

# CORPORATE GOVERNANCE POLICY



*City of Suva*

***Version 1.0***

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<b>TABLE OF CONTENTS</b>	<b>PAGE NOs.</b>
INTRODUCTION.....	6
<b>PART 1</b> .....	<b>7</b>
STAKEHOLDERS TERMS OF REFERENCE .....	7
1.0 INTRODUCTION.....	7
1.1 PRINCIPLES.....	7
1.2 STAKEHOLDER COMMUNICATION AND STAKEHOLDER MEETINGS.....	10
<b>PART 2</b> .....	<b>11</b>
COUNCIL TERMS OF REFERENCE .....	11
2.0 INTRODUCTION.....	11
2.1 PURPOSE AND ROLE .....	11
2.3 POWERS.....	14
2.4 SPECIFIC RESPONSIBILITIES .....	15
2.5 COUNCIL MEMBERSHIP .....	16
2.6 INDEPENDENCE AND MATERIALITY .....	18
<b>PART 3</b> .....	<b>20</b>
HIS WORSHIP THE LORD MAYOR'S/SPECIAL ADMINISTRATOR TERMS OF REFERENCE.....	20
3.0 ROLE OF HIS WORSHIP THE LORD MAYOR/SPECIAL ADMINISTRATOR .....	20
3.1 HIS WORSHIP THE LORD MAYOR/SPECIAL ADMINISTRATOR AND CHIEF EXECUTIVE OFFICER.....	20
3.2 KEY RESPONSIBILITIES.....	20
3.3 QUALIFICATIONS .....	21
3.4 SPECIFIC ACCOUNTABILITIES.....	21
<b>PART 4</b> .....	<b>25</b>
COUNCIL APPOINTMENT PROCEDURES.....	25
4.0 PURPOSE.....	25
4.1 STATUS OF POLICY.....	25
4.2 COUNCIL RENEWAL AND SUCCESSION PLANNING .....	25
4.3 COUNCIL PERFORMANCE EVALUATIONS .....	25
<b>PART 5</b> .....	<b>28</b>
COUNCILORS DISCLOSURE OF INTEREST POLICY AND POLICY FOR HANDLING CONFLICTS OF INTEREST .....	28
5.0 PURPOSE.....	28
5.1 STATUS OF POLICY.....	28
5.2 DISCLOSURE OF INTERESTS.....	28
5.3 PROCEDURES FOR HANDLING A CONFLICT OF INTEREST .....	29
5.4 CODE OF CONDUCT .....	29
<b>PART 6</b> .....	<b>30</b>
COUNCILORS INDEPENDENCE .....	30
<b>PART 7</b> .....	<b>31</b>
FULL COUNCIL TERMS OF REFERENCE .....	31
7.0 COUNCIL AND COMMITTEE AGENDAS.....	31
7.1 COUNCIL STANDING COMMITTEE RULES.....	31
<b>PART 8</b> .....	<b>35</b>
FINANCE COMMITTEE TERMS OF REFERENCE.....	35
8.0 PURPOSE.....	35
8.1 LEGISLATIVE FRAMEWORK.....	35
8.2 MEMBERSHIP .....	35



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PART 9	36
AUDIT COMMITTEE TERMS OF REFERENCE	36
9.0 MEMBERSHIP	36
9.1 SECRETARIAL AND MEETINGS	36
9.2 RESPONSIBILITIES	37
9.3 AUTHORITY	38
9.4 REVIEW OF THE COMMITTEE	38
9.5 REPORTING PROCEDURES	38
PART 10	40
TRAFFIC & PUBLIC TRANSPORT COMMITTEE TERMS OF REFERENCE	40
10.0 PURPOSE	40
10.1 LEGISLATIVE FRAMEWORK	40
PART 11	42
HUMAN RESOURCE & INDUSTRIAL RELATIONS COMMITTEE TERMS OF REFERENCE	42
11.0 PURPOSE	42
11.1 LEGISLATIVE FRAMEWORK	42
11.2 PORTFOLIO	42
PART 12	43
CIVIC AMENITIES, PROPERTIES, SPORTS & TOURISM PROMOTION STANDING COMMITTEE TERMS OF REFERENCE	43
12.0 PURPOSE	43
12.1 LEGISLATIVE FRAMEWORK	43
12.2 PORTFOLIO	43
12.3 MEMBERSHIP	43
12.4 REPORTING	43
12.5 MEETINGS	43
12.6 TASKS	43
PART 13	45
TOWN PLANNING STANDING COMMITTEE TERMS OF REFERENCE	45
13.0 PURPOSE	45
13.1 LEGISLATIVE FRAMEWORK	45
13.2 PORTFOLIO	45
13.3 MEMBERSHIP	45
13.4 TASKS	45
PART 14	46
HEALTH STANDING COMMITTEE TERMS OF REFERENCE	46
14.0 PURPOSE	46
14.1 LEGISLATIVE FRAMEWORK	46
14.2 PORTFOLIO	46
14.3 MEMBERSHIP	46
14.4 REPORTING	46
14.5 MEETING	46
14.6 TASKS	47
PART 15	48
MARKET STANDING COMMITTEE TERMS OF REFERENCE	48
15.0 PURPOSE	48
15.1 LEGISLATIVE FRAMEWORK	48
15.2 PORTFOLIO	48
15.3 MEMBERSHIP	48
15.4 REPORTING	48
15.5 MEETINGS	48
15.6 TASKS	49



PART 16 .....	50
INFRASTRUCTURE & WORKS STANDING COMMITTEE TERMS OF REFERENCE .....	50
16.0 PURPOSE.....	50
16.1 LEGISLATIVE FRAMEWORK.....	50
16.2 PORTFOLIO.....	50
16.3 MEMBERSHIP.....	50
16.4 REPORTING.....	50
16.5 MEETINGS.....	50
16.6 TASKS.....	51
PART 17 .....	52
STRATEGY & MAJOR PROJECTS STANDING COMMITTEE TERMS OF REFERENCE .....	52
17.0 PURPOSE.....	52
17.2 LEGISLATIVE FRAMEWORK.....	52
17.3 MEMBERSHIP .....	52
17.4 REPORTING.....	52
17.5 MEETINGS.....	52
17.6 TASKS.....	52
PART 18 .....	53
TENDER COMMITTEE TERMS OF REFERENCE.....	53
18.0 PURPOSE.....	53
18.1 LEGISLATIVE FRAMEWORK.....	53
18.2 MEMBERSHIP.....	53
18.3 REPORTING.....	53
18.4 MEETINGS.....	53
18.5 TASKS.....	53
PART 19 .....	54
PERFORMANCE MONITORING COMMITTEE TERMS OF REFERENCE .....	54
19.0 PURPOSE.....	54
19.1 LEGISLATIVE FRAMEWORK.....	54
19.2 MEMBERSHIP.....	54
19.3 REPORTING.....	54
19.4 MEETINGS.....	54
19.5 TASKS.....	54
PART 20 .....	55
HEAD OF DEPARTMENT'S (EXECUTIVE COMMITTEE) TERMS OF REFERENCE.....	55
20.0 PURPOSE.....	55
20.1 POWERS OF THE EXECUTIVE COMMITTEE .....	55
20.2 MANAGEMENT RESPONSIBILITIES.....	55
20.3 MEMBERSHIP.....	56
PART 21 .....	57
CODE OF ETHICS.....	57
21.0 INTRODUCTION.....	57
21.1 COUNCILORS CODE OF CONDUCTS .....	58
21.2 SENIOR MANAGEMENT OFFICERS CODE OF CONDUCTS .....	63
21.3 EMPLOYEE CODE OF CONDUCTS.....	66
PART 22 .....	71
RELATIONSHIP WITH EXTERNAL AUDITORS .....	71
22.0 INTRODUCTION.....	71
PART 23 .....	75
WHISTLEBLOWING .....	75
23.0 INTRODUCTION.....	75



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23.1	SCOPE .....	75
23.2	PROTECTION UNDER THE POLICY .....	75
23.3	COMPLAINTS PROCEDURES .....	75
23.4	INVESTIGATING PROCEDURES.....	76
23.5	SAFEGUARDS.....	76
PART 24 .....		78
COMMUNICATION AND PUBLIC DISCLOSURES .....		78
24.0	STRATEGY .....	78
24.1	DISCLOSURE POLICY .....	78
24.2	MATERIAL INFORMATION.....	78
24.3	DETERMINATION IF INFORMATION IS MATERIAL INFORMATION .....	79
24.4	RELEASE AND AVAILABILITY OF FINANCIAL STATEMENTS.....	79
24.5	INADVERTENT DISCLOSURE .....	79
24.6	CORRECTIONS TO PREVIOUSLY RELEASED MATERIAL INFORMATION .....	80
24.7	CHAT ROOMS AND ADDRESSING MARKET RUMOURS.....	80
24.8	COMMUNICATION AND ENFORCEMENT .....	80
PART 25 .....		81
BREACH OF THIS POLICY .....		81



## **INTRODUCTION**

SCC's Council is responsible to Stakeholders for the strategic guidance and oversight of the Council as set out in the Policy. The Council recognizes its overriding responsibility to act honestly, fairly, and diligently, in accordance with the law, in building sustainable value for Stakeholders, people, rate payers and communicates in which it operates as important stakeholders in an integrated and responsible approach to business.

SCC is committed to observing the highest standards of corporate governance. In pursuing this commitment, the Council monitors developments in this field. Any improvements identified in the review of developments are considered for inclusion in the organisation's corporate governance practices. The Council considers that a comprehensive corporate governance framework provides SCC with a strong commercial advance – it enables the Council and SCC to achieve ethical and stewardship obligations and at the same time facilitates the making of effective and timely decisions.

In relation to governance, the Council seeks to:

- 1) Embrace principles and practice in Fiji and globally;
- 2) Be an 'early adopter', where possible, by complying before a published law or recommendation takes effect; and
- 3) Take an active role in discussions and promote sound corporate governance best practices for cities and town council in Fiji.



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## PART 1

### STAKEHOLDERS TERMS OF REFERENCE

#### 1.0 INTRODUCTION

SCC Stakeholders depend on the SCC Council for strategic guidance and oversight of the Council. The Council recognizes its responsibility to act honestly, fairly and diligently, in accordance with the law, in serving the interests of SCC's Stakeholders.

#### 1.1 PRINCIPLES

The following principles underpin the approach of SCC and the Council in serving the interests of Stakeholders:

##### 1) **Deliver good corporate governance:**

Corporate governance is an important focus for the Council. Good corporate governance meets ethical and stewardship responsibilities, and SCC also believes it provides a strong quality non financial solution:

SCC seeks to be a leading organization in the field of corporate governance by:

- (a) Taking an active and lead role in the corporate governance arena;
- (b) Embracing governance principles it considers to be best practice; and
- (c) Where possible, adopting governance initiatives early, by complying before a published law or other requirement takes effect.

In reviewing and implementing the governance structure within SCC, the Council's approach is to adopt systems and procedures that make sense from a practical perspective and add value.



- 2) Maintain clear and open communication with Stakeholders and ensure continuous disclosure to the market:**
- a) In order to make informed decisions about SCC, and to communicate their views to the Council, Stakeholders need an understanding of the Council's business operations and performance.
  - b) SCC encourages Stakeholders to take an active interest in the Council. Council seek to provide Stakeholders with quality information in a timely fashion through SCC's reporting of results, the Council's Annual Report, announcements and briefings to the public;
  - c) SCC promotes electronic communications with its Stakeholders as we believe that communicating electronically provides a timelier, efficient, cost effective and environmentally conscious method for Stakeholders to access information.
  - d) SCC strives for transparency in all its business practices. Council recognizes the impact of quality disclosure on the trust and confidence of the stakeholder, and the community.
- 3) Make constructive use of stakeholder meetings/presentations**
- a) SCC facilitates stakeholder involvement in the general meetings of the Council.
  - b) Prior to Mayoral Elections, SCC encourages Stakeholders to submit any questions they may have for His Worship the Lord Mayor or Town Clerk/Town Clerk/Chief Executive Officer to enable key issues to be addressed.
  - c) The external auditor is present at Annual General Meetings and available to answer stakeholder questions. The auditor can respond on any business item that concerns them in their capacity as auditor.
- 4) Ethical and Responsible Decision-Making**
- a) "Tone at the Top Approach' at SCC emanates from the Council which is committed to ensuring an ethical culture -one of integrity and honesty.
  - b) The Council encourages management to promote and maintain a culture within SCC which draws upon a set of unifying values to guide the actions and decisions of the Council and all employees.
  - c) SCC has three main codes of ethics which also guide everyday business practice and decision-making throughout the Council:





- I. SCC Councilors' Code of Ethics sets standards for the councilors who are expected to pursue the highest standards of ethical conduct.
  - II. SCC (Employee) Code of Ethics sets standards for SCC staff to embrace and advocate. It seeks to establish an environment in which SCC staff can excel, regardless of race, religion, age, ability or gender.
  - III. SCC Code of Ethics for Head of Department;
- d) We believe that building the right culture is an integral part of high performing organizations' business success. We view our culture as one of our major competitive advantages underpinning our business performance. Our values play an integral role in this process, providing a shared set of goals and a single reference point for all SCC employees to work towards.
  - e) Our SCC values are based on employee input and take account of our four key stakeholders - our customers, community, Stakeholders and our people. Our SCC values are:
    - (i) Integrity
    - (ii) Customer Service
    - (iii) Transparency
    - (iv) Honesty
    - (v) Innovation
    - (vi) Productivity
    - (vii) Community and Civic responsibility

### 5) **Governance and Accountabilities**

The Audit Committee of the Council will review this Terms of Reference on an annual basis and revise it as and when believed appropriate. Where the Committee forms the view, as part of this review, that there are material concerns about SCC's performance against the principles espoused in this Terms of Reference, the Committee will report these matters to the Council for consideration.



