



**CODE OF CORPORATE GOVERNANCE**

**and**

**CODE OF PRACTICE FOR BOARD MEMBERS**

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# **HEALTH AND SAFETY AUTHORITY** **CODE OF CORPORATE GOVERNANCE**

## **INTRODUCTION**

The revised 'Code of Practice for the Governance of State Bodies' issued in 2009 requires the Authority to put in place a stated code of business conduct for both Board Members and employees. This Code of Practice sets out the role and responsibilities of Board Members of the Health and Safety Authority and provides guidelines on the standards expected of them. The Code applies when a person acts in a capacity as a Board Member of the Health and Safety Authority. This includes attendance at Board meetings, Board Committees, inquiries and any time representing the Board in a capacity as a Board Member of the Authority.

The objectives of this code are to

- Promote and maintain confidence and trust in the Health and Safety Authority
- Promote the highest legal, management and ethical standards in all activities of the Health and Safety Authority
- Promote compliance with the best current management practice in all activities of the Health and Safety Authority
- Set out the role of the Board
- Set out the relationship between the Authority, the Department and the Minister
- Establish an agreed set of ethical principles
- Prevent the development or acceptance of unethical practices

## **GENERAL PRINCIPLES**

The underlying principle is that Board Members will strive to perform their duties according to the highest ethical standards of integrity, loyalty, fairness, confidentiality, accountability and legality.

Authority members are appointed by the Minister to ensure that the Authority performs its functions and duties as set out in primary and secondary legislation and, in particular, as set out in the Safety, Health and Welfare at Work Acts 2005 and the regulations made thereunder. The duty of each Authority Member, when acting as Authority Member, is at all times to act bona fide in the furtherance of the performance by the Authority of its statutory functions and duties and solely in the interests of the Authority, to the exclusion of all extraneous considerations.

Where any provision of this code might require a Member to do something that would bring him/her or the Authority into conflict with the provisions of the 2005 Act, the provisions of the 2005 Act will take precedence.

## **VALUES**

The Health and Safety Authority and its Board must at all times:

- (a) Observe the highest standards of propriety, impartiality, integrity and objectivity in relation to the stewardship of public funds and the management of the

Authority;

- (b) Maximise value for money through ensuring that activities are delivered in an economical and efficient way, within available resources and with independent validation of performance achieved wherever practicable;
- (c) Be accountable to the Minister and Authority customers for the activities of the Authority, its stewardship of public funds and the extent to which key performance targets and objectives are achieved.
- (d) In accordance with Government policy on openness, comply fully with the principles of transparency and accountability

The Authority's Strategy identifies the following values as being key for the future delivery of our services:

- Commitment to customers
- Respecting our people
- Integrity
- Accountability
- Quality and Continuous Improvement
- Speed, Agility and Innovation

## **THE ROLE OF THE CHAIRPERSON**

- The Chairperson is appointed by the Minister for Labour Affairs
- The fees paid to the Chairperson and Board Members will be at the rates authorised by the Minister.
- The Chairperson is responsible on behalf of the Board to the Minister for ensuring that the Authority's policies, having due regard to its statutory remit, and with those of the Minister are compatible with probity in the conduct of the Authority's affairs.
- The Chairperson has a particular responsibility for providing leadership in the following matters:
  - (a) Facilitating the formulation of the Board's strategy for discharging its statutory duties;
  - (b) Encouraging high standards of propriety and promoting the efficient and effective use of resources throughout the Authority. The Chairperson must ensure that the Board, in reaching decisions, takes account of guidance which may be provided by the Minister *or his/her officials*
- The Chairperson should ensure that the Board meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and, where appropriate, the views of individual Board Members.

- The Chairperson should ensure that the collective responsibility and authority of the Board should be safeguarded, that all Board Members are afforded the opportunity to fully contribute to Board deliberations and that excessive influence on Board decision-making by one or more individual Members is guarded against.
- Communications on behalf of the Board with the relevant Minister will normally be through the Chairperson or in his/her absence the Vice Chairperson except where the Board has agreed that an individual Member or Members should act on its behalf. The main point of contact between Authority and the Department on day-to-day matters will normally be the Chief Executive or Assistant Chief Executive or another member of staff who is authorised to act on behalf of the Authority.
- The Chairperson should ensure that all Members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and responsibilities. The Chairperson and other Members of the Board should each have a copy of this Code of Practice and other relevant background material (Appendix 1). Induction training and other skills training will be made available to the Board Members. They are encouraged to avail of such training to assist them in the execution of their role.
- Where the Chairperson is of the view that specific skills are required on the Board, he/she should advise the relevant Minister of this view for his/her consideration sufficiently in advance of a time when board vacancies are due to arise in order that the Minister may take the Chairperson's views into consideration when making appointments.
- The Chairperson is responsible for authorisation of the Chief Executive's expenses, travel, leave and matters concerning direction and interpretation of Board policy.

## **THE BOARD AND THE RESPONSIBILITIES OF BOARD MEMBERS**

- Board Members are appointed by the Minister for Labour Affairs.
- The Board is collectively responsible for promoting the success of the Authority by leading and directing the Authority's activities. It should provide strategic guidance to the Authority and monitor the activities and effectiveness of management. Board Members should act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Authority, subject to the objectives set by Government.
- The Board is responsible for compliance with all statutory obligations applicable to the Authority that may be set out in the legislation governing the establishment of the Authority or in other relevant legislation. The Board should satisfy itself that all such obligations are identified and made known to it.
- The Board should ensure that decisions on major items of expenditure should be aligned with medium to long term strategies so as to ensure that such expenditure is focused on clearly defined objectives and outcomes. A performance measurement

system should be put in place to assess the effectiveness/outcome of such expenditure and this should be reported to the Board.

- Other important responsibilities of the Board include:
  - (a) Ensuring that high standards of corporate governance are observed at all times;
  - (b) Determining and establishing the strategic direction of the Authority within the policy agreed by the Board and having regard to resources agreed with the Minister;
  - (c) Overseeing the delivery of planned results by monitoring performance against agreed strategic and other objectives and targets;
  - (d) Ensuring that the Authority operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds;
  - (e) Ensuring that, in reaching decisions, the Board takes account of any guidance issued by the Department;
  - (f) Establishing such committees as it considers appropriate to conduct its business;
  - (g) Appointing, with the Minister's approval, a Chief Executive to the Authority;
  - (h) Ensuring that the Board operates sound health and safety and environmental policies and practices;
  - (i) Confirming annually to the Minister that the Authority has a system of internal financial control in place;
  - (j) Ensuring that a balanced, true and understandable assessment of the Authority's position is made when preparing the annual report and accounts of the Authority and when submitting these to the Minister;
  - (k) Establishing procedures for maintaining an appropriate relationship with the external auditors;
  - (l) Establishing procedures whereby employees of the Authority may, in confidence, raise concern about possible irregularities in financial reporting or other matters and for ensuring meaningful follow-up.
  
- The Board should ensure that a balanced and understandable assessment of the Authority's position is made in presenting their annual report and accounts to the relevant Minister.
- The Board Members must state in the annual report their responsibilities for the accounts. There should also be a statement by the external auditors about their reporting responsibilities.
- The Board Members must review annually the effectiveness of the Authority's system of internal controls, including financial, operational and compliance controls and risk management.
- The Board should be supplied in a timely fashion by the Secretary with information, which is of a suitable quality to enable Board Members to satisfactorily discharge their duties.

