ANTI-FRAUD POLICY

Updated July 2026

Tionól Réigiúnach an Oirthir agus Lár Tíre
Eastern and Midland Regional Assembly

Contents

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2. Introduction

The Eastern and Midland Regional Assembly is committed to maintain high legal, ethical and moral standards, to adhere to the principles of integrity, objectivity and honesty and is opposed to fraud and corruption in the way that it conducts its business. All members of staff are required to share this commitment. The objective of this policy is to promote a culture which deters fraudulent activity and to facilitate the prevention and detection of fraud and the development of procedures which will aid in the investigation of fraud and related offences, and which will ensure that such cases are dealt with timely and appropriately.

This Anti-fraud policy sets out a process by which staff of the Regional Assembly can report fraud or suspected fraud. It summarises the responsibilities of management and employees and outlines the procedures to be followed where suspicion of fraud is raised.

[A procedure is in place for the disclosure of situations of conflict of interests.]

3. Scope

This policy applies to all staff of the Eastern and Midland Regional Assembly. For the purposes of this policy:

- Staff means any person who is employed under a contract at or for the regional Assembly.
- All individuals covered by this policy are responsible for upholding its principles. Specific responsibilities are detailed in a specific section.
- Third parties, vendors, contractors and consultants are expected to have a high standard of ethics and not operate fraudulently within their function.

4. Definition of Fraud and Corruption

The term fraud is commonly used to describe a wide range of misconducts including theft, corruption, embezzlement, bribery, forgery, misrepresentation, collusion, money laundering and concealment of material facts. It often involves the use of deception to make a personal gain for oneself, a connected person or a third party, or a loss for another – intention is the key element that distinguishes fraud from irregularity.

Fraud does not just have a potential financial impact, but it can cause damage to the reputation of an organisation responsible for managing funds effectively and efficiently. This is of particular importance for a public organisation responsible for the management of Public and EU funds.

Corruption is the abuse of power for private gain. Conflict of interests exists where the impartial and objective exercise of the official functions of a person are compromised for reasons involving family, emotional life, political or national affinity, economic interest, or any other shared interest with e.g. an applicant for or a recipient of EU funds.

While it is not possible to list all categories of fraud and corruption, some categories include:

- misappropriation of the assets of the Regional Assembly including the unauthorised or illegal use of confidential or proprietary information.

- financial fraud including misrepresentation of expense claims and the creation of and payments to fictitious vendors.
- accepting or offering a bribe or accepting gifts or other favours under circumstances that might lead to the inference that the gift or favour was intended to influence an employee's decision-making while serving the regional Assembly.
- Colluding with vendors or 3rd parties in providing preferred pricing, engaging in contract rigging, inflating invoices, or raising invoices for which goods have not been received.
- blackmail or extortion.
- computer fraud.
- bribery and corruption.
- knowingly creating and/or distributing false or misleading financial reports.
- violation of the Regional Assembly's procedures with the aim of personal gain or to the detriment of the Regional Assembly.

Section 170 of the Local Government Act 2001 states: An employee or member of a local authority shall not seek, exact or accept from any person, other than from the local authority concerned, any remuneration, fee, reward or other favour or anything done or not done by virtue of his or her employment or office.

Disclosure – The New Ethics Framework, Part 15 of the Local Government Act requires all relevant staff (Administrative Officers and above) to complete a "declaration of interests" by the last day of February each year. A public register is compiled from all information submitted.

Code of Conduct – the public is entitled to expect conduct of the highest standards from all those involved in the local government service. A Code of Conduct has been issued to each member of staff dealing with conduct and standards of integrity. Employees should have regard to and be guided by the Code in performing their duties.

4.1 Conflicts of Interest

Conflicts of interest can arise in a number of scenarios, specifically in relation to (i) decisions on the allocation of funding by the Programme Monitoring Committee, Managing Authority, Accounting Function and intermediate Bodies and (ii) procurement for EU JTF co-financed services. Conflicts of interest in the spending and management of the EU's budget are defined as existing:

"Where the impartial and objective exercise of the functions of a financial actor or other person … is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with a recipient."

While conflicts of interest are not necessarily criminal offences such as theft or fraud they can potentially, if not identified and managed appropriately, reach this criminal threshold.

5. Policy Statement

It is the policy of the Eastern and Midland Regional Assembly to promote a culture of integrity and honesty and to safeguard the Regional Assembly's resources and the EU Just Transition Fund

Programme by ensuring that opportunities for fraud and corruption are reduced to the lowest possible level of risk through the following:

- operating an effective system of governance and internal control.
- promoting the necessity and requirement for high standards of personal conduct through the employee code of conduct.
- dissemination of related policies, procedures and guidelines.
- ensuring the appropriate segregation of duties across the Regional Assembly.
- delegating approval authority across a range of personnel.
- promoting a culture of transparency including the application of procedures in accordance with the Protected Disclosures Act 2014 ('the 2014 Act') and the Protected Disclosures (Amendment) Act 2022 ('the 2022 Act) for those reporting allegations of fraud;
- timely and appropriate management of any allegation of fraud in accordance with relevant Local Government and Management Agency and the Irish Anti-Fraud Coordination Service (Department of Finance) policies and procedures.
- equal and fair treatment of all personnel who become the subject of a fraud allegation.
- suspicions or allegations of potential fraud will be treated as confidential and will not be discussed with anyone inside or outside the Regional Assembly outside of the investigation, unless specifically directed to do so as a result of the investigation into the alleged incident.