### 1.2 STAKEHOLDER COMMUNICATION AND STAKEHOLDER MEETINGS

Stakeholders are the owners of SCC, and the Council's stated aim is to generate the highest return and exceeds Stakeholders expectations.

In order to make decisions about SCC, and to communicate views to the Council, Stakeholders need an understanding of the Council's business operations and performance.

SCC encourages Stakeholders to take an active interest in the Council, and seeks to provide Stakeholders with quality information in a timely fashion generally through SCC's continuously reporting, the Council's Annual and Financial Reports and on going briefings. SCC strives for transparency in all its business practices. The Council recognizes the impact of quality disclosure on the trust and confidence of the stakeholder, the wider market and the community.

Should Stakeholders require any information, they are also provided with relevant contact details for SCC and the Concise Annual Report (under Information for Stakeholders).

SCC upholds stakeholder rights and provides Stakeholders with the opportunity to be involved in Stakeholders meetings. Prior to the Annual General Meeting, Stakeholders are given the opportunity to submit any questions they have for the His Worship the Lord Mayor or Town Clerk/Chief Executive Officer to enable key common themes to be considered.

The external auditor is present at SCC Annual General Meetings and available to answer Stakeholders questions. The auditor can respond on any business item that concerns them in their capacity as an auditor.



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## PART 2 COUNCIL TERMS OF REFERENCE

### 2.0 INTRODUCTION

- a) SCC aims to build sustainable value for Stakeholders. SCC seeks to achieve this by acknowledging SCC's Stakeholders, people, rate payers and the communities in which it operates as important stakeholders in an integrated and responsible approach to business.
- b) In carrying out its responsibilities and powers as set out in this Terms of Reference , the Council will at all times recognize its overriding responsibility to act honestly, fairly, diligently and in accordance with the law.
- c) Be an 'early adopter', where possible, by complying before a published law or recommendation takes effect; and
- d) Take an active role in discussions and promote sound corporate governance best practices for cities and town councils in Fiji.

### 2.1 PURPOSE AND ROLE

The Council Terms of Reference clearly sets out the Council's purpose, powers, and specific responsibilities.

#### a) Stakeholder Interests

The Council is accountable to Stakeholders for SCC's performance and its responsibilities include:

- i. Charting the direction, strategic and financial objectives for SCC and monitoring the implementation of those policies, strategies and financial objectives;
- ii. Build trust in the council through consistent behavior, transparency and accountability;
- iii. Monitoring compliance with regulatory requirements, ethical standard and external commitments;
- iv. Establish, review and monitor processes for corporate governance throughout the council.



**b) Future Strategy**

- i. Develop and in-depth understanding of each substantial segment of SCC's business;
- ii. Make decisions concerning the council's capital structure; and

**c) Integrity of External Reporting**

- i. Review and monitor the processes, controls and procedures which are in place to maintain the integrity of the council's accounting and financial records and statements with the guidance of the Council Audit Standing Committee;
- ii. Review and monitor the reporting to Stakeholders and regulators, providing objective, comprehensive, factual and timely information.

**d) Risk Management, audit & Compliance**

**1. Controlling and Managing Risks**

All business activities contain an element of risks. SCC's philosophy toward risk is to identify the risks in advance, determine potential risk mitigation strategies, assess the risk in terms of the risk/reward equation and then determine how to proceed.

The key areas of risk faced by SCC are:

- i. Liquidity risk - Is the risk to earnings and capital arising from inability to meet obligations when they fall due as well as failure to recognize and address changes in market conditions that affect liquidity in a timely manner;
- ii. Operational Risk - Is the risk of direct or indirect losses as a result of inadequate or failed internal process, people or systems or even external frauds;
- iii. Compliance Risk - Is the risk of failure to comply with legal, statutory and regulatory requirements, including compliance to internal policies, procedures and control;
- iv. Reputation Risk - Is the risk that the council's good name and reputation will be damaged by an event;
- v. Strategic Risk - Is the risk to earnings and capital arising from bad business decisions arising from improper or lack of effective strategic planning;



- vi. Human Resource Risk - Human Resource risk is events that prevents employees from fulfilling their responsibilities and thus keep the business from operating at full efficiency. Human Resources risks include but are not limited to: death, disability (permanent or temporary), divorce, management error or incompetence, unexpected temporary leave, poor employee management practice, employee turnover.

Appropriate policies and procedures have been developed to assist in the management of these risks areas. The Council is responsible for approving the Council's risk management strategy and policies. Executive management is responsible for the implementation of the strategy and developing policies, processes and procedures to identify and manage risks.

The Town Clerk/Chief Executive Officer and Director Finance have provided formal statements of the Council confirming that in all material respects:

- i. The Council's financial statements present a true and fair view of SCC's and the council's financial position and operational results; and
- ii. The risk management and internal compliance and control systems are sound, appropriate and operating effectively

### **2. Internal Control Framework**

The Council acknowledges that it is responsible for the overall internal control framework, but recognizes that no cost effective internal control system will preclude all errors and irregularities. To assist in discharging this responsibility, Council has instigated an internal control framework that can be described under five headings.

- i. Financial reporting – there is a comprehensive budgeting system with an annual budget approved by the councilors. Monthly actual results are reported against budget or other benchmark (*where considered appropriate*) and revised internal forecasts for the year is prepared regularly.
- ii. Quality and integrity of personnel – the Council's engages experts, particularly in the areas of legal, tax and valuation matters to support management in performing their duties;



- iii. External advice – the Council engages external experts, particularly in the areas of legal, tax and valuation matters to support management in performing their duties;
- iv. Operating controls – procedures including information systems control are detailed in procedure manuals. Exception and corrective action reports highlight any departure from these procedures;
- v. Functional specialty reporting – at various times, the Council may request additional ad-hoc information to address a particular area of concern or risk.

### 2.3 POWERS

In addition to the above and any matters expressly required by law to be approved by the Council, powers specifically reserved for Council include:

- a) Appointment of the Town Clerk/Chief Executive Officer and determination of his or her terms and conditions (*including remuneration*);
- b) Appointment of Head of Departments to roles leading SCC businesses or functions and reporting to the Chief Executive Officer, and appointment of the Council Secretary;
- c) Any matters in excess of any discretion that it may have from time to time delegated in the Town Clerk/Chief Executive Officer and Head of Department in relation to credit transactions, market risk limits and expenditure;
- d) Review, approve and monitor major investment and strategic commitments;
- e) Approvals of each of the following:
  - i. Annual approval of budget and strategic plan;
  - ii. Annual approval and ratification of remuneration and conditions of service for Head of Department, direct reports to the Town Clerk/Chief Executive Officer and other key executives;
- f) Any public statements which reflect significant issues of SCC policy or strategy; and
- g) Any changes to the discretions delegated from the Council,
- h) The Acquisition, establishment, disposal or cessation of any significant business.



### 2.4 SPECIFIC RESPONSIBILITIES

The Council has a specific responsibility to:

#### a) **Review of Past Performance**

The Council is also responsible for the following:

- i. Reviewing business results, monitoring budgetary control and review. Approve and monitor necessary corrective actions and processes;
- ii. Significant changes to organizational structure;
- iii. Review and monitor processes for the maintenance of adequate credit quality, and;
- iv. Review and monitor processes for the documentation and regular review and updating of the council's risk profile;
- v. Review and monitor processes for compliance with prudential regulations and standards and other regulatory requirements;
- vi. Appointment of SCC's external and internal audit service providers;
- vii. Establish, monitor and review SCC's risk management strategy and monitoring its effectiveness.

#### b) **Executive Review, Succession Planning and Culture**

The Council undertakes ongoing self-assessment and review of its performance of the His Worship the Lord Mayor, individual Councilors and Council Standing Committees.

The Council is responsible for TC/CEO succession planning. The Council is actively involved with management succession. The Council in liaison with the Audit Committee and the Ministry of Local Government is responsible for the appointing, removal and reviewing the performance of the TC/CEO and approval of executive structure and associated succession plans. The Council also oversees the process of objective setting for TC/CEO and Head of Departments and monitors performance of TC/CEO and Head of Department against those objectives.

In performing the responsibilities set out above the Council should act at all times:



- i. in a manner designed to create and continue to build sustainable value for Stakeholders;
- ii. in accordance with the duties and obligations imposed upon them by the laws of the council and relevant legislations; and
- iii. having due regard to SCC's corporate responsibility objectives, and the importance of SCC's responsibilities with all its stakeholders and the communities and environments in which SCC operates.

### 2.5 COUNCIL MEMBERSHIP

The Full Council has responsibility for assessing the fitness and propriety of its members. The Council of Councilors in conjunction with Audit Committee is responsible for assessing the fitness and propriety of the Town Clerk/Chief Executive Officer and key Head of Department. The Auditor General's officer in conjunction with the Audit Committee is responsible for assessing the fitness and propriety of external auditors.

#### a) **Council Composition, Selection and Appointment**

Composition, qualifications and disqualifications of the Lord Mayor, Deputy Mayor and councilors are clearly stated in Section 9 & 10 and Section 20-25 of the Local Government Act respectively.

#### b) **Undertaking Induction Training**

All Councilors elected to take part in a formal induction program which involves the provision of information regarding SCC's values and culture, the Council's governance framework, the Councilor's Code of Conduct and related policies, processes and key issues, financial management and business operations and is briefed individually by Head of Departments about matters concerning their area of responsibility.

The Council encourages Councilors to continue their education by participating in formal workshops which are held regularly throughout the year. The Council Executive Secretary provides Councilors with ongoing guidance on matters such as corporate governance, SCC's policies and procedures, by-laws and relevant legislations.





### **c) Council Access to Information and Independent Advice**

The Council receives regular detailed financial and operational reports from TC/CEO and Head of Department to enable them to carry out their duties through meetings and formal procedures. Each Councilor enters into an Access and Indemnity Deed with the council to ensure five year access to documents after their retirement as a Councilor.

The Council collectively has the right to seek independent professional advice at the Council's expense in furtherance of their duties. While the His Worship the Lord Mayor's prior approval is needed, it may not be unreasonable withheld and, in the His Worship the Lord Mayor's absence, Council approval may be sought.

### **d) Council Meetings**

The Council has scheduled meetings each year and meets whenever necessary between scheduled meetings to deal with specific matters needing attention. His Worship the Lord Mayor/Special Administrator with input from the TC/CEO and the Council Executive Secretary establish meeting agendas for assessing our coverage of financial, strategic and major risk areas, throughout the year. The Councilors have the opportunity to review meeting materials in advance as stated in the Act. Councilors are always encouraged to participate with robust exchange views and bring their independent judgment to bear on the issues and decisions at hand.

- i. Minutes of the previous meeting, and outstanding issues raised by Councilors at the previous meetings;
- ii. The Town Clerk/Chief Executive Officer's report;
- iii. The Director Finance's report;
- iv. Specific Departmental reports;
- v. Reports from the Chairs of Committee which have met since the last Council meeting on matters considered at those meetings; and
- vi. For review, the minutes of Committee meetings which have occurred since the last Council meeting.

On a revolving basis, a Councilor is appointed at each Council meeting to formally critique the meeting and this critique is presented at the end of the meeting and is minute. The Director Finance usually also attends all Council meetings. The Head of Department attends Council meetings when an issue under their areas of responsibility is being considered or as otherwise requested by the Council.



**e) TC/CEO and Delegation to Management**

The Council delegates to the Chief Executive Officer, and through the Town Clerk/Chief Executive Officer to other Head of Department, the authority and responsibility for managing the everyday affairs of SCC. The Council monitors management and performance on behalf Stakeholders.

**f) Ethical Standards**

The Council is committed to upholding high legal, moral and ethical standards in all of its corporate activities and has adopted a Code of Ethics, which aims to strengthen its ethical and climate and provide basic guidelines for situations in which ethical issues arise. The Code of Ethics applies to councilors, executives, management and employees, and set standards for ethical behavior and business practice beyond complying with the law, and is based on the key principles whereby the Council.

It is the policy of the Council to comply with spirit of all applicable laws, including those relating to employment, discrimination, health, safety, trade practices and securities.

No Councilor, officer, executive or manager of the Council has authority to violate any law or direct another employee or any other person to violate any law on behalf of the Council. The Council's ethical practices and procedures are reviewed regularly, and processes are in place to promote and communicate these policies within the Council.

The further details refer to the later Part 14 of this policy.

