



# Code of Conduct

## Introduction

To be effective in providing independent assurance to the people of Jersey on how public money is spent, the Jersey Audit Office (JAO) must be able to demonstrate the highest standards of corporate and personal conduct.

Public service values and professional standards are at the heart of the way we conduct our business. To retain confidence, our values must be applied – and be seen to be applied – consistently. This Code of Conduct establishes the expectations, responsibilities and proper practice required to ensure our values underpin all that we do. It should be taken together with the requirements of any contractual agreement in place with the Comptroller and Auditor General (C&AG).

The Code of Audit Practice published by the C&AG requires the C&AG, the Deputy Comptroller and Auditor General and affiliates to comply with ISSAI 130, Code of Ethics. This includes publishing and monitoring compliance with a Code of Conduct that sets out how to interpret and apply ISSAI 130, Code of Ethics. This document fulfils that requirement.

The C&AG, the Deputy Comptroller and Auditor General and affiliates are also subject to the codes of ethics of their respective professional institutes.

## Scope and application

This Code of Conduct must be read by all consultants and affiliates of the JAO as well as the C&AG and the Deputy C&AG. A 'Code of Conduct return' is required annually, showing current and intended future compliance with the requirements. However, a new return should be made in-year if personal circumstances change or when the JAO should be made aware of any conduct-related issues. Any 'adverse' returns will be considered on a case-by-case basis.

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No Code can provide for all circumstances. Individuals should apply common sense and careful judgement but there may be occasions when further guidance is required if, for example:

- there are doubts about the application or scope of the Code's provisions
- there are apparent conflicts with the requirements of professional bodies
- individuals believe that they are being required to act in a way which is illegal, improper, unethical, or in breach of constitutional convention; or
- individuals face a fundamental issue of conscience.

Where individuals are uncertain about how the rules apply, they should seek advice from the C&AG or - in the case of the C&AG - the Chair of the Board of Governance.

This Code may be altered, from time to time, to take account of changed circumstances or new situations.

Failure to operate within the terms of the Code may result in termination of contract with immediate effect without liability for compensation or damages.

## Observing our values

The JAO's values are set out under four headers:

### *Independence and objectivity*

We appoint auditors, determine our work plan, carry out our work and report our findings impartially. We are accessible, transparent and responsive. We drive constructive and positive change through our recommendations and follow up. We respond with agility to the ever-changing environment in which we operate.

### *Fairness and justice*

We are open and honest in the way we undertake our work, how we communicate with all stakeholders and how we treat people. We report our evidence-based findings in public, without fear or favour. We undertake audit work as economically, efficiently and effectively as possible.

### *Integrity*

We speak up for what is right. We strive for and deliver high quality outcomes. We are truthful in making decisions and in responding to challenge. We meet our responsibilities in an ethical and fair way.

### *Credibility*

We provide insight and promote best practice. We engage proactively with our stakeholders, with whom we work hard to build and maintain trust. Our work follows best practice and is undertaken by a team of reliable and dedicated professionals in accordance with recognised international standards.

## **Principles of Public Life**

Individuals covered by this policy must adhere to the seven Principles of Public Life which are:

- a) selflessness – holders of public office should act solely in terms of the public interest.
- b) integrity – holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
- c) objectivity – holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- d) accountability – holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
- e) openness – holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
- f) honesty – holders of public office should be truthful.

- g) leadership – holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

## Personal conduct

The personal conduct of members of the JAO matters to the reputation of the JAO.

Three existing JAO policies are relevant:

- JAO Travel Policy: May 2022
- Equal Opportunities Policy: March 2018; and
- Health and Safety Policy: January 2022

In addition to these policies, individuals covered by this Code of Conduct should be aware of, and avoid, the following behaviours which might impinge on the performance of the JAO or risk bringing discredit to the JAO:

- participating in activities which might severely damage their financial standing and, as a consequence, prejudice the proper and effective performance of their duties for the JAO
- forms of over-indulgence or addiction, which may adversely affect their conduct or impair the performance of their duties for the JAO
- make use of their official position to further their private interests; and
- personal or domestic relationships where that relationship may impinge on their duties for the JAO.

