



---

## Code of Practice for the Governance of the National Council for Curriculum and Assessment

5 November, 2009

## Contents

Introduction	5
The work of the NCCA	6
The Council	7
Matters for decision by Council	8
Appointment of Chief Executive	9
Annual report and accounts	9
Audit	9
Sub-committees of Council	9
Confidential disclosures	9
Strategy	9
Separation of roles	10
Composition of Council	10
Independent judgement by Council members	10
Support to Council members	11
Briefing for new members	11
Codes of conduct, disclosure, ethics in public office	12
Codes of conduct for Council members	12
Disclosure of interests by Council members	12
Remuneration	14
Remuneration of senior management	14
Fees to Council members	15
Risk management, accountability, internal control and internal audit	15
Risk management	15
Accountability	16
Audit Committee	16
Relations with the Oireachtas and the Minister	18
Departmental oversight	18
Reports and accounts	19
Additional reporting requirements	20

---

Specific procedures to be followed by State bodies	21
Diversification, establishment of subsidiaries and acquisitions	21
Procedures for procurement	22
Capital investment appraisal	24
Travel	24
Disposal of State assets and access to assets by third parties	24
Compliance auction or tendering requirements	25
Reporting of disposals	26
Tax compliance	26
Legal disputes with other State bodies	27
Appendix 1 – Ethics and standards in public office	29
Appendix 2 – Framework code of business conduct	33
Appendix 3 – Charter for internal audit and terms of reference of the audit committee	37
Appendix 4 – Principles of quality customer service	41
Appendix 5 – Format for the Report from the Chairperson regarding the assessment of internal financial controls of a State body	43
Appendix 6 – Framework for an NCCA travel policy	45



## Introduction

This document sets out the Code of Practice for the Governance of the National Council for Curriculum and Assessment (NCCA). It has been prepared in accordance with the Code of Practice for the Governance of State Bodies published by the Department of Finance in May, 2009.

This code was adopted by the Council at its meeting held on 5<sup>th</sup> November, 2009.

Corporate governance comprises the systems and procedures by which enterprises are directed and managed. The Council acknowledges that it must serve the interests of the taxpayer, pursue value for money in its endeavours (including managing risk appropriately), and act transparently as a public entity. The Council and executive of the NCCA accept accountability for the proper management of the organisation.

This Code provides a framework for the application of best practice in corporate governance by the NCCA. The Code concerns both the internal practices of the NCCA and its external relations with the Government, the Minister for Education and Science, the Minister for Finance and their respective Departments. The Code also makes reference to the ethical and standards in public office obligations that apply to all Council members, who are designated Directors under the Ethics legislation, and also to designated office holders (See Appendix 1).

The provisions of the Code do not override existing statutory requirements and other obligations imposed by the Companies Acts, Ethics legislation, Standards in Public Office legislation, the specific statutory provisions relating to the NCCA itself and any other relevant legislation (e.g. equality legislation, employment legislation).

## The work of the NCCA

The NCCA was established in November 1987 as a successor to the Curriculum and Examinations Board and was reconstituted as a statutory body in July 2001.

The brief of the statutory Council as outlined in the Education Act, 1998 is to advise the Minister for Education and Science on matters relating to

*...the curriculum for early childhood education, primary and post-primary schools and the assessment procedures employed in schools and examinations on subjects which are part of the curriculum.*

(41.1 a, b)

The Council is responsible for the development and determination of its advice to the Minister for Education and Science.

The Council is a representative structure, the membership of which is determined by the Minister for Education and Science. The 25 members are appointed by the Minister and come from organisations representing teachers, school managers, parents, employers, trade unions and interests in education. Other members include representatives of the Department of Education and Science, the State Examinations Commission and a nominee of the Minister. The current Chairperson is Prof. Tom Collins.

The bodies represented on Council are:

Association of Community & Comprehensive Schools

Association of Secondary School Teachers, Ireland

Catholic Primary Schools Managers Association

Church of Ireland Board of Education

Department of Education and Science

Foras na Gaeilge

Irish Business and Employers Confederation

Irish Congress of Trade Unions  
Irish Federation of University Teachers  
Irish National Teachers Organisation  
Irish Vocational Education Association  
Joint Managerial Body  
National Association of Boards of Management in Special Education  
National Parents Council (Primary)  
National Parents Council (Post-Primary)  
State Examinations Commission  
Teachers Union of Ireland

## The Council

The Council is collectively responsible for promoting the success of the NCCA by leading and directing its activities. It provides strategic guidance and monitors the activities and effectiveness of management. Council members should act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the NCCA, subject to the objectives set by Government.

