influence.
- 1.8 KMP and Councillors needs to consider what associated entities exist when compiling their Related Parties Disclosures form.

What is a related party relationship?

- 1.9 Related Party relationships are a normal feature of commerce and business.
- 1.10 A Related Party relationship could influence the normal business operations of Council even if Related Party Transactions do not occur.
- 1.11 The mere existence of the relationship may be sufficient to affect the transactions of the Council with other parties.

What is a related party transaction?

- 1.12 Related Party Transactions are the transfer of resources, services or obligations between Council and a related party. They are considered to be transactions whether or not a price is charged.



All policies can be reviewed or revoked by a resolution of Council, at any time.

Such transactions may include:

- purchase or sale of goods (finished or unfinished)
- purchase or sale of property and other assets
- rendering or receiving services
- leases
- transfers of research and development
- transfers under licence agreements
- transfers under finance arrangements (including loans and equity contributions in cash or in kind)
- provision of guarantees or collateral
- commitments to do something if a particular event occurs or does not occur in the future, including executory contracts (recognised and unrecognised)
- quotations and/or tenders
- commitments
- settlements of liabilities on behalf of Council or by Council on behalf of the related party.

1.13 Regard must also be given if transactions that are collectively or individually significant.

2 AASB 124 FRAMEWORK

2.1 The Policy establishes that Related Parties and Key Management Personnel will be identified such that transactions between Council and Related Parties can be identified and where assessed as being required to be disclosed, be reported in the annual Financial Statements in accordance with AASB124.

2.2 AASB124 requires that Council must disclose the following financial information in its annual Financial Statements:

- disclosure of any Related Party relationships outlining the relationship with any Related Parties or subsidiaries (where applicable), whether or not there have been transactions within the relevant reporting period
- Key Management Personnel (KMP) Compensation Disclosures.

2.3 The disclosure of Related Parties information requirements under AASB124 are additional to those requirements under this Policy and do not supplant the responsibilities to declare conflicts of interest as identified in the Council's Code of Conduct.

2.4 In the preparation of the annual Financial Statements, an assessment of the materiality and significance of the Related Party Transactions will be made to determine the level of disclosure.

2.5 AASB124 identifies that the purpose of disclosing Related Parties is to assess where transactions or relationships could impact on the profit and loss of an entity. This may be because a Related Party may enter into transactions in a manner that other parties may not due to the relationship with the Council or Key Management Personnel. Alternatively, there may be a personal relationship between a Key Management Personnel and their relatives or other persons that could influence the transactions of the Council with another party.

2.6 Key Management Personnel are responsible for planning, directing and controlling the Council.

2.7 Key Management Personnel are required to identify Related Parties and Related Transactions that they expect will or do occur between those Related Parties and Council. Council will itself have Related Parties and Related Transactions which similarly need to be identified.

2.8 The Policy identifies the requirement to capture disclosures of Related Parties and Transactions between those Parties and Council and the need to collate the disclosures in a Register. The Register will be used to prepare the required components for inclusion in the annual Financial Statements.



All policies can be reviewed or revoked by a resolution of Council, at any time.

3 IDENTIFICATION AND REPORTING

- 3.1 Disclosures of Related Parties and Transactions will be required of Key Management Personnel at least annually.
- 3.2 The due date for Disclosures will be **30 June** annually.
- 3.3 Key Management Personnel should provide updates on Related Parties and Transactions as issues arise by submitting an updated Related Parties Disclosure Form at times other than the collection date listed above if their situation changes including:
 - within 30 days of commencement of the policy
 - within 30 days of a Councillor or KMP commencing with Council
 - within 30 days of a change in circumstances.

4 DISCLOSURE REGISTER

- 4.1 Information collected on the Related Parties Disclosure Form (attached) will be securely stored in Council's Related Parties Disclosure Register.
- 4.2 Access to the Related Parties Disclosure Register will be available only to those who may lawfully be granted access after consideration of matters of privacy and other legislative requirements.
- 4.3 The Related Parties Disclosures Register will be used as the basis for the information included in the annual Financial Statements to satisfy the Related Party reporting requirements.
- 4.4 The Chief Financial Officer is responsible for the updating and maintenance of the Related Parties Disclosures Register.

5 KEY MANAGEMENT PERSONNEL (KMP)

- 5.1 Key Management Personnel are identified as those persons having authority and responsibility, either directly or indirectly, for planning, directing and controlling the activities of the entity.
- 5.2 Orange City Council has identified as Key Management Personnel:
 - Councillors
 - Administrators
 - Chief Executive Officer
 - Directors

6 COMPENSATION DISCLOSURE REQUIREMENTS

- 6.1 KMP Compensation Disclosures require that information on all forms of paid, payable, or provided in exchange for services provided must be disclosed.
- 6.2 This information may include:
 - *Short-term employee benefits* such as:
 - wages, salaries and social security contributions
 - paid annual leave and paid sick leave
 - profit sharing and bonuses (if payable within twelve months of the end of the period)
 - non-monetary benefits (such as medical care, housing, cars and free and subsidised goods or services) for current employees.
 - *Post-employment benefits* such as:
 - pensions, other retirement benefits
 - post-employment life insurance
 - post-employment medical care
 - *Other long-term employee benefits*, including:
 - long-service leave or sabbatical leave
 - jubilee or other long-service benefits
 - long-term disability benefits
 - and, if they are not payable wholly within twelve months after the end of the period, profit sharing, bonuses and deferred compensation
 - *Termination benefits*.



