

Suppliers Code of Practice

Complying with this code of practice will give you confidence that you are doing all you can to help create a fair environment in which to trade. You may already have your own code of practice which already includes a number of principles to which this code aspires.

We want there to be no doubt about how we will always operate and treat people and fellow organisations. However, we cannot prescribe all situations and circumstances that may arise. This is why we are setting out what we value as an authority. These values define who we are, how we work, and what we stand for. They also tell us what we expect of ourselves within a culture of high standards and all who work with us. They lie at the root of our code.

We ask that you respect our code and understand that we have made a fundamental commitment to work only with those whose standards are consistently as high as our own. Our code sets out what this means both in terms of specific requirements and the underlying principles that govern them.

But a code of practice is a two-way street. So this guide also makes clear:

- what you can expect from us
- the commitments we make to you
- the support and protection we will give you for doing the right thing and challenging practices or behaviour that fall short of the standards and values we adhere to.

We will always support you for doing the right thing.



Foreword

from Councillor Pete Lowe, leader of Dudley Council

As leader of the council I want everyone to help us deliver high quality services which recognise our commitment to the highest standards of ethics and conduct. I want to build strong collaborative partnerships to deliver cost effective solutions to meet the needs of the residents of Dudley and make this one of the best places in which to live and work and a place we can all be proud of.

We all have a part to play in making Dudley Council a national leader when it comes to tackling fraud and providing an excellent customer service.

Introduction

New ethical risks are being created by the development of new models of service delivery. You may become responsible for the delivery of public services, even though you may not be a public office holder.

As a contractor / supplier you need to recognise that through the procurement process with the local authority – you are delivering a public service, paid for by public money.

We hope that you work with us to help build the trust of the public by creating a culture that promotes high standards and deters or exposes misconduct.

Our Vision

To make Dudley among the best places in Britain in which to live, work and one that we can all be proud of.

We want a local authority that :

- Is at the forefront of new ideas and is one of the most innovative in Britain
- Has a solid reputation for delivering excellence for the people it serves
- Is instrumental in creating a borough of opportunity, where our young people will be able to compete for jobs in a wider and increasingly competitive global economy

Our Ambition

“To make Dudley Council among the best local authorities in Britain”

We must strive to excel in all that we do to ensure we provide efficient and effective services for local people that deliver real value for money.

To achieve this we will focus on :

- Setting high standards for council services
- Making the most effective use of resources
- Demonstrating the highest ethical standards
- Promoting good governance standards
- Being more accessible to communities and individuals so they get the services they need
- Building strong collaborative partnerships
- Empowering communities to take action for themselves

In achieving our ambition we must be clear about our future strategies including:

- Motivating and engaging our workforce
- Making the most of our physical resources
- Revitalising our engagement with local communities

These will serve as the standard against which all services aim to deliver. To be amongst the best local authorities in Britain, we must be clear about our future challenges and set high standards for community engagement, service delivery, reputation and safeguarding.

Service delivery: In pursuit of our ambition we must provide excellent public services with high levels of customer satisfaction. We must aim to delight the customer in every aspect of our work. Customer expectations are rising all the time, our partners must raise their standards in line with ours. Each service must play its part to provide local people with the absolute best experience.

Our contribution: Becoming an excellent provider of public services is a direct personal challenge to us all - this is about personal standards, teamwork and pride. Pride in the service we provide starts with pride in ourselves – a decision we can all take is to not settle for anything but the best. Creating an excellent local authority begins with this choice.

Reputation: The challenges for the future do not involve just following the old ways of doing things better, but finding new, innovative ways of improving public outcomes. We must be recognised as an innovative and creative organisation, one that is responsible, caring, environmentally aware and embraces equality in everything we do.