The members of the NCCA will meet regularly, retain full and effective control over the Council and monitor the executive management and performance. The collective responsibility and authority of the Council will be safeguarded. All Council members will be afforded the opportunity to fully contribute to Council deliberations while excessive influence on Council decision-making by one or more individual members will be guarded against.

The Council is responsible for compliance with all statutory obligations applicable to the NCCA that may be set out in the legislation governing its establishment or in other relevant legislation. The Council should satisfy itself that all such obligations are identified and made known to it.

The Council is required to confirm annually to the Minister for Education and Science that it has a system of internal financial control in place.

Decisions on major items of expenditure will be aligned with medium to long-term strategies to ensure that such expenditure is focused on clearly defined objectives and outcomes. A performance measurement system will be put in place to assess the effectiveness/outcome of such expenditure and be reported to the Council.

The Council will put procedures in place to deal with the issue of post resignation/retirement employment, appointment and/ or consultancy of its members and employees by the private sector and should ensure that any such procedures are monitored and enforced.

The Council will put in place procedures to monitor and manage potential conflicts of interest of management and Council members.

### **Matters for decision by Council**

The following matters are specifically reserved for decision by Council or by delegation to an appropriate sub-committee:

- approval of strategic plans, annual budgets and plans of work
- approval of policy directions and strategies
- approval of annual reports and accounts
- approval of Standing Orders
- approval of all syllabuses, curriculum documents and teacher guidelines
- approval of consultation documents
- approval of the award tenders of the value of €50,000 or more
- approval of terms of major contracts
- approval of significant acquisitions, disposals and retirement of assets of the NCCA or its subsidiaries
- approval of major investments and capital projects
- approval of delegated authority levels, treasury policy and risk management policies
- compliance with statutory and administrative requirements in relation to the approval of the number, grading, and conditions of appointment of all staff
- significant amendments to the pension benefits of the Chief Executive and staff (which may require Ministerial approval).

### **Appointment of Chief Executive**

The appointment and remuneration of the Chief Executive is a matter for the Minister for Education and Science.

### **Annual report and accounts**

The Council will ensure that a balanced, true and understandable assessment of the NCCA's position is made when preparing the annual report and accounts and when submitting these to the Minister for Education and Science.

### **Audit**

The Council through its Audit Committee will establish procedures for maintaining an appropriate relationship with its external auditors.

### **Sub-committees of Council**

All sub-committees of Council will have written terms of reference and the Council will agree the intervals within which these should be reviewed and updated as appropriate.

### **Confidential disclosures**

The Council will put in place procedures whereby employees may, in confidence, raise concern about possible irregularities in financial reporting or other matters and for ensuring meaningful follow-up of matters raised in this way.

### **Strategy**

The preparation and adoption of a strategic plan is a primary responsibility of the Council. Such plans should set appropriate objectives and goals and identify relevant indicators and targets against which performance can be clearly measured.

The Council will adopt a statement of strategy for a period of three to five years ahead. Implementation of the strategy by the executive will be supported through an annual planning and budgeting cycle. The Council will approve the annual plan and budget and should formally consider an evaluation of performance by reference to the plan and budget on an annual basis and reflect this, as appropriate, in the annual report.

A copy of the draft strategic plan should be sent to the Minister for Education and Science before the plan is finalised and adopted by the Council. Views which the Minister or his Department wishes to have reflected in the final plan should be made known to the Council within a maximum period of six weeks of submission. While final responsibility for the content of the plan rests with the Council, the views of the Minister and consideration of the public interest should be carefully weighed by the Council.

### **Separation of roles**

The role of Chairperson and Chief Executive Officer should not normally be combined. When this occurs, it should be with the consent of the Minister for Education and Science. The respective roles should be agreed and documented.

### **Composition of the Council**

The composition of the Council is a matter for the Minister for Education and Science but the Council 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. Where the Chairperson is of the view that specific skills are required on the Council, he/she should advise the Minister for Education and Science of this view for his consideration sufficiently in advance of a time when Council vacancies are due to arise in order that the Minister may take these views into consideration when making appointments.