**2.6 INDEPENDENCE AND MATERIALITY**

All councilors and opted members are required to notify the His Worship the Lord Mayor of a potential change in their interest outside Council appointments. His Worship the Lord Mayor reviews the appointments and will consult with other Councilors as the His Worship the Lord Mayor deems appropriate. SCC's criteria are more stipulated specifically for Council Standing Committee members. The criteria and review of relationship with SCC is regarded as material if a reasonable person would expect there to be a real and sensible possibility that it would influence a Councilor's mind in:

- i. Making decisions on matters likely to come regularly before the Council or its Committees;



- ii. Objectively assessing information and advice given by management;
- iii. Setting policy for general application across SCC; and
- iv. Generally carrying out the performance of his or her role as a Councilor.

A Councilor is only to be regarded as independent if:

- (a) the Council determines that the Councilor has no material relationship with SCC (either directly or through an immediate family member, or as a partner, contractor, supplier, or executive officer of an organization that has a material with SCC);
- (b) the Councilor is not, and has not been within the previous three years:
  - (i) employed by, or partner in, any firm that in the past five years has been SCC's external auditor; or
  - (ii) employed by council or employed by council that has a compensation committee, on which an SCC executive officer serves.

Each Councilor has a continuing responsibility to determine whether he or she has a potential or actual conflict of interest in relation to any material matter which comes before the Council. Such a situation may arise from external associations, interests or personal relationships.

Under the Councilors Disclosure of Interest Policy for Handling of Interest or Related Party Issued, a Councilor may not exercise any influence over the Council if a potential conflict of interest exists. In such circumstances, the Councilor may not receive relevant Council papers and, unless the other Councilors have resolved to the contrary, may not be present for Council deliberations on the subject, and may not vote on any related Council resolutions. These matters, should they occur, are recorded in the Council minutes.



## **PART 3**

### **HIS WORSHIP THE LORD MAYOR'S/SPECIAL ADMINISTRATOR TERMS OF REFERENCE**

#### **3.0 ROLE OF HIS WORSHIP THE LORD MAYOR/SPECIAL ADMINISTRATOR**

The His Worship the Lord Mayor/Special Administrator is responsible for leadership of the council, for the efficient organization and conduct of the council's function, and for the briefing of all councilors in relation to issues arising at council meetings. As trustees of the community, it is important that the His Worship the Lord Mayor/Special Administrator facilitate the effective contribution of all councilors and promote constructive and respectful relations between council members and between council and management.

It is vital that the His Worship the Lord Mayor/Special Administrator commit the time necessary to discharge that role effectively. In that context the number of other positions, and time commitment associated with them, should be taken into account.

Specific powers of His Worship the Lord Mayor/Special Administrator is clearly specified under Section 26 of the Local Government Act.

#### **3.1 HIS WORSHIP THE LORD MAYOR/SPECIAL ADMINISTRATOR AND CHIEF EXECUTIVE OFFICER**

The role of the His Worship the Lord Mayor/Special Administrator and the Town Clerk/Chief Executive Officer should not be exercised by the same individual. There will be a clear division of responsibility at the head of the council. The division of responsibilities between the His Worship the Lord Mayor/Special Administrator and the Town Clerk/Chief Executive Officer would be agreed by the council and set out in a statement of position authority. The Town Clerk/Chief Executive Officer would not become the His Worship the Lord Mayor of the council.

#### **3.2 KEY RESPONSIBILITIES**

The key responsibilities of the His Worship the Lord Mayor/Special Administrator are as follows:



- i. manage the affairs of the council at the policy level, including ensuring the council is organized properly, functions effectively and meets its obligations and responsibilities;
- ii. facilitate the functioning of the council independently of management and maintain and enhance the quality of the Council's governance and that of the organisation in policy making decisions;
- iii. regular interaction with the Town Clerk/Chief Executive Officer on governance and performance issues including providing feedback of other council members as well as acting as a 'sounding council' for the Chief Executive Officer,
- iv. lead the Council in the execution of its responsibilities to Stakeholders at the Policy Level.

### **3.3 QUALIFICATIONS**

His Worship the Lord Mayor/Special Administrator of the Council shall be independent of the City within the meaning of applicable laws, rules and regulations and any other relevant consideration. His Worship the Lord Mayor/Special Administrator of the Council shall be appointed by the non-management councilors of the Council annually.

### **3.4 SPECIFIC ACCOUNTABILITIES**

Among other things, the His Worship the Lord Mayor of the Council shall:

#### **a) Council Management**

- i. act as His Worship the Lord Mayor of meetings of the council of councilors;
- ii. in conjunction with the Town Clerk/Chief Executive Officer and his/her secretary, develop and approve the schedule of council meetings and the agendas for the council meetings;
- iii. in conjunction with the Town Clerk/Chief Executive Officer and his/her Secretary, ensure the council receives adequate and timely information and notice of meetings.

#### **b) Council Independence and Governance**

- i. be knowledgeable of corporate governance practices, stay abreast of



- developments in corporate governance practices of other comparable companies and lead the adoption of 'best practices' where appropriate to maintain a leadership level of governance practices at the organisation;
- ii. in conjunction with the Chief Executive Officer, facilitate the effective and transparent interaction of council members and management at Policy and strategic level;
- iii. meet proactively with all council members and seek their feedback on management performance, Council and committee effectiveness and other matters at the Policy Level;
- iv. assess performance of councilors collectively and individually and, where applicable, provide individual performance feedback to council members through Audit Committee;
- v. provide feedback and input to the Committee Chairs on governance and other matters.

### **c) Interaction with Town Clerk/Chief Executive Officer and Management**

- i. frequently interact with the Town Clerk/Chief Executive Officer on governance, performance and other policy and strategic issues;
- ii. provide feedback to the Town Clerk/Chief Executive Officer and act as a sounding council with respect to strategies, accountability, relationships and other issues;
- iii. without inhibiting the direct interaction between other members of the council and management, provide management with a point of contact for the council;
- iv. in conjunction with the Chief Executive Officer, ensure that there are adequate succession plans in place for key management roles; and
- v. Conduct the annual performance appraisal session of the Town Clerk/Chief Executive Officer and communicate additional feedback as required.

### **d) Representation of Stakeholders**

- i. **Chair the meetings of Stakeholders, be available for questions and participate in any other manner as required at Policy Level;**
- ii. In conjunction with management, respond to stakeholder concerns regarding governance issues or other council related issues; and
- iii. Provide leadership to the council in the execution of its responsibilities to



Stakeholders.

**e) Use of Information**

His worship the Lord Mayor/Special Administrator must:

- i. Conduct their duties in a manner which allows members of Council and the public to remain informed about the local government activity and practices;
- ii. Not use confidential information gained by virtue of his or her official position for the purpose of securing a private benefit for himself or herself for any other person; and
- iii. Protect Council information and, unless authorized disclose other than to the Council or a member of staff *entitled to know information concerning any matter such as* an individual's affairs, hardship cases, issues relating to development proposals, security issues, matters subject to legal confidence, issues dealt with in a closed Council or Committee meeting and matters that would prejudice maintenance of harmonious internal and external relationships.

**f) Particular Obligations of His Worship the Lord Mayor/Special Administrator**

As trustees of the community, His Worship the Lord Mayor/ Special Administrator must:

- a) Thoroughly acquaint themselves with provisions of the Local Government Act, Town Planning Act, Subdivision of land Act, Health Act, OHS Act and any legislation as from time to time adopted by the Council.
- b) Where a conflict between a public interest must always prevail. Where the interest in question is a <sup>1</sup>pecuniary one, the person with the interest must comply with Sections 17 <sup>2</sup> of the Local Government Act.
- c) Attend Council meetings and make themselves as knowledgeable as possible about the activities and processes of the Council and the physical and social environment in which it operates.
- d) Ensure that the Council is properly managed and constantly improved so

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<sup>1</sup> Is an interest that a person has in a matter because of a reasonable likelihood or expectation of a financial gain or loss to that person, family member, business partner or employer of the person or a company of which person is financially involved.

<sup>2</sup> Deals with the disabilities of a Council when there are any direct or indirect pecuniary interests involved and actions that needs to be taken.



as to protect and enhance the community's interest.

- e) Have the courage to express their independent opinion issues and to represent their constituency to the best of their ability, whilst
- f) Ensure that their work is carried out to the best of their ability and in an honest, efficient and economical way.
- g) Engage and retain qualified, committed and competent staff and fully support them to achieve best possible service delivery performance.
- h) follow established channels and procedures in raising matters for consideration or attention, such as informing the CEO or Head of Department as appropriate.
- i) Allow members of staff sufficient time to research, provide required information and to implement decisions.
- j) Show respect, courtesy and consideration to staff members and all others with whom he or she will deal with.
- k) welcome interaction with constituents and the public at large and deal with complaints and other issues thoroughly and objectively.
- l) promote open governance and transparency in decision making by encouraging the public to attend Ordinary Council meetings.

### **g) Use of Council Resources**

His worship the Lord Mayor/Special Administrator must:

- i. Use council resources effectively and economically in the course of his or her public or professional duties, and must not use them for private purposes. Exception may be made when such resources are supplied as part of a contract of employment and its use is lawful and proper payment is made where appropriate; and
- ii. Not convert to his or her own use any property of the Council.





## PART 4 COUNCIL APPOINTMENT PROCEDURES

### 4.0 PURPOSE

The Council is ultimately responsible for the sound and prudential management of SCC. As such, the Council is committed to a continuing process of Council renewal and formal procedures for assessing the performance of the Council, the aim being to maintain an energized, proactive and effective Council.

This policy sets out the guidelines that the Council has agreed they will follow regarding:

- Council renewal; and
- Council performance evaluations.

### 4.1 STATUS OF POLICY

This policy will be reviewed annually by the Audit Committee or more frequently if changes to legal or regulatory requirements dictate.

### 4.2 COUNCIL RENEWAL AND SUCCESSION PLANNING

The Council authorizes the Audit Committee to:

- Recommend to the Council from time to time, changes that the Committee believes to be desirable to the size and composition of the Council;
- Review and recommend the process for the election of the His Worship the Lord Mayor of the Council and, where appropriate recommend candidates to the Council and its Committee; and
- Review on a regular and continuing basis succession planning for the His Worship the Lord Mayor of the Council, and make recommendations to the Council as appropriate.

### 4.3 COUNCIL PERFORMANCE EVALUATIONS

The evaluation process shall be conducted within the policy framework.

- Council and individual opted members**



The framework used to evaluate the performance of the councilors is based on the expectation they are performing their duties in a manner which should create and continue to build sustainable value for Stakeholders, and in accordance with the duties and obligations imposed upon them by the SCC Constitution and the law.

### **b) Additional evaluations**

In addition, the Audit Committee reviews and considers findings from the following:

- i) Council and Committee questionnaire -Each year each Councilor completes a questionnaire and returns this to the Chairman of the Audit Committee. The questionnaire covers the following topics:
  - a. the role of the Council and the His Worship the Lord Mayor;
  - b. Council leadership, teamwork and management relationships;
  - c. Council procedures and practices;
  - d. Council knowledge and access to information;
  - e. Council committees; and
  - f. Behaviors.

The Council also utilizes a separate questionnaire to seek input from Head of Department in relation to the clarity of the respective roles of the Council and Head of Department, the effectiveness of their relationship, the level of information provided to the Council and potential areas for process improvement.

The Chairman of the Audit Committee presents the findings from these questionnaires to the Full Council.

- a) Independent reports - During the year, the Audit Committee regularly considers assessments by a number of independent bodies regarding the Council and its performance.

### **c) Council Committees**

The Chairman of the Audit Committee reports the key findings from these evaluations to the Council.



Each of the Council Standing Committees, comprised solely of independent councilors, conducts an annual Committee performance self-evaluation to review performance against its Terms of Reference and goals set for the year. The suitability of the Terms of Reference and any areas for improvement are also assessed. The outcome of the performance self-evaluations, along with the plans and stated objectives for the new financial year, are submitted to the Audit Committee (and, in the case of the Audit Committee, to the Council) for discussion and approval.

Annual calendars of business for each Committee, once agreed, are presented to the Audit Committee for noting.

d) **Process Review**

The performance evaluation process and related tools will be reviewed annually by the Audit Committee, and the Committee will periodically seek independent external advice in relation to that process.



## PART 5

### COUNCILORS DISCLOSURE OF INTEREST POLICY AND POLICY FOR HANDLING CONFLICTS OF INTEREST

#### 5.0 PURPOSE

Councilors must ensure that they comply with their legal obligations to disclose any material personal interest that they have in matter that relates to the affairs of the council. The law requires that Councilors do not allow a conflict of interest to compromise their position as a Councilor of the council.

This policy sets out the procedures that Councilors have agreed that they will follow:

- Disclose interests that they have; and
- Should a conflict of interest occur?

#### 5.1 STATUS OF POLICY

This policy will be reviewed annually by the Audit Committee or more frequently if changes to legal or regulatory requirements dictate.

Each Councilor is responsible for ensuring that they comply with this policy.

