

**Regional  
Development**  
*Australia*

# Code of Conduct and Ethics

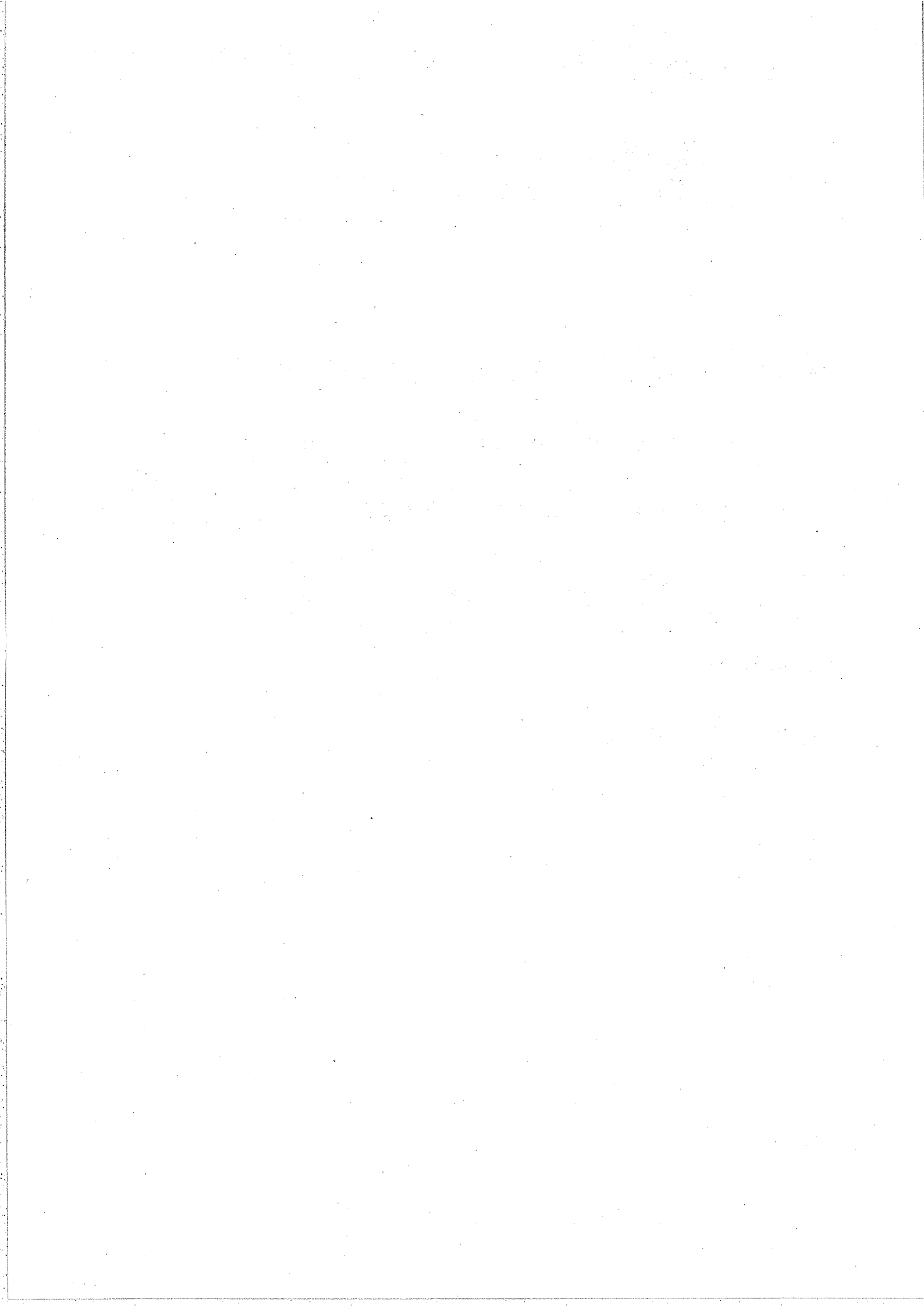
for Board members and staff of

# Regional Development Australia

# South Australia

## Contents

Principles .....	2
Personal and Professional Behaviour.....	3
Fairness and Equity.....	3
Use of Information.....	4
Conditions of RDA Board Membership and Employment.....	4
Conflicts of Interest .....	5
Gifts and Benefits .....	6
Public Comment .....	7
Corrupt and Unethical Conduct.....	7
Breaches of the Code.....	8
Allegations of Impropriety.....	8



## ***Introduction***

Regional Development Australia (RDA) is an Australian, South Australian and Local Government initiative to bring together all levels of government in South Australia to enhance the growth and development of regional Australia.

RDA Boards provide governments with a strategic framework for growth in each region. The Boards will develop local leadership, ensure input is provided to the Commonwealth, State and Local governments on regional development issues and priorities, and assist governments in securing sustainable long term jobs, investment and regional prosperity. The Boards will also play a vital role in raising awareness of programs and services available to regional communities.