### **Independent judgement by Council members**

Council members should bring an independent judgement to bear on issues of strategy, performance, resources, key appointments, and standards of conduct. Members should also strike a balance between working in the best interests of Council and representing the views of their nominating organisations.

The Council members should ensure that the Chairperson keeps the Minister for Education and Science advised of matters arising in respect of the NCCA.

If a Council member finds evidence that there is non-compliance with any statutory obligations that apply to the NCCA, he/she should immediately bring this to the attention of fellow Council members with a view to having the matter rectified. The

matter should also be brought to the attention of the Minister for Education and Science 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.

### **Support to Council members**

The executive will ensure that Council members are supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties. All Council members should receive a formal induction on joining the Council and should regularly update and refresh their skills and knowledge.

The Council will keep under review its own performance and that of its sub-committees and individual members.

### **Briefing for new members**

On appointment of new Council members, the Chief Executive will provide them with the following information:

- a formal schedule of matters reserved to the Council for decision
- procedures for obtaining information on relevant new laws and regulations
- procedures to be followed when, exceptionally, decisions are required between Council meetings
- a schedule detailing the composition of all committees and their terms of reference
- a statement explaining the members' responsibilities in relation to the preparation of the accounts, the State body'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 members that they have access to the advice and services of the Chief Executive, who is responsible to the Council for ensuring that Council procedures are followed and comply with the applicable rules and regulations
- a copy of the code of ethics/conduct for members, including requirements for disclosure of interests and procedures for dealing with conflict of interest situations.

- specific information relating to the NCCA
- a copy of relevant legislation (or excerpts thereof) together with the most up to date version of this Code of Practice and any relevant circulars and/or guidance notes
- a listing of the statutory requirements relating to the body.

## Codes of conduct, disclosure, ethics in public office

Individual behaviour is a major factor in the effectiveness of the Council, and also has an influence on the reputation of the organisation, the confidence and trust that members of the public have in it and the working relationships and morale within it. Conflicts, real or perceived, can arise between the NCCA's interests and those of individual members. Public trust can be damaged unless the organisation implements clear procedures to deal with these conflicts.

### **Codes of conduct for Council members and employees**

All members will adhere to the Codes of Business Conduct outlined at Appendix 2. All Staff of the NCCA will be subject to the Civil Service Code of Standards and Behaviour.

### **Disclosure of Interests by Council members**

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 Council member should furnish to the Chief Executive details relating to his/her employment and all other business or professional interests including shareholdings, directorships, 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 Council.
- ii. 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 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 body corporate at (b) above
- 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 Chief Executive details of business interests on the lines above of which he/she becomes aware during the course of his/her term as a Council member.

- iii. Where it is relevant to any matter which arises for the Council, each member will be required to indicate to the Chief Executive the employment and any other business interests of all persons connected with him/her, as defined at (i) and (ii).
- iv. Council 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 five 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 disclosure of an interest of his/her own or of a connected person, that member should consult the Chairperson.
- vi. Details of interests disclosed will be kept on a confidential register by the Chief Executive which will be updated on an annual basis. Changes in the interim should be notified to the Chief Executive as soon as possible by members. Only the Chairperson, and Chief Executive will have access to the register.
- vii. Where a matter relating to the interests of the Chairperson arises, he/she will depute the Deputy Chairperson or another member to chair the Council meeting and will absent himself/herself when the Council is deliberating or deciding on a matter in which the Chairperson or a person or body connected with the Chairperson has an interest.
- viii. Council 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 Council member to the above interests). Decisions once taken should be notified to the member.

- ix. As it is recognised that the interests of a Council member and persons connected with him/her can change at short notice, a 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 Chief Executive at the earliest opportunity.
- x. A Council member should absent himself/herself when the Council is deliberating or deciding on matters in which that member (other than in his/her capacity as a member of the Council) or a person or body connected with the member has an interest. In such cases a separate record (to which the 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 Council member or a person or body connected with that member, the Chairperson of the Council should determine the question.
- xii. Former Council members should treat commercial information received while acting in that capacity as confidential.
- xiii. Council members should not retain documentation obtained during their terms on the Council and should return such documentation to the Chief Executive or otherwise indicate to the Chief Executive that all such documentation in their possession has been disposed of in an appropriate manner. In the event that former members require access to Council papers from the time of their term on the Council, this can be facilitated by the Chief Executive.
- xiv. The procedures set out above should also be adopted in subsidiaries of the NCCA.