#### 5.2 DISCLOSURE OF INTERESTS

##### a) Guiding Principle

A Councilor should discuss to all Councilors:

- Any material personal interest they have in a matter which relates to the affairs of the council; and
- Any other interest which the Councilor believes is appropriate to disclose in order to avoid an actual conflict of interest or the perception of a conflict of interest.

This disclosure should be made as soon as practicable after the Councilor become aware of their interest or the need to make a disclosure.

Where a Councilor is uncertain as to whether an interest should be disclosed in accordance with his Policy, the Councilor may consult with SCC's solicitor and the Council Secretary.



**b) Standing Notices about Interests**

Standing Notices about Interests are maintained for each Councilor and copies are provided to each new Councilor on commencement.

Each new Councilor shall complete a Standing Notice about interests which shall be tabled at a meeting of Councilors shortly following commencement. Whenever there is any change in interests notifiable under a Councilor's Standing Notice, the Councilor shall disclose the change as soon as practicable and a Standing Notice shall be tabled at the next Council meeting and recorded in the minutes of that meeting.

**5.3 PROCEDURES FOR HANDLING A CONFLICT OF INTEREST**

A Councilor who has:

- i. A material personal interest in a matter which relates to the affairs of the council;  
and
- ii. Any other interest which the Councilor believes is appropriate to disclose in order to avoid an actual conflict of interest or the perception of a conflict of interest,

May not be present at a meeting while the matter is being considered nor vote on the matter unless a majority of Councilors are present while the matter is being considered, and from voting on the matter.

The minutes of the meeting should record the decision taken by the Councilors who do not have interest in the matter.

**5.4 CODE OF CONDUCT**

This policy should be read in conjunction with the SCC Councilors Code of Conduct.



## PART 6 COUNCILORS INDEPENDENCE

The Council applies the following standard in making its determination as to the existence of a material relationship that may impact the independence of a Councilor - a relationship with SCC is material if a reasonable person in the position of a non-executive Councilor of SCC would expect there to be a real and sensible possibility that it would influence a Councilor's mind in:

1. making decisions on matters likely to come regularly before the Council or its committees;
2. objectively assessing information and advice given by management; .setting policy for general application across SCC; and
3. Generally, carrying out the performance of his or her role as Councilor.

In its determination of Councilor independence, the Council includes a review of relationships that councilors and their immediate family members may have such as:

- i. A relationship as an acquirer of services from SCC of the following kind:
  - a) Rates, towing services and car park;
  - b) Business dealings,
  - c) Sponsorship or donor funds, etc.
- ii. A relationship as a supplier of services to SCC of the following kind:
  - a) Strategic services provider;
  - b) Professional services provided as a partner or executive;
  - c) Professional services provided as an employee,
  - d) Direct compensation from SCC other than as Councilor's fees.
- iii. A relationship as a previous employee or TC/CEO of SCC;
- iv. A relationship as a previous employee or partner of the external auditor;
- v. A relationship as an executive officer of another council where any of SCC's present executives serve on that council's Standing Committee;
- vi. All other material relationships or circumstances by which a Councilor could be perceived not to be independent of management and free from any business or other relationship that could interfere with their independence.



## PART 7 FULL COUNCIL TERMS OF REFERENCE

Part IV of the Local Government Act highlighted that a council may from time to time appoint standing or special committees and may delegate to any such matters for considerations or regulation or delegate to such committee such powers and duties conferred or imposed upon the council by the provisions of the Act except:

- (a) to borrow money;
- (b) to make a rate;
- (c) to make by-laws;
- (d) to execute a contract; or
- (e) to institute an action.

Every member of the committee appointed under this provision shall cease to be a councilor also ceases to be a member of the committee.

### 7.0 COUNCIL AND COMMITTEE AGENDAS

The Town Clerk/Chief Executive Officer will forward Committees Agendas to the members within three (3) clear working days before the meeting date.

### 7.1 COUNCIL STANDING COMMITTEE RULES

#### 1) Application of these Rules

These rules shall apply to, and be deemed incorporated into the Terms of Reference of:

- a) Council Finance Committee;
- b) Council Audit Committee;
- c) Council Traffic & Public Transport Committee;
- d) Council Civic Amenities, Properties & Tourism Promotion Committee;
- e) Council Town Planning & Subdivision of Land Committee;
- f) Council Human Resources & Industrial Relations Committee;
- g) Council Market Committee;
- h) Council Health Committee;
- i) Council Infrastructure Committee;
- j) Council Performance Monitoring Committee;



- k) Council Tender Committee;
- l) Council Strategy & Major Projects Committee.

(each "a Standing Committee") save as expressly varied by the Terms of Reference/ Terms of Reference of that Committee or by the Council.

**2) Committee Membership**

- a) Persons who are not councilors may be appointed to a committee other than Finance Committee and Audit Committee as opted members who satisfy the criteria for independence as stated in Part 6 of the SCC Council Terms of Reference ;
- b) The His Worship the Lord Mayor of the Council/Special Administrator shall be a member of each Council Standing Committee provided that he or she satisfies the criteria for independence as stated in Part 6 this policy;
- c) Minimum membership of each Council Standing Committee will be minimum of three councilors which may include the His Worship the Lord Mayor of the Council/Special Administrator;
- d) The Quorum for any Council Standing Committee meeting shall **two thirds members**, which may include the His Worship the Lord Mayor/Special Administrator of the Council.
- e) Members will be appointed by the Council, and shall serve at the discretion of the Council and for such term or terms as the Council may determine. The Council shall appoint one member of each Council Standing Committee as its Chairman;
- f) Any Councilor may attend (but not vote at) a meeting of a Council Standing Committee of which he or she is not a member.

**3) Meetings**

- a) Each Council Standing Committee will prepare and submit to the Council for noting each year a calendar of business setting out the items to be considered during the next financial year. Relevant internal and external stakeholders as appropriate shall be involved in the preparation of the annual calendars of business. The annual calendars of business shall be prepared so as to ensure each Council Standing Committee fulfils its duties and responsibilities as set out in its Terms of Reference and that there are no gaps or overlaps in relation to the matters to be considered by each of the Council Standing Committee.





- b) Council Standing Committee meeting papers should be distributed to members prior to the relevant meeting in sufficient time to enable members to read the papers and properly prepare for the meeting. Meeting papers will also be provided to non-Committee members for information overview should the need arises;
- c) Draft Minutes of each Council Standing Committees shall be prepared by the Council Standing Committee Secretary promptly following the meeting for approval by the Council Standing Committee Chairman. The draft minutes should be tabled at the next Council Standing Committee Meeting for review, and the final minutes included in the papers for the next following Council meeting,
- d) The Chairman of the each Council Standing Committee shall update the Council regularly about matters relevant to the Council Standing Committee's role, responsibilities, activities, and matters considered, discussed and resolved at Council Standing Committee.

**4) Performance Evaluation and Terms of References**

- a) Each Council Standing Committee shall produce and provide to the Audit Committee(or, in the case of the Audit Committee, to the Council) an annual performance evaluation of that Committee, which report shall include reference to such specific issues or matters as may be determined by the Audit Committee(or, in the case of the Audit Committee, by the Council) from time to time;
- b) The Audit Committee shall report to the Council on its assessment of the performance evaluations of each of the other Council Standing Committees, including an assessment of its own performance;
- c) The report referred to above may take the form of an oral report by the Chairman of the Council Standing Committee or any other member of the Committee designated by the Committee to make the report,
- d) Each Council Standing Committee shall review its Terms of Reference annually and recommend any proposed changes to the Audit Committee (or, in the case of the Audit Committee, to the Council) for consideration.



5) **Access, Information and Investigations**

- a) Each Council Standing Committee may, within the scope of its responsibilities, have unrestricted access to management, employees and information it considers relevant to carrying out its responsibilities under its Terms of Reference. Each Council Standing Committee may require the attendance of any Council officer or employee, or request the attendance of any external party, at meetings as appropriate.
- b) Each Council Standing Committee has the power to direct any special investigations deemed necessary and to engage and consult independent counsel, advisers or experts where considered necessary to carry out its responsibilities. Costs of such investigations, engagements and consultations are to be borne by SCC.
- c) Unless they have reason to doubt, each member of a Council Standing Committee is entitled to rely on information and advice provided by Council officers or employees on matters within their responsibility, and on external professionals within their areas of expertise, and may assume the accuracy of information provided by such persons;
- d) Each Council Standing Committee will refer in writing to the relevant other Council Standing Committee any matter that has come to its attention that is of relevance to that other Standing Committee.



## **PART 8**

### **FINANCE COMMITTEE TERMS OF REFERENCE**

#### **8.0 PURPOSE**

- (i) Monitoring Organization Financial Performance;
- (ii) Overview Financial Management of the Council Investments;
- (iii) Liability Management;
- (iv) Development of the Council's Long Term Financial Strategy;
- (v) Ensuring compliance with statutory reporting requirements.

#### **8.1 LEGISLATIVE FRAMEWORK**

Local Government Act.

#### **8.2 MEMBERSHIP**

Chairperson appointed by Council, Lord Mayor, Deputy Mayor, all Councilors.

#### **8.3 REPORTING**

It is expected the Committee will meet monthly in time to report to Ordinary Meetings of the Council. Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice thereof as practicable to the members.

#### **8.4 TASKS**

- i. Approving Policy and Monitoring;
- ii. Rating and Funding;
- iii. Financial Reporting;
- iv. Financial Management;
- v. Legal Services, Information Technology;
- vi. Producing the Annual Plan and Annual Report;
- vii. Approving the Long Term Financial Strategy.



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## PART 9

### AUDIT COMMITTEE TERMS OF REFERENCE

#### 9.0 MEMBERSHIP

The membership of the Committee shall be the members of the Council. His Worship the Lord Mayor shall be the compulsory member of the committee. The committee shall consist of five members with three elected, His Worship the Lord Mayor and an internal person to be appointed by the Full Council. Members shall be equally shared between the parties. At least two members shall have recent and relevant financial experience.

An independent Non-executive Councilor shall be the chair of the Committee and shall be appointed by the Council. All members shall be independent in order to serve in this committee. Audit committee members will not have an interest in the organization or engage in related party transactions that would have a material adverse effect on their independence or ability to act in the best interest of the stakeholders.

If there is any basis for believing an audit committee member is not independent, the facts and circumstances should be reported to the Full Council and no action should be taken until the Full Council, has determined that the audit committee member is truly independent.

Audit Committee members have to disqualify his/herself on any matter in which they directly, or indirectly, have a material interest.

#### 9.1 SECRETARIAL AND MEETINGS

The secretary of the committee shall be the Internal Auditor. A quorum of the members shall be two.

The committee may invite management including the Town Clerk/Chief Executive Officer, Director Finance and the external auditors, as it considers necessary to provide appropriate information and explanations. At least once a year, the Audit Committee shall meet with the external auditors without the presence of the management to discuss any matters that either the Committee or external auditors believe that should be discussed privately.



Reasonable notice of meetings and the business to be conducted shall be given to the members of the committee, all other members of the council, the Town Clerk/Chief Executive Officer, the Directors and the external auditors.

The meetings shall be held not less than ten times in a year or more frequently as circumstances require. Any member of the committee, the Town Clerk/Chief Executive Officer, the Director Finance, or the external auditors may request a meeting at any time if they consider it necessary.

Minutes of all meetings shall be kept.

### 9.2 RESPONSIBILITIES

The Councilors and their sub-committees rely on management to run the daily operations of the council. The Councilors role is better described as oversight or monitoring, rather than execution. Responsibilities of the audit committee typically include:

- i. Liaison with internal and external auditors;
- ii. Review of the annual audit plan with the external and internal auditors;
- iii. Assessment of the performance of financial management;
- iv. Review of audit findings and the annual financial management;
- v. Review of interim financial information;
- vi. Review of accounting policies, all operational policies and procedures – Corporate Governance;
- vii. Oversight of the statutory responsibilities relating to financial and other requirements;
- viii. Review of the internal auditors and their activities;
- ix. Ensuring that recommendations highlighted in internal audit reports are actioned by management;
- x. Monitoring of corporate risk assessment and the internal controls instituted – Risk Management; and
- xi. Supervision of special investigations when requested by the council.

In addition, the committee shall examine any other matters referred to it by the Full Council.



### 9.3 AUTHORITY

The committee is authorized by the Full Council to investigate any activity within its terms of reference through consultation with the Town Clerk and the Internal Auditor. It is authorized to seek any information it requires from any employee and all employees will be directed to co-operate with any request made by the committee through the Internal Audit Unit.

The committee is authorized by the Full Council to obtain, at the expense of the company, outside legal or other independent professional advice and to arrange for the attendance at meetings, at the expense of the council, of outside parties with relevant experience and expertise if it considers necessary.

### 9.4 REVIEW OF THE COMMITTEE

The committee shall undertake an annual self review of its objectives and responsibilities. Such objectives and responsibilities shall also be reviewed by the Full Council, the Town Clerk/Chief Executive Officer, the Director Finance and any other person the council considers appropriate.

### 9.5 REPORTING PROCEDURES

The committee shall maintain direct lines of communication with the external auditors, Town Clerk/Chief Executive Officer, the Director Finance, internal auditors and with management generally including those responsible for non-financial risk management.