- The Board has a responsibility to establish procedures for maintaining appropriate communications with the external auditors.
- The Board is a source of advice to the Minister on major issues of strategy and policy in respect of health and safety at work and its views will be sought before proposals on such issues are put to the Minister.
- The Board acts as the main channel of communications with health and safety interest groupings in Ireland to ensure the continuing relevance of the Authority's strategy and policies to the needs of those groupings.
- The collective responsibility and authority of the Board should be safeguarded. Board decision-making should allow all Board Members the opportunity to fully contribute to Board deliberations.
- Deciding a formal schedule of matters indicative of those matters specifically reserved to it for decision to ensure that the direction and control of the Authority is firmly in its hands (some of these matters may require Ministerial approval). Matters reserved for decision by the Board include:
  - Setting the appropriate strategic direction of the Authority;
  - Ensure the Management team consistently adhere to strategic and other annual business plans on an ongoing basis;
  - Determining organisation policy including in relation to overall approach to enforcement, prevention and the review of legislative matters, codes of practice and guidance;
  - Establishing subsidiaries, services and memoranda of understanding with other agencies;
  - The Authority's media and public profile;
  - Significant acquisitions, disposals and retirement of assets of the Authority or its subsidiaries. The schedule should specify clear quantitative thresholds for contracts above which their approval is required;
  - Major investments and capital projects, delegated authority levels, treasury policy and risk management policies;
  - Approval of terms of major contracts whose value exceeds €100,000;
  - compliance with statutory and administrative requirements in relation to the approval of the number, grading, and conditions of appointment of all staff;
  - Approval of annual budgets and corporate plans;
  - Production of annual reports and accounts;
  - Appointment, remuneration and assessment of performance of Chief Executive and succession planning; and
  - Significant amendments to pension benefits of Chief Executive and staff (which may require Ministerial approval).

- The schedule of reserved functions approved at Board Meeting No. 195 on 15 May 2009

- Board Members are expected not to occupy paid party political posts or hold particularly sensitive or high profile unpaid roles in a political party. Subject to that, part-time Members are free to engage in political activities, provided that they are conscious of their general public responsibilities and exercise proper discretion, particularly in regard to the work of the Authority. On matters directly affecting that work, they should not make political speeches or engage in other political activities.
- Board Member communication in relation to the work of the Authority, or concerning Board matters between Board Members and the Executive should normally be through the Board Secretary, the Chief Executive or the relevant Assistant Chief Executive except in the context of organised meetings such as Board and Board Sub-Committees, Advisory Committees, Consultative Groups and Task Forces.
- The Board should also, in a manner most effective to the Authority, deal with the issue of post resignation/retirement employment, appointment and/or consultancy of its Directors and employees by the private sector and should ensure that any procedures that it may have put in place in this regard are monitored and enforced.

## **BOARD DECISION-MAKING**

The quorum for a meeting of the Authority shall be 6 or such greater number of Members as the Authority may from time to time determine<sup>i</sup>.

At a meeting of the Authority—

- (a) the chairperson shall, if present, be the chairperson of the meeting, or
- (b) if and so long as the chairperson is not present or if the office of chairperson is vacant, the deputy chairperson of the Authority shall be chairperson of the meeting, or
- (c) if and so long as the chairperson is not present or if the office of chairperson is vacant or the deputy chairperson is not present or the office of deputy chairperson is vacant, the Members who are present shall choose one of their number to be chairperson of the meeting.

Every question that is to be decided at a meeting of the Authority shall be determined by a majority of the votes of the Members present and voting on the question and, in the case of an equal division of votes, the chairperson of the meeting shall have a second or casting vote.

Where, exceptionally, a board decision is required between scheduled Board meetings and it will not be possible to obtain a quorum at a supplementary Board meeting, the Chairperson may, for the purpose of ensuring a quorum, hold the meeting using videoconferencing or teleconferencing technology.

## **RESPONSIBILITIES OF INDIVIDUAL BOARD MEMBERS**

Board Members should bring an independent judgement to bear on issues of strategy, performance, resources, key appointments, and standards of conduct.

Individual Board Members should be aware of their wider responsibilities as Members of the Board.

Board Members must:

- (a) Undertake, on appointment, to comply at all times with this Code of Practice and with rules relating to the use of public funds; e.g. T&S, procurement
- (b) Act in good faith and in the best interests of the Authority;
- (c) Not misuse information gained in the course of their public service or the resources of the Authority for:
  - Personal gain;
  - For party political purposes;
  - To promote their private interests or those of connected persons, firms, businesses, or nominating organisations including for or in respect of commercial gain;
- (b) Ensure their compliance with the Authority's rules on the acceptance of gifts and hospitality;
- (c) Use their reasonable endeavours to attend all Board and committee meetings;
- (d) Acknowledge the duty of all to conform to the highest standards of ethics;
- (e) Acknowledge the responsibility to be loyal to the Authority and fully committed in all its activities while mindful of the interests of the Minister and Government.

Where individual Board Members become aware of non-compliance with any provisions of this code they should bring this to the attention of the Board.

Board Members should:

- State in the annual report that they are responsible for preparing the accounts. There should also be a statement by the external auditors about their reporting responsibilities;
- Ensure that the Chairperson keeps the relevant Minister advised of matters arising in respect of the Authority;
- Immediately bring non-compliance with any statutory obligations that apply to the Authority to the attention of fellow Board Members with a view to having the matter rectified. The matter should also be brought to the attention of the relevant Minister by the Chairperson indicating:
  - (i) the consequences of such non-compliance;and
  - (ii) the steps that have been or will be taken to rectify the position.

## **REPRESENTATIONS BY BOARD MEMBERS**

The duty of each Authority Member, when acting as Authority Member, is at all times to act bona fide in the furtherance of the performance by the Authority of its statutory functions and duties and solely in the interests of the Authority, to the exclusion of all other considerations.

Where a Board Member wishes to make representations to the Authority on behalf of an organisation or themselves such representations should be made directly to the Board. (See also the section Conflict of Interests below)

Nothing in this provision will restrict the right of individuals also representing representative organisations such as those representing organisations of employers or trade unions of employees from making direct representations in their separate capacity and in so doing having consulted their members in such respect.

## **CONFLICT OF INTERESTS**

The duty of each Board Member is to act solely in the interests of the Authority. A conflict of interest exists in any situation where the personal or other interest of a Board Member or a connected party or organisation might in any way affect the discharge by a Board Member of his/her duties or his/her deliberations in a situation where a Board Member or a connected party or organisation could benefit. It makes no difference that the Authority does not suffer by the conflict of interest. A Board Member or his/her relatives, friends, associates or associated organisations must not under any circumstances obtain any such benefit’.

In addition to the requirements under the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001 the following procedures should be observed:

- i) On appointment, each Board Member should furnish to the Secretary details relating to his/her employment and all other business or professional interests including shareholdings, board memberships, professional relationships etc., that could involve a conflict of interest or could materially influence the Member in relation to the performance of his/her functions as a Member of the Board.
- ii) Any interests of a Member’s family of which he/she could be expected to be reasonably aware or a person or Authority connected with the Member which could involve a conflict of interest or could materially influence the Member in the performance of his/her functions should also be disclosed. For this purpose, persons and bodies connected with a Member should include:
  - (a) a spouse, parent, brother, sister, child or step-child;
  - (b) a body corporate with which the Member is associated;
  - (c) a person acting as the trustee of any trust, the beneficiaries of which include the Member or the persons at (a) above or the Authority corporate at (b) above; and
  - (d) a person acting as a partner of the Member or of any person or body who, by virtue of (a) - (c) above, is connected with the Member.

Similarly, each Member should furnish to the Secretary details of business interests on the lines above of which he/she becomes aware during the course of his/her board membership.