## Remuneration

### **Remuneration of senior management**

The Chairperson and Council of the NCCA will implement Government policy in relation to the total remuneration of the Chief Executive. Arrangements put in place by the Department of Education and Science or the Department of Finance for determining and approving the remuneration of the Chief Executive will also be implemented and adhered to.

The Chairperson and Council will implement Government pay policy as expressed from time to time, in relation to other staff including, as appropriate, the Chief Executive or equivalent and other staff of any subsidiary, as relevant.

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

- general Government pay policy
- the NCCA'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.

### **Fees and expenses paid to Council members**

No fees are paid to NCCA Council members. The annual report should include a schedule of the aggregate expenses paid to each of the members.

## **Risk management, accountability, internal control and internal audit**

In undertaking their public service role, State bodies face a wide range of strategic, operational and financial risks, from both internal and external factors, which may prevent them from achieving their 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**

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

Key elements of the Council's oversight of risk management will include:

- making risk management a standing meeting agenda item of the Audit Committee
- include risk management experience/expertise in the competencies of at least one Audit Committee member; where composition of the committee does not allow for this, expert advice will be sought externally
- approval of a Risk Management Policy and approval of a risk management business plan and risk register at least annually
- reviewing management reporting on risk management and noting actions as appropriate
- putting in place an external review of effectiveness of risk management framework on a periodic basis.

### **Accountability**

It is a matter for the Department of Education and Science to set out in writing the respective accountabilities of its Accounting Officer and the Chief Executive of the NCCA.

### **Audit Committee**

The Council will establish formal and transparent arrangements for both internal and external audit and for maintaining an appropriate relationship with the auditors.

The Council is responsible for the body's system of internal control and will review annually the effectiveness of its system of internal controls, including financial, operational and compliance controls and risk management.

The NCCA will establish a properly constituted internal audit function with appropriate external internal audit expertise that will operate in accordance with the provisions set out below.

- the Council will establish an Audit Committee of at least three independent Council members with written terms of reference, which deal clearly with its authority and duties

- 
- the Council should satisfy itself that at least one member of the Audit Committee has recent and relevant financial experience
  - the Audit Committee will monitor and review the effectiveness of the NCCA's internal audit activities
  - the Audit Committees should meet at least four times a year
  - the Audit Committee will 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 Council Audit Committee should be able to obtain outside professional advice and, if necessary, invite outsiders with relevant experience to attend meetings
  - any internal audit/audit items that relate to the Council's areas of responsibilities should be communicated to the Council as soon as they are identified
  - the Audit Committee should have a discussion with the external auditors at least once a year, without executive members of the Council or employees of the NCCA body present, to ensure that there are no unresolved issues of concern.

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

- the internal audit function should have a formal charter, including terms of reference, which has been approved by the Council (an outline of the charter is set out in Appendix 3); the reporting structure for internal audit should be clear and formally documented
- the head of the internal audit function should have considerable seniority within the organisation and the content of all internal audit reports should be entirely at his/her discretion.
- The head of internal audit should report directly to the Council Audit Committee and should also have access to the Chairperson of the Council and the Chairperson of the Council Audit Committee.
- the head of internal audit should report within the NCCA to such person as the Council decides and to the Chief Executive
- in carrying out its ongoing work the internal audit function should include detailed testing on all specific areas covered by the charter in order to ensure

that the NCCA is fully complying with all requirements and report its findings to the Audit Committee

- the internal audit function should be properly resourced with the necessary skills including the ability to deal with non-financial aspects
- the internal audit function should liaise frequently with the external auditors so that the potential for co-operation between the two is maximised
- the external auditors should be made aware of the corporate governance issues outlined in this Code of Practice
- the 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 Council's compliance with the requirements set out in this document
- in planning, executing and reporting its work, the internal audit function should ensure that value-for-money auditing receives adequate attention
- the internal audit function should review compliance with procurement and disposal procedures as required by the Audit Committee, from time to time, and report to the Audit Committee.

## Relations with the Oireachtas and the Minister

### **Departmental Oversight**

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 State bodies under their auspices. The Council will work with the Department of Education and Science on any initiative in this regard. Such a framework will define the expectations that Government and Ministers have of the NCCA (and the NCCA's own expectations), clarify the NCCA's role in the policy sector; and define the parameters surrounding the NCCA's resources and income.

