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# **NATIONAL CONSUMER AGENCY**

## **CODE OF BUSINESS CONDUCT**

### **FOR BOARD/COMMITTEE MEMBERS**



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## **About the National Consumer Agency**

The National Consumer Agency (NCA) is a statutory body established by the Irish Government in May 2007. It aims to promote consumer interests and to embed a robust consumer culture in Ireland.

The Government has given the NCA a very strong mandate to defend and promote consumer rights through:

- Forceful advocacy, targeted research, consumer information, education, and awareness programmes
- The systematic enforcement of consumer protection law.

The Agency was established by the Minister for Enterprise, Trade & Employment in response to the publication of a 2005 report by the Consumer Strategy Group entitled: “Make Consumers Count”. This identified important deficiencies in the protection and promotion of consumer rights in Ireland.

## **The NCA Code of Business Conduct for Board and Committee Members**

In order to comply with the Code of Practice for the Governance of State Bodies, the Chairman of the Board of the NCA is obliged to confirm to the Minister for Enterprise, Trade and Employment that a number of control functions are carried out by the NCA including the issuing of a Code of Business Conduct for Board and Committee Members and that this is being adhered to.

The NCA Code of Business Conduct sets out in written form the agreed standards of principle and practice which inform the conduct of members of the Board of the NCA and Committees of the NCA. There is a separate document setting out a Code of Business Conduct for Employees.

Appendix A (Annual Disclosure of Interests by Board and Committee members) forms part of the Code of Business Conduct for NCA Board Members and should be read in conjunction with the code.



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**The purpose of the Code of Business Conduct is**

- To establish an agreed set of ethical principles
- To promote and maintain confidence and trust
- To meet our requirements under the Code of Practice for the Governance of State Bodies (2001)

**Noting of Code of Conduct by Board & Committee Members**

Each Board / Committee Member is requested to sign a Declaration of Understanding that they have read and noted the Code of Business Conduct. When signed, the Declaration of Understanding is to be returned to the Secretary of the NCA for record purposes.

Thomas Bourke

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Secretary to the Board



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## CODE OF CONDUCT

### General Principles

Board and Committee Members should observe the highest standards of honesty and integrity. To ensure this, they should adhere to the following principles:

#### 1. Integrity

Board and Committee Members should:

- Submit annually a declaration of interests statement in accordance with the Code of Practice for the Governance of State Bodies (See Appendix A for details);
- Not participate in discussions or decisions involving conflicts of interest whether or not such conflicts have previously been disclosed;
- Avoid giving or receiving corporate gifts, hospitality, preferential treatment or benefits which might affect or appear to affect the ability of the donor or the recipient to make independent judgement on business transactions;
- Ensure that purchasing activities of goods/services are conducted in accordance with best business practice and comply with relevant regulations;
- Ensure that the NCA accounts and reports accurately reflect their business performance and are not misleading or designed to be misleading;
- Avoid the use of the NCA resources or time for personal gain or for the benefit of persons/organisations unconnected with the NCA or its activities;
- Not acquire information or business secrets by improper means;
- Not use any information obtained by virtue of their position for the purpose of any dealing (direct or indirect) in shares, property or otherwise.



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## 2. Information

Board and Committee Members should:

- Support the provision of access by the NCA to general information relating to NCA activities in a way that is open and that enhances its accountability to the general public;
- Respect the confidentiality of sensitive information held by the NCA. This would constitute material such as:
  - ◆ commercially sensitive information (including but not limited to future plans or details of major organisational or other changes such as restructuring);
  - ◆ personal information;
  - ◆ information received in confidence by the NCA.
- Ensure the NCA observes appropriate prior consultation procedures with third parties where, exceptionally, it is proposed to release sensitive information in the public interest;
- Ensure the NCA complies with relevant statutory provisions relating to access to information (e.g. Data Protection Acts, Freedom of Information Acts).

**Note:** Where queries arise in relation to the release of information under the provisions of the Freedom of Information Act, these should be directed to the Freedom of Information Officer at ext. 5570 or by e-mail to [tom\\_bourke@nca.ie](mailto:tom_bourke@nca.ie)

## 3. Confidentiality

Board and Committee Members should ensure that they maintain the confidentiality of all information obtained by virtue of their position.



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#### **4. Obligations & Responsibilities.**

Board and Committee Members should:

- Ensure that the NCA is in compliance with all regulatory and statutory obligations imposed on the Agency,
- Ensure that there are adequate controls in place to prevent fraud including controls to ensure compliance with prescribed procedures in relation to claiming of expenses for business travel,
- Use all reasonable endeavours to ensure that they attend the NCA Board and/or Committee Meetings (as applicable),
- Meet regularly, retain full and effective control over the NCA and monitor the executive management and performance,
- Ensure that the board has a formal schedule of matters specifically reserved to it for decision to ensure that the direction and control of the body is firmly in its hands (some of these matters may require Ministerial approval and this should be noted),
- Have access to the advice and services of the Secretary of the NCA who is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. Any question of the removal of the Secretary should be a matter for the Board as a whole,
- Ensure that a balanced and understandable assessment of the NCA's position is made in presenting its annual report and accounts to the Minister for Enterprise, Trade and Employment,
- Ensure the Board is supplied, in a timely fashion, with information, which is of a suitable quality to enable Board members to satisfactorily discharge their duties.