Values and principles that we insist upon

Mutual Respect

- Appreciate others and care about the wider community
- Care about how our actions affect others and the wider environment
- Treat everyone equally
- Encourage everyone to strive for excellence
- Appreciate the skills and abilities of others

Ethics

- Do what is right
- Be open and fair
- Do not ignore unsafe practices or what is wrong
- Help others to do the right thing

Working Together

- We believe the whole is greater than the sum of its parts
- Be willing to share good practice
- Be willing to work together to reach a solution
- Work at creating good relationships

Fairness

- Be honest and transparent
- Support diversity and treat everyone equally.
- Reward people and organisations based on a fair objective process
- Have clear expectations of what is required
- Attempt to resolve disputes as promptly as possible

By following these principles

- We meet our obligations of trust and responsibility
- We keep our commitment to be open and honest

Our reputation also depends on how others see us in relationships with you – what you decide, what you do.

Overall can you say “yes” to the following?

- Is it legal ?
- Does it feel right and fair ?
- Am I comfortable with it ?
- Is it something I might read about in the newspapers ?
- Would I be happy if my actions were made public ?



When our code applies to YOU

We are committed to working only with business partners whose standards are consistent with our own and who respect our values, ambition and vision. This includes partners, sub-contractors, consultants and all suppliers of goods and services.

When you work with us, we expect you to share our values and demand these same standards of your partners, sub-contractors, consultants and suppliers.

What we expect of you - We also expect of ourselves

Employee code of conduct

The public is entitled to expect the highest standards of conduct from all who represent Dudley Council.

The principles of public life are as follows:

- **Selflessness** – acting solely in the public’s interest.
- **Integrity** – not placing others under any obligation to try to inappropriately influence them in their work. Not taking decisions that would result in personal, financial or material gain for family or friends. Any interests or relationships must be declared.
- **Objectivity** – making decisions fairly and on merit, using the best evidence and without discrimination or bias.
- **Accountability** – being accountable to the public for decisions and actions. All staff must submit themselves to the scrutiny necessary to ensure this.
- **Openness** – taking decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for doing so.
- **Honesty** – being truthful.
- **Leadership** – all staff should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

In summary employees are required to:-

- Carry out their duties safely and effectively
- Act honestly
- Act with dignity and treat all others with dignity and respect
- Be committed to delivering quality services to service users

Intellectual Property

Under copyright law the council owns any material made by the council or made under its direction. As an employee or contractor, any material produced in the course of work belongs to the council unless otherwise explicitly provided for in the contract of employment / council contract.

Therefore, to use any work owned by the council, the employee must seek permission from their assistant director.

The following pages deal with specific examples of more serious cases of inappropriate conduct.



Bribery and corruption

We aim to avoid even the appearance of wrong-doing. It is better to miss out on the business or lose money.

The council expects all of its contractors, suppliers, agencies, partner organisations and individuals to act with honesty and integrity.

Bribery can range from the offer of a gift or cash or the use of any other inducement in exchange for preferential treatment.

The Bribery Act 2010 now provides specific legislation for prosecutions in this area. Companies are now required to have procedures in place to prevent bribery.

Corruption can include cartels, abuse of power, bribery and embezzlement to name a few types of activity.

The council may cancel the contract and recover any loss following any proven bribery or corruption.

Working with us

Never offer, give or receive bribes or make or accept improper payments to obtain new business, retain existing business, or secure any improper advantage. Never use or allow others to do it. This includes any type of facilitation payment, large or small, even where such payments are perceived as a common part of local business practice.

The help and advice and local knowledge of agents and other consultants or contractors can sometimes be essential. However, we require them to operate at all times in accordance with our standards, particularly in relation to bribery and corruption.

How could it happen?

You have been invited to tender for a big project. You are the project leader. It promises to be a keenly fought contest. One of our senior managers hints that he can help you win the tender if you reach an “agreement” with him.

How could it happen?

A new member of your staff is keen to gain a success record within your company and approaches a member of our staff with a proposal to “hurry things along” in return for a sum of money.