## **Reports and accounts**

The Chief Executive should state in the annual report that he/she is responsible for preparing the accounts. There should also be a statement by the external auditors about their reporting responsibilities.

The corporate governance framework should ensure that timely and accurate disclosure is made on all material matters, including the financial situation, performance and governance of the NCCA.

The NCCA will furnish draft unaudited annual accounts to the Departments of Education and Science and Finance, not later than two months after the end of the relevant financial year. In the interests of transparency and good governance, the NCCA will publish in its reports the expenses paid to the Council, broken-down by category, and the salary of the Chief Executive Officer.

The Chairperson's statement in the report to the Minister for Education and Science regarding the system of internal financial control will be included in the annual report. This statement should be reviewed by the external auditors to confirm that it reflects the NCCA's compliance with the requirements 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 these requirements would cause unjustifiable difficulties for the NCCA, the relevant deadline can be extended, as an exceptional measure, subject to the consent of the Minister for Education and Science.

The attendances of each Council Member at Council meetings will be reported in the Annual Report.

The NCCA's annual reports will be published on its website.

## **Additional reporting requirements**

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

- outlining all commercially significant developments affecting the NCCA 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
- affirming that all appropriate procedures for financial reporting, internal audit, travel, procurement and asset disposals are being carried out
- 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
- affirming that Codes of Business Conduct for members and employees have been put in place and adhered to
- affirming that Government policy on the pay of the Chief Executive and all NCCA employees is being complied with
- explaining failure to comply with any of the above and stating any corrective action taken or contemplated
- outlining significant post balance sheet events
- confirming that the Guidelines for the Appraisal and Management of Capital Expenditure Proposals where applicable in the Public Sector are being complied with
- certifying that Government travel policy requirements are being complied with in all respects
- confirming that this Code of Practice has been adopted and the extent to which it is being complied with subject to Council approval.

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

The Accounting Officer of the Department of Education and Science should satisfy him/herself that the requirements of the Code of Governance are being implemented

and if reports indicate that problems exist, ensure that appropriate action is taken as soon as possible.

## Specific procedures to be followed by State bodies

### **Diversification, establishment of subsidiaries and acquisitions**

The NCCA will obtain the approval of the Minister for Education and Science for any intended action which would extend or change significantly the nature, scope or scale of the activities in which it (or any subsidiary or State body joint venture) engages. The financial consequences of such actions, and their consistency with the existing remit of the NCCA body (if any), notably its statutory remit, should be set out. The consent of the Minister for Finance should be obtained to any action which, in the view of the Minister for Education and Science would have significant financial consequences, notably on the debt of the NCCA.

The establishment or acquisition of subsidiaries, participation in joint-ventures and the acquisition of shares by the NCCA, by its subsidiaries or by joint-ventures in which either a State body or its subsidiaries participate (“State body joint ventures”) is subject to the legal capacity to do so and to the prior written approval of the Minister for Education and Science, given with the consent of the Minister for Finance. Should the NCCA or its subsidiaries or joint ventures plan a shareholding offering or to acquire shares, the offer/application must refer expressly to such legal capacity and approval requirements.

When seeking such approval, the NCCA should supply the Department of Education and Science with complete details of such proposed subsidiaries, joint ventures or acquisitions and should do so at the earliest opportunity in order to avoid delays.

Such details should include, together with such other information requested:

- the full business case for the proposal
- the amount of share capital proposed to be acquired compared with the entire issued share capital of the company concerned
- details of any shares held in such company by any other State body, its subsidiaries or State body joint ventures

- data on the financial commitment and exposure of the parent body, whether by way of equity, loans, guarantee or otherwise
- other potential liabilities that may have a negative impact
- outstanding borrowings of such company from all sources, whether guaranteed or not, and any commitments by them which could involve financial exposure for a the NCCA
- in seeking approval for the establishment or acquisition of subsidiaries, the proposed approach to the remuneration and conditions of employment of the Chief Executive and, where appropriate, other employees of the subsidiaries should be outlined.

Where the NCCA its subsidiaries and/or any State body joint ventures have a combined holding in any company exceeding 30% of the entire issued share capital of such company, the State bodies concerned should notify the Ministers for Education and Science and Finance.