Board members and staff are required to be people of good character who reflect accepted standards of behaviour. They need to be open, honest and accountable, and to act in good faith. Being a Board or staff member carries responsibilities, as set out in this paper. Board and staff members should make themselves aware of their responsibilities and the consequences.

## ***Principles***

RDA Board members and staff are expected always to act in the best interests of the community in their dealings with other agencies of government, private sector and foreign business entities by:

- being honest and exercising all due care and diligence in the performance of their duties and functions;
- maintaining the confidentiality of information made available in the course of their duties and of RDA Board decisions;
- never making improper use of their position, or the information gained through that position, to the advantage of themselves or any other person;
- never taking any course of action that would bring into disrepute or otherwise disadvantage the RDA Board, the Department of Infrastructure, Transport, Regional Development and Local Government, the Parliamentary Secretary responsible for regional development or the Australian Government, the South Australian Government Department of Trade and Economic Development, the South Australian Minister responsible for regional development or the South Australian Government or local government in the RDA region;

- disclosing any material or personal interest in RDA Board or regional economic development matters, and subsequently abstain from any discussion or vote on those issues;
- being bound by, and committed to, decisions legitimately taken by the RDA Board, whether or not they agree with the decision;
- demonstrating loyalty to the public interest and to the RDA Board Charter and principles; and
- providing authorised persons, fellow members and auditors when asked with complete, accurate and correct information, which is not misleading in any respect.

### ***Personal and Professional Behaviour***

Duties must be performed diligently, impartially and conscientiously to the best of each member's ability. Members must comply with all relevant South Australian and Commonwealth legislation.

### ***Fairness and Equity***

It is important that the principles of fairness and equity are both complied with and are seen to be complied with. These principles are:

- taking all relevant information into consideration and not taking any irrelevant information or opinion into consideration;
- dealing with like situations in a consistent and fair manner, but treating each matter on its merits;
- acting in a reasonable, just and non-discriminatory manner;
- taking all reasonable steps to ensure that the information upon which decisions or actions are based is factually correct; and
- only acting for proper and relevant purposes, and on proper and relevant grounds.

### ***Use of Information***

Much of the information provided to an RDA Board is with the understanding that the information will be treated as confidential, commercial-in-confidence and/or sensitive. It is important to ensure the integrity and security of official documents for which Board members are responsible and to respect the rights of the providers of information. All information obtained by a person in their role as a Board member and staff should be considered to be confidential, unless indicated otherwise. Confidential information must not be released unless:

- required by law;
- Freedom of Information / Right to Information legislation requires the release; or
- permission has been granted by the provider, Australian, South Australian Governments and the local government in the RDA region.

The above does not affect any the application of specific contractual arrangements to particular confidential information under any contract entered into by the RDA Board.

### ***Conditions of RDA Board Membership and Employment***

Appointees to RDA Boards are expected to represent the broad interests of the region, rather than those of any particular organisation(s) or business or local council, and must be available to participate in Board meetings and activities. Board members and staff must:

- as a matter of principle, be excluded from tendering for consultancy or contract work for or on behalf of the Board;
- comply with the *Associations Incorporation Act 1985 (SA)* and its Regulations, and the conditions stipulated by the Department of Infrastructure, Transport, Regional Development and Local Government and the South Australian Department of Trade and Economic Development in contracts with the RDA Board regarding the allocation of administration and/or project funds; and
- be people of good character who reflect accepted standards of community behaviour. This includes, but is not limited to, not having a civil or criminal conviction punishable by a period of imprisonment and not being an undischarged bankrupt.

### *Conflicts of Interest*

In the interests of sound administration and fair dealing, it is important that all conflicts of interest, whether real, perceived or potential, are declared by Board members and staff and are dealt with in the appropriate manner. This will ensure the protection of the Board members.

In considering whether or not there is a possible conflict of interest, it is always important to think about how others would view the situation. A conflict of interest would exist where:

- a Board member has a personal interest that could lead to the member being improperly influenced in the way that he or she carries out Board work, including making decisions;
- a Board member or employee has a personal interest that could lead a reasonable person to think that the Board member or employee could be improperly influenced in the way that he or she carries out Board work;
- a spouse, a family member, relative, friend, associate or anybody else close to the Board member has an interest that could lead to the member or employee being improperly influenced, or a reasonable person to think that the member or employee could be improperly influenced, in the way he or she carries out his or her Board work; or
- a Board member, or a member of his/her immediate family, an employee, or a member of an employee's immediate family, obtains a consultancy or contractual arrangement or employment arising from knowledge obtained from the Board member's position on the Board.

Personal interests may include pecuniary and non pecuniary interests.

There are other situations that could give rise to conflicts of interest, or the perception of conflicts. Situations which may involve conflicts of interest include past and future employment relationships which could result in an advantage to the Board member or employee, and the interests of an organisation in which the Board member or employee has a position.