The Town Clerk/Chief Executive Officer and the Director Finance shall be responsible for drawing to the committee's immediate attention any material matter that relates to the financial condition of the company, any material breakdown in internal controls, and any material event of fraud or malpractice.

After each committee meeting the chairman shall report the committee's findings and recommendations to the full council.

The minutes of all committee meetings shall be circulated to members of the council, the Town Clerk/Chief Executive Officer, management, the external auditors and to such other persons as the council directs.



The chairman with the assistance of the auditors shall present an annual report to the council summarizing the committee's activities during the year and any related significant result and findings.



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## PART 10

### TRAFFIC & PUBLIC TRANSPORT COMMITTEE TERMS OF REFERENCE

#### 10.0 PURPOSE

- (i) To develop policy and promote activities that will advance achievements of the relevant strategic outcomes, consistent with the principles of economic, social and environmental sustainability;
- (ii) To set standards for prudent management and maintenance of assets used to deliver outputs associated with the portfolio relevant to this Committee;
- (iii) To ensure Council carries out duties its statutory duties as required under legislation.

#### 10.1 LEGISLATIVE FRAMEWORK

Local Government Act, relevant By-Laws, Suva Traffic Order, Suva Parking Meter Order, Land Transport Act.

#### 10.2 PORTFOLIO

Traffic Network, Traffic Management, Signalization, Pedestrian Movement, Road Safety, Road Signage, Public Transport, Creation and Allocation of Public Taxi Stands, Land Transport Authority Regulations and Acts.

#### 10.3 MEMBERSHIP

Chairperson appointed by Council,  
Lord Mayor, Deputy Mayor, All Councilors, Co-Opted Members appointed by Committees under Section 27(2) of the Local Government Act.

#### 10.4 REPORTING

The Committee shall report to the Full Council.

#### 10.5 MEETINGS

It is expected the Committee will meet monthly in time to report to Ordinary Meetings of the Council. Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice thereof as practicable to the members.





### 10.6 TASKS

The Committee will undertake the following tasks in relation to the objectives and portfolio of this Committee

- a) **POLICY MAKING AND MONITORING**
  - i. Monitor the external policy environment;
  - ii. Develop and review policy;
  - iii. Monitor and coordinate the development of policy;
  - iv. Recommend adoption of policy to the Council;
  - v. Monitor the effectiveness of policy.
  
- b) **BUSINESS PLANNING**
  - i. Recommend resource allocation for the Annual Plan;
  - ii. Assess and recommend new initiatives for the Annual Plan;



## **PART 11**

### **HUMAN RESOURCE & INDUSTRIAL RELATIONS COMMITTEE TERMS OF REFERENCE**

#### **11.0 PURPOSE**

- (i) To monitor the operation of the Council;
- (ii) To foster good working relations with the Council and between the Council and Councilors;
- (iii) To oversee Industrial Relations within the Council.

#### **11.1 LEGISLATIVE FRAMEWORK**

Local Government Act; Labour Act.

#### **11.2 PORTFOLIO**

- Staff Training;
- Staff Performance Monitoring;
- Industrial Relations;
- Union Agreements.

#### **11.3 MEMBERSHIP**

Chairperson appointed by Council, Lord Mayor, Deputy Mayor, all Councilors

#### **11.4 REPORTING**

The Committee shall report to the Full Council.

#### **11.5 MEETINGS**

It is expected the Committee will meet monthly in time to report to Ordinary Meetings of the Council. Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice thereof as practicable to the members.

#### **11.6 TASKS**

- (i) To foster upskilling to staff;
- (ii) To monitor supervisions and performance of staff;
- (iii) To monitor industrial relations;
- (iv) To review and monitor Union Master Agreements.



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## PART 12

### CIVIC AMENITIES, PROPERTIES, SPORTS & TOURISM PROMOTION STANDING COMMITTEE TERMS OF REFERENCE

#### 12.0 PURPOSE

- (i) To develop policy and promote activities that will advance achievement of the relevant strategic outcomes, consistent with the principles of economic, social and environmental sustainability.
- (ii) To set standards for prudent management and maintenance of assets used to deliver outputs associated with the portfolio relevant to this Committee;
- (iii) To ensure Council carries out its statutory duties as required under legislation.

#### 12.1 LEGISLATIVE FRAMEWORK

Local Government Act and relevant By-Laws.

#### 12.2 PORTFOLIO

All properties including Parks & Open Spaces: Library, City Safety.

#### 12.3 MEMBERSHIP

Chairperson appointed by Council; Lord Mayor, Deputy Mayor, All Councilors, Co-Opted Members appointed by Committee under Section 27(2) of the Local Government Act.

#### 12.4 REPORTING

The Committee shall report to the Full Council.

#### 12.5 MEETINGS

It is expected the Committee will meet monthly in time to report to Ordinary Meetings of the Council. Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice thereof as practicable to the members.

#### 12.6 TASKS

The Committee will undertake the following tasks in relation to the objectives and portfolio of this Committee –

##### **Policymaking and Monitoring**

- (i) Monitor the external policy environment;
- (ii) Develop and review policy;
- (iii) Monitor and coordinate the development of policy;
- (iv) Recommend adoption of policy to the Council;



- (v) Monitor the effectiveness of policy.

**Business Planning**

- (i) Recommend resource allocation for the Annual Plan;
- (ii) Assess and recommend new initiatives for the Annual Plan;



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## PART 13

### TOWN PLANNING STANDING COMMITTEE TERMS OF REFERENCE

#### 13.0 PURPOSE

- (i) To formulate development policies which promote development activities that will advance achievement of the relevant strategic outcomes consistent with the principles of social cultural economic and environmental sustainability.
- (ii) To search the direction of the overall development of the city within a set of planning philosophies;
- (iii) To regulate development within the legislative framework;
- (iv) To review the Town Planning Scheme in accordance with the Strategic Plan and demand of society.

#### 13.1 LEGISLATIVE FRAMEWORK

Town Planning Act; Subdivision of Land Act, Suva Subdivision of Land By-Laws, Building Regulations, Health Regulations, Local Government Act, Land Transfer Act, Native Land Trust Act, Crown Land Act, Strata Titles, Rivers & Stream Act, Squatter issues.

#### 13.2 PORTFOLIO

Town Planning Scheme, Central Area Scheme, Foreshore Master Plan, Subdivision of Land, City Development/Building Applications, City Development/Building Inspections, Resettlement of Squatters.

#### 13.3 MEMBERSHIP

It is expected the Committee will meet monthly in time to report to Ordinary Meetings of the Council. Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice thereof as practicable to the members.

#### 13.4 TASKS

Approve plans or recommend action within its area of responsibility ensuring appropriate compliance with Town Planning Scheme and appropriate Legislation. Be responsible for the administration of all regulatory matters under the relevant Legislation. Identify any needs for the administration of all regulatory functions.



## **PART 14**

### **HEALTH STANDING COMMITTEE TERMS OF REFERENCE**

#### **14.0 PURPOSE**

- (i) To develop policy and promote activities that will advance achievement of the relevant strategic outcomes, consistent with the principles of physical, social and spiritual environmental sustainability;
- (ii) To set standards for prudent management and maintenance of assets used to deliver outputs associated with the portfolio relevant to this Committee;
- (iii) To ensure Council carries out its statutory duties as required under legislation;
- (iv) To develop a Policy Framework for-
  - (a) Environmental Impact Assessment;
  - (b) Control and Minimization of Industrial and Commercial Pollution including Environmental Degradation of the Biosphere.

#### **14.1 LEGISLATIVE FRAMEWORK**

Environment Management Act 2005, Public Health Act & Regulations, Pure Food Act, Anti Litter Decree & Regulations, Local Government Act.

#### **14.2 PORTFOLIO**

Environment Impact Assessment Control of Industrial and Commercial Pollution and Environmental Degradation of the Biosphere, Public Conveniences, Dog Control, Maintenance Contractors, Health Education, Litter Control, Vector Control, Food Safety, Tourism Promotion.

#### **14.3 MEMBERSHIP**

Chairperson, appointed by the Council, Lord Mayor, Deputy Mayor, All Councilors, CO-Opted Members appointed by Committee under Section 27(2) of the Local Government Act.

#### **14.4 REPORTING**

To Full Council

#### **14.5 MEETING**

It is expected the Committee will meet monthly in time to report to Ordinary Meetings of Council. Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice thereof as practicable to the members.



**14.6 TASKS**

The Committee will undertake the following tasks in relation to the objectives and portfolio of this Committee-

a) **Policy-making and Monitoring**

- 1) Monitor the external policy environment;
- 2) Develop and review policy;
- 3) Monitor and coordinate the development of policy;
- 4) Recommend adoption of policy to the Council;
- 5) Monitor the effectiveness of policy.

b) **Business Planning**

- 1) Recommend resource allocation for the Annual Plan;
- 2) Assess and recommend new initiatives for the Annual Plan.



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## PART 15

### MARKET STANDING COMMITTEE TERMS OF REFERENCE

#### 15.0 PURPOSE

- (i) To develop policy and promote activities that will advance achievement of relevant strategic outcomes, consistent with the principles, economic, social and environmental sustainability.
- (ii) To set standards for prudent management and maintenance of assets used to deliver outputs associated with the portfolio relevant to this Committee.
- (iii) To ensure Council carries out its statutory duties as required under Legislation.

#### 15.1 LEGISLATIVE FRAMEWORK

Public Health Act and its subsidiary Regulations including By-Laws. Relevant market By-Laws under the Local Government Act.

#### 15.2 PORTFOLIO

Suva Municipal Market and Mini Markets.

#### 15.3 MEMBERSHIP

Chairperson appointed by Council, Lord Mayor, Deputy Mayor, all Councillors, Co-opted Members appointed by Committee under Section 27(2) of the Local Government Act.

#### 15.4 REPORTING

The Committee shall report to the Full Council.

#### 15.5 MEETINGS

It is expected the Committee will meet monthly in time to report to Ordinary Meetings of the Council. Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice as practicable to the members.





### 15.6 TASKS

The Committee will undertake the following in relation to the objectives and portfolio of this Committee-

a) **Policy making and monitoring**

- 1) Develop and review policy;
- 2) Monitor and coordinate the development of policy;
- 3) Recommend adoption of policy to the Council;
- 4) Monitor the effectiveness of policy.

b) **Business Planning**

- 1) Recommend resource allocation for the Annual Plan;
- 2) Assess and recommend new initiatives for the Annual Plan.



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## **PART 16**

### **INFRASTRUCTURE & WORKS STANDING COMMITTEE TERMS OF REFERENCE**

#### **16.0 PURPOSE**

- (i) To develop policy and promote activities that will advance achievement of the relevant strategic outcomes, consistent with the principles of economic, social and environmental sustainability;
- (ii) To set standards for prudent management and maintenance of assets used to deliver outputs associated with the portfolio relevant to this Committee;
- (iii) To ensure Council carries out its statutory duties as required under Legislation.

#### **16.1 LEGISLATIVE FRAMEWORK**

Local Government Act and relevant By-Laws.

#### **16.2 PORTFOLIO**

Recurrent Maintenance and Capital Works: Roads and Bridges, Road Resealing, Drainage, Footpaths, Parks & Gardens, Structures, Street Lights, Plant & Equipment, Commercial Projects.

#### **16.3 MEMBERSHIP**

Chairperson appointed by Council, Lord Mayor, Deputy Mayor, All Councilors, CO-opted members appointed by Committee under Section 27(2) of the Local Government Act.

#### **16.4 REPORTING**

The Committee shall report to the Full Council.

#### **16.5 MEETINGS**

It is expected the Committee will meet monthly in time to report to the Ordinary Meetings of the Council Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice thereof as practicable to the members.



### 16.6 TASKS

The Committee will undertake the following tasks in relation to the objectives and portfolio of this Committee-

a) **Policy making and monitoring**

- 1) Develop and review policy;
- 2) Monitor and coordinate the development of policy;
- 3) Recommend adoption of policy to the Council;
- 4) Monitor the effectiveness of policy.

b) **Business Planning**

- 1) Recommend resource allocation for the Annual Plan;
- 2) Assess and recommend new initiatives for the Annual Plan.



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**PART 17**  
**STRATEGY & MAJOR PROJECTS STANDING COMMITTEE TERMS OF REFERENCE**

**17.0 PURPOSE**

- (i) To develop an inspired Strategic Plan for Suva City Council;
- (ii) To foster integrated planning within the Council and between the Council and Committee.

**17.2 LEGISLATIVE FRAMEWORK**

Local Government Act and relevant By-Laws.

**17.3 MEMBERSHIP**

Chairperson appointed by Council, Lord Mayor, Deputy Mayor, All Councilors, Co-opted members appointed by Committee under Section 27(2) of the Local Government Act.

**17.4 REPORTING**

The Committee shall report to the Full Council.

**17.5 MEETINGS**

It is expected the Committee will meet monthly in time to report to the Ordinary Meetings of the Council Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice thereof as practicable to the members.

**17.6 TASKS**

- i. Develop and review the Strategic Plan;
- ii. Develop and review Council's position on significant issues;
- iii. Ensure Council's position on issues is reflected to the community;
- iv. Foster good governance.