- iii) Where it is relevant to any matter which arises for the Authority, the Member should be required to indicate to the Secretary the employment and any other business interests of all persons connected with him/her, as defined at (i) and (ii).
- iv) The Board may exercise discretion regarding the disclosure by members of minor shareholdings. As a general guideline, shareholdings valued at more than €15,000 or of more than 5 per cent of the issued capital of a company should be disclosed.
- v) If a Member has a doubt as to whether this Code requires the declaration of an interest of his/her own or of a connected person, that Member should consult the Chairperson.
- vi) Details of interests disclosed should be kept by the Secretary to the Board in a special confidential register and should be updated on an annual basis. Changes in the interim should be notified to the Secretary as soon as possible by Members. Only the Chairperson, Secretary and Chief Executive of the Authority should have access to the register.
- vii) Where a matter relating to the interests of the Chairperson arises, he/she should depute the Deputy Chairperson or another Board Member to chair the Board meeting and should absent himself/herself when the Board is deliberating or deciding on a matter in which the Chairperson or a person or Authority connected with the Chairperson has an interest.
- viii) Board or Authority documents on any deliberations regarding interests should not be made available to the Member concerned prior to a decision being taken. (Such documents should be taken to include those relating to cases involving competitors to this Board Member to the above interests). Decisions once taken should be notified to the Member.
- ix) As it is recognised that the interests of a Board Member and persons connected with him/her can change at short notice, a Board Member should, in cases where he/she receives documents relating to his/her interests or of those connected with him/her, return the documents to the Secretary at the earliest opportunity.
- x) A Board Member should absent himself/herself when the Board is deliberating or deciding on matters in which that Member (other than in his/her capacity as a Member of the Board) or a person or Authority connected with the Member has an interest. In such cases a separate record (to which the Board Member would not have access) should be maintained.
- xi) Where a question arises as to whether or not a case relates to the interests of a Board Member or a person or Authority connected with that Board Member, the Chairperson of the Board should determine the question.
- xii) Former Board Members should treat commercial or sensitive information received while acting in that capacity as confidential.
- xiii) Board Members should not retain documentation obtained during their terms as Board Member and should return such documentation to the Secretary or otherwise indicate to the Secretary that all such documentation in their possession has been disposed of in an

appropriate manner. In the event that former Board Members require access to Board papers from the time of their term on the Board, this can be facilitated by the Board Secretary.

xiv) The procedures set out above should also be adopted in any subsidiaries.

## **RELATIONS WITH THE MINISTER AND DEPARTMENT**

The Report of the Task Force on the Public Service, published in November, 2008 on foot of the OECD review, recommended that a Performance Framework be developed through dialogue between Departments and the Authority under their auspices.

Such a framework provides an opportunity to:

- define the expectations that Government and Minister have of the Authority and the Authority's own expectations;
- clarify the Authority's role in the policy sector;
- and
- define the parameters surrounding the Authority's resources/income.

The Authority will actively work to agree a performance framework with the Department and Minister.

A Performance Framework should allow for the adoption of both annual and multi-annual targets, and the development of output and outcome indicators based on clear outputs including milestones to measure their delivery.

Annual Output Statements will be produced by the Authority in line with the performance framework.

The development and use of Service Level Agreements will form part of the performance management framework of the Authority.

## **BRIEFING OF NEW BOARD MEMBERS**

Board Members of State Bodies have duties under various statutes and it is the responsibility of each Board Member to act in conformity with the applicable provisions of those Acts. On appointment of new Members to the Board of the Authority, the Secretary of the Authority should provide them with the information set out in Appendix 1.

## **SUPPORT FOR BOARD MEMBERS**

The Board should be supplied with timely information which is of a suitable quality to enable Board Members to satisfactorily discharge their duties.

All Board Members have access to the advice and services of the Secretary of the Board who is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

The Secretary of the Board, who is normally a nominated staff member of the Authority, is appointed by the Board.

Where the Board feels that professional or legal advice is necessary it may request the Secretary of the Board to obtain such advice.

Board Members, in the furtherance of their duties, may take independent professional advice, if necessary, at the reasonable expense of the Authority. Where independent professional advice is sought, the Board Member shall inform the Chairperson in advance of the nature of the advice sought and the estimated costs involved.

The Board shall attempt to address the concerns of a Board Member but where this can not be achieved the Board Member may request that those concerns be recorded in relevant Board minutes.

## **STRATEGIC PLANNING AND CONTROL**

The preparation and adoption of a strategy statement is a primary responsibility of the Board. The plan should set appropriate objectives and goals and identify relevant indicators and targets against which performance can be clearly measured. The 2005 Act requires that the strategy statement should cover a three year period and be submitted to the Minister for approval.

Implementation of the strategy by the Executive should be supported through an annual work programme and budget which is approved by the Board and submitted to the Minister for his or her approval.

The performance of the Authority by reference to the programme of work and budget should be evaluated on an annual basis and reflected, as appropriate, in the annual report.

While final responsibility for the content of the strategy and work programme rests with the Board, the views of the Minister and consideration of the public interest should be carefully weighed by the Board.

## **DELEGATION**

Responsibility for day-to-day management matters is delegated to the Chief Executive and staff so far as is practicable, within a clearly understood framework of strategic control. However, policy determination is reserved for decision by the Board and covers such areas as corporate strategy, key strategic objectives and targets, major financial and other resource allocations, the appointment of the Chief Executive and standards of conduct.

The Board may delegate, where it has the power to do so, responsibility for specified matters to individual Board Members or Committees of the Board. Decisions taken by individual Board Members or Committees of the Board under delegated powers should be recorded in written minutes available to the Board as a whole.

## **APPOINTMENTS, RE-APPOINTMENTS AND APPRAISAL**

The Board Members of the Authority are appointed by the Minister for Labour Affairs in a part-time capacity and shall hold office for three years on such terms as the Minister determines with the consent of the Minister of Finance.

A member whose term of office expires shall be eligible for reappointment . A member shall not be eligible for reappointment where he or she has served two terms of office.

The Minister may remove a Board Member of the Authority from office in accordance with the provisions of the 2005 Act.

A Board Member may at any time resign his/her office by written notice given to the Minister.

Where a Member of the Authority is:

- a) Nominated as a member of Seanad Eireann;  
or
- b) Elected as a member of either House of the Oireachtas or of the European Parliament;  
or
- c) Regarded pursuant to Section 15(inserted by the European Assembly Elections Act, 1984) of the European Assembly Act, 1977, as having been elected to such Parliament to fill a vacancy;

He shall thereupon cease to be a Member of the Authority.

The Board should constantly review its own operation and seek to identify ways of improving its effectiveness. This will include the identification of gaps in competencies and ways these could be addressed.

The Board should on an annual basis keep under review its own performance and that of its committees and individual directors. Generally the Chairperson should undertake the appraisal of members on an annual basis and before the reappointment of Board Members. The attendances of each Board Member at Board meetings should be reported in the Annual Report.

## **CODE OF CONDUCT**

The Authority has written Codes of Business Conduct for its Board Members and employees. The Code was prepared via a participative approach and approved by the Board and is available on the Authority web-site.

Up-to-date codes of business conduct are available upon request through the Authority's website. A hard copy is circulated to all Board Members, management and employees for their retention.

The Code contains a description of nature, intent and scope of application of the Code and a statement of the guiding principles and obligations.

The Code refers to the need for Board Members and staff to comply with the requirements of relevant legislative and regulatory requirements. It identifies the relevant provisions regarding conduct/conflicts of interest in the governing legislation of the Authority.

The Code sets out procedures for addressing conflict of interest.

The Code makes clear that certain obligations to the Authority regarding, in particular, the non-disclosure of privileged or confidential information do not cease when Board membership or employment in the Authority has ended. The acceptance of further employment where the potential for conflict of interest arises should be avoided during a reasonable period of time after the exercise of a function in the Authority has ceased.

Each Member of the Board of the Authority and each person holding a Designated Position of employment with the Authority must ensure his/her compliance with relevant provisions of the Ethics in Public Office Act, 1995 and the Standards in Public Office Act, 2001.

## **REMUNERATION AND FEES**

The Chairperson and Board are required to implement Government policy in relation to the total remuneration of the Chief Executive. Arrangements put in place by the Department or the Department of Finance for determining and approving the remuneration of the Chief Executive must also be implemented and adhered to.

The Chairperson and Boards are required to implement Government pay policy as expressed from time to time, in relation to other staff including, as appropriate, the Chief Executive or equivalent, as relevant.

The Department should be consulted in good time on any pay proposals or likely developments which could have significant implications for:

- general Government pay policy;
- the Authority's finances;
- charges for goods or services provided and/or;
- other areas of the public sector.

Compliance with Government pay policy or with any particular Government decision should not be effected in ways which cut across public service standards or integrity or conduct or involve unacceptable practices which result in a loss of tax revenue to the Exchequer.

Guidelines on the appointments of Chief Executive Officers of noncommercial State Bodies (including a standard employment contract template) are available from the Department.