Persons who cover up, obstruct, fail to report or monitor a fraud that they become aware of, will be considered to be an accessory after the fact and may be subject to disciplinary action. Persons who threaten retaliation against a person reporting a suspected fraud shall be subject to disciplinary action. Persons reporting a fraud knowing it to be false shall be subject to disciplinary action.

6. Assessment of Risk

In order to identify, evaluate, mitigate, and monitor the fraud and corruption risks that EMRA faces risk assessments should be undertaken as deemed appropriate for the various functions which the organisation performs. A risk assessment is a systematic process that involves establishing the context, identifying the risks, analysing the risks, evaluating the risks, and treating the risks. The outcome of a risk assessment is a risk register that documents the identified risks, their likelihood and consequences, the existing and additional controls, and the action plans to mitigate them. Risk assessments should be reviewed annually to give an appraisal of risk level faced and to guide policy and the level of controls to give context to defining what actions and measures are appropriate.

Risk assessment is an integral part of any organisation's anti-fraud and corruption management plan. EMRA will retain a risk register of identified risks which will be annually assessed and has an Anti-Fraud committee which will review risk assessments. Managers should regularly examine the risks in the areas they control. This will enable them to assess:

- What may go wrong
- The area's most vulnerable to fraud and corruption
- The likelihood of corruption occurring and the possible impact

Fraud and corruption could occur within the following areas:

6.1 Personnel

Poor management controls and supervision practices can reduce the ethical tone of an organisation and support the feeling among staff that certain irregular practices are acceptable because no-one is going to find out / do anything about it. Regular monitoring and reviewing should be incorporated into daily management practice.

6.2 Information Systems

Supervisors should have an understanding of systems in their area and should ensure that sufficient controls are in place.

Controls within a system are best defined at system design and implementation. Information systems should be designed to prevent erroneous data being entered and also detect errors arising from program or machine faults. External organisational controls must also be present to strengthen the detection of fraudulent data entry.

6.3 Tenders, contracts and the purchase and disposal of assets

Risks of corruption occur if there are inadequate procedures/separation of functions for advertising or assessing tenders or awarding contracts. Certain suppliers may be given preferential treatment or orders split to avoid going to tender. It is important that policies in these areas comply with legislation and regulatory requirements.

6.4 Financial Systems and Procedures

Financial risks in the organisation include payment for goods and services not supplied, theft of goods, misdirection of payments, or misuse of corporate credit cards. It is important that there are controls in place to reduce the opportunity for financial loss.

If there are poor reconciliation procedures, the risk of financial loss increases. Restricting access reduces risk and increases individual accountability.

6.5 Use of Equipment and Resources for personal use

Risk in this area may include the improper use of computer equipment for private purposes, use of photocopiers for private purposes, staff operating their own business in work time, using the organisation’s equipment and materials.

7. Reporting Fraud

The Eastern and Midland Regional Assembly has procedures in place for reporting fraud, both internally and to the European Anti-Fraud Office by the EU Programmes Division in the case of incidents concerning the EU Just Transition Fund. All reports will be dealt with in the strictest of confidence and in accordance with the Protected Disclosures Act 2014. Staff reporting irregularities or suspected frauds are protected from reprisals.

7.1 Template for Reporting Fraud

When submitting a report of suspected fraud, the following headers are provided to assist with providing and/or gathering information which may be required to investigate the report.

- Date and time of the report
- Name and contact details of the person making the report (*Optional*)
- Name and position of the person or entity suspected of fraud
- Description of the fraudulent activity, including the type, amount, date, location, and evidence of the fraud
- Impact or potential impact of the fraud on the organisation, such as financial loss, reputational damage, legal liability, etc.
- Any other relevant information or comments

7.2 Channels for Reporting Fraud

Reporting fraud is an essential part of doing business in an ethical and transparent way. To facilitate the reporting of fraud multiple channels for reporting fraud are available.

- Direct Supervisor / Line Manager; In general fraud or suspicion of fraud should be reported to a staff member's direct supervisor.
- Senior Management / Director; Should the staff member feel more comfortable they may report fraud directly to senior management, the assistant directors, or the director of EMRA.

7.2.1 Reporting via the Irregularity Management System (IMS)

For cases involving EU funds, EMRA utilises the Irregularity Management System (IMS) to fulfil its legal obligation to report irregularities and suspected fraud to the European Commission. The IMS process follows a "four eyes" principle, whereby at least two staff members are involved in submitting an irregularity, to ensure accuracy and integrity. Each case is entered by two designated inputters and reviewed and approved by two approvers. Inputters and approvers are determined and listed as part of documentation stored within the team for managing EU Funds. The procedure begins when an irregularity is identified. The inputters collect and enter all required information into the IMS, referencing the relevant classification (e.g., suspected fraud, administrative irregularity). Approvers then review the submission for completeness and accuracy before electronic submission to IMS. The IMS tracks the case through all stages, including follow-up reporting and closure, ensuring compliance with EU regulations. Cases are closed once all administrative or judicial proceedings are finalized, or if the case is determined not to constitute an irregularity. This process supports transparency, accountability, and effective management of EU funds in line with regulatory requirements.