## **PART 18**

### **TENDER COMMITTEE TERMS OF REFERENCE**

#### **18.0 PURPOSE**

- (i) To ensure Council tender processes are robust in fitting with legislation and stand up to external scrutiny;
- (ii) To carry out tender processes in a transparent and fair manner.

#### **18.1 LEGISLATIVE FRAMEWORK**

Local Government Act and relevant By-Laws.

#### **18.2 MEMBERSHIP**

Chairperson appointed by Council, Lord Mayor, Deputy Mayor, All Councillors, CO-opted members appointed by Committee under Section 27(2) of the Local Government Act.

#### **18.3 REPORTING**

The Committee shall report to the Full Council.

#### **18.4 MEETINGS**

It is expected the Committee will meet monthly in time to report to the Ordinary Meetings of the Council Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice thereof as practicable to the members.

#### **18.5 TASKS**

- i. To refine and document Council's tender procedures and practices;
- ii. To ensure tender processes are carried out in a transparent and fair manner.



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## PART 19

### PERFORMANCE MONITORING COMMITTEE TERMS OF REFERENCE

#### 19.0 PURPOSE

- (i) To monitor the performance and assist the Town Clerk/CEO and Senior Staff;
- (ii) To good working relations within the Council and between the Management.

#### 19.1 LEGISLATIVE FRAMEWORK

Local Government Act and relevant By-Laws.

#### 19.2 MEMBERSHIP

Chairperson appointed by Council, Lord Mayor, Deputy Mayor, Chairs of all Standing Committees.

#### 19.3 REPORTING

The Committee shall report to the Full Council.

#### 19.4 MEETINGS

It is expected the Committee will meet monthly in time to report to the Ordinary Meetings of the Council Meetings will be summoned by the Town Clerk/CEO as directed by the Lord Mayor or Chairperson and shall give as much notice thereof as practicable to the members.

#### 19.5 TASKS

- (i) To work as required with the Town Clerk/CEO on implementation of the Performance Agreements entered into between Council and Senior Staff;
- (ii) To conduct performance reviews required in employment contracts between Council and Town Clerk/CEO;
- (iii) To renegotiate new Performance Agreements as required;
- (iv) To assist the Town Clerk/CEO in his/her role of representing Council as an employer;
- (v) To report to the Council any issue as may be required;
- (vi) To exercise any staff appointment roles as delegated by Council.



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## PART 20 HEAD OF DEPARTMENT'S (EXECUTIVE COMMITTEE) TERMS OF REFERENCE

### 20.0 PURPOSE

The purpose of the Executive Committee/Management (HOD's) is to exercise on behalf of the Council all of the powers of the Council.

### 20.1 POWERS OF THE EXECUTIVE COMMITTEE

The Council hereby delegates to the HOD's all the day to day operation of SCC.

### 20.2 MANAGEMENT RESPONSIBILITIES

- (i) For the purpose of this policy, HOD's refers to those responsible for the success and progress of the organisation. These people includes the Town Clerk/Chief Executive Officer and all the Senior Managers.
- (ii) HOD's are responsible for operating the council in an effective, ethical and legal manner designed to produce value for the council's Stakeholders consistent with the council's policies and standards. The HOD's are responsible for understanding the council's activities and the material risks incurred by the council as well as avoiding conflicts of interest with the council and its Stakeholders;
- (iii) HOD's, under the oversight of the Council, is responsible for producing financial statements that fairly present the council's financial condition, results of operation, cash flows and related risks in a clear and understandable manner, for making timely and complete disclosures to the public and for keeping the Council well-informed on a timely basis as to all significant matters of the council.
- (iv) HOD's are responsible for developing and presenting to the Council for approval the council's strategic plans and annual operating plans and budget.
- (v) HOD's are responsible for selecting qualified members of management and for implementing an effective and ethical organizational structure.
- (vi) HOD's are responsible for developing, implementing and monitoring an effective system of internal controls and procedures to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use and transactions are properly recorded and reported and disclosure



controls and procedures that are designed to ensure information is properly and timely reported to ensure compliance with applicable securities laws, listing requirements and current contracts.

### **20.3 MEMBERSHIP**

The HOD consists of the Town Clerk/Chief Executive Officer and Head of Department. The purpose of this committee is to:

- a) Review and recommend to the Council matters pertaining to the capital structure of the Council, including financing plans and dividend policy;
- b) Review and evaluate the council's financial projections, plans and strategies;
- c) Review and evaluate the council's capital budget and capital budgeting processes, plans and strategies;
- d) Review and approve matters pertaining to Treasury operations, investment strategies, banking and cash management arrangements and financial risk management (interest rate, foreign exchange, etc.), including the council's policies and procedures related thereto.
- e) Authorize the opening of bank accounts in the name of the council; approve the establishment of loans or letters of credit, including those that involve a pledge of or security interest in the council's assets, and delegate all or a portion of such authority to the appropriate officers of the Council.

The Committee shall undertake such additional duties and responsibilities as the Full Council may as per the Council Resolution, from time to time, as prescribe within their contractual terms of agreement with the Council.





## PART 21 CODE OF ETHICS

### 21.0 INTRODUCTION

A Code of Ethics, like laws, cannot substitute for a sense of honesty, fairness and decency. Ultimately, the ethical conduct of the affairs of the City depends upon the understanding and judgment of its Full Council and Staff. SCC expects that the actions of its staff reflect the ethical standards of the organisation. The purpose of the Code is to assist the His Worship the Lord Mayor/Special Administrator, Councilors and members of staff:

- i. To fulfill their statutory duty to act honestly and exercise a reasonable degree of care of diligence;
- ii. To provide a practical means of identifying and resolving situations which involve conflict of interest or improper use of their positions; and
- iii. To act in a way which embrace public confidence in the system of local government.

The Councilors are under an obligation to SCC not to place themselves or allow themselves to be placed directly or indirectly in a position where their private interests conflict or could conflict with their responsibilities to the organisation. Accordingly, His Worship the Lord Mayor/Special Administrator, councilors and staff members may not use their positions, the organisation's assets or confidential information gained in connection with their employment for personal gain or for the benefit of a family member or any outside party.

Throughout this Code where actions, conflicts, etc. of a Councilor or staff member are referred to, shall be read to include the organizations or trusts substantially owned or controlled by the His Worship the Lord Mayor/Special Administrator, Councilor or staff member or direct relatives, executive councilors and, where the context permits, opted members, managers and all other staff engaged either on a contract of employment or a salaried basis.

His Worship the Lord Mayor/Special Administrator or member of staff who honestly and faithfully observes the requirement of this Code any related law is entitled to expect the support of their Council's colleagues and the community in the execution of their public or professional duties.



### 21.1 COUNCILORS CODE OF CONDUCTS

SCC aims to build sustainable value for Stakeholders by taking an integrated and responsible approach to business which acknowledges SCC's Stakeholders, people, rate payers and the communities and environment in which SCC operates.

This Code of Conduct sets ethical standards for the councilors of SCC. SCC has council policies and procedures which further support these standards. Councilors will pursue the highest standards of ethical conduct in the interests of Stakeholders and all other stakeholders.

Any breaches of this Code should be reported to the His Worship the Lord Mayor/Special Administrator of the Council or The Chairman of the Audit Committee or the Minister for the day.

#### a) **Honesty**

- i. Councilors shall act honestly and with integrity in all of their dealings for the council;
- ii. Councilors will not disseminate on the grounds of people's race, religion, gender, marital status, or disability.
- iii. Councilors will not make promise or commitments that SCC does not intend, or would be unable, to honor;
- iv. Councilor's conduct at all times will such that their honesty is beyond question;
- v. Councilors shall adhere to the truth, and not mislead directly or indirectly nor make false statements, nor mislead by omission.

#### b) **Personal Transactions**

- i. Councilors personal or other business dealings will be kept separate from their dealings as a Councilor of SCC;
- ii. Councilors shall not use the name for SCC to further any personal or other business transaction;
- iii. Councilors shall use goods, services and facilities provided to them by SCC, strictly in accordance with the terms on which they are provided.



c) **Confidentiality of Information**

- i. Councilors will ensure that confidential information relating to customers, SCC staff and SCC's operations is not given either inadvertently or deliberately to third parties without the consent of SCC.
- ii. Councilors will not use information obtained by them as a Councilor of SCC for personal financial gain, nor will that information be used to obtain financial benefit for any other person or business.
- iii. Councilors shall respect the privacy of others.

d) **Disclosure of Interest**

- i. Councilors shall fully disclose active private or other business interests promptly and any other matters which may lead to potential or actual conflicts of interest in accordance with such policies that the Councilors may adopt from time to time.
- ii. Councilors shall fully disclose all relationships they have with SCC in accordance with policies on independence that Councilors may adopt from time to time. Councilor's dealings with SCC will always be at arm's length to avoid the possibility of actual or perceived conflicts of interest.
- iii. Councilors must avoid or appropriately resolve any conflict or incompatibility between his or her private or personal interests in the impartial performance of his or her public or professional duties.

e) **Abiding by the law**

Councilors must:

- i. abide by the law at all times. **They must not contrary to the law in particular they must not breach the bribery and abuse of office provisions of the Crimes Decree and must times observed all Criminal and Civil Laws.**
- ii. not act unreasonably, unjustly or oppressively or in discriminatory manner.
- iii. Deal with all situations in like manner, but treating all persons equally but each matter on its merits.
- iv. Take all relevant information into considerations and must not take any irrelevant information or opinions into consideration.



- v. Take all reasonable steps to ensure that the information upon which decisions or actions are based is factually correct and that all relevant information has been obtained.
- vi. Treat members of the public fairly and equitably and with respect, courtesy, compassion and sensitivity. **Councilors must also treat employees with respect and sensitivity.**
- vii. Refrain from any form of conduct in the performance of his or her public or professional duties; and
- viii. Not act for an improper or ulterior purpose or on irrelevant grounds.
- ix. Not act in any way that might be reasonably interpreted to constitute sexual harassment or discrimination on the grounds of race, colour, religion or gender.
- x. Must not breach employment relation promulgation or any sexual offence in the Crime Decree.

f) **Payments, Gifts, Bribes, Benefits, Entertainment and Travel**

Councilors must:

- i. Not use their status as a Councilor to seek personal gain from those doing business or seeking to do business with SCC;
- ii. Not accept any personal gain if offered;
- iii. Not seek or accept a bribe, or other improper inducement;
- iv. Not take advantage of his or her official position to improperly influence other members of Council in the performance of their public or professional duties for the purpose of securing a private benefit for himself or herself or for some other person; and
- v. Not by virtue of his or her official position accept or acquire a personal profit or advantage of a pecuniary value.

g) **Use of Council Resources**

Councilors must:

- i. Not seek or accept a bribe, or other improper inducement.
- ii. Not take advantage of his or her official position to improperly influence other members of Council in the performance of their public or professional duties and must not use them for private purposes. Exception may be made when such



- resources are supplied as part of a contract of employment and unless its use is lawfully authorized and proper payment is made where appropriate; and
- iii. Not convert to his or her own use any property of the Council.

### **h) Use of Information**

Councilors must:

- i. Conduct their duties in a manner which allows members of Council and the public to remain informed about the local government activity and practices;
- ii. Not use confidential information gained by virtue of his or her official position for the purpose of securing a private benefit for himself or herself for any other person; and
- iii. Protect Council information and, unless authorized disclose other than to the Council or a member of staff *entitled to know information concerning any matter such as* an individual's affairs, hardship cases, issues relating to development proposals, security issues, matters subject to legal confidence, issues dealt with in a closed Council or Committee meeting and matters that would prejudice maintenance of harmonious internal and external relationships.

### **f) Particular Obligations of His Worship the Lord Mayor/Special Administrator**

As trustees of the community, a Councilor must:

- i. Thoroughly acquaint themselves with provisions of the Local Government Act, Town Planning Act, Subdivision of land Act, Health Act, OHS Act and any legislation as from time to time adopted by the Council.
- ii. Where a conflict between a public interest must always prevail. Where the interest in question is a <sup>3</sup>pecuniary one, the person with the interest must comply with Sections 17 <sup>4</sup> of the Local Government Act.
- iii. Attend Council meetings and make themselves as knowledgeable as possible about the activities and processes of the Council and the physical and social environment in which it operates.
- iv. Ensure that the Council is properly managed and constantly improved so as

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<sup>3</sup> Is an interest that a person has in a matter because of a reasonable likelihood or expectation of a financial gain or loss to that person, family member, business partner or employer of the person or a company of which person is financially involved?

<sup>4</sup> Deals with the disabilities of a Council when there are any direct or indirect pecuniary interests involved and actions that needs to be taken.



- to protect and enhance the community's interest.
- v. Have the courage to express their independent opinion issues and to represent their constituency to the best of their ability, whilst
  - vi. Ensure that their work is carried out to the best of their ability and in an honest, efficient and economical way.
  - vii. Engage and retain qualified, committed and competent staff and fully support them to achieve best possible service delivery performance.
  - viii. Follow established channels and procedures in raising matters for consideration or attention, such as informing the CEO or Head of Department as appropriate.
  - ix. Allow members of staff sufficient time to research, provide required information and to implement decisions.
  - x. Show respect, courtesy and consideration to staff members and all others with whom he or she will deal with.
  - xi. welcome interaction with constituents and the public at large and deal with complaints and other issues thoroughly and objectively.
  - xii. promote open governance and transparency in decision making by encouraging the public to attend Ordinary Council meetings.