The following requirements are based on the guidelines covering the payment of fees to the Chairpersons and Board Members/Members of the Authority which were issued by the Minister for Finance in July 1992 and which should continue to be observed:

- i. The Board will ensure that the fees paid to Chairpersons and Members will be at the rates authorised by the relevant Minister.

- ii. In general, the fees paid to a Chairperson, Director or Board Member of a State Authority is exempt from the deduction of PRSI. Such persons are deemed to be Office Holders, provided the Authority was created by an Act of the Oireachtas or by a statutory regulation and provided the holder of the office may be removed if the instrument creating the office authorises it.
- iii. PAYE must also be deducted from all fees paid to Members of the Boards of State Bodies.
- iv. The fees paid to the Chairpersons or Members of any subsidiary or associated Authority will not exceed the rates applying to the Chairperson or Members, respectively, of the main Authority and will, as a general rule, be significantly less.
- v. Only one fee will be payable to a person in respect of:
  - (a) service on the main Board of the Authority and Boards of subsidiary or associated bodies;
  - or
  - (b) service on subsidiary or associated Boards only.
- vi. The Board will adhere strictly to the arrangements recommended by the Review Authority on Higher Remuneration in relation to the retention/surrender by the Chief Executive of fees for Board Memberships payable to him/her – the arrangements would, for instance, allow the Chief Executive to retain the fee in respect of Membership of his/her own main Board, prohibit retention of any fees paid in respect of subsidiary or associate bodies and, subject to Board approval, allow retention of not more than two fees in respect of other Board Memberships.
- vii. A staff member, other than the Chief Executive, who becomes a Member of the Board of a subsidiary or associated Authority shall be regarded as holding that position *ex-officio* and shall not, therefore, receive any additional remuneration in respect of it.
- viii. An executive other than the Chief Executive will, subject to Board approval, be allowed to hold Membership of the Boards of bodies which are not subsidiary to or associated with the main Authority and to retain not more than two fees in respect of such Membership.
- ix. As part of the reporting arrangement put in place under the Code of Practice for the Governance of State Bodies, the Chairperson of the main Board will each year submit a report affirming that the above guidelines are being complied with.

## **DISCLOSURE OF INFORMATION AND CONFIDENTIALITY**

The Board supports the general principle of providing information on its activities in a way that encourages a spirit of accountability to its stakeholders, clients and to the general public and the principles enshrined in the Freedom of Information and the Data Protection Acts. However, Board Members will not disclose, either during or after the term of office, any information that is commercially or operationally sensitive, confidential or personal.

Board Members should not release minutes, papers or other documents to any person, including their nominating organisation, unless as part of an agreed consultative process.

The Board and staff of the Authority commit not to acquire information by improper means.

## **GIFTS AND PREFERENTIAL TREATMENT**

Board Members undertake not to give or receive corporate gifts, hospitality, preferential treatment or other benefits that might affect, or could reasonably appear to affect, the ability of the Member to make independent judgements on transactions involving the Health and Safety Authority.

Where a benefit has been received in the course of the Member's own business that could reasonably appear to affect the Member's judgement in relation to Health and Safety Authority matters, the details should be declared in the normal fashion.

## **OPENNESS AND RESPONSIVENESS**

Board Members and staff should conduct all their dealings with the public in an open and responsive way and ensure full compliance all relevant statutory provisions (e.g. data protection legislation, the Freedom of Information Act, 1997). Whenever possible, the Authority will make provision for access to records of its decisions and will where appropriate publicise the arrangements made.

The Authority and Board Members will support the provision of access to general information relating to the body's activities in a way that is open and enhances its accountability to the general public.

The Authority will ensure that it can demonstrate that it is using resources to good effect, with propriety and without grounds for criticism that public funds are being used for private, partisan or party political purposes.

Board Members will act consistently with the nature of the Authority's business and respect the confidentiality in relation to sensitive information including:

- Information relating to specific enforcement actions or investigations;
- Commercially sensitive information (including, but not limited to, future plans or details of major organisational or other changes such as restructuring)
- Personal information;
- Information given in confidence to the Authority;

always subject to the rights of the Dail and the Comptroller and Auditor General to obtain information.

It is an offence for staff or Board members to disclose confidential information unless otherwise provided for by law or unless duly authorised by the Authority.

The Authority will observe appropriate prior consultation procedures with third parties where, exceptionally, it is proposed to release sensitive information in the public interest.

Internal procedures for dealing with complaints are in place, including those on failure to provide information.

## **PERSONAL LIABILITY OF BOARD MEMBERS**

Although any legal proceedings are unlikely to be brought against the Board, in exceptional

cases proceedings may be brought against the Chairperson or other Board Member. For example, a Board Member may be personally liable if he or she makes a fraudulent or negligent statement, which results in loss to a third party. Board Members who misuse information gained by virtue of their position may be liable for breach of confidence under common law or may commit a criminal offence under insider dealing legislation.

Board Members who require independent professional advice in relation to issues such as conflict of interest or ethics should approach the Secretary who may arrange for such advice to be provided at the reasonable expense of the Authority.

## **ACCOUNTABILITY FOR PUBLIC FUNDS**

Board Members have a duty to ensure the safeguarding of public funds - including all forms of receipts from fees, charges and other sources - and the proper custody of assets, which have been publicly funded. They must take appropriate measures to ensure that the Authority at all times conducts its operations as economically, efficiently and effectively as possible, with full regard to the relevant statutory provisions.

Board Members are responsible for ensuring that the Authority does not exceed its powers or functions, whether defined in statute or otherwise, or through any limitations on its authority to incur expenditure.

## **REPORTS AND ACCOUNTS**

- The Authority will prepare an annual report and accounts and submit it to the Minister as set out in Sections 48 and 51 of the 2005 Act.
- The Annual Report and Accounts will be laid by the Department before the Dail
- The Annual Report and Accounts will provide information on the performance of the Authority's functions, having regard to the strategy statement and work programme.

Board Members should ensure that the Authority's accounts and reports accurately reflect the financial outcome and are not misleading or designed to be misleading;

The annual report will list the names of the Members of the Board and senior staff and will report on the attendances of each Board Member at Board meetings.

- As part of the Chairperson's annual report to the relevant Minister, the Chairperson should affirm that the guidelines are being complied with in respect of such appointees who serve on the main Board and any subsidiaries of State bodies. The Chairperson's annual report should also include a schedule of the fees and aggregate expenses paid to each of the Board Members and the salary of the CEO.
- the Chairperson of the Board will each year submit a report affirming that the above guidelines in relation to fees and remuneration are being complied with.

Draft unaudited annual accounts will be furnished to the Department of Enterprise, Trade and Employment and to the Department of Finance not later than two months after the end of the relevant financial year.

The Chairperson's statement in the report to the relevant Minister regarding the system of internal financial control is included in the annual report of the State body. This statement should be reviewed by the external auditors to confirm that it reflects the Authority's compliance with the requirements of paragraph 13.1 of the Code of Corporate Governance and

is consistent with the information of which they are aware from their audit work on the financial statements. The external auditors should report their findings accordingly.

Where the audit has been unavoidably delayed and fulfilling the requirements in paragraphs 12.1 (ii) and (iii) would cause unjustifiable difficulties for State bodies, the relevant deadline can be extended, as an exceptional measure, subject to the consent of the relevant Minister.

The Authority's annual reports are published on the web-site and are normally only available in electronic form to reduce costs.