7.3 Anonymous Reporting

EMRA encourages individuals to report suspected fraud anonymously if they feel uncomfortable disclosing their identity. This may be done by submitting a report in writing via an anonymous email account to the info@emra.ie or by email directly to any relevant member of senior staff.

7.4 Protected Disclosure

The Protected Disclosures Act, 2014 requires every public body to establish and maintain procedures for dealing with protected disclosures. EMRA is committed to protecting individuals who report suspected fraud in good faith. Retaliation against a whistleblower is strictly prohibited, and any instances of retaliation should be reported immediately. Retaliation against a whistleblower would be considered a serious form of misconduct and appropriate disciplinary may be taken in such instances.

The Protected Disclosures Interim Policy and Procedure was adopted by EMRA under the provisions of Section 21 (1) of the Protected Disclosures Act, 2014.

7.5 Investigation, Communication and Recording

Upon receiving a report of suspected fraud, EMRA will initiate a thorough and impartial investigation. If necessary, third parties may be enlisted to assist with or lead the investigation as appropriate. Once the investigation is complete the findings will be communicated to the appropriate parties and if fraud is identified appropriate actions including disciplinary and legal action may be taken. Investigations will be handled with utmost confidentiality and records of investigations will be maintained in accordance with best practice and legal requirements.

Upon investigation and evaluation of the situation, a report will be issued to the:

- Director
- Assistant Directors
- Local Government Auditor

Where there is sufficient evidence of fraud or corruption, or there is strong suspicion, but internal investigations are unable to obtain further evidence required, the Gardaí may be involved, where it is in the Assembly's/Public interest.

At the conclusion of any fraud or corruption investigation, relevant systems and procedures will be reviewed, and controls will be strengthened to reduce the possibility of a re-occurrence.

8. Responsibilities

All EMRA staff share the responsibility of preventing, detecting, and investigating fraud. All employees must be aware of the organization's anti-fraud policy and procedures and must comply with them. Employees must also report any suspected fraud to their supervisor or an appropriate staff member. In addition to these shared responsibilities there are specific responsibilities on certain groups in EMRA.

8.1 The Director

It is the responsibility of the assembly Director to ensure that anti-fraud policies and procedures are in place and to ensure that adequate resources are allocated to fraud prevention and detection.

8.2 Management

It is the responsibility of Management and all senior staff, Senior Staff Officers and above, to be familiar with the types of improprieties that might occur in their area and be alert for any indication that improper activity, misappropriation or dishonest activity is or was in existence in his or her area and put in place controls for the prevention and detection of fraud. All senior staff are required to support and work with Regional Assembly Management, other involved agencies and law enforcement agencies in the detection, reporting and investigation of dishonest or fraudulent activity including the prosecution of offenders. If a fraud is detected in an area, the Assistant Director for that unit is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent reoccurrence of improper actions.

8.3 Employees

It is the responsibility of all employees to conduct their Regional Assembly business in such a way as to prevent fraud occurring in the workplace. Employees must also be alert to the possibilities for fraud and be on guard for any indications that improper or dishonest activity is taking place. Employees have a responsibility to report any suspicion of fraud, without delay, according to the procedures detailed in this policy.

In addition, all EMRA staff members are required to be aware of and comply with the terms of the Code of Conduct for Local Authority staff members (Annex 1). The code of conduct covers areas such as general conduct and behaviour, managing conflicts of interest, planning matters, accepting gifts and hospitality, personal dealings with the local authority, having regard for council resources, attendance, and outside employment, and maintaining satisfactory working relationships. The code of conduct for Local Authority staff members can be viewed at this link or at Annex 1 of this document: https://assets.gov.ie/111393/06d590da-ebb9-42c0-b480-96cc485888e4.pdf

9. Specific Responsibilities concerning the EU Just Transition Fund Programme

In accordance with Article 74 of regulation 2021/1060 the managing authority must have effective and proportionate anti-fraud measures and procedures in place which take account of the risks identified in that respect. In Annex XXII of Regulation 2021/1060. Auditors will assess the implementation of effective and proportionate anti-fraud measures underpinned by a fraud risk assessment.

Within the EMRA, overall responsibility for managing the risk of fraud and corruption relating to the EU Just Transition Fund has been delegated to the EU and Corporate Affairs Division which has the responsibility for:

- Undertaking an annual review, with the help of an internal risk assessment team, of the fraud risk.
- Establishing an effective anti-fraud policy
- Ensuring ongoing fraud awareness of staff and training.
- Ensuring that the MA refers promptly investigations to competent investigation bodies when they occur.
- Undertaking a thorough risk assessment and putting in place proportionate anti-fraud measures as a result of that assessment. The risk assessment will be developed in conjunction with the EU Just Transition Fund Intermediate Bodies. The process includes:
    - Prevention
    - Detection and investigation
    - Sanction and redress
    - Learning lessons, knowledge sharing and Improvement
- Ensuring fraud awareness of MA and IB staff and training.

Administrative and Staff Officers of the Programme unit along with the Assistant Director, EU and Corporate Affairs are responsible for the day-to-day management of fraud risks and action plans, as set out in the fraud risk assessment and particularly for

- Ensuring that an adequate system of internal control exists within their area of responsibility.
- Preventing and detecting fraud.
- Ensuring due diligence and implementing precautionary actions in case of suspicion of fraud.
- Taking corrective measures, including any administrative penalties, as relevant.