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## **5. Audit Committee**

- The Board should establish an Audit Committee of at least three independent non-executive Directors with written terms of reference, which deal clearly with its authority and duties.
- The Board may appoint as a member of the Audit Committee a person who is not a member of the Board.
- The constitution and terms of reference of the Audit Committee and other Board committees should be reviewed by the main Board and updated as appropriate.
- The Audit Committee of the NCA should meet at least four times a year.
- The Audit Committee should have explicit authority to investigate any matters within its terms of reference; the resources which it needs to do so and full access to information. The Audit Committee should be able to obtain outside professional advice and, if necessary, invite non-members with relevant experience to attend meetings.
- The Audit Committee should have a discussion with the external auditors at least once a year, without executive members of the Board or employees of the Agency present, to ensure that there are no unresolved issues of concern.

## **6. Loyalty**

Board and Committee Members should:

- Acknowledge their responsibility to be loyal to the NCA and to be fully committed in all its business activities while mindful that the organisation itself must at all times take into account the interests of its stakeholders.
- Acknowledge the duty of all to conform to the highest standards of business ethics



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## **7. Fairness**

Board and Committee Members should:

- Comply with employment equality and equal status legislation;
- Commit to fairness in all business dealings;
- Value clients/stakeholders and treat all clients/stakeholders equally.

## **8. Work/External Environment**

Board and Committee Members should:

- Place highest priority on promoting and preserving the health and safety of employees;
- Ensure that community concerns are fully considered;
- Minimise any detrimental impact of operations on the environment.

## **9. Chairperson's Responsibility**

The Chairperson of the NCA Board and the Chairpersons of NCA committees should:

- Ensure that the Code of Business Conduct along with guidelines on disclosure of interests is circulated to all Board and Committee Members, for their retention;
- Provide guidance and direction on the policies and procedures of the NCA.



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## **10. Appropriate Behaviour**

To ensure that Board Members, Committee Members and all staff are adequately informed on appropriate behaviour, the following specific policies and procedures are in place and available from the Corporate Services Department of the Agency;

- Sexual Harassment
- Bullying
- Disciplinary & Grievance procedures

All Board and Committee Members should make themselves fully aware of their content.

## **11. Review**

The Board commits to review the Code as appropriate

**September 2008**

## APPENDIX A

### 1. Disclosure of Interests by Board and Committee Members under the Code of Conduct for Board/Committee Members

In addition to the legal requirements under the statutory legislation establishing the NCA, and requirements under the Ethics in Public Office Acts, the following procedures should be observed:

- i) On appointment to a Board of a State body, each member should furnish to the Secretary of the body details relating to his/her employment and all other business interests including shareholdings, professional relationships etc., which 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. Any interests of a member's family of which he/she could be expected to be reasonably aware or a person or body 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 includes:
  - (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 body 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.

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 term on the board.

- ii) Where it is relevant in any matter which arises, the member is required to indicate to the Secretary the employment and any other business interests of all persons connected with him/her, as defined at (i) above.
- iii) Boards may exercise discretion regarding the disclosure by members of minor shareholdings. As a general guideline, shareholdings valued at more than €15000 or of more than 5 per cent of the issued capital of a company should be disclosed.
- iv) If a member has a doubt as to whether this Code requires the disclosure of an interest of his/her own or of a connected person, that member should consult the Chairperson.



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- v) Details of the above interests should be kept by the Secretary of the body in question 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. Only the Chairperson, Secretary and Chief Executive of the body should have access to the register.
- vi) Should a matter relating to the interests of the Chairperson arise, he/she should depute another Board or Committee Member to chair the Board/Committee meeting and should absent himself/herself when the Board/Committee is deliberating or deciding on a matter in which the Chairperson, or a person or body connected with the Chairperson, has an interest.
- vii) Board or Company documents on any case which relate to any dealings with the above 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 the above interests). Decisions once taken should be notified to the member.
- viii) As it is recognised that the interests of a Board or Committee Member and persons connected with him/her can change at short notice, a Board or Committee 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.
- ix) A Board or Committee Member should absent himself/herself when the Board/Committee is deliberating or deciding on matters in which that member (other than in his/her capacity as a member of the Board/Committee) or a person or body connected with the member has an interest. In such cases a separate record (to which the Board or Committee Member would not have access) should be maintained.
- x) Where a question arises as to whether or not a case relates to the interests of a Board or Committee Member or a person or body connected with that Board or Committee Member the Chairperson of the Board/Committee should determine the question.
- xi) Former Board/Committee Members should treat commercial information received while acting in that capacity as confidential.



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## **2. Disclosure of Interests by Board Members under the Ethics in Public Office Acts, 1995 and 2002**

To comply with the provisions of the above Acts, designated Board Members are required to complete a statement of interests in January each year if they have interests to declare. There are two types of forms which are explained below:

- The statutory long form, which you should complete if you have interests to declare as specified in the Acts
- or
- The short version, which can be used for the purpose of a “nil” statement.

Please note that disclosure is required only if the interests could materially influence a board member in, or in relation to, the performance of the functions of his or her role by reason of the fact that such performance could so easily affect those interests as to substantial benefit. If there are no such interests, a statement is not legally required. However, the Public Office Commission recommends that a “nil” statement should be furnished in those circumstances.

A copy of the guidelines to the Ethics in Public Offices Acts is available from The Secretary’s Office in the NCA.



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## Declaration of Understanding

### Code of Business Conduct

Each Board & Committee Member should sign the following:

“I have read and noted the NCA Code of Business Conduct for Board & Committee Members.”

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Please insert your name in block capitals below

Name: \_\_\_\_\_

**NB: It is important that this Declaration of Understanding is signed and returned as early as possible to the Secretary of the NCA**