The Chairperson must furnish to the relevant Minister in conjunction with the annual report and accounts of the body, a comprehensive report:

- i) outlining all commercially significant developments affecting the body in the preceding year, including the establishment of subsidiaries or joint ventures and share acquisitions, and major issues likely to arise in the short to medium term;
- ii) affirming that all appropriate procedures for financial reporting, internal audit, travel, procurement and asset disposals are being carried out;
- iii) including a statement on the system of internal financial control in the format set out in Appendix 5 and including, in cases where a breach of this system has been identified, an outline of the steps that will be taken to guard against such a breach occurring in future;
- iv) affirming that Codes of Business Conduct for Board Members and Employees have been put in place and adhered to;
- v) affirming that Government policy on the pay of Chief Executives and all State body employees is being complied with;
- vi) affirming that Government guidelines on the payment of Board Members' fees are being complied with;
- vii) explaining failure to comply with any of the above and stating any corrective action taken or contemplated;
- viii) outlining significant post balance sheet events;
- ix) confirming that the Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector are being complied with;
- x) certifying that Government travel policy requirements are being complied with in all respects;
- (xi) affirming adherence to the relevant procurement policy and procedures and the development and implementation of the Corporate Procurement Plan;
- (xii) affirm that the asset disposal procedures have been complied with;
- (xiii) confirming compliance with the Authority's obligations under tax laws; and
- (xiv) confirming that this Code of Practice has been adopted and the extent to which it is being complied with subject to Board approval.
- (xv) in the interests of transparency and good governance, the authority will publish in the Annual Report details of fees paid to each of their directors, the expenses paid to the Board, broken-down by category, and the salary of the Chief Executive Officer.

Along with the unaudited six-monthly accounts, the Chairperson should also provide an interim report to the relevant Minister on significant commercially sensitive developments in the preceding six months and likely developments for the rest of the year.

The Chairpersons of any subsidiary should formally report to the main Board in a similar manner as the main Board Chairperson reports to the relevant Minister. This report should be received prior to the main Board reporting.

## **THE ROLE OF THE CHIEF EXECUTIVE**

The Chief Executive shall be appointed, and may be removed from office in accordance with the terms and conditions of his or her appointment by the Authority and with the consent of the Minister.

The Chief Executive shall perform his or her functions subject to such policies as may be determined from time to time by the Authority and shall be accountable to the Authority for the efficient and effective management of the Authority and for the due performance of his or her functions. He or she may delegate certain functions but in so doing the employee concerned is responsible to him or her and the CEO is at all times accountable to the Authority for such delegated functions.

The Chief Executive shall hold office on and subject to such terms and conditions (including terms and conditions relating to remuneration and superannuation) as may be determined by the Authority with the consent of the Minister and the Minister of Finance.

The Chief Executive shall be paid by the Authority out of moneys at its disposal such remuneration and such allowances for expenses incurred by him as the Authority, with the consent of the Minister and the Minister for Finance, may determine.

The CEO may not hold any other office except with the consent of the Authority.

More detailed information on the duties of the Chief Executive are laid out in Appendix 6.

## **RISK MANAGEMENT, ACCOUNTABILITY, INTERNAL CONTROL AND INTERNAL AUDIT**

In undertaking its public service role, the Authority faces a wide range of strategic, operational and financial risks, from both internal and external factors, which may prevent it from achieving its objectives. Risk management is a planned and systematic approach to identifying, evaluating and responding to these risks and providing assurances that responses are effective.

### **Risk Management**

*An effective risk management system identifies and assesses risk, decides on appropriate responses and then provides assurance that the chosen responses are effective.*

The Authority will develop a Risk Management Policy and the Board should approve the risk management framework and monitor its effectiveness. The Board should review material risk incidents and note or approve management's actions, as appropriate.

Key elements of the Board's oversight of risk management include:

- making risk management a standing meeting agenda item;
- including it in the charter of the Audit Committee;

- include risk management experience/expertise in the competencies of at least one Member. Where composition of the Board does not allow for this, expert advice should be sought;
- The Assistant Chief Executive, Corporate Services, will assume the overall responsibility of Chief Risk Officer who will periodically report to the Board
- Approval of the Risk Management Policy, Authority's risk appetite, and approve the risk management business plan and risk register at least annually;
- review management reporting on risk management and note/approve actions as appropriate;
- external review of effectiveness of risk management framework on a periodic basis.

### **Accountability**

The Department and the Authority will set out in writing the respective roles of its Accounting Officer and the Chief Executive.

The Chief Executive performs some of the functions of an accounting officer in that the CEO shall appear before the Committee of Public Accounts or other Oireachtas committees when requested.

### **Audit Committee**

The Board should have formal and transparent arrangements for both internal and external audit and for maintaining an appropriate relationship with the State Authority's auditors.

The Board is responsible for the Authority's system of internal control and should review annually the effectiveness of the Authority's system of internal controls, including financial, operational and compliance controls and risk management.

The Authority has engaged appropriate external expertise to perform the internal audit function.

The Board has established an Audit Committee of at least three Board Members with written terms of reference which deal clearly with its authority and duties. The terms of reference should be reviewed at least every three years.

The Board should satisfy itself that at least one Member of the Audit Committee has recent and relevant financial experience.

The Audit Committee monitors and reviews the effectiveness of the Authority's internal audit activities and meets at least four times a year.

The Board Audit Committee has authority to investigate any matters within its terms of reference; the resources which it needs to do so and full access to information. The Board Audit Committee may obtain outside professional advice and, if necessary, invite outsiders with relevant experience to attend meetings.

Any internal audit/audit items that relate to the Board's areas of responsibilities are communicated to the Board as soon as they are identified.

The Board Audit Committee should have a discussion with the external auditors at least once a year, without other Members of the Board or employees of the Authority present, to ensure that there are no unresolved issues of concern.

### **Internal Audit Function**

The operation of the internal audit function should follow the principles below:

- i) the internal audit function has a formal charter and terms of reference, which has been approved by the Board (an outline of the charter is set out in Appendix 2);
- ii) the content of all internal audit reports is entirely at the discretion of the internal auditor who reports directly to the Board Audit Committee and has access to the Chairperson of the Board and the Chairperson of the Board Audit Committee. Internal audit in the Authority is carried out by an independent contractor chosen by the audit committee. Functionally, the internal auditor reports to the Assistant Chief Executive Corporate Services and to the Chief Executive;
- i) in carrying out its ongoing work the internal auditor should include detailed testing on all specific areas covered by the charter in order to ensure that the Authority is fully complying with all requirements and report its findings to the Board Audit Committee;
- ii) the internal auditor should be properly resourced with the necessary skills including the ability to deal with non-financial aspects;
- iii) the internal auditor should liaise frequently with the external auditors so that the potential for co-operation between the two is maximised. The work carried out by these two entities can frequently be complementary and effectiveness can be increased through regular consultation. (For example, the external auditors could offer guidance on particular areas which the internal audit function might be reviewing. Conversely the internal audit function could provide the external auditor with company specific expertise to assist in the evaluation of the systems being examined as part of the statutory audit);
- iv) The Audit Committee should make the external auditors aware of the corporate governance issues outlined in this Code of Practice with which the Authority is required to comply. The Board Audit Committee should periodically consult with the external auditors regarding the operation of the internal audit function with particular reference to the staffing of the function, the audit work programmes being applied and the testing carried out in relation to the Authority's compliance with the requirements set out in this document;
- v) in planning, executing and reporting its work, the internal audit function should ensure that value-for-money auditing receives adequate attention; and
- vi) the internal audit function in the Authority should review compliance with procurement and disposal procedures as required by the Board Audit Committee, from time to time, and report to the Board Audit Committee.

The Authority's charter for the internal audit function is set out in Appendix 2

## **PROCUREMENT**

It is the responsibility of the Board to satisfy itself that the requirements for public procurement are adhered to and to be fully conversant with the current value thresholds for the application of EU and national procurement rules.

Competitive tendering is the standard procedure in the procurement process of the Authority. Management, and ultimately the Board, should ensure that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with procurement policy and guidelines.

The audit committee has responsibility for oversight of the Authority's procurement process.

In this regard, EU Directives and national regulations impose legal obligations on public bodies in regard to advertising and the use of objective tendering procedures for awarding contracts above certain value thresholds. Even in the case of procurement which might not be subject to the full scope of EU Directives, such as certain 'non-priority' services or service concessions, the EU Commission and European Court of Justice have ruled that EU Treaty principles must be observed.

The essential Treaty principles include non-discrimination, equal treatment, transparency, mutual recognition, proportionality, freedom to provide service and freedom of establishment.

There is a strongly implied requirement to publicise contracts of significant value to a degree which allows parties in other Member States the opportunity to express an interest or to submit tenders.