The MA will use IT tools (such as ARACHNE) to detect risky operations and will ensure staff are aware of the Anti-Fraud Policy, fraud risks and receive counter-fraud training. The Intermediate Bodies will carry out vigorous and prompt reviews of all cases of suspected and actual fraud which occur with a view to improve the internal management and control system where necessary. On completion of each investigation the MA will be provided with a report, including recommendations. Confirmation of implementation of the recommendations is reportable to the Risk Committee. In addition, regular best practice will be reviewed at meetings of the Risk Committee and implemented wherever possible.

When a major modification to the Management and Control system is being considered, a Risk Management exercise will be undertaken to assess the consequences of such a modification.

The Accounting Function has access to a system which records and stores reliable information on each operation, they receive adequate information from the MA on the procedures and verifications carried out in relation to expenditure.

The Audit Authority has a responsibility to act in accordance with professional standards in assessing the risk of fraud and the adequacy of the control framework in place.

From Article 69 of the “REGULATION (EU) 2021/1060 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL”

> ***Member States shall ensure the legality and regularity of expenditure included in the accounts submitted to the Commission and shall take all required actions to prevent, detect and correct and report on irregularities including fraud. Those actions comprise the collection of information on the beneficial owners of the recipients of Union funding in accordance with Annex XVII. The rules related to the collection and processing of such data shall comply with applicable data protection rules. The Commission, the European Anti-Fraud Office and the Court of Auditors shall have the necessary access to that information.***

From Article 70 of the “REGULATION (EU) 2021/1060 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL”

> ***The Commission shall carry out audits up to three calendar years following the acceptance of the accounts in which the expenditure concerned was included. That period shall not apply to operations where there is a suspicion of fraud.***

10. Anti-fraud measures

The Eastern and Midland Regional Assembly has put in place proportionate anti-fraud measures. For the EU JTF Programme this is based on a thorough fraud risk assessment (cf. the Commission's guidance on the implementation of Article 125.4 c). In particular, it uses IT tools to detect risky operations (such as ARACHNE) and ensures that staff is aware of fraud risks and receives anti-fraud training. All employees will be provided with procedural training on fraud awareness and prevention. This training will cover the following topics:

- What is fraud?
- How to identify fraud
- How to report fraud

Internal controls: The organisation has a system of internal controls in place to prevent fraud. These controls include, but are not limited to:

- Separation of duties
- Authorisation and approval procedures
- Physical and electronic security
- Regular audits and reviews

The Regional Assembly carries out a vigorous and prompt review into all cases of suspected and actual fraud which have occurred with a view to improve the internal management and control system where necessary.

11. Review and Revision

The Anti-Fraud Policy and relevant procedures will undergo annual reviews to ensure its relevance and effectiveness. Updates will be made to address emerging risks and changing circumstances.

12. Conclusion

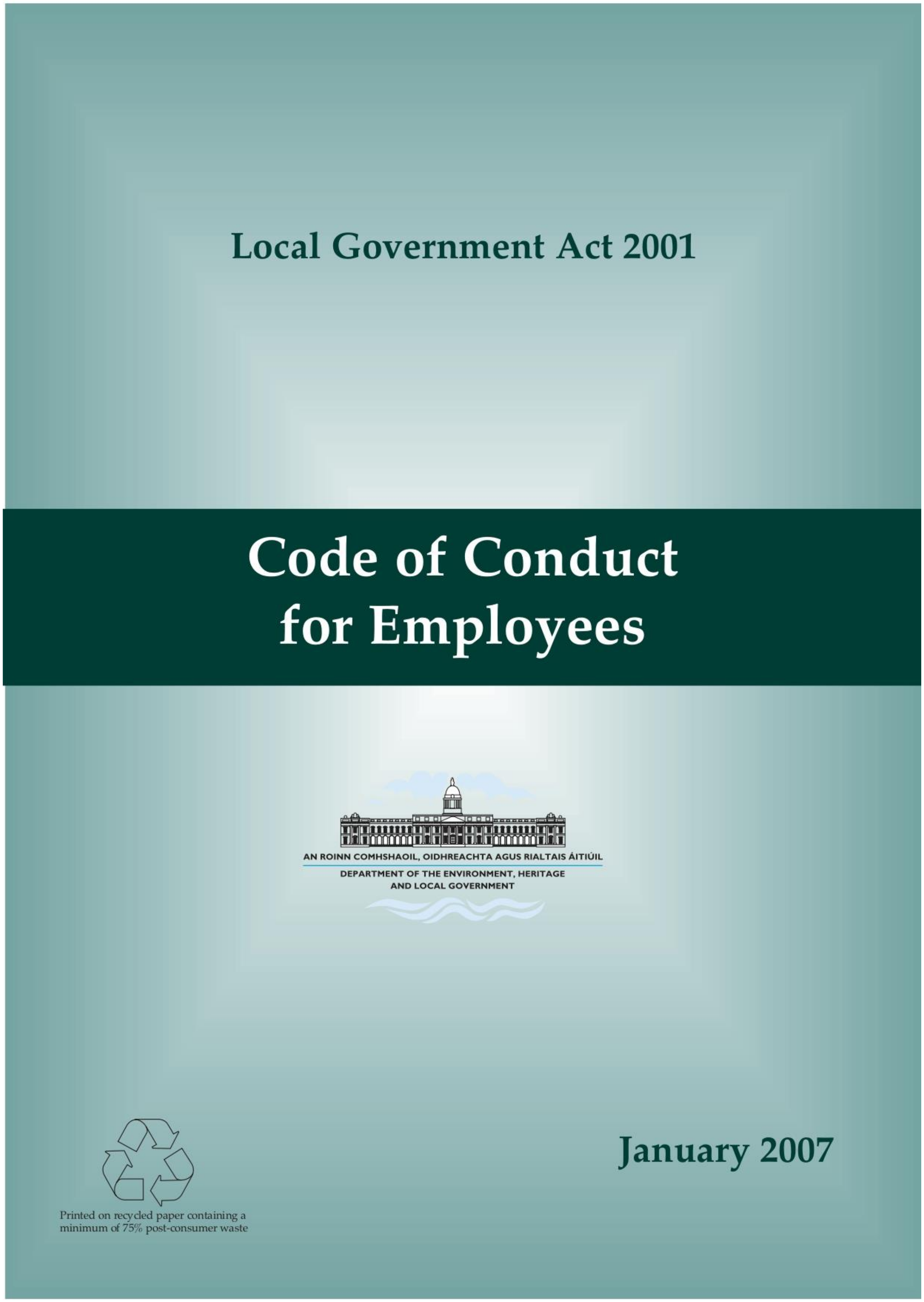
Fraud can manifest itself in many different ways. The Eastern and Midland Regional Assembly has a zero-tolerance policy to fraud and corruption and has in place a control system that is designed to prevent and detect, as far as is practicable, acts of fraud and correct their impact, should they occur. We will continue to review our rules and procedures and will make sure that this policy document is annually reviewed to ensure it remains effective.