### **g) Use of Council Resources**

Councilors must:

- ii. Use council resources effectively and economically in the course of his or her public or professional duties, and must not use them for private purposes. Exception may be made when such resources are supplied as part of a contract of employment and its use is lawful and proper payment is made where appropriate; and
- ii. Not convert to his or her own use any property of the Council.



### 21.2 SENIOR MANAGEMENT OFFICERS CODE OF CONDUCTS

This code is an addition to SCC's Code of Conduct which is applicable to all SCC employees. The Code of Conduct for Senior Management has been written specifically for senior management staff in addition to their professional membership body Code of Conduct.

#### Specific Principles

The Code of Conduct for Senior Management Staff requires that financial performance will follow the principles below:

- i. **Honesty and integrity** – Discharge their duties at the highest level of honesty and integrity having regard to their position and their organization;
- ii. **Compliance with requirements** – Observe the rule and spirit of the law and comply with the ethical and technical requirements of any relevant regulatory or professional body;
- iii. **Use of information** – must exercise proper care and discretion. In case of doubt, should seek the guidance of CEO or Special Administrator/Lord Mayor's. Should not release politically sensitive material unless advice by the Full Council should ensure that the Special Administrator/Lord Mayor and Full Council are kept fully informed.
- iv. **Respect all the confidentiality**. Respect all confidentiality acquired in the course of business and not makes improper use or disclosure of such confidential information to third parties is without specific authorization or legal requirement. Conduct their duties in a manner which allows members of Council and the public to remain informed about the local government activity and practices. Must not use confidential information gained by virtue of his or her official position for the purpose of securing a private benefit for himself or herself for any other person. Protect Council information and, unless authorized disclose other than to the Council or a member of staff *entitled to know information concerning any matter such as* an individual's affairs, hardship cases, issues relating to development proposals, security issues, matters subject to legal confidence, issues dealt with in a closed Council or Committee meeting and matters that would prejudice maintenance of harmonious internal and external relationships. They should only speak to media if authorized to do so by the Council and/ or Town Clerk/CEO.



- v. **Conflict of Interest** – Disclose to the Council any actual or perceived conflicts of interest of a direct or indirect nature of which the Senior Management Staff becomes aware and which Senior Management Staff believes could compromise in any way the reputation or performance of the organization.
- vi. **Transparency** – Maintain the principle of transparency in the preparation and delivery of financial information to both internal and external users;
- vii. **Diligence and good faith** – Exercise diligence and good faith in the preparation of financial information and ensure that such information is accurate, timely and presents a true and fair view of the financial performance and condition of the organization and complies with all applicable legislative requirements.
- viii. **Internal Controls** – Ensure the maintenance of a sound system of internal controls to safeguard the organization’s assets and to manage risk exposure through appropriate forms of control;
- ix. **Setting Standard** – Set a standard for honesty, fairness, integrity, diligence and competency in respect of the position of Head of Departments that will encourage emulation by others within the organization;
- x. **Compliance with this Code** – Remain committed, at all times, to observing developing and implementing the principles embodied in this code in a conscientious, consistent and rigorous manner.
- xi. **Equitable treatment of people and situations** – A Senior Management Staff must not act contrary to the law. Must not unreasonably, unjustly or oppressively or in discriminatory law. They must take all relevant information into considerations and must not take any irrelevant information or opinions into considerations. They must take all reasonable steps to ensure that the information upon which decisions or actions are based is factually correct and that relevant information has been obtained. They must treat members of the public and **fellow officers and employees of the Council** fairly and equitably and with respect, courtesy, compassion and sensitivity. Senior management must not act in any way that might be reasonably interpreted to constitute sexual harassment or discrimination on the grounds of race, colour, religion or gender.
- xii. **Bribes, Gifts and Benefits** – A Senior Management must seek or accept a bribe, or other improper inducement. They must not take advantage of his or her official position to improperly influence other members of Council in the performance of their public, or professional duties for the purpose of securing a private benefit for himself or herself or for some other person; and not by virtue





of his or her official position accept or acquire a personal profit or advantage of a pecuniary value. **Must all times observe the bribery provision of the Crime Degree.**

- xiii. Use of Council Resources** – A Senior Management must use council resources effectively and economically in the course of his or her professional duties and must not use them for private purposes. Exception maybe made when such resources are supplied as part of a contract of employment and unless it use is lawfully authorized and proper payment is made when appropriate and not convert to his or her own use any property of the Council.
- xiv. Particular Obligation of Staff** – A Senior Management must carry out his/her duties at the highest level professional, technical and ethical conduct. He/She must be punctual and while on duty give the whole of their time and attention to the work of the Council and must continuously strive to improve their professional knowledge skills. They must work with colleagues as a team, both within their departments and with others. They must carry out lawful instructions given by supervising officers by openly sharing technical and operational knowledge and ensuring they are provided with full and complete information on Departmental functions and activities and on any issue upon which a decision is required. They must refrain from open public criticism against fellow staff members or expressing any opinion of the professional performance of fellow staff members. They should implement or give effect to the lawful policies, decisions and practices of the Council whether or not the staff member agrees with or approves of these. They must observe a strict professional detachment from electioneering or partisan political activity associated directly or indirectly with local government and must respect the rights of individuals concerning confidentiality and privacy.
- xv. They must not contrary to the law in particular they must not breach the bribery and abuse of office provisions of the Crimes Decree and must times observed all Criminal and Civil Laws.**



### 21.3 EMPLOYEE CODE OF CONDUCTS

#### **Purpose**

To provide guidance on the standard of behavior required of employees.

#### **Policy**

Mutual trust underpins the employment relationship. An Employee should fulfill our lawful obligations to the Council with professionalism and integrity. He/She should advance the interest of our employer and not bring our employer into disrepute either work time or through private activities.

#### **Procedure**

##### **1. Confidentiality**

An Employee must be discreet in all matter relating to out duties.

##### **2. Release of Information**

Approval for the release of information must be obtained from the appropriate manager. An employee must:

- (i) Employees authorized by the Council to respond to requests made under the Laws of Fiji must exercise proper care and discretion. In case of doubt, we should seek the guidance of our manager. Should not release politically sensitive material be required by the Councillors or any third party, and should ensure that the Management are kept fully informed.
- (ii) Conduct their duties in a manner which allows members of Council and the public to remain informed about the local government activity and practices.
- (iii) protect Council information and unless authorized, disclose other than to the Council or a member of staff *entitled to know information concerning any matter such as* an individual's financial affairs, hardship cases, issues relating to development proposals, security issues, matters subject to legal confidence, issues dealt with in a closed or confidential Council or Committee meeting and matters that would prejudice maintenance of harmonious internal and external relationships.
- (iv) Must not make unauthorized use or disclose information to which they have had official access. Whatever their motives, such employees betray



the trust placed in them, and undermine the relationship that should exist between the organization and the clients. Depending on the circumstances of the case, the unauthorized disclosure of information may lead to disciplinary action, including dismissal.

- (v) Respect all the confidentiality information acquired in the course of business and not make improper use or disclosure of such confidential information to third parties is without specific authorization or legal requirement.
- (vi) Conduct their duties in a manner which allows members of Council and the public to remain informed about the local government activity and practices. Must not use confidential information gained by virtue of his or her official position for the purpose of securing a private benefit for himself or herself for any other person.
- (vii) Protect Council information and, unless authorized disclose other than to the Council or a member of staff *entitled to know information concerning any matter such as* an individual's affairs, hardship cases, issues relating to development proposals, security issues, matters subject to legal confidence, issues dealt with in a closed Council or Committee meeting and matters that would prejudice maintenance of harmonious internal and external relationships.

**3. Statements to the media**

Public statements may only be made by the Lord Mayor, the Town Clerk/Chief Executive Officer or by an employee holding a specific authority to make public statements The Town Clerk/ Chief Executive Officer must give such authority.



### 4. Performance of duties

An employee should carry out our duties in an efficient and competent manner and avoid behavior, which might impair our effectiveness.

This obligation includes the following duties:-

- a) To obey the Law. **They must not contrary to the law in particular they must not breach the bribery, abuse of office, the sexual offences provisions and the fraudulent under the provisions of the Crimes Decree and must times observed all Criminal and Civil Laws.**
- b) To obey all lawful and reasonable Council instructions and policy and to work as directed;
- c) To refrain from conduct ( such as the use of intoxicants) which might impair work performance;
- d) To show reasonable care and neither use , nor allow the use of organisation property, resources or funds for anything other than authorized purposes;
- e) To incur no liability on the part of the Council without proper authorization;
- f) To be absent from workplace only with proper authorization.

### 5. Respect for the Rights of Others

In performing our duties, we should respect the right of our colleagues and the public.

In meeting this obligation, we are expected:-

- a) To avoid behavior which might endanger or cause distress to other employees, or other contribute to disruption of the workplace;
- b) To refrain from allowing workplace relationships to adversely affect the performance of duties;
- c) To respect the privacy of individuals when dealing with personal information;
- d) Not to discriminate against, or harass, organization clients or colleagues because of their sex, marital status, colour, race, sexual orientation, ethnicity, disability, health, age, employment or family status or religion, ethnical, political beliefs of identity of a partner or relative;
- e) To respect the cultural background of colleagues and clients in all dealings **however in all cultural or religions matters Interest of the Council must be paramount. Should an employee is faced with an opportunity of conflict of interest at any given time; he/she must hand over to another fellow officer to deal with it.**



- f) To have due regard for the safety of others in the use of Council property and resources.

### **6. Safety, Security and Health**

Safety, security and health practices are there to protect the Council's employees and its property, information and reputation. We must comply with the Council's safety and health policies.

### **7. <sup>5</sup>Conflict of Interest**

An Employee must:

- (i) have an obligation to declare any actual, potential or possible conflicts of interest immediately to the appropriate Manager.
- (ii) accept the direction of our manager in dealing with the matter. Employees are expected to devote our whole working time to Council and should understand that any business interest we have which conflicts with the interests of Management or our ability to perform our duties may jeopardize our employment.
- (iii) consult the Management before undertaking secondary employment and not to undertake secondary employment which, might conflicts with SCC duties.
- (iv) not disclose to the Council any actual or perceived conflicts of interest of a direct or indirect nature of which the Senior Management Staff becomes aware and which Senior Management Staff believes could compromise in any way the reputation or performance of the organization.
- (v) Avoid or appropriately resolve any conflict or incompatibility between his or her private or personal interests in the impartial performance of his or her public or professional duties.

### **8. Offer of Gifts or Gratuities/ Hospitality**

An employee must:

- (i) not seek or accept a bribe, or other improper inducement.
- (ii) not take advantage of his or her official position to improperly influence other members of Council in the performance of their public or professional duties for the purpose of securing a private benefit for himself or for some other person.

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<sup>5</sup> A conflict of interest arises if it is likely that the person with the private or personal interest could be prejudicially influenced in the performance of his or her professional duties by that interest or that a reasonable person would believe that the person could be influenced. Where a conflict between a public interest and private interest arises the public interest must always prevail.



- (iii) not by virtue of his or her official position accept or acquire a personal profit or advantage of a pecuniary value.
- (iv) **Must respect the law and in particular not to breach the bribery provision the sexual offences provisions and the fraudulent conduct provision of the Crimes Decree.**

### **9. Criminal and Civil Offences**

If an employee is charged with an offence and the circumstances are such that the Council might be discredited, such as in the case of Bankruptcy, that employee may face disciplinary procedures, subject to the provisions of any legislation. The employee must advise their manager when charged and the outcome of the charge.

### **10. Political Activities**

Campaigning or political activity while on duty is not permitted.

### **11. Drunkenness and Use of Drugs**

We may not bring alcohol or illegal drugs onto Council premises, nor may they be consumed on Council premises unless it is authorized. Working while influenced by alcohol or illegal drugs is not permitted.

### **12. Absence**

Those who cannot work because of personal illness or emergency are to notify their manager at the earliest possible time, preferably by 8.30am on the day of absence. All other absences must have prior approval of the Manager. A medical certificate will be required as per Council's sick leave procedures.

### **13. Report of Corrupt Practices**

A member of staff who knows or has good reasons to suspect any fraud, corrupt, criminal or unethical conduct must report it immediately to the CEO or Whistleblower Protection Officers (*as stated in this policy*) with documentary evidences.

### **14. Code of Ethics**

The Code of Ethics of any professional body, which covers the profession of discipline in which an employee is employed, is to be followed by that employee irrespective of whether the employee is a member of the professional body.



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## PART 22

### RELATIONSHIP WITH EXTERNAL AUDITORS

#### 22.0 INTRODUCTION

Auditor independence is fundamental to the credibility and reliability of auditors' reports. SCC has adopted this policy on auditor independence to ensure that SCC's external auditor is independent and is perceived to be independent.

The policy should be read in conjunction with the Audit Committee Terms of Reference.