Your aim

Refuse to offer, give or receive bribes or improper payments, or participate in any kind of corrupt activity either directly or through any third party.

What do you do?

Tell us about any attempt to bribe you or solicit bribes from you and any suspicions you have about bribery and corruption.

Gifts and hospitality

We aim to avoid staff having to be in a dilemma about being offered gifts or hospitality and have clear rules about how these should be handled.

Public Sector staff may be unable to accept hospitality (e.g. meals and entertainment) that would be acceptable in other sectors.

Public sector staff are expected to adhere to their code of conduct on gifts and hospitality. Only nominal office gifts of token values (i.e. less than £10) can be accepted by employees. Employees are expected to refuse any hospitality, sponsorship, gift or bequest and record it in a Gift and Hospitality Register, as well as reporting any offers of significant personal gifts from contractors or suppliers to their director or assistant director. Any other gift or hospitality that is not declined, but valued over this amount has to be passed onto the Mayor's office as a prize in any raffle or tombola for charity.

Employees are aware that it is a serious criminal offence for them to corruptly receive or give any gift, loan, fee, reward or show favour or disfavour to any person in their official capacity as a council employee. Contractors, suppliers and service providers should be aware that it is a criminal offence under sub-section 2 of section 117 of the Local Government Act 1972 for an officer of a local authority to accept any fee or reward whatsoever other than his/her proper remuneration.

Whilst the council will always consider the facts of every individual case, if it is proven that any such fee or reward is offered, then any contract the contractor, supplier or service provider has with the council is likely to be terminated and damages sought from the contractor, supplier or service provider. In addition, the contractor, supplier or service provider concerned will almost certainly be removed from any council supplier list.

Working with us

Please use good sense and if in doubt always ask. Never try to influence others by such means. Do not try to give staff things that may create a sense of obligation that could

be misinterpreted. If you experience such behaviour in any chain of supply through council contracts please tell us.

How could it happen?

You offer to buy a case of wine for our employee or provide tickets to a sporting event.

How could it happen to you?

One of our employees implies that gifts will be accepted and are standard procedure in awarding contracts.

Your aim

To ensure only nominal value gifts or hospitality is given and that staff are not put in awkward dilemmas in relation to gifts or hospitality.

What do you do?

Always tell us about any attempt or pressure from an employee to provide them with gifts or hospitality. Notify us of any firms for which you act as a sub-contractor that reports any such behaviour or gift to a council employee.

Abuse of authority/conflicts of interest

We aim to avoid staff using their official position or family connections to improperly influence the award of work.

In a business environment, networks of companies can build up relationships and become regular suppliers within a chain and develop close working relationships.

Employees of the council are not allowed to use their official position, status, powers or authority to improperly influence a decision or action. At all times they are expected to be impartial. At all times employees have a set delegated power and must act within it.

If a member of your firm has a close relative e.g. a co-habiting partner, spouse, civil partner, parent, grandparent, uncle, aunt, son, daughter, grandchild, sibling, niece or nephew within the council department making a decision to procure from you, they are required to declare this to their line management who will then ensure council decision-making is not compromised.

Working with us

Do not try to obtain work by influencing staff in key positions or family members.

How could it happen?

Your close relative is a manager and works at a sheltered home run by the council.

You have your own business carrying out repairs and you regularly quote for work at that establishment, with your close relative deciding who will be awarded the work.

Your aim

Do not put pressure on council employees in key positions to exploit relationships.

What do you do?

Do not put any pressure on your relative, but ensure that they declare the circumstances to their line manager within the authority. This does not mean you cannot quote for work, but your relative will not be the decision-maker. If you are a supplier that believes this has occurred resulting in you not obtaining work, you must inform the council.



Fraud, deception and dishonesty

Even a minor case can destroy reputations.