The National Public Procurement Policy Framework requires that all noncommercial state bodies complete a Corporate Procurement Plan. This plan is underpinned by analysis of expenditure on procurement and the procurement and purchasing structures in the organisation. The plan should set practical and strategic aims and objectives for improved procurement outcomes and appropriate measures to achieve these aims should be implemented. The conduct of purchasing activities of goods/services will be in accordance with best business practice;

The Chairperson should, in the annual report to the Minister affirm adherence to the relevant procurement policy and procedures and the development and implementation of the Corporate Procurement Plan.

The Authority must ensure that the Tax Clearance requirements set out in Department of Finance Circular 44/06 (21 December 2006), as regards the payment of grants, subsidies and similar type payments, and Department of Finance Circular 43/06 as regards Public Sector Contracts, are fully adhered to.

## **TRAVEL AND SUBSISTENCE**

The Authority and its staff adopts and complies in all respects with the circulars issued from time to time by the Department of Finance regarding travel and subsistence. In particular, the Authority will comply with the guidelines issued by the Department of Finance dated July 1<sup>st</sup> 2009 and with the Authority's Travel and Subsistence Policy.

The Authority has appropriate procedures in place to monitor, report, and enforce the relevant rules and requirements for foreign travel.

The Board of the Authority should satisfy itself that the principles of its travel policy are adhered to and that the internal audit process is effective in ensuring that the Authority is fully

complying with the policy. The Authority should ensure a culture of claiming expenses only as appropriate to business needs and in accordance with good practice in the public sector generally.

Board Members should be advised of the details of the policy applying.

Staff should ensure that the best value for money is obtained in respect of each official trip undertaken, consistent with the requirements of official business. Alternatives to frequent travel, such as the use of video conferencing facilities should be used wherever possible.

## **DISPOSAL OF ASSETS**

The disposal of assets of the Authority or the granting of access to property or infrastructure for commercial arrangements e.g. joint ventures with third parties, with an anticipated value at or above a threshold level of €150,000 should be by auction or competitive tendering process, other than in exceptional circumstances (such as a sale to a charitable body).

The method used should be both transparent and likely to achieve a fair market-related price. The anticipated value may be determined either by a reserve price recorded in advance in the State body's records or by a formal sign-off by the Board on the advice of the CEO or, if delegated by the Board, sign-off by the CEO or the Board Audit Committee, that, in its view, the anticipated value is likely to be less or greater than €150,000. In determining market value, regard should be had to accounting standards best practice in Ireland.

### **Compliance with use of Auction or Tendering Requirements**

If an auction or competitive tendering process- takes place and the highest bid is not the bid accepted, then specific Board approval is required before the disposal of the asset or granting of access to property or infrastructure for commercial arrangements with third parties can be completed. For reasons of transparency, such approval together with the reason why a lower bid was permitted to be accepted should be noted in the minutes of the Board.

Where an auction or competitive tendering process is not used and the agreed price is €150,000 or more, then specific Board approval is required before negotiations start and also before the disposal of the asset or granting of access to property or infrastructure for commercial joint-venture arrangements with third parties can be completed.

No disposal of an asset or grant of access to property or infrastructure for commercial arrangements with third parties should be completed until the officer authorising the disposal or grant of access has certified formally that

- (i) Board approval is not necessary, with the reasons therefore,
- or
- (ii) Board approval, where necessary, has been obtained.

### **Board Members and their Families**

Disposal of assets to Board Members, employees or their families or connected persons, should, as with all disposals, be at a fair market-related price. Where the Board is considering a proposal for any such disposal, the Director connected to the potential purchase should absent him or herself from the Board deliberations on the issue. A record of all such disposals to such persons (to include details of the asset disposed of, price paid and name of the buyer) should be

noted in a register kept for this purpose (minor disposals below €5,000, or a threshold approved by the Board may be omitted from the register). This register should be available for inspection, if requested, by the Board or by any Director. The Board may specify that any disposal above an approved threshold should be formally endorsed by the Board who may impose specific restrictions with regard to any such disposal.

### **Reporting of Disposals**

Details of all disposals of assets or grants of access to property or infrastructure for commercial arrangements with third parties (save for connected third parties which is dealt with) below the threshold value of €150,000 without auction or competitive tendering process should be formally reported to the Board, including the paid price and the name of the buyer, on an annual basis.

Details of and explanations for the disposals of assets or grants of access to property or infrastructure for commercial arrangements with third parties above the threshold of €150,000 which have not been subject to auction or competitive tendering process should be included in the Chairperson's annual report to the relevant Minister

The Chairperson, in the annual report to the relevant Minister should affirm that the disposal procedures, as outlined above, have been complied with.

## **DISPUTES WITH OTHER PUBLIC SERVICE BODIES**

Where a legal dispute involves another State body, every effort will be made to mediate, arbitrate or otherwise before expensive legal costs are incurred.

The Authority will provide a list of such legal issues to the Department of Finance together with an estimate of the legal costs incurred up to the date of such information.

The Authority is a regulatory and enforcement body and applies its enforcement powers equally in respect of private and public sector organisations. The preceding paragraphs should not be interpreted as restricting the ability of the Authority to take necessary enforcement action in relation to any employer.

## **TAX COMPLIANCE**

The Authority will be exemplary in its compliance with taxation laws and should ensure that all tax liabilities are paid on or before the relevant due dates.

A report on the Authority's compliance with tax laws will be furnished each year to the Department. The report should confirm that the body has complied with its obligations under tax law.

The Authority will not engage in unacceptable tax avoidance transactions. In broad terms, tax avoidance is offensive if it involves the use of the tax code for a purpose other than that intended by the Oireachtas (including an unintended use of a tax incentive) with a view to reducing the amount of tax to be paid by the State body or some other party to a transaction in which the Authority participates.

## **THE BOARD AS EMPLOYER**

The Board will seek to ensure that:

- (a) The Authority complies with all relevant legislation and that it employs suitably qualified staff who will discharge their responsibilities in accordance with the high standards expected. All staff should be familiar with the Authority's main aims and objectives.
- (b) The Authority complies with its obligations in relation to equality and equal status legislation.
- (c) The Authority applies the highest standards in relation to the safety, health and welfare of its employees.

The Authority adopts management practices, which use resources in the most economical and efficient manner.

- (a) It's rules for the recruitment and management of staff provide for appointment and advancement on merit on the basis of equal opportunity for all applicants and staff. The Authority may appoint such, and such number of, persons to be members of the staff of the Authority as it may determine with the consent of the Minister and the Minister for Finance. A member of the staff of the Authority shall hold his or her office or employment on such other terms and conditions, as the Authority, with the consent of the Minister and the Minister for Finance, may determine. In filling appointments, qualified candidates will be considered on the basis of fair and open competition;  
and
- (b) It's staff and Board Members have appropriate access to expert advice and training opportunities in order to enable them to exercise their responsibilities effectively.

The Authority will seek to ensure that: -

- (a) the level and structure of its staffing, including gradings and numbers of staff, is appropriate to its functions and the requirements of efficiency, effectiveness and economy;
- (b) the performance of staff at all levels is satisfactorily appraised for the purposes of performance pay and, where appropriate, promotion;
- (c) it's staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the Authority's objectives.
- (d) Proper consultation with staff takes place; adequate grievance and disciplinary procedures are in place; and
- (e) The Authority seeks to minimise the environmental impact of its activities
- (f) A code of business conduct for employees is in place and that all staff are circulated with copies of this and acknowledge receipt.
- (g) Guidance on conflicts of interest and the receipt of gifts or hospitality is freely available

## **CONFIDENTIAL DISCLOSURE**

Employees of the Authority may raise concerns about possible irregularities in financial reporting or other matters by reporting them either to the Assistant Chief Executive for Corporate Services or to the Chairperson of the Audit Sub-Committee of the Board.

Where any such report is made it will be made known to the Audit Sub-Committee of the Board and investigated as appropriate.

## **QUALITY CUSTOMER SERVICE**

The Authority will commit to the provision of quality services to its customers and clients in line with the principles contained in Appendix 3.