Individuals must make no public comment, including through social media, about the JAO or its work without prior approval from the C&AG. In addition, individuals will not publish any literature, deliver any lecture, or make any communication to the press relating to the business of the C&AG or on any matter with which the C&AG may be concerned unless they have previously, and on each occasion, obtained the prior written permission of the C&AG.

Individuals have a personal responsibility to ensure that they comply with HMRC and States of Jersey rules and that their tax affairs are up to date.

If any individual has concerns in any of these areas, they must report these to the C&AG, or (in the case of the C&AG) to the Chair of the Board of Governance.

### **Reporting of arrests or convictions or court judgements**

Anyone arrested and refused bail or convicted by a court of any criminal offence (except a traffic offence for which the penalty does not include imprisonment or disqualification from driving) must disclose this to the C&AG or (in the case of the C&AG) to the Chair of the Board of Governance. Individuals are also obliged to report any civil actions they are subject to as a result of professional or business activities where a court has found against them.

Disclosure is also required in relation to:

- judgement by a UK or Jersey court about a debt
- an attachment of earnings order
- being declared bankrupt or served with a bankruptcy petition under UK or Jersey law; and
- entering into compromise arrangements or trust deeds with creditors under UK or Jersey law.

### **Use and control of public funds and assets**

A key JAO priority *Building a better organisation* includes the need to improve our ability to demonstrate value for money in all we do. The C&AG, the Deputy C&AG and all affiliates of the JAO commit to:

- using public assets efficiently and effectively for legitimate business purposes
- complying with the requirements on incurring and claiming expenses
- acting within the boundaries of the Travel Policy; and
- speaking up where there are issues with, or opportunities to improve, the JAO's use of public funds and assets.

## Prevention of fraud

The C&AG, the Deputy C&AG and all affiliates of the JAO have a personal responsibility for handling public assets with probity. They also have a responsibility for reporting immediately the C&AG or (in the case of the C&AG) to the Chair of the Board of Governance, any suspected fraud by their colleagues, contractors or suppliers.

## Respecting others

The C&AG, the Deputy C&AG and all affiliates of the JAO must act at all times in line with the JAO's values. We must treat colleagues, suppliers, external organisations and other relevant stakeholders and the public with dignity and respect at all times and be open to their views and different perspectives. We are an inclusive organisation which is at its best when we embrace diversity of thought, experience and background. The C&AG, the Deputy C&AG and all affiliates of the JAO must act at all times in line with the spirit as well as the letter of all relevant Law, paying particular attention to:

- Discrimination: people must not discriminate unfairly on the grounds of ethnic or racial origin, disability, religion and belief, age, sexual orientation, sex, gender identity, gender reassignment, pregnancy or maternity, or marital status
- Bullying and harassment: this may take many forms, including victimisation, bullying and physical or verbal abuse, as well as less obvious actions such as ignoring or excluding a colleague, showing unwanted attention, or making inappropriate personal remarks. All forms of bullying and harassment are unacceptable, will not be tolerated at the JAO, and will be subject to review by the C&AG or (in the case of the C&AG) to the Chair of the Board of Governance
- Health and safety: the JAO's Health and Safety Policy makes clear that individuals have a personal responsibility both for their own health and safety at work and for ensuring that they do not put the health and safety of others at risk.

## Professional competence

Individuals covered by this Code of Conduct provide services:

- with reasonable care and skill
- in accordance with all instructions of the C&AG; and
- with due regard to all relevant health and safety legislation.

Individuals comply at their own expense with any statutory requirements and industry standards, including but not limited to securing a practicing certificate where required from any professional institute of which they are a member and complying with the requirements of such an institute for a person holding such a practicing certificate.

Individuals shall maintain and develop their knowledge and skills to keep up with the developments in their professional environment in order to perform their contracted services optimally.