Sharp practice or fraud? This is a question that companies often ask themselves if they act in a manner not entirely open and transparent. The Fraud Act 2006 provides set definitions for classifying fraud. It involves abuse of a position, failing to disclose information or falsely representing a situation. If there is a deliberate attempt to deprive someone and gain an advantage then fraud can be proven. It is a criminal offence.

Working with us

You or any member of your company should not try to gain an advantage by acting fraudulently, deceiving a decision-maker or make any false claims.

Always act with integrity and honesty. Do not ignore something that you suspect to be wrong.

How could it happen?

You are tempted to submit an invoice for more expensive goods than those that have actually been delivered to the authority. You feel the

manager in that area has been difficult to work with and has checked goods meticulously resulting in lots of justifiable returns, which has annoyed you. He is off sick and anyone else is unlikely to know the specification for the goods that have been delivered.

Your aim

Ensure you act honestly and with integrity at all times.

What do you do?

Do not abuse situations or circumstances.

False claims

These claims could be opportunist, but are still wrong if you believe them to be false.

Again – Sharp practice / or fraud? This type of fraud can be reckless or misrepresentation. It may include continuing to charge for a cleaning contract when the building no longer exists. It could be the fabrication of records to wrongly state the amount of materials or services provided.

Working with us

All invoices should be backed up by documentary evidence. Estimates should be accurate and care should be taken when calculating and claiming for payments. In return we will ensure your claims are treated fairly and will ensure prompt payment.

How could it happen?

You decide to submit an invoice for a stage payment that is in excess of work actually

completed, knowing that errors have been made in calculations recorded on the invoice.

Your aim

To claim only for work that is completed and due for payment. Only claims that have supporting evidence should be made.

What do you do?

Ensure you have been honest and transparent.

Unfair trading

Social Values

We promote ethical trading, decent working conditions, human rights, job creation and working with the third sector. The working environment of staff, commissioned services and third sector organisations with whom we work should promote a safe and healthy working environment with equal opportunities for all based on talent and merit. Everyone should be protected from harassment and discrimination.

Right to work and minimum wage legislation exists to protect the overall economy and individual's rights.

Profitability issues may tempt unscrupulous employers to cut costs by illegal means.

We uphold the rights of all of those who work with or for us and of the communities in which we operate.

We refuse to do business with any individual, company or organisation that violates human rights.

We do not tolerate behaviour or attitudes that support intimidation, discrimination or exploitation.

How could it happen?

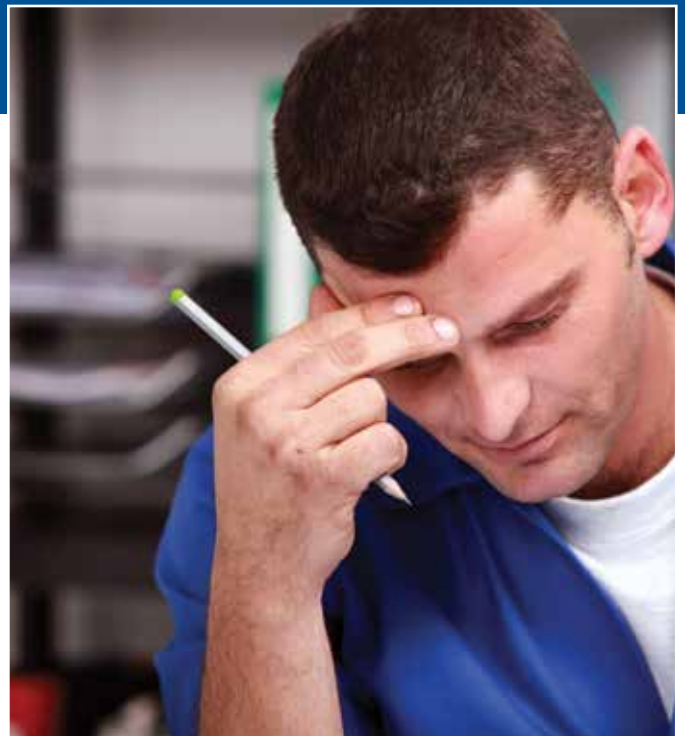
You use a sub-contractor and hear allegations that he is employing illegal immigrants and paying foreign workers less than the minimum wage and they are working excessive hours.