Signed:_____________________________ Date:______________________

Name:

Position:

Annex 1: Code of Conduct for Local Authority Employees



Local Government Act 2001

Code of Conduct for Employees

AN ROINN COMHSHAOIL, OIDHREACHTA AGUS RIALTAIS ÁITIÚIL
DEPARTMENT OF THE ENVIRONMENT, HERITAGE AND LOCAL GOVERNMENT

January 2007

Printed on recycled paper containing a minimum of 75% post-consumer waste

Contents

OBJECT OF CODE

The purpose of this Code is to set out principles and standards of conduct and integrity for local authority employees, to inform the public of the conduct it is entitled to expect and to uphold public confidence in local government.

1. Introduction

1.1 The public is entitled to expect conduct of the highest standards from all those involved in the local government service be they county/city managers, other local authority employees or councillors. The Local Government Act 2001 ("the Act") sets out a new ethical framework for that service and imposes a statutory duty on all in the service to maintain proper standards of integrity, conduct and concern for the public interest. The Act also provides for the issue of a code of conduct for local authority employees dealing with conduct and standards of integrity and to uphold public confidence in local government. An employee must have regard to and be guided by the Code in performing his or her duties; the Act provides that a person's terms and conditions of employment are deemed to include an undertaking to this effect.

1.2 Local government has a long tradition of honest and impartial service to its communities. The core values underlying this tradition are honesty, impartiality, integrity and serving the common good. This Code has been designed to promote these core values; to provide a framework so that all employees can be seen to act solely in the public interest and within the law; and thus help uphold public confidence in local government. The Code is accordingly to be read in this spirit at all times and not in any selective or restrictive manner contrary to its intent. It is hoped that this Code will facilitate the exercise of good judgement and principled decisions by all employees but inevitably many of the issues covered by the Code will affect senior employees more than they will others.

1.3 This Code is complemented by a separate code which applies to councillors. Together these codes represent a standard against which the conduct of all those involved in local government can be judged in the performance of their duties. They are intended to inform the public of the standards of behaviour that they have a right to expect and so help to maintain and enhance public trust and confidence. They add to and supplement the specific requirements under the Act and form an integral part of the new ethics framework.

2. General conduct and behaviour

2.1 The general conduct and behaviour of local government employees in carrying out their work is an important yardstick by which the honesty, integrity, impartiality and performance of the local government service is judged and public trust maintained. It is important therefore that these core values underpin the many day to day transactions of local authority business.

2.2 Local authority employees should abide by this Code and must -

maintain the highest standards of integrity by:-

- avoiding conflicts of interest and never seeking to use improper influence;
- acting in a way which enhances public trust and confidence;
- not using their official position or resources of the local authority for personal gain;
- ensuring that their conduct does not bring the integrity of their position or of local government into disrepute.

maintain public confidence in performing their work by:-

- serving their local authority conscientiously, honestly and impartially;
- performing their duties with diligence, efficiency and courtesy;
- making impartial decisions based on examination of the facts, merits and law relating to each case and not taking account of their personal considerations.

observe appropriate behaviour at work by:-

- treating their colleagues and councillors with courtesy and respect;
- dealing with the public courteously, fairly and promptly;
- promoting equality and avoiding bias in their dealings with the public.

3. Conflict of personal and public interest

3.1 The Act provides that it is the duty of every employee (and councillor) to maintain proper standards of integrity, conduct and concern for the public interest.