Where the NCCA is subject to a limit on its borrowings, the combined borrowings of both the parent body and all its subsidiaries (the “Group”) are covered by that limit. Cash balances are not to be taken into account in calculating borrowings for the purposes of borrowing limits.

State guarantees cannot be given without explicit statutory authority and may be given only by the Minister for Finance or with his consent. State guarantees may also be subject to approval by the EU Commission under the Treaty rules on State Aid. As a general rule, current policy is not to issue new State guarantees and to allow outstanding guarantees to expire as the relevant borrowings are repaid.

### **Procedures for procurement**

It is the responsibility of the Council 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 will continue to be the standard procedure in the procurement process of the NCCA. The executive, and ultimately the Council, 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. Where there is a significant procurement function, it would be appropriate to have a sub-committee of the Council (or to include it in the charter of the Audit Committee) to devise and monitor procedures suited to the body's purchasing profile.

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 the NCCA 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 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 NCCA will 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.

### **Capital investment appraisal**

Where relevant, the NCCA will comply with the *Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector* issued by the Department of Finance in February, 2005. The Chairperson of should confirm in his/her annual report that these Guidelines are being complied with.

In addition, the NCCA where relevant will have regard to appropriate models for investment appraisal in their sectors and seek to apply best practice in the appraisal and management of all investment proposals. The Department of Finance Value for Money Frameworks should be adhered to in all such cases.

### **Travel**

The NCCA will adopt and comply in all respects with the circulars issued from time to time by the Department of Finance regarding travel and subsistence.

The Council will put in place appropriate procedures to monitor, report, and enforce the relevant rules and requirements. A Framework Travel Policy is provided in Appendix 6.

### **Disposal of State assets and access to assets by third parties**

The disposal of assets of the NCCA 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 NCCA's records or by a formal sign-off by the Council on the advice of the Chief Executive or, if delegated by the Council, sign-off by the Chief Executive or the Council 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 auction or tendering requirements**

If an auction or competitive tendering process takes place and the highest bid is not the bid accepted, then specific Council 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 Council.

Where an auction or competitive tendering process is not used and the agreed price is €150,000 or more, then specific Council 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) Council approval is not necessary, with the reasons therefore, or (ii) Council approval, where necessary, has been obtained.

Disposal of assets to Council members, employees or their families or connected persons, should, as with all disposals, be at a fair market-related price. Where the Council is considering a proposal for any such disposal, the Council member connected to the potential purchase should absent him or herself from the Council 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) will be noted in a register kept for this purpose (minor disposals below €5,000, or a threshold approved by the Council may be omitted from the register). This register should be available for inspection, if requested, by the Council or by any member. The Council may specify that any disposal above an approved threshold should be formally endorsed by the Council 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) below the threshold value of €150,000 without auction or competitive tendering process should be formally reported to the Council, 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 Minister for Education and Science.

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

## **Tax compliance**

The NCCA will fully comply with all relevant taxation laws and should ensure that all tax liabilities are paid on or before the relevant due dates. A report on the Council's compliance with tax laws will be furnished each year to the Department of Education and Science.

The NCCA, while availing of all legitimate taxation arrangements, will not engage in clearly 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 NCCA or some other party to a transaction in which the NCCA participates. Where a doubt arises in a particular instance, the Council will consult the Revenue Commissioners.

### **Legal disputes involving other State Bodies**

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

The NCCA 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.



# Appendix 1

## Ethics and standards in public office

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

All Council members and staff who occupy designated positions of employment 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.

Council members are required in each year, during any part of which they sat on Council 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.

NCCA staff members occupying 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**

Council members are required to furnish a statement of a material interest where a function falls to be performed, and where the member or the employee or a "connected person" (e.g. a relative or a business associate of the member 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 Council member 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 Council member, 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.

### **Investigations**

Both Council members and designated employees in prescribed 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**

The public bodies prescribed for the purposes of the Ethics legislation and the designated directorships and designated positions of employment therein, 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 provided in the "Guidelines on Compliance with the Provisions of the Ethics in Public Office Acts 1995 and 2001 – Public Servants", published by the Standards in Public Office Commission and available for download on its web site: <http://www.sipo.gov.ie>.



## Appendix 2

### Framework code of business conduct

#### **Rationale**

The purpose of this framework code is to provide clear guidance to the Council and its staff, governing behaviours in all dealings with its stakeholders, the public, other public agencies, contractors and other service providers or traders.