## **REVIEW**

- The Authority will make a commitment to review this Code on a regular basis
- Any revision to this code must be considered and approved at a Board meeting of the Authority

## **APPENDIX 1: BRIEFING FOR NEW BOARD MEMBERS**

The following is an indication of the type of briefing Material provided to new Board Members:

1. Schedule of Board Meetings
2. General Communications and Related matters – list of the names, addresses, telephone and fax numbers for all Members of the Board
3. General Background Information
  - Brief general information on the Authority’s overall functions and structure
  - Guide to the Safety, Health and Welfare at Work Act, The Chemicals Act and the Safety, Health and Welfare at Work (General Application) Regulations,
  - Copy of the Safety, Health and welfare at Work Act, 2005 and the Chemicals Act
  - Procedures for obtaining information on relevant new laws and regulations;
  - Board Standing Orders
  - Copies of Minutes of recent Authority Board Meetings
  - The Authority’s latest Annual Report
  - The Authority’s Programme of Work
  - The Authority’s Corporate Plan
  - The Authority’s latest Audit Accounts
  - Copies of relevant reports relating to the Authority
  - Copies of relevant submissions made by the Authority to other Agencies/Departments
  - Copies of material such as the Construction Safety partnership Plan and reports on it
  - Copy of recent Authority Advisory Committee Reports
  - List of Legislation administered and enforced by the Authority and legislation directly applicable tot he Authority and the procedure for keeping Board Members informed of relevant laws and regulations.
  - A list of matters reserved for the decision of the Board
4. Procedures to be followed, when exceptionally a decision is required between Board meetings
5. The composition of all committees and their terms of reference
6. A statement explaining the Board Members’ responsibilities in relation to the preparation of the accounts, the Authority’s system of internal control and audit and for reporting on the business as a going concern with supporting assumptions or qualifications as necessary;
  - a statement informing the Board Members that they have access to the advice and services of the Secretary, who is responsible to the Board for ensuring that Board procedures are followed and comply with the applicable rules and regulations;
7. Travel and Subsistence Expenses, arrangements and conditions
8. Form of Undertaking re. Use of Personal Car on Official Business
9. Information on Ethics in Public Office Act, , and Authority Code of Conduct, a copy of the code of ethics/conduct for Board Members, including requirements for disclosure of Board Members’ interests and procedures for dealing with conflict of interest situations.
10. A copy of the Code of Practice for Governance of State Bodies and any relevant circulars and/or guidance notes.

## APPENDIX 2: AUDIT COMMITTEE OF THE BOARD

### Terms of Reference

(i) Functions of the Internal Audit Sub-Committee of the Board

The primary functions of the Internal Audit Sub-Committee of the Board are to:  
Act as the Committee of the Board of the Health and Safety Authority to assist in discharging the Board's responsibilities as they relate to the internal controls and expenditure of the Authority.

- ◆ Monitor the performance and independence of an appropriate Internal Audit function.
- ◆ Provide a line of communication between the Board and the Internal Auditor.

(ii) Responsibilities of the Internal Audit Sub-Committee of the Board

(a) Reviewing of financial statements

Review reports prepared by the Internal Auditor prior to the making of submissions to the Board, having regard to:

- Compliance with accounting standards, relevant statutory requirements and best practice,
- Adequate disclosure and consistency in the financial statements.

(b) Communications with the Internal Auditor

- Review for approval the Annual Audit Plan of Internal Audit.
- Review reports issued by the Internal Auditor in internal accounting control and recommendation for improvements.
- The Head of Internal Audit will have direct access to the Internal Audit Sub-Committee of the Board.

(c) Review of Internal Audit Process

The Internal Audit Sub-Committee of the Board will:

- Review the reports of the Internal Auditor and Action Plans proposed for implementation of recommendations.

(iii) Operational Procedures

(a) Meetings

The Internal Audit Sub-Committee of the Board will meet at least once a year, or as required, with the Internal Auditor.

The Internal Audit Sub-Committee of the Board may meet a representative from the Internal Audit function and the Comptroller and Auditor General's Office, as appropriate and necessary, before presenting the year-end accounts to the Board of the Authority.

The Chairperson of the Internal Audit Sub-Committee of the Board will arrange other meetings with relevant members of staff, as required.

(b) Reporting

The Internal Audit Sub-Committee of the Board will report directly to the Board.

(c) Composition of Internal Audit Sub-Committee of the Board

The Board shall determine the membership of the Internal Audit Sub-Committee of the Board. The membership of Sub-Committee established in 2002, shall be the same as that of the Finance and Planning Sub-Committee of the Board

### **Charter for Internal Audit**

The Authority's charter for the internal audit function is as follows:

#### **Board policy statement**

The Board's policy is to support and develop the internal audit function.

#### **Mission statement**

Internal audit contributes to the success of the Authority to the organisation by:

- Helping the Authority accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, control, and accountability processes.
- Providing assurance services as to whether the Authority's risk management, control, and governance processes, are adequate and functioning in a manner to ensure that:
  - Risks are appropriately identified and managed.
  - Significant financial, managerial, and operating information is accurate, reliable, and timely.
  - Employees' actions are in compliance with Authority policies, standards, procedures, laws and regulations.
  - Resources are acquired economically, used efficiently, and adequately protected.
  - Programs, plans, and objectives are achieved.
  - Significant legislative or regulatory issues impacting the Authority are recognized and addressed properly.

#### **Scope and authority**

The internal audit function has authority to act on the Board's behalf in carrying out internal audit and there are no operational areas or levels within the organisation precluded from internal audit review.

#### **Independence, role and responsibilities**

The internal audit function serves the best interests of the Authority as a whole and carries out its work in a manner that is consistent with the Standards for the Professional Practice of Internal Auditors, published by the Institute of Internal Auditors. In order to demonstrate that due professional care has been taken in performing its work, it is necessary to have

comprehensive records of activity showing that the work has been performed in accordance with accepted standards of best practice.

In order to ensure objectivity and independence, internal audit staff are free from all operating responsibility. Where the Authority appoints appropriate external expertise to undertake this function, objectivity and independence should also be assured.

## **APPENDIX 3: QUALITY CUSTOMER SERVICE**

### **Principles of Quality Customer Service for Customers and Clients of the Public Service**

In their dealings with the public, the Authority will:

#### **Quality Service Standards**

Publish a statement that outlines the nature and quality of service which customers can expect and display it prominently at the point of service delivery.

#### **Equality/Diversity**

Ensure the rights to equal treatment, established by equality legislation, and accommodate diversity, so as to contribute to equality for the groups covered by the equality legislation (under the grounds of gender, marital status, family status, sexual orientation, religious belief, age, disability, race and membership of the Traveller Community).

Identify and work to eliminate barriers to access to services for people experiencing poverty and social exclusion, and for those facing geographic barriers to services.

#### **Physical Access**

Provide clean, accessible public offices that ensure privacy, comply with occupational and safety standards and, as part of this, facilitate access for people with disabilities and others with specific needs.

#### **Information**

Take a proactive approach in providing information that is clear, timely and accurate, is available at all points of contact and meets the requirements of people with specific needs. Ensure that the potential offered by Information Technology is fully availed of and that the information available on our web site follows the guidelines on web publication.

Continue the drive for simplification of rules, regulations, forms, information leaflets and procedures.

#### **Timeliness and Courtesy**

Deliver quality services with courtesy, sensitivity and the minimum delay, fostering a climate of mutual respect between provider and customer. Give contact names in all communications to ensure ease of ongoing transactions.

#### **Complaints**

Maintain a well-publicised, accessible, transparent and simple-to-use system of dealing with complaints about the quality of service provided.

#### **Appeals**

Similarly, maintain a formalised, well-publicised, accessible, transparent and simple to use system of appeal/review for customers who are dissatisfied with decisions in relation to services.

**Consultation and Evaluation**

Provide a structured approach to meaningful consultation with, and participation by, the customer in relation to the development, delivery and review of services. Ensure meaningful evaluation of service delivery.

**Choice**

Provide choice, where feasible, in service delivery including payment methods, location of contact points, opening hours and delivery times. Use available and emerging technologies to ensure maximum access and choice and quality of delivery.

**Official Languages Equality**

Provide quality services through Irish and/or bilingually and inform customers of their right to choose to be dealt with through one or other of the official languages.