3.2 Employees must never seek to use their official position so as to benefit improperly themselves or others with whom they have personal, family or other ties. Likewise they must never seek to use or pass on confidential knowledge acquired in the performance or as a result of their employment, or official information which is not in the public domain, so as to benefit themselves, or others with whom they have personal, family or other ties. In short, private or personal interests must not be allowed to conflict with public duty.

3.3 Employees must avoid where possible, and if not, resolve any conflict or incompatibility between their private or personal interests and the impartial performance of their duties. It is important to ensure that as well as the avoidance of actual impropriety, occasions for suspicion and appearance of improper conduct are also avoided. The public perception of the way the person deals with any such conflict is important. Employees should always apply the test of whether members of the public knowing the facts of the situation would reasonably think that the personal or private interest concerned might influence them in considering or deciding on matters. This test applies equally in relation to gifts/ hospitality, outside employment and other matters covered by this Code. In case of doubt the employee's supervisor should be consulted.

3.4 The Act has specific disclosure requirements for certain categories of employees[1] which must be observed (see paragraph 3.5 below). However, without prejudice to these disclosure requirements, what follows are some instances where personal/ private interests should be regarded as

1 SI 582 of 2002 defines relevant employees in this connection. The declaration/disclosure/public register provisions of the Act came into operation on 1/1/2003 replacing those previously in the 1976 Planning Act.

material to the work being carried out or decided by such or any other employees. In these instances, as a minimum the question of disclosure will arise (except in the case of a remote or insignificant interest) and usually the non-involvement by the employee in the case concerned:-

- where an employee is involved in considering or deciding on matters in which s/he has a pecuniary or other beneficial interest, s/he must disclose this fact to the supervisor or manager;

- where an employee is involved in considering or deciding on matters in which s/he knows that a person closely related to them has a pecuniary or other beneficial interest in the matter, s/he should disclose this fact to the supervisor or manager;

- where an employee is involved in considering or deciding on matters, which s/he knows affects a close neighbour/ friend, s/he should disclose this fact to the supervisor;

- likewise where an employee is involved in considering or deciding on matters in a case involving a club, society or other organisation of which s/he is a member, s/he should disclose the fact to the supervisor;

- written or oral representations on behalf of an outside organisation, club, association or other body should not be made by an employee to the authority, (except with the consent of the manager) where such representations relate to work with which the employee himself or herself is concerned;

- in order to avoid any possible accusation of bias, an employee should not consciously be involved in the selection for appointment of any employee or prospective employee, to whom s/he is related.

While there may be no direct pecuniary or beneficial interest involved for the employee in some of the cases mentioned above, the circumstances concerned might reasonably be seen to influence the impartial discharge of functions. In these and all other cases the employee must take into account the requirements of paragraphs 3.1 to 3.3.

3.5 In the case of certain categories of employees the Act requires them to furnish an annual declaration of certain "declarable interests": forms are supplied by the ethics registrar. The Act also provides that such employees must formally disclose to the manager any pecuniary or beneficial interest, (of which they have actual knowledge[2]) they or a connected person[3] have in, or material to, any matter relating to the local authority's functions with which they are concerned in the course of their duties. They must then comply with any directions given by the manager. Specific statutory requirements also apply in relation to disclosure by managers. The Act prohibits all such employees from seeking to influence the local authority improperly as regards any matter. These legal requirements must be observed at all times and failure to do so is an offence under the Act. Similar type requirements also apply under the Act to councillors; and to consultants providing a service to local authorities. The Act provides that in any proceedings under Part 15 a court may have regard to the relevant code as may the Standards in Public Office Commission in carrying out its functions.

4. Planning

4.1 The planning system is a very open one allowing for input by all parties. It is all the more important therefore that consideration by employees of planning applications, development plans, enforcement action etc is carried out in a transparent fashion; follows due process, is based on what is relevant while ignoring that which is irrelevant within the requirements of the statutory planning framework.

4.2 Extra care must therefore be observed in dealing with planning matters and in this context the provisions of this Code - particularly as regards conflict of personal and public interest (see Section 3) and outside employment (see Section 10) are very relevant.

2 + 3 The terms "actual knowledge" and "connected person" are set out in section 166 of the Act.

5. Gifts

5.1 The Act provides that an employee is prohibited from seeking, exacting or accepting any remuneration, fee, reward or other favour for any act done or not done by virtue of his or her employment. Employees in observing this provision must also have regard to this Code's guidance.

5.2 The overriding concern in all cases is that the actions of local government employees should be above suspicion and not give rise to any conflict of interest and that their dealings with business and other interests should bear the closest possible scrutiny and avoid any risk of damage to public confidence in local government – see also paragraph 3.3.

5.3 However the normal presentation of 'official gifts' or tokens exchanged or given as part of protocol (where for instance an employee receives a visiting dignitary, or is a speaker at a conference etc.,) would not be precluded. No other gifts other than infrequent items such as diaries, calendars, pens or other infrequent tokens of modest intrinsic value, should be accepted.

5.4 The following practice must be followed in relation to gifts: -

- an employee should not solicit gifts directly or indirectly;
- any gift other than a modest token should be courteously but firmly declined;
- in all cases the offer or receipt of any gift (other than what is clearly a modest token) should be reported to the employee's supervisor;
- an employee should not, by virtue of his/her official dealings with a supplier, accept on his/her own or family's behalf, any special facility, or discount on a private purchase or service, from such supplier;

- an employee should not retain any discount or rebate granted in connection with any expenditure of the local authority. Any such financial benefit is the property of the local authority and should be surrendered accordingly.