Individuals are required to disclose:

- any circumstances where they have been refused or restricted in the right to carry on any trade, business or profession for which a specific licence, registration or other authority is required
- any court order instigated by a regulatory body, or subject to official enquiry by a financial, professional or other business authority; and
- the results of any disciplinary procedures or reprimands issued by professional bodies. Individuals investigated by their professional institute for allegations of misconduct or malpractice should also make the existence of these investigations known to the C&AG or (in the case of the C&AG) the Chair of the Board of Governance.

## Handling Data and Information

The JAO has privileged access to data and information to enable performance of statutory audit and other business tasks. The C&AG, the Deputy C&AG, consultants and affiliates of the JAO have a duty to respect this privileged access and to ensure that the information is safeguarded properly. In completing the annual Code of Conduct return, each individual confirms they have read and understood the Information Policy issued by the JAO.

All correspondence, documents, data and other property or information provided to the JAO, by the C&AG or as a result of the C&AG's work, shall be regarded as the C&AG's property.

Statutory responsibilities and security considerations apply to specific types of data and information, whether accessed, used or managed. Appropriate measures must be taken to preserve safe keeping, integrity and availability for use. Everyone must make

themselves aware of their obligations under legislation governing data protection, computer misuse, copyright protection, and the retention of public records.

Everyone is required to use software and the most up-to-date antivirus definitions available from an industry-accepted antivirus software seller to minimise the impact of malicious software.

### **Personal data**

The C&AG is registered to process personal data under the Data Protection (Jersey) Law 2018. Access to personal data will only be granted in accordance with the applicable data protection laws in Jersey and the equivalent legislation in the United Kingdom. All those working for and on behalf of the JAO must make themselves familiar with their responsibilities and comply in all respects, including by:

- doing nothing to cause the C&AG to fail in her obligations under the same
- establishing appropriate technical and organisational measures against the accidental, unauthorised or unlawful processing, destruction, loss, damage, or disclosure of personal data; and
- ensuring adequate security procedures so that unauthorised persons do not have access to the personal data or to any equipment used to process personal data.

### **Information security and breaches**

Anyone who suspects, observes or discovers breaches of information security must report the incident to the C&AG, or (in the case of the C&AG) to the Chair of the JAO Board of Governance.

### **Unauthorised disclosure**

The C&AG shall be the final arbiter about what shall, or shall not, be disclosed about the work of the JAO. Should anyone become aware of the unauthorised disclosure of information damaging to the interests of the JAO, including the leaking of draft reports, they should report these matters to the C&AG.

### **Anti-money laundering reporting**

Article 20(6) of the 2014 Law requires that, if the C&AG, in carrying out their work, suspects any criminal activity, the C&AG shall report the suspicion to the Attorney General as soon as reasonably practicable.



Anyone who suspects, observes or discovers any criminal activity must report this to the C&AG immediately.

## Political Activities

Given the status of the C&AG and the role of the JAO, it is essential that those working for and on behalf of the JAO are, and are seen to be, free from any political bias.

The work of the JAO impacts on a wide range of issues which are important to the public and to the States of Jersey. Ill-judged or irresponsible comment or actions of a political nature could undermine the credibility of the C&AG and the JAO.

While allowing the freedom to participate in public affairs, this must not prejudice the impartiality of the JAO. It is not intended that restrictions are placed on privately held beliefs and opinions, but it is necessary to restrict the extent to which people covered by this Code of Conduct can participate in political activities.

It follows therefore that all those covered by this Code of Conduct must not undertake any political activity concerning the Island of Jersey.

Political activities which may be subject to restriction include:

- candidature for the States Assembly
- holding, in party political organisations, offices which impinge wholly or mainly on party politics in the States Assembly
- speaking in public on matters of political controversy in Jersey or the UK
- expressing views on such matters in letters to the press, or in books, articles or leaflets, or in any other media that is in the public domain; and
- canvassing on behalf of candidates for the States Assembly or for Constables of Jersey parishes.

The touchstone in these areas, as in all other activities, is that those covered by this Code of Conduct should avoid any possibility that their activities might embarrass the C&AG or call into question the impartiality of the JAO.

## Conflicts of interest

A conflict of interest arises when a person or company is in a position to derive personal benefit from actions or decisions made in their official capacity. Any perception of - or potential for - a conflict of interest can cast doubt that decisions are made fairly.

Individuals covered must not carry out any work or hold any office which might conflict with the interests of the JAO. Specifically, individuals shall not during, and for a period of two years after the expiration of the contract, undertake any other work for the States of Jersey or an entity controlled by the States of Jersey except with the consent of the C&AG, but such consent shall not be unreasonably withheld.

Those working in the public sector will from time to time find that private matters will impinge on their public duties. The C&AG, the Deputy C&G, consultants and affiliates of the JAO must:

- operate 'without fear or favour'
- not perform any other work (paid or unpaid) or hold any post or office which may in any way compromise their position or the C&AG's position or which may create a conflict (whether actual or apparent) with the role to which they have been appointed by the C&AG
- not undertake any other work for the States of Jersey or an entity controlled by the States of Jersey except with the consent of the C&AG; and
- declare any private interests relating to their public duties and take steps to resolve any conflicts arising.

Those covered by this Code of Conduct must declare if they, their immediate or close family members, or others with whom they have a close personal or business relationship:

- have business relationships with the States of Jersey, States controlled or States established entities
- have business relationships with key suppliers to the JAO
- hold shares which might suggest a potential conflict with the interests or independence of the JAO; or

- own or have any other right or interest in houses, land and buildings, which may be significant to, of relevance to, or bear upon, the work and operation of JAO.

## Gifts, hospitality, travel and accommodation

In undertaking work as a member of the JAO, offers of gifts, hospitality, entertainment or other services should not be made or accepted where they might, or might be seen to:

- place the recipient under an obligation; or
- compromise the recipient's personal or professional judgement.

Bribery is the offering, giving, receiving, or soliciting of any item of value or advantage to influence the actions of an official or any other person in charge of a public or legal duty. It is a serious criminal offence to:

- give, receive or solicit a bribe (i.e. to corruptly receive or give any gift, loans, fee, reward or advantage) in return for doing or not doing anything; or
- show favour or disfavour to any person in the course of work undertaken.

### Gifts

Anything other than token gifts (for example a calendar or mouse mat) offered to individuals or their immediate family members due to their work with the JAO may not be accepted, but the offer must be recorded.

The gift must be either returned to the donor or, if this is not practical or might cause offence, surrendered to the C&AG. It is not expected that this will occur often or at all, but in such cases the C&AG will arrange for the item to be donated for charitable purposes, and record this.

### Hospitality

When undertaking work for the JAO, individuals are permitted to accept hospitality which is provided in the normal course of business and could reasonably be reciprocated by the JAO. This includes working lunches or dinners, providing there is predominantly a business agenda.

The standard of hospitality should be no more than that which might reasonably be offered by the JAO in return. All working lunches or dinners provided off client premises

must be recorded. Individuals should be careful not to accept hospitality where an appropriate balance is not maintained.

Where there is any doubt, the C&AG or (in the case of the C&AG) the Chair of the Board of Governance should be consulted.

### **Travel and Accommodation**

Individuals must ensure that any travel or accommodation for business purposes is reasonable in the circumstances and would not expose the individual or the JAO to public criticism.

Individuals shall comply with the C&AG's policies and procedures in respect of the procurement of travel and accommodation and comply with limits on expenses incurred.

Where individuals are offered travel and accommodation by external hosts (for example international bodies) they must consult the C&AG or (in the case of the C&AG) the Chair of the Board of Governance. Decisions on whether to accept the offers will include consideration of the extent to which the standards offered are compatible with JAO values.

No restrictions are placed on the freedom of individuals to be accompanied by partners at their own expense providing no extra cost falls to the JAO or the host.