

INTEGRITY FRAMEWORK POLICY

Responsible Department: Office of the General Manager
Responsible Section: Governance and Risk
Responsible Officer: Manager Governance and Risk

Objective

The purpose of this policy is to:

- Affirm Council's commitment to strong integrity controls.
- Outline Council's framework of policies and protocols that encompass Council's integrity controls

Introduction

An Integrity Framework is crucial for a local government organisation as it serves as the cornerstone of ethical conduct, transparency, and accountability within the institution. As a public agency with both regulatory and service delivery functions, integrity is essential to Council. This framework establishes a set of principles and guidelines to guide the behaviour of Councillors and Council officers (including contractors and other entities engaged by Council) and foster a culture of honesty and integrity.

In a local government setting, where public trust is paramount, the Integrity Framework ensures that decision-making processes are fair, unbiased, and driven by the best interests of the community. By promoting ethical behaviour and holding individuals accountable for their actions, the framework helps prevent corruption, fraud, and misconduct, thereby safeguarding the reputation of the local government.

Narrabri Shire Council is committed to being a public agency that is free from corruption, fraud, and with sound decision-making. Council has adopted several policies which operate to achieve this goal.

Policy

1. Definitions

Term	Meaning
Council Policy	A policy adopted by Council's elected body, as defined by Council's Policy Framework.
Operational Protocol	An internal policy document adopted by Council's General Manager, as defined by Council's Policy Framework.
Corrupt Conduct	As defined by sections 8 and 9 of the <i>Independent Commission Against Corruption Act 1988</i> (NSW).
Fraud	As defined by the <i>Crimes Act 1900</i> (NSW)

2. Council's Commitment to Integrity

- 2.1. Narrabri Shire Council is committed to the highest standards of integrity for its elected officials, officers, contractors, and volunteers.
- 2.2. Specifically, Narrabri Shire Council is committed to the following:
 - (a) An organisation free of fraud and corruption;
 - (b) An organisation with effective, ethical, and sound decision-making; and
 - (c) An organisation that is transparent in its decision-making and exercise of its functions.
- 2.3. To achieve this commitment, Council's integrity framework constructs the four pillars of corruption prevention and management:
 - (a) Building Integrity;
 - (b) Preventing Corrupt Conduct;
 - (c) Detecting Corrupt Conduct; and
 - (d) Responding to Integrity Breaches.
- 2.4. These pillars are underpinned by:
 - (a) Corruption risk management;
 - (b) This integrity framework;
 - (c) Corruption control roles; and
 - (d) Corruption control competence.

3. Pillar 1: Building Integrity

- 3.1. Council is committed to building integrity by:
 - (a) Including integrity initiatives and key performance measures in its annual Operational Plans and its Delivery Program;
 - (b) Training all Council Officers in integrity building and corruption prevention and Council's expectations in terms of conduct;
 - (c) Establishing and promoting a culture of integrity and reporting through corporate values and corporate values awards programs; and
 - (d) Providing regular information updates on integrity matters that concern Council as a Public Agency.

4. Pillar 2: Preventing Corrupt Conduct

- 4.1. Council has or will adopt policies on the following topics to ensure Council's integrity is promoted:
 - (a) A Code of Conduct under the *Local Government Act 1993* (NSW);
 - (b) A Fraud and Corruption Policy;
 - (c) Councillor Interaction with Property Developers, Businesses, Contractors, and Lobbyists Policy;
 - (d) Risk Management;
 - (e) Procurement;
 - (f) Gifts and Benefits;
 - (g) Contract Management;
 - (h) Project Management
 - (i) Records Management
 - (j) Fraud and Corruption Policy;
 - (k) Staff Interaction with Councillors Policy;
 - (l) Council-Related Development Policy; and
 - (m) Use of Council Facilities by Elected Politicians Policy.
- 4.2. Council will review these policies within 12 months of an Ordinary Local Government Election or on an as-needs basis. Council will review these policies no later than 12 months of the 2024 Local Government Election, with an explicit focus on integrity measures.