In all circumstances the advice at paragraph 5.2 must be taken into consideration by the employee.

6. Hospitality

6.1 In their official contacts with outside organisations or persons, every care must be taken by employees to ensure that any acceptance of hospitality does not influence them, and could not reasonably be seen to influence them, in discharging their functions. All offers of hospitality from commercial interests, which have had or might have contractual relations with the local authority, must be reported by the employee to his/her supervisor for direction.

6.2 It is accepted, however, that local government employees should not be in a position where they cannot accept what are regarded as normal courtesies in business and community relationships. No objection would normally be taken to the acceptance of what is regarded as routine or customary hospitality, the most obvious example being a business lunch; or attendance at a civic, cultural or festive event. (Local authorities may wish to issue guidelines in this regard in light of local circumstances.)

6.3 Employees should not accept offers of hospitality which go beyond the routine practices referred to at paragraph 6.2, except where acceptance of such an offer can be clearly shown to be in the interest of the local authority and has been approved by the manager.

6.4 Where hospitality has to be declined those making the offer should be courteously and firmly informed of the standards required by this Code.

7. Employees' business dealings with local authority

7.1 In the area of staff business dealings with local authorities the overriding principle is that no special favours should be shown to businesses with financial, family or other connections to employees. This should guide consideration of all such matters.

7.2 The following general rules should (subject to the discretion of the manager to authorise justifiable departures in special circumstances) apply for all employees:-

- employees who enter into or who have any involvement in any undertaking, or otherwise participate in any outside business affecting, or likely to affect, a contract with their local authority (including the purchase or sale of local authority property) should immediately inform the manager of their interest;

- employees should not accept a directorship (except as a nominee of the authority) in any company holding a contract with their local authority;

- employees should not negotiate or arbitrate in any matter affecting a contract with a local authority or the purchase from, or the sale of goods to a local authority where, in their private capacity, they are involved in the company or body concerned;

- employees who are involved in engaging or supervising contractors, consultants, or other service providers with whom they have a relationship in a private or personal capacity, should disclose that relationship to their supervisor.

7.3 The Act has specific requirements regarding declaration/ disclosure of contracts with a local authority and of directorship of companies for certain categories of employee, which must always be observed.

8. Personal dealings with local authority

Local authority employees may have dealings with their local authority on a personal level for instance as a tenant or an applicant for grant of planning permission, higher education grant, etc. While employees should, of course, enjoy the same rights in their personal dealings as any other person they should not seek preferential treatment.

9. Regard for council resources

All employees must:-

- show all reasonable care for local authority property, resources and funds and not use them, or permit their use, for unauthorised or non-official purposes;
- incur no liability on the part of their employer without proper authorisation;
- observe in full and at all times the rules governing the making of claims and of payments of any kind to them, whether of salary, overtime, allowances (including travel and subsistence) etc.

10. Attendance and outside employment

10.1 The public expect that local authority employees devote their full attention and energy to official duties during working hours. Employees are obliged to attend at work as required and not to absent themselves from duty without authorisation.

10.2 The Act (section 159) provides that an employee shall not engage in any gainful occupation, other than as an employee of the local authority, to such an extent as to impair the performance of his or her duties or in any occupation which might (a) conflict with the interests of the local authority or (b) be inconsistent with the discharge of his or her duties as a local authority employee. Section 159 also contains specific restrictions on professional staff engaging in private practice in the profession in which he or she is employed by the local authority or in any cognate profession. Neither should technical staff undertake private technical work. These provisions must be read in conjunction with paragraphs 3.1 to 3.3 of the Code.

10.3 Employees must not undertake a particular outside business, occupation or activity that could reasonably be regarded by a member of the public as weakening public confidence in local government. In cases of doubt the matter should be referred by an employee to his or her supervisor.

10.4 A local authority employee should not allow the prospect of employment outside the local government sector to create for him or her an actual or perceived conflict of interest. He or she should immediately disclose to his or her supervisor any offer of such employment. In the case of a County or City Manager, the Cathaoirleach should be informed.

10.5 An employee intending to accept an appointment that could give rise to a conflict of interest should inform the appropriate authority of such intention as outlined in paragraph 10.6. Also, employees to whom Part 15 of the Local Government Act, 2001 (Ethical Framework for the Local Government Service) applies shall not, within twelve months of resignation or retirement, accept an offer of employment or consultancy engagement where the nature and terms are such that the question of a conflict of interest could arise without obtaining the approval of the appropriate authority. The twelve month period applies to an employee to whom Part 15 applied at any time during the six month period immediately prior to retirement or resignation.

10.6 An employee referred to in paragraph 10.5 must inform the appropriate authority or make an application as follows:

An employee below Director of Services level should inform or apply, as appropriate, to the County or City Manager of the local authority in which he or she is serving.

An employee at or above Director of Services level (including County and City Managers) should apply to the Outside Appointments Board for the Local Government Sector.

10.7 Applications will be considered by the appropriate authority on the basis of determining whether or not a clear conflict of interest exists. Having regard to the circumstances of each case, consent to take up an appointment or accept an engagement may be given either unconditionally or with conditions attached.