Your aim

To have a legal and fairly treated workforce

What do you do?

If you become aware of contractors who are believed to be exploiting staff alert the local authority.



Ignoring Environmental Issues

Environmental Considerations

We promote sustainable development and recognise that it is too big and too important for any one company or organisation to tackle in isolation.

We promote working with communities and take into account their views on the impact of any major projects.

All local authorities are committed to reducing their carbon footprint and landfill.

We support efforts internally and externally to reduce waste, improve energy efficiency and recycling levels.

Healthy communities are important and any concerns are heard and issues mitigated wherever possible.

Working with us

We aim to minimise greenhouse gas emissions, use of water and natural resources and minimise landfill.

We expect all companies and organisations that we work with to support these values and consider their lifecycle impact on the environment.

How could it happen?

You have a number of options in costing a service, some of which may be more expensive than others, but would allow environmental objectives to be better achieved.

Your aim

Consider resourcing a project from responsible sourcing schemes and include any additional environmental costs as an option in your tender or quote for consideration.

What do you do?

If environmental issues significantly increase operating costs for a project discuss this with the authority and the possible alternatives, do not just take the cheapest option.



Unfair competition

This can involve trying to gain a competitive advantage unethically.

Bid rigging and cartels are the most common form of unfair competition. The Office of Fair Trading attempts to uphold any complaints of this nature and ensure that good practice and fair competition prevails in the United Kingdom. Failure to comply with fair trading principles can result in hefty fines and prison.

Working with us

We want a competitive, fair and honest environment for our local businesses. We expect our suppliers to resist any approaches to collude with other companies. Most businesses operate in competitive environments and within the law.

Any approaches from local companies to collude should be declined and reported to the authority for investigation or directly to the Office of Fair Trading.

Do not share specifications and detailed costs with local suppliers.

Report any concerns you may have if you suspect other local contractors are working together.

How could it happen?

You may be approached by local companies who wish to put in a tender for a local authority contract. They may suggest to you that other companies work together within specific geographic areas, taking it in turns to submit the lowest price to obtain work.

Your aim

To ensure we act in a competitive, but fair manner, not colluding with others to gain competitive advantage.

What do you do?

Report any concerns or approaches of this nature.



What to do if you have a concern...

If you have a serious concern that something may not be consistent with this code, please speak up. We encourage you to raise any concerns or questions you have in confidence, and we value the information that you can provide. We will always support you for doing the right thing. We will not tolerate any retaliation or discrimination of any kind against anyone who has raised something in good faith.

All issues are treated seriously. We will follow them up conscientiously, discreetly and without bias. Anything you raise will be treated confidentially and communicated on a need-to-know basis.

How to raise your concern

You should first discuss the matter with senior management within your organisation, who in turn should feel confident to raise it with Dudley Council senior management.

If you believe the matter cannot be handled appropriately in this way, you can report it by using the council's confidential reporting policy to deal with allegations of malpractice or misconduct. This policy is available on the council's website.

The policy is publicised throughout the borough and can be used by suppliers or individuals with a complaint if they feel that other available channels for raising concerns would be inappropriate, or if they fear repercussions.

Concerns can be raised verbally or in writing. People can call **01384 815200** or write to Chief Executive (Private and Confidential), Dudley Council, Council House, Priory Road, Dudley, West Midlands, DY1 1HF.

You can also use the Council Fraud Hotline by telephoning **01384 814242** or emailing hotline@dudley.gov.uk

Or provide details via our web form. <http://www.dudley.gov.uk/resident/your-council/legal-advice/fraud-reporting/>



Beating fraud is everyone's business