- 4.3. The General Manager will ensure that there are appropriate internal Operational Protocols, Guidelines, or Procedures relating to:
 - (a) Conflict of Interest Management;
 - (b) Decision-making;
 - (c) Procurement;
 - (d) Project Management;
 - (e) Contract Management; and
 - (f) Human Resources Management.
- 4.4. Council will maintain routine risk management of its corruption vulnerabilities, including the continued implementation of its Internal Audit program to prevent and detect issues.
- 4.5. Council will also prevent corrupt conduct through appropriate management of delegations of authority, including:
 - (a) Limits to delegations that equate to delegates' level of responsibility;
 - (b) Reviews of delegations, including financial delegations;
 - (c) Recording the execution of delegations in areas identified as corruption-risks.

5. Pillar 3: Detecting Corrupt Conduct

- 5.1. Council has two broad mechanisms for detecting corrupt conduct:
 - (a) A robust complaint mechanism;
 - (b) Regular review and analysis of Council's systems and operations; and
- 5.2. Council's complaint mechanism consists of the following:
 - (a) Public Interest Disclosure Policy;
 - (b) Procedures for Administration of the Code of Conduct;
 - (c) A confidential staff feedback/report portal that reports only to the PID Coordinator (or General Manager if it is about the PID Coordinator).
- 5.3. Relevant Council teams will regularly review and analyse Council's systems from a corruption prevention perspective in the following ways:
 - (a) Monitor, recording, and regular review of Conflict of Interest declarations and management plans;
 - (b) Random audits of corporate credit card use with reports to management;
 - (c) Independent review and reporting of decisions made using decision-notes; and
 - (d) Monthly review of requisitions/purchase orders for compliance with procurement guidelines and identify potential corrupt transactions.

6. Pillar 4: Responding to Corrupt Conduct

- 6.1. The General Manager will comply with the provisions of section 11 of the *Independent Commission Against Corruption Act 1988* (NSW) by reporting matters to the ICAC where they form a reasonable suspicion a matter may involve corrupt conduct.
- 6.2. Where complaints are made to Council that, in their investigation, reveal potential corrupt conduct, Council will refer them to the Independent Commission Against Corruption pursuant to section 11 of the ICAC Act.
- 6.3. Where reports or complaints are made that, in their investigation, do not reveal potential corrupt conduct, but do reveal individual or systemic corruption risks, Council will take proportionate action in accordance with its Code of Conduct and other policies. Such action may include:
 - (a) Disciplinary action;
 - (b) Counselling;
 - (c) Additional training for individuals or groups;
 - (d) Reassignment of duties;

- (e) Additional oversight of decision-making or delegations; or
 - (f) Review of policies, procedures, protocols, or systems to mitigate systemic corruption risks.
- 6.4. Council will analyse integrity breaches to identify patterns, systemic risks, and steps to mitigate both:
- (a) Following each confirmed breach; and
 - (b) At least annually.

7. Reporting

- 7.1. Council will report to the Office of Local Government and NSW Ombudsman as required in relation PIDs made to Council.
- 7.2. The General Manager will ensure that a report is brought to the Audit Risk and Improvement Committee around Council's fraud and corruption risks in accordance with the Guidelines issued under Section 23A of the *Local Government Act 1993* (NSW).

8. Review

- 8.1. Council will review this Policy within 12 months of an Ordinary Council Election, or in accordance with this Policy, or from time to time on an as-needs basis.

References

- *Local Government Act 1993* (NSW)
- *Privacy and Personal Information Protection Act 1998* (NSW)
- *Government Information (Public Access) Act 2009* (NSW)
- *Public Interest Disclosures Act 2022* (NSW)
- *Independent Commission Against Corruption Act 1988* (NSW)
- *Local Government (General) Regulation 2021* (NSW).
- *Code of Conduct Policy 2022*

History

Minute Number	Date	Description of Change
	June 2024	Draft Policy before Council
114/2024	25 June 2024	Adopted