10.8 Where a County or City Manager attaches conditions to taking up an appointment, the employee concerned may refer the decision to the Outside Appointments Board for the Local Government Sector for review.

10.9 The provisions of paragraphs 10.4 to 10.8 are not intended to place an unnecessary or unreasonable burden on local authority employees and it is expected that they will not affect the generality of employees wishing to take up employment outside the sector. Early disclosure and consultation in accordance with these paragraphs will help to avoid any perception of conflict of interest and will safeguard the integrity of the local government service and the individuals concerned.

Outside Appointments Board for the Local Government Sector

10.10 An Outside Appointments Board for the Local Government Sector established by the Minister for the Environment, Heritage and Local Government, will consist of the Secretary General of the Department of the Environment, Heritage and Local Government, a former County or City Manager and three other members who are not serving or former public servants, one of whom will act as Chairperson.

10.11 The Board will determine the procedures for dealing with applications referred to it and related matters.

10.12 The Chairperson of the Board shall report periodically to the Minister for the Environment, Heritage and Local Government on the performance of the Board and may from time to time, as he or she thinks fit, submit other reports on the Board's functions.

11. Satisfactory working relationships

11.1 Employees during the course of their day to day business engage with the public, their colleagues and councillors. Underlying these interactions are the principles of respect for others, equality and a duty to uphold and abide by the law and a responsibility to ensure a courteous, efficient and impartial service.

11.2 The Act provides that employees shall carry out such duties as are assigned to them from time to time in relation to their employment and such instructions as may be given in relation to the performance of such duties.

11.3 In providing service to the public employees should treat individuals equitably and with courtesy and without bias in an impartial fashion. They should deal with queries in an open and helpful way with due regard to the protection of confidential information, where appropriate. Local authorities need to bear in mind "The Ombudsman's Guide to Standards of Best Practice for Public Servants"[4] which clarifies citizens' rights and the principles of good administration, which include objectivity and impartiality and the need to avoid unfair discrimination. Members of the public enjoy a legal right of access to records under the Freedom of Information Acts and certain employees are given explicit responsibility in this connection.

11.4 Both employees and councillors have the common interest of serving the community. But their responsibilities are distinct. Councillors are responsible to the electorate for their elected term of office. Employees are responsible to the manager in carrying out their duties. Mutual respect and courtesy between employees and councillors is essential to good local government and should be maintained at all times. Also it is important that employees at all times act in a politically neutral way in performing their official duties and in their dealings with councillors.

11.5 Employees need also to show due respect for their colleagues at work and to engender a positive working atmosphere. There

4 Report can be accessed at www.ombudsman.gov.ie/pub.htm

are separate statutes/codes of practice dealing with equality, harassment etc which must be observed.

11.6 Certain local government employees are permitted by law to serve as councillors. A special responsibility therefore rests with them as employees to ensure that their roles do not become blurred, that, where appropriate, confidentiality is maintained and to avoid any perception that their elected role might be seen to influence the impartial discharge of their official duties as local authority employees.

12. Criminal convictions

12.1 An employee who is charged with or convicted of a criminal offence (or given the benefit of the Probation Act when so convicted) must report that fact to his/her Personnel Officer. In certain circumstances this could have implications for their official position. Such information will be treated in strict confidence and no record of it will be kept unless the information is considered relevant to the official position of the employee.

12.2 Employees who have been appointed by virtue of a specific professional qualification or licence (e.g. solicitor, accountant, driver) must immediately inform their Personnel Officer in writing of any change in status, withdrawal of or endorsement on such qualification or licence.

13. General

13.1 The code applies to all employees whether full-time or employed on an atypical basis (e.g. temporary, part time or fixed term contract etc.). It also applies where relevant, to employees on the different forms of leave.

13.2 Breaches of the Code may constitute a breach of the terms and conditions of employment and may result in disciplinary action.

13.3 In case of doubt on any matter it is always preferable for an employee to err on the side of caution by consulting with his/her supervisor. Where this Code requires disclosure by an employee to his/her supervisor, s/he should comply with such instructions as may be given in relation to the matter concerned.

13.4 Clearly the Code does not cover all aspects of the duties of employees and of employer/employee relationships. Rather it is intended to cover the central elements which might be expected by the public in a statutorily based code of ethical conduct.

13.5 Given the range and complexity of local government activity a code such as this cannot deal with all situations and eventualities which may arise. If other situations of potential conflict arise between personal and public interest or if instances of perceived questionable conduct arise, employees should aim to deal with them in accordance with the principles and intent of the Code. Employees should bear in mind that it is primarily their responsibility to ensure that their actions whether covered, specifically or otherwise, by this Code are governed by the ethical and other considerations implicit in it.

13.6 This Code does not prejudice specific statutory requirements, such as those set out in the Local Government Act 2001, applying to all or to specified categories of employees – and is additional to other public sector wide legislation such as the recently strengthened anti-corruption legislation.

13.7 Consultants who provide services to local authorities should abide by the principles of this Code in carrying out their role on behalf of the local authority. In particular they should avoid any conflict of interest and are subject to the disclosure requirements of the Act and this Code in relation to an interest which may arise in the course of their service to a local authority.

13.8 Employees should also have regard to any relevant advice as may be issued from time to time by the Minister for the Environment, Heritage and Local Government or by the Standards in Public Office Commission.