#### **Objectives**

The objectives of the code are to establish an agreed set of ethical principles guiding the Council in its work, for the benefit of Council members and staff; to ensure that they meet or exceed the standards of public service performance required by statute and to promote and maintain public confidence and trust in the Council and its work. Nothing in this code shall inhibit the right of members to advocate the concerns of their nominating bodies.

The code will be subject to review from time to time.

#### **General principles**

The following principles inform this Code of Conduct:

- Integrity
- Transparency and Accountability
- Obligations
- Loyalty and Fairness
- Work and external environment
- Responsibility
- Review

## **Integrity**

The Council will behave with integrity, by ensuring that members and staff:

- take decisions in an objective manner having regard to the public interest
- respect the confidentiality of Council's deliberations by undertaking not to circulate documentation or to reveal Council deliberations and discussions to third parties except for purposes of consultation that are compatible with the representative nature of Council.
- do not place themselves under any financial or other obligation to any individual or organisation that might reasonably be thought to influence the performance of their duties
- participate in the work of Council in an ethical and honest manner at all times
- disclose in a register of interests, outside employment or business interests which are in conflict or in potential conflict with the business of the Council
- are not involved in outside employment or business interests which are in conflict or in potential conflict with the business of the Council
- avoid the giving or receiving of 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
- purchase goods or services in accordance with best public service procurement practice
- ensure that the Council's financial reports and accounts accurately reflect its performance and are not misleading or designed to be misleading
- ensuring a culture of claiming expenses only as appropriate to business needs and in accordance with good practice in the public sector generally;
- ensure that the Council's resources will not be used for personal gain, or for the benefit of persons/organisations unconnected with the Council or its activities
- commitment not to acquire information or business secrets by improper means.

## **Transparency and accountability**

The Council will promote transparency and accountability by:

- complying with relevant statutory provisions (such as data protection legislation, Freedom of Information Acts)
- ensuring that access is readily available to general information relating to the Council's activities
- respecting the confidentiality of sensitive information such as commercially sensitive information, personal information, and information received in confidence (consistent with the requirement for transparency in the distribution of public funds)
- undertaking appropriate prior consultation with third parties where, exceptionally, it is proposed to release sensitive information in the public interest.

## **Obligations**

The Council will meet its statutory and regulatory obligations, by:

- fulfilling all regulatory and statutory obligations imposed on the Council
- complying with detailed tendering and purchasing procedures, as well as complying with prescribed levels of authority for sanctioning any relevant expenditure
- introducing controls to prevent fraud including adequate controls to ensure compliance with prescribed procedures in relation to claiming of expenses for business travel
- Council members will use their reasonable endeavours to attend all NCCA meetings; and conform with procedures laid down by the Council in relation to conflict of interest situations, including in regard to acceptance of positions following employment and/or engagement by a the NCCA that may give rise to the potential for conflicts of interest and to confidentiality concerns.
- acknowledging the duty of all to conform to highest standards of business ethics.

## **Loyalty**

Council members and staff acknowledge the responsibility to be loyal to the NCCA and fully committed in all its business activities while mindful that the NCCA itself must at all times take into account the public interest. They also acknowledge their responsibility

to be loyal to their colleagues and fully committed to promoting its purposes and interests of the Council

### **Fairness**

Council members and staff acknowledge the responsibility to:

- comply with employment equality and equal status legislation
- commit to fairness in all business dealings
- value customers and treat all customers equally.
- to conform to highest standards of business ethics.

### **Work and external environment**

The Council will behave responsibly as an employer and a public agency, by:

- placing the highest priority on promoting and preserving the health and safety of employees
- ensuring that community concerns are fully considered
- Minimising any detrimental impact of the operations on the environment.

### **Responsibility**

The executive will circulate this Code of Business Conduct and a policy document on disclosure of interests to all Council members, management and employees for their retention and seek an acknowledgement of receipt and understanding of same

The executive will also prepare an explanatory booklet providing practical guidance and direction on such areas as gifts and entertainment and on other ethical considerations which arise routinely.

### **Review**

The Council will make arrangements for and commitment to review the Code of Business Conduct as appropriate.

## Appendix 3

### Charter for Internal Audit and terms of reference of the audit Committee

#### 1. Membership

The committee shall be appointed by the Council on the nomination of the chairperson. The committee shall consist of at least three members who shall be independent in the exercise of their functions. A quorum shall be two members. At least one member of the committee shall have recent and relevant financial experience. The Council shall appoint the committee chairperson.