**Better Co-ordination**

Foster a more co-ordinated and integrated approach to delivery of public services.

**Internal Customer**

Ensure that employees are recognised as internal customers and that they are properly supported and consulted with regard to service delivery issues.

## **APPENDIX 4: ETHICS IN PUBLIC OFFICE**

### **Ethics and Standards in Public Office**

#### **Obligations under the Ethics legislation**

All those who hold designated directorships or occupy designated positions of employment in public bodies prescribed by regulation for the purposes of the Ethics legislation (i.e. the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001) must comply with the relevant provisions of the legislation. Compliance with the Ethics Acts is deemed to be a condition of appointment or employment.

#### **Disclosure of Registrable Interests**

The Ethics in Public Office Act 1995 provides for the disclosure of registrable interests by holders of designated directorships and occupiers of designated positions of employment in public bodies prescribed for the purposes of the Ethics legislation.

Briefly, the requirements are:

#### **Designated Directors**

Are required in each year, during any part of which they hold or held a designated directorship of a public body, prescribed by regulations made by the Minister for Finance, to prepare and furnish, in a form determined by the Minister for Finance, a statement in writing of their registrable interests, and the interests, of which a person has actual knowledge, of his or her spouse or a child of the person or of his or her spouse, which could materially influence the person in, or in relation to, the performance of the person's official functions by reason of the fact that such performance could so affect those interests as to confer on, or withhold from, the person, or the spouse or child, a substantial benefit. The statement must be furnished to the Standards in Public Office Commission (the Standards Commission) and to such an officer of the body as determined by the Minister for Finance. Where no registrable interest or interests exist, a 'nil' statement is requested.

#### **Designated Positions of Employment**

Are required in each year, during any part of which they occupy or occupied a designated position of employment in a public body, prescribed by regulations made by the Minister for Finance, to prepare and furnish, in a form determined by the Minister for Finance, a statement in writing of their registrable interests, and the interests, of which a person has actual knowledge, of his or her spouse or a child of the person or of his or her spouse, which could materially influence the person in, or in relation to, the performance of the person's official functions by reason of the fact that such performance could so affect those interests as to confer on, or withhold from, the person, or the spouse or child, a substantial benefit. The statement must be furnished to the relevant authority for the position as determined by the Minister for Finance. Where no registrable interest or interests exist, a 'nil' statement is requested.

#### **Material Interests**

The holder of a designated directorship or the occupier of a designated position of employment is required to furnish a statement of a material interest where a function falls to be performed, and where the director or the employee or a "connected person" (e.g. a relative or a business associate of the director or employee) has a material interest in a matter to which the function relates. Such a statement must be furnished to the other directors of the public body by a designated director or to the relevant authority by the occupier of a designated position of

employment. The function must not be performed unless there are compelling reasons to do so. If a designated director or the occupier of a designated position of employment intends to perform the function, he or she must, either before doing so, or if that is not reasonably practical, as soon as possible afterwards, prepare and furnish a statement in writing of the compelling reasons to the other directors and to the Standards in Public Office Commissions if a designated director, or to the relevant authority if an employee. This obligation applies whether or not the interest has already been disclosed in a statement of registrable interests.

### **Tax Clearance obligations of appointees to “senior office”**

The tax clearance provisions of the Standards in Public Office Act 2001 apply to persons appointed to "senior office", i.e. to a designated position of employment or to designated directorship in a public body under the 1995 Ethics Act, in relation to which the remuneration is not less than the lowest remuneration of a Deputy Secretary General in the civil service. All persons appointed to “senior office” must provide to the Standards in Public Office Commission not more than nine months after the date on which he or she is appointed: a tax clearance certificate that is in force and was issued to the person not more than nine months before, and not more than nine months after, the appointment date;

or

- an application statement that was issued to the person and was made not more than nine months before, and not more than nine months after, the appointment date;
- and
- a statutory declaration, made by the person not more than one month before, and not more than one month after, the date of appointment, that he or she, to the best of his or her knowledge and belief, is in compliance with the obligations imposed on him or her by the Tax Acts and is not aware of any impediment to the issue of a Tax Clearance Certificate.

### **Investigations**

Directors and employees in public bodies can be subject to an investigation by the Standards Commission, either where it considers it appropriate to do so, or following a complaint, or where there is contravention of the tax clearance requirements, and there is nothing that precludes the Standards Commission from taking into account this Code of Practice in such an investigation.

### **Additional information and advice**

This appendix is provided for information purposes only and does not constitute a legal interpretation of the Ethics Acts. Requests for advice on compliance should be referred to the Standards in Public Office Commission. The Standards Commission publishes the "Guidelines on Compliance with the Provisions of the Ethics in Public Office Acts 1995 and 2001 - Public Servants" that provides information on the steps that public servants who are covered by the Ethics legislation need take in order to comply with the requirements of the legislation. The designated directorships and designated positions of employment in public bodies, as prescribed for the purposes of the Ethics legislation, the forms for preparing statements of registrable interests and ‘nil’ statements, and details of the officers of the body and the relevant authorities to whom such statements should be furnished are also provided in the Standards Commission's “Guidelines”, available for download on its website: <http://www.sipo.gov.ie>.

## **APPENDIX 5: CHAIRMAN'S REPORT**

### **Format for the Report from the Chairperson Regarding Assessment of Internal Financial Controls of a State Body as Referred to in Paragraph 13.1(iii)**

- 1.** Acknowledgement by the Chairperson that the Board is responsible for the body's system of internal financial control.
- 2.** An explanation that such a system can provide only reasonable and not absolute assurance against material error.
- 3.** Description of the key procedures, which have been put in place by the Board, designed to provide effective internal financial control including:
  - i.** the steps taken to ensure an appropriate control environment (such as clearly defined management responsibilities and evidence of reaction to control failures);
  - ii.** processes used to identify business risks and to evaluate their financial implications;
  - iii.** details of the major information systems in place such as budgets, and means of comparing actual results with budgets during the year;
  - iv.** the procedures for addressing the financial implications of major business risks (such as financial instructions and notes of procedures, delegation practices such as authorisation limits, segregation of duties and methods of preventing and detecting fraud); and
  - v.** the procedures for monitoring the effectiveness of the internal financial control system which may include: audit committees, management reviews, consultancy, inspection and review studies, the work of internal audit, quality audit reviews and statements from the heads of internal audit.
- 4.** Confirmation that there has been a review of the effectiveness of the system of internal financial control.
- 5.** Information (if appropriate) about the weaknesses in internal financial control that have resulted in material losses, contingencies or uncertainties which required disclosure in the financial statements or the auditor's report on the financial statements.
- 6.** The information relating to weaknesses in internal financial control should be a description of the action taken, or intended to be taken, to correct the weaknesses, or an explanation of why no action is considered necessary.

## **APPENDIX 6: TRAVEL POLICY**

In matters of official travel and subsistence, The Authority adheres to civil service procedures as set-out from time to time in guidance issued by the Department of Finance, either communicated directly or via the parent Department, as appropriate.

### **Intent and Scope**

The purpose of the Travel Policy is to ensure that the best value for money is obtained in respect of each official trip undertaken, consistent with the requirements of official business. Alternatives to frequent travel, such as installation of video conferencing facilities have been installed in most Authority offices.

### ***Domestic Travel***

Maximum use is to be made of public transportation options for official travel; the use of Taxi services should be minimised as much as possible.

### ***Air Travel***

Where possible restricted internet fares should be used and fully-flexible economy class fares which are more expensive should only be used where this approach is cost-effective, overall.

More expensive Business Class options may only be considered in exceptional circumstances and only with the sanction of the CEO.

Frequent flyer points should be not allowed to influence decisions taken in relation to the carriers used for official business.

### ***Accommodation***

If an employee is not required to stay in a particular hotel for business reasons, the standard of hotel used should not be extravagant e.g. three or four star hotels should be used.

## **APPENDIX 7: CODE OF PRACTICE FOR THE GOVERNANCE OF STATE BODIES**

Please see via link: [Code of Practice for the Governance of State Bodies](#)

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