All policies can be reviewed or revoked by a resolution of Council, at any time.

7 CLOSE FAMILY MEMBERS

- 7.1 The method for identifying the close family members and associated entities of KMP will be by KMP self-assessment with details to be submitted on the Related Parties Disclosure form.
- 7.2 KMP have an ongoing responsibility to advise Council immediately of any changes to Related Parties and associated Transactions.
- 7.3 Close family members of the KMP are those family members who may be expected to influence, or be influenced by, that person in their dealings with the Council, and include:
- that person's children
 - that person's spouse/domestic partner
 - children of that person's spouse/domestic partner
 - dependants of that person or that person's spouse/domestic partner.
- 7.4 In addition to those family member identified above as close family members, a KMP may have other members of their extended family who they should identify as close family members if these family members could be expected to influence, or be influenced by, that person in their dealings with Council. This could include:
- that person's brothers and sisters
 - that person's spouse/domestic partner's brothers and sisters
 - aunts, uncles, and cousins of that person's or that person's spouse/domestic partner
 - dependants of those person's or that person's spouse/domestic partner
 - that person's or that person's spouse/domestic partners', parents and grandparents.

- 7.5 It is the responsibility of KMP to assess and report all related parties that they know do, or expect are likely to, have transactions with Council.

8 CONSIDERATION OF TRANSACTIONS

- 8.1 The Disclosure process will consider all transactions between Council and persons and entities the Council or KMPs have named as related parties.
- 8.2 Collations of the disclosures may be made in some circumstances. AASB 124 provides that Council must disclose all material and significant Related Party Transactions and outstanding balances, including commitments, in its annual Financial Statements. Generally, reporting will be made where a transaction has occurred between Council and a related party of Council where the transaction is material and/or significant in nature or size when considered individually or collectively.
- 8.3 For the purpose of this policy, it is not considered appropriate to set either a dollar value or a percentage value to determine materiality. In preparing the information for the annual Financial Statements, the Council will consider the information in the Related Parties Disclosures Register on the basis of materiality and significance.

Ordinary citizen transactions

- 8.4 Ordinary citizen transactions do not need to be disclosed on the basis of services being available to all citizens at the same fee or level of service. Examples include:
- paying rates and charges
 - paying normal entry fee for use of the Council's swimming pool
 - attending the theatre when tickets have been bought at prices other patrons would pay fines on normal terms and conditions.



All policies can be reviewed or revoked by a resolution of Council, at any time.

9 DISCLOSURE OF INFORMATION

9.1 AASB 124 provides that Council must disclose all material and significant Related Party Transactions in its annual Financial Statements by aggregate or general description and include the following detail:

- the nature of the Related Party Relationship, and
- relevant information about the transactions including:
 - the amount of the transaction;
 - the amount of outstanding balances, including commitments, and
 - their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in the settlement; and
 - details of any guarantee given or received;
- provision for doubtful debts related to the amount of outstanding balances; and
- the expense recognised during the period in respect of bad or doubtful debts due from Related Parties.

9.2 Generally, transactions with amounts receivable from and payable to KMP or their Related Parties which occur within normal employee, customer or supplier relationships and at arm's length and are not material or significant, shall be excluded from detailed disclosures, but they will be disclosed in the financial statements by general description.

9.3 Disclosures that Related Party Transactions were made on terms equivalent to an arm's length transaction can only be made if such terms can be substantiated.

ST14 – Strategic Policy – Name of Policy		
Review Due: November 2024	Version 1_22	Last Revision: 6 October 2020
Approved By:	Minute Number:	Approval Date:



Orange City Council
 Wiradjuri Country
 135 Byng Street, PO Box 35
 Orange NSW, 2800
P: 02 6393 8000
E: council@orange.nsw.gov.au
www.orange.nsw.gov.au

Related Parties

DISCLOSURE FORM

FINANCIAL YEAR:

NAME OF KEY MANAGEMENT PERSONNEL (KMP):

Name of related person or entity	Your relationship with this person or entity	Nature of transaction(s) with Council	Place of employment (if applicable)
Eg: Partner's name/Child's name/ business which you may have ownership or interest in	Eg: Wife/daughter/son/ investment	Eg: Contracts/work for Council	or business which the related party may have ownership or interest in

Acknowledgement

I confirm all the information I have provided is correct.

NAME:

SIGNATURE:

DATE:

--	--	--