The chairperson of the Council shall not be a member of the audit committee. Membership of the committee shall be co-terminus with the term of office of the Council.

The chief executive shall nominate a member of the executive act as secretary of the committee.

#### 2. Attendance at meetings

No one other than the audit committee's chairperson and members is entitled to be present at a meeting of the committee. It is for the audit committee to decide if non-members should attend for a particular meeting or a particular agenda item. The audit committee should, at least annually, meet without management, the external auditor and those involved in the internal audit function, to discuss matters relating to its remit and any issues arising from the audit.

#### 3 Frequency of meetings

The chairperson of the committee, in consultation with the chief executive shall determine the frequency and timing of meetings. There shall be as many meetings as the audit committee's role and responsibilities require. There shall be no fewer than four meetings per year, held to coincide with key dates within the financial reporting and audit cycle.

The external auditors may request a meeting if they consider that one is necessary.

#### **4. Notice of meetings**

Meetings of the committee shall be summoned by the secretary of the committee at the request of the chairperson. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the committee and any other person required to attend no later than seven clear days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

#### **5. Minutes of meetings**

The secretary shall minute the proceedings and resolutions of all meetings of the committee, including recording the names of those present and in attendance.

#### **6. Authority**

The committee, which will act on behalf of and in the best interests of Council members, is authorised by the Council to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the NCCA and all employees are directed to co-operate with any request made by the committee.

The committee is authorised to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

## 7. Duties

The main role and responsibilities of the audit committee are:

- to monitor the integrity of the financial statements of the Council, reviewing significant financial reporting judgements contained in them
- to review the Council's internal financial controls and the Council's internal control and risk management systems
- to consider reports arising from the Council's internal audit function and to monitor and review its effectiveness
- to consider reports on the external audits conducted by the Comptroller and Auditor General
- to report to the Council, identifying any matters in respect of which it considers that action or improvement is needed, and making recommendations as to the steps to be taken.

## 8. Reporting procedures

The secretary shall circulate the minutes of meetings of the committee to all members of the Council. The committee chairperson shall report to the Council, at least annually, on all matters within its duties and responsibilities. The committee shall make whatever recommendations to the Council it deems appropriate on any area within its remit where action or improvement is needed.

## 9. Other matters

The Committee shall have access to sufficient resources in order to carry out its duties, including access to the executive for assistance as required. The committee shall also have access to appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

The committee shall oversee any investigation of activities which are within its terms of reference and at least once a year, review its own performance and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes to the Council.



## Appendix 4

### Principles of quality customer service

The following Principles of Quality Customer Service have been adopted by Council and published in its Customer Service Action Plan

#### **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 Public Service web sites 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 staff are recognised as internal customers and that they are properly supported and consulted with regard to service delivery issues.

---

## Appendix 5

### Format for the Report from the Chairperson regarding the assessment of internal financial controls of a State body

1. Acknowledgment by the Chairperson that the Council 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 Council, 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 require 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

### Framework for an NCCA travel policy

#### **Introduction**

In matters of foreign and domestic official travel and subsistence, the NCCA will adhere 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 Department of Education and Science as appropriate. The NCCA is cognisant of the need to achieve economy and efficiency in its expenditure on official travel.

The NCCA Council will satisfy itself that the principles of its travel policy are adhered to and that the internal audit process is effective in insuring that it is fully complying with the policy.

#### **Intent and scope**

The purpose of the Travel Policy should be 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, should also be benchmarked.

#### **Domestic travel**

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

#### **Foreign travel**

All proposals for foreign travel must first be discussed with the Chief Executive or the relevant Deputy Chief Executive who must determine (i) that the travel to be undertaken will support the strategic goals and work priorities of the NCCA and (ii) that the costs are not greater than the benefits to accrue to the organisation. When this approval is given, the proposal must then be submitted to the NCCA travel officer. The

final costed application must then be approved by the relevant Deputy Chief Executive or by the Chief Executive.

### **Air travel**

A statement of the practice to be followed will be developed in relation to the criteria to be applied in choosing either restricted internet fares or fully-flexible economy class fares, where this approach is cost-effective, overall. The statement will outline any exceptional circumstances in which more expensive Business Class options may be considered. 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, three or four star hotels should be used.