- (i) The Audit Committee will be responsible for the retention and oversight of the external auditor, including resolving disagreements between management and the external auditor regarding financial reporting. The external auditor will provide reports directly to the Audit Committee through the His worship the Lord Mayor/Special Administrator;
- (ii) The Audit Committee must pre-approve all audit and non-audit services either on an engagement by engagement basis or pursuant to specific pre-approval policies adopted by the Council Committee;
- (iii) The Audit Committee will assess regularly the independence and effectiveness of the external auditor, with at least one formal review per year in liaison with the Auditor General;
- (iv) The Audit Committee will maintain a policy on the provision of services by the external auditor. This policy is included as the Appendix;
- (v) SCC requires that all services provided by the external auditor, including the non-audit services listed on the following pages that may be provided by the external auditor, must be in accordance with the following principles:
  - a) the external auditor should not have a mutual or conflicting interest with SCC;
  - b) the external auditor should not audit its own work;
  - c) the external auditor should not function as part of management or as an employee; and
  - d) the external auditor should not act as an advocate of SCC.
- (vi) SCC requires a three years lapse before any partner or employee of the external auditor is appointed as a Councilor, Senior Executive or an employee of SCC;



- (vii) SCC requires that the lead partner involved in the external audit should not remain in a key audit role beyond a period of 5 years and should not return to the audit team for a further five years;
- (viii) Any potential appointments of ex-partners or ex-employees of the external auditor to the SCC staff, at Senior Manager level or higher, must be approved in advance of the appointment being made by the Chairman of the Audit Committee within SCC guidelines;
- (ix) All SCC management who receive gifts or entertainment from the external auditor, or provide gifts or entertainment to the external auditor, shall disclose the type and approximate value of the entertainment to the Audit Committee. Such gifts or entertainment must be of a business context, with the primary purpose being to gain additional knowledge or information relevant to the institute, the financial services industry or to business generally. Invitations to sporting or other social activities would be unlikely to satisfy these criteria.

The Internal Auditor collects and reports such information quarterly and submits to the Audit Committee.

Councilors and Management are required to notify Audit Committee with details of relevant gifts or Entertainment. For Councilors, this requirement only relates to their appointment as a Councilor of SCC, and does not apply to other Directorship they may hold in respect of organizations with the same external audit firm.

### ***APPENDIX***

#### **Services that may be provided by the external auditor – subject to pre-approval**

The Council Audit Committee may pre-approve the provision of the following audit and audit related services (audit related services include review and agreed upon procedures engagements) by the external auditor. These services are not perceived to impair or impact the independence of the external auditor, nor to have the potential to put the auditor in the position of auditing their own work. All such services undertaken by the external auditor must be pre approved by the Audit Committee or pre-approved by the Chairman of the Audit Committee and reported to the Full Council.

- (i) Provision of accounting advice - The external auditor may advise on the





appropriate accounting measurement and disclosure of matters recorded in SCC's financial statements Audit, attest or review services required for regulatory returns or requirements - Statutory audits are included in this category;

- (ii) Agreed upon procedures engagements related to accounting and other records required to respond to or comply with financial, accounting, taxation or regulatory reporting matters. Engagements conducted on behalf of internal audit may not relate to accounting controls, financial systems, or financial statements.
- (iii) Agreed upon procedures to review the adequacy of controls –
  - (a) Audits plans;
  - (b) Agreed upon procedures for balance sheet reviews,
  - (c) Limited to evaluating the framework and operation of controls.

### **Services that are NOT be provided by the external auditor.**

The auditing firm will not provide the following services. These services may be perceived to impair or impact the independence of the external auditor, and are therefore prohibited as a matter of SCC policy, or may be prohibited by applicable law. Pre-approval does not affect the prohibited status of these services. These services include investigations and consulting advice and subcontracting of operational activities normally undertaken by management, on which the auditor may ultimately be required to express an opinion on its own work. The external auditor **should not** provide any receiver, liquidator or related investigation work.

- (i) Designing or implementing new IT or financial systems or financial controls including:
  - a) Evaluation of project implementation;
  - b) Assessment, design and implementation of internal accounting controls and risk management controls;
  - c) External auditor may evaluate the framework and operation of controls as part of the Audit Plan.
- (ii) Book-keeping - All services related to the preparation of accounting records or financial statements;
- (iii) Appraisal or valuation services - Valuations completed to support business acquisitions or other activities;
- (iv) Human resources - All recruitments of SCC staff;
- (v) Secondments - Any employee from the external auditor;



- (vi) Broker, dealer, investment adviser or investment banking services;
- (vii) Legal services or <sup>6</sup>**Expert** services;
- (viii) Internal audit work relating to accounting controls, financial systems or financial statements:
  - a) Advice on product structuring;
  - b) Review of legislation and advice on its application to SCC - Analysis and advice on impact of new financial services legislation;
  - c) Advice on deal structuring and assistance in deal documentation
  - d) Due diligence on potential acquisitions or investments –including all potential acquisitions.

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<sup>6</sup> Any widely recognized as reliable source of technique or skills whose faculty for judging; deciding although not necessary right or moral is accorded authority and status by their peers or the public in a specific well-distinguished domain.



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## PART 23 WHISTLEBLOWING

### 23.0 INTRODUCTION

The SCC Whistleblower Protection Policy is a mechanism by which SCC employees may voice serious concerns or escalate serious matters on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment.

The policy is aligned to both SCC's values and the SCC Employee Code of Conduct and is one of a number of policies and procedures within SCC to support and promote honest and ethical behavior. The Policy is intended as a last option, when all other internal reporting avenues have been exhausted or are not available.

### 23.1 SCOPE

All SCC employees (including contractors and consultants) are covered by the Policy. The Policy is intended to address serious matters, including:

- dishonest, fraudulent, corrupt or illegal behavior; accounting or internal control matters;
- audit-related matters, including non-disclosure or a failure to comply with internal or external audit processes;
- improper conduct or unethical behavior; or conduct endangering health and safety.

### 23.2 PROTECTION UNDER THE POLICY

SCC has a strong value-based culture that encourages openness, integrity and accountability. Under the Policy, SCC employees who make a complaint in good faith, and in accordance with the Policy, are **protected** against reprisals, dismissed or otherwise being subject to discriminatory treatment as a result of making the complaint.

### 23.3 COMPLAINTS PROCEDURES

An SCC employee can make a complaint under the Policy by contacting a Whistleblower Protection Officer. SCC's Whistleblower Protection Officers are as follows:

- (i) The Chairman of the Audit Committee;
- (ii) Town Clerk/Chief Executive Officer;



- (iii) Internal Auditor; or
- (iv) if are unavailable, Ministry of Local Government (if applicable).

Upon receiving a complaint, the Whistleblower Protection Officer will make a preliminary review and may appoint a Whistleblower Investigations Officers to investigate the matter as per the Master Agreement. Where there are allegations of criminal conduct, the Whistleblower Protection Officer will make recommendations to consider whether the matter should be referred directly to the police.

### **23.4 INVESTIGATING PROCEDURES**

It will be the task of the Investigation Team to assess the complaint and recommend a course of action. SCC will treat all disclosures made under this Policy in a confidential, sensitive and secure manner. Generally, if the complaint concerns the actions of another SCC employee, that person will be informed of the complaint if SCC considers it appropriate to do so, subject to considerations relating to the anonymity of the SCC employee making the complaint (if applicable).

If a Whistleblower Investigations Officers are appointed, they will submit a report on the outcome of their investigation to the Whistleblower Protection Officer, including any recommended actions. The Whistleblower Protection Officer will then consider the recommendations of the report and if appropriate, these will be implemented in accordance with SCC's policy.

If the report relates to finance or audit-related matters, the Whistleblower Protection Officer will consider whether the matter should be referred to SCC's Audit Committee, or may refer the matter to SCC's external auditors. If the report relates to breaches of the law, regulations or SCC's own policies, the Whistleblower Protection Officer may refer the matter to SCC's Audit Committee.

### **23.5 SAFEGUARDS**

SCC employees, contractors or consultants who make complaints in good faith can rely on the protection afforded by the Policy. Complaints relating to:

- (i) financial misconduct;
- (ii) accounting or internal accounting control matters; or



- (iii) auditing matters, including non-disclosure or a failure to comply with internal or external audit processes can be made on an anonymous basis.

In all other instances, SCC strongly encourages SCC employees to identify themselves when making a complaint to the Whistleblower Protection Officers. No action will be taken against an SCC employee who, in good faith, makes an allegation, which is not later confirmed by subsequent investigation. However, disciplinary action may be taken against an individual making malicious or vexatious allegations.



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## PART 24 COMMUNICATION AND PUBLIC DISCLOSURES

### 24.0 STRATEGY

SCC aims to be open and transparent with all stakeholders, including the owners of the business - the Stakeholders (direct and indirect). Plain English communication and easy access to council information are important objectives of SCC's communication strategy.

### 24.1 DISCLOSURE POLICY

SCC is committed in providing timely, accurate and balanced disclosure of all material information according to the disclosure requirements issued by the Ministry of Local Government and other related regulators. This Disclosure Policy demonstrates our commitment to transparency in our reporting obligations to our Stakeholders and the public.

This Disclosure Policy extends to all Councilors, officers and all other employees of the organisation. This Disclosure Policy covers disclosures of material information in any medium, including the audited accounts reports and other documents filed with the Ministry of Local Government, news releases, letters to Stakeholders, presentations by Head of Department and information contained on the organisation's website and other electronic communications, oral statements made in meetings and telephone conversations with customers, interviews with the media as well as speeches and press conferences.

This Disclosure Policy confirms in writing the disclosure philosophy, policies and practices. The main purposes of this Disclosure Policy are as follows:

- to establish the steps that the SCC will take when it has to release information to the public;
- to outline the roles and responsibilities relating to various individuals on the release of information; and
- to ensure councilors, officers and employees of SCC are aware of the disclosure practices and policies and provide them with a reference guide.

### 24.2 MATERIAL INFORMATION

Material information is any information relating to the business and affairs of SCC that results in,



or would reasonably be expected to result in, a significant change on public confidence on the organisation.

### **24.3 DETERMINATION IF INFORMATION IS MATERIAL INFORMATION**

These matters include changes to our earnings, our assets and our businesses. In making materiality judgments, SCC will take into account a number of factors that cannot be captured in a simple well defined standard or test. These include the nature of the information itself, the changes of the organisation's earnings and prevailing market conditions.

SCC will also take into account the impact of such an event, development or change on its assets, liabilities and earnings and its reputation and overall operations and strategic direction. As a matter of policy, SCC will err on the side of caution when determining materiality. In situations where the determination of materiality is not crystal clear, the Internal Auditor will consult with the TC/CEO and the council of councilors.

### **24.4 RELEASE AND AVAILABILITY OF FINANCIAL STATEMENTS**

When SCC releases its financial statements annually, the following practices is followed:

- The Council is to communicate our financial statements to the public on a timely basis. The financial statements are to be released to the public not later than six months after the end of each financial year, after they are reviewed by the SCC's Council Audit Committee and approved by the Full Council ;
- The financial statements should abide with the contents requirements as set out by the relevant Act;
- The information is to be kept confidential until released.

### **24.5 INADVERTENT DISCLOSURE**

If there is reason to believe that an unintentional breach of this Disclosure Policy might have occurred resulting in the release of material information to a select council or individual, such breach shall immediately be reported to the Town Clerk/CEO, or, in his or her absence, Internal Auditor. Parties in receipt of previously undisclosed material information will be advised that such information is material and has not yet been publicly disclosed.



### **24.6 CORRECTIONS TO PREVIOUSLY RELEASED MATERIAL INFORMATION**

Disclosure must be corrected immediately if SCC subsequently learns that earlier disclosure by SCC contained a material error at the time it was given and the correction would constitute material information. The Internal Auditor in conjunction with the Public Relation Officer shall ensure that a news release is issued immediately to correct the error.

### **24.7 CHAT ROOMS AND ADDRESSING MARKET RUMOURS**

No Councilor, officer or other employee of SCC shall participate in, host or link to chat rooms in relation to City matters. In addition, the councilors, officers and other employees of the City shall only comment on or respond to market <sup>7</sup>rumors in accordance with this disclosure Policy including in instances when specifically required or requested to do so by the Ministry of Local Government.

### **24.8 COMMUNICATION AND ENFORCEMENT**

This Disclosure Policy extends to all His Worship the Lord Mayor/Special Administrator, councilors, officers and all other employees of SCC. New councilors, officers and employees of the City who, given their position, are required to have knowledge of this Disclosure Policy will be provided with a copy of this Disclosure Policy and will be educated about its importance. This Disclosure Policy will be posted to the organization's common Directory, which is accessible by all officers and other employees.

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<sup>7</sup> Rumors include comments voiced over the telephone, in meetings, posted on websites or discussed in internet chat rooms.





## **PART 25 BREACH OF THIS POLICY**

Sanctions may be applied if this code or Local Government Act is breached. Depending on the nature the breach, sanctions may include counseling, disciplinary action (including termination of employment), the laying of criminal charges and the taking of civil action under the current Crime Decree.