In many cases, only the Board member or employee will be aware of the potential for conflict of interest. Therefore, the onus is on the Board member or employee to declare their conflict of interest to the Chair of the Board or the Chief Executive Officer of the Association, and to remove themselves from discussions where conflict of interest has been declared. In such cases, the RDA Chair and Chief Executive Officer will ensure that the papers pertinent to the potential conflict are not provided to the Board member. Where there are doubts about the existence of a conflict of interest, the matter must be resolved in favour of the Board ie in the same manner as an established conflict of interest.

If a Board member or employee believes that he or she has a conflict of interest then the member or employee must notify the Chair of the Board or the Board members present at the meeting of that conflict of interest. Where possible, the notification should be in writing and must be noted in the minutes. An up to date register of such information is to be kept by the Board.

Once the disclosure is made, the member or employee must leave the meeting room, the meeting may then resolve whether the Board member or employee may re-enter the room, and if it is so resolved, whether he or she may participate in discussions. If a conflict of interest is present, the member or employee must not take part in any discussion or decision of the Board with respect to the matter.

In exceptional circumstances, with the minuted consent of the meeting, the person may be requested to provide information pertaining to the conflict of interest by the Board.

### ***Gifts and Benefits***

A Board member or employee of the Association must never demand or request any gift or benefit for the member or anyone else in connection with his or her Board work. A member or employee should not accept any gift or benefit if he or she thinks, or a reasonable person would think that the person offering the gift is likely to expect the member or employee to be influenced in the way that he or she does his or her Board work as a result of the gift.

Generally, non-token gifts should be accepted only in exceptional circumstances. Where non-token gifts are accepted, it would be appropriate to inform the Chair of the Board or the next meeting of the Board. If the member or employee is in any doubt about whether or not a gift is token, he or she should notify the Chair.

### ***Public Comment***

With respect to activities funded by the Australian, South Australian or local governments, the Board should not make any statements or give any undertaking that could be interpreted as committing the Commonwealth Minister or South Australian Minister or the Australian, South Australian or local governments to a particular action or expenditure. This position should be made clear in any negotiations which the Board, its members, staff or representatives undertake with any company, firm or other body, or member of the public.

Whilst it is recognised that Board members as members of the community have the right to make public comment and enter into public debate on political and social issues, care must be taken not to convey the impression that such comment is an official comment made in their capacity as a Board member or staff. The Board member or staff should make it clear that he or she is speaking personally.

While constructive criticism of the operations of RDA and the State and Commonwealth Departments and local government is welcome, it is inappropriate for such criticism to be reflected in press releases, public documents or statements. The Chair has the role of channelling matters of this nature to senior staff of the State and Commonwealth Departments, the local councils and/or to the LGASA.

### ***Corrupt and Unethical Conduct***

If a Board member or employee of the Association is aware of any possible corrupt or unethical conduct by any Board member(s) or employee, it must be reported to the Chair of the Board. The member or employee does not need to have proof that corruption or unethical conduct is occurring. He or she needs merely to suspect it on reasonable grounds. Corrupt and unethical conduct can also be reported to the General Manager, Regional Policy Development Branch, Local Government and Regional Development, Australian Government Department of Infrastructure, Transport, Regional Development



and Local Government, or the Director, South Australian Office of Small Business and Regional Development or the South Australian Department of Trade and Economic Development. This does not alleviate any right or obligation of the relevant Board Member or employee to also report the conduct to relevant authorities (eg police) as required under relevant legislation.

People who report possible corrupt or unethical conduct will not be penalised for reporting possible misconduct.

### ***Breaches of the Code***

Breaches of this Code of Conduct and Ethics (Code) are likely to result in disciplinary action. Sanctions, including termination of a Board member's appointment, will be considered in the event of a serious breach of the Code of Conduct. Depending on the nature of the conduct, referral to appropriate authorities may also be necessary.

### ***Allegations of Impropriety***

It is important that the conduct of Board members and employees is at all times perceived in the community to reflect the principles and ethical requirements set out in this Code. If allegations concerning the conduct of a member or employee are made or aired in the public domain that, if true, would constitute a breach of the Code, the member concerned must stand down from the Board upon request by the Commonwealth and State governments and Local Government Association of SA.

Allegations made in the public domain include being:

- referred to in sworn evidence (either oral or written) in any court or tribunal proceeding;
- the subject of or named as a person of interest in any investigation by the South Australian Ombudsman or Commonwealth Ombudsman; or
- the subject of or named as a person of interest in any investigation or proceedings by any other governmental or quasi-governmental body in any jurisdiction.

The member may resume his or her membership of the Board when the relevant court, tribunal or other body makes a finding of fact that the allegations are unfounded, or otherwise when the Commonwealth and State governments and the Local Government Association of SA so determines.