

AUDIT SCOTLAND STAFF CODE OF CONDUCT

1. Introduction

Because of its high public profile and the nature of its work, Audit Scotland must demonstrate high standards of corporate and personal conduct. The purpose of this Code of Conduct is to provide clear and helpful advice to you about the standards of behaviour expected of you as a member of Audit Scotland's staff. The Code may be amended from time to time to take account of changed circumstances or new situations. A serious breach of the Code may give rise to disciplinary action.

In addition, all staff are required to comply with the principles of the Ethical Standards for Auditors issued by the UK Auditing Practices Board. Guidance on the application of those standards to the circumstances of Audit Scotland is available in the Staff Handbook ('Ethical Standards'). Our Ethical Standards cover:

- Integrity, objectivity and independence
- Financial, business, employment and personal relationships
- Long association with the audit engagement
- Fees, remuneration and evaluation policies, litigation, gifts and hospitality.

You may also be subject to Codes of Conduct of the professional bodies of which you are a member.

This Code incorporates the Seven Principles of Public Life identified by the Nolan Committee on Standards in Public Life. Audit Scotland's values are reflected in these principles. You are expected to carry out your work in keeping with these principles / values and help Audit Scotland to uphold them.

- **Selflessness** - Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.
- **Integrity** - Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
- **Objectivity** - In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
- **Accountability** - Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
- **Openness** - Holders of public office should be as open as possible about all the decisions and actions that they take. They should

give reasons for their decisions and restrict information only when the wider public interest clearly demands.

- **Honesty** - Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
- **Leadership** - Holders of public office should promote and support these principles by leadership and example.

2. **Diversity and Equality**

We value and promote diversity and equality of opportunity. We expect you to carry out your work in line with the principles outlined within our Diversity Statement.

3. **Relationships**

You may have contact with audited bodies, other organisations or members of the public. You should always be courteous and seek to promote a positive and professional image of Audit Scotland. You should deal fairly, equitably and consistently with those you come in contact with.

4. **Contractors, suppliers and consultants**

You must be fair and impartial in your dealings with contractors, suppliers and consultants. If you are involved in procurement or tendering process to appoint contractors, suppliers or consultants you must follow Audit Scotland's Procurement guidance laid out in Financial Guideline No 1 and any other such guidance as may be issued from time to time.

If you have access to confidential information on tenders or costs for contractors, suppliers or consultants you must not disclose that information to any unauthorised individual or organisation.

All private relationships with actual or potential contractors, suppliers or consultants must be declared in accordance with provisions laid in paragraph six below.

5. **Independence, objectivity and conflicts of interest**

It is important that, as a member of Audit Scotland's staff, you carry out your work with independence and objectivity and that you do not allow any private interest to influence your decisions. You must not use your position to further your own interests or the interests of others who do not have a right to benefit from Audit Scotland's work.

You may have a private interest which relates to the work of Audit Scotland. That interest may be a financial one or one which a member of the public might reasonably think could influence your judgement. In addition, close family members or people living in your household may have financial interests in the work of Audit Scotland. You may have an interest which is not a financial one. For example, you may be a member of a public body, an organisation or club and membership might result in a conflict of interest in

relation to an aspect of your work with Audit Scotland. This applies equally to membership of organisations or clubs which are not open to the public e.g. Freemasonry.

You must declare all such financial and other interests to your Director/Assistant Director. Directors must make such declarations to the Assistant Auditor General, and the Assistant Auditor General must make such declarations to the Auditor General. Throughout this Code references to Director/Assistant Director are to be interpreted in this way. In addition, you must complete a confirmation of independence and declaration of interests form and pass it to Human Resources so that any interests can be entered in the Register of Staff Interests.

6. Openness, disclosure and protection of information

Audit Scotland carries out its work in the public interest and is committed to the principle of openness. You should act in accordance with the Freedom of Information (Scotland) Act and our FOI policy. But there are exceptions when information cannot be made available to others particularly when confidential, personal or sensitive information is involved.

There are occasions when information gathered during the course of your work must be kept confidential, both inside and outside the organisation. For example, when its disclosure would prejudice an investigation, breach confidentiality or contravene the Data Protection Act. This does not apply where there is a legal duty to provide information.

Audit Scotland takes information security very seriously. You have a duty to protect information gathered during the course of your work from inappropriate access, abuse, loss or damage and to manage that information in keeping with our information management principles. You also have a duty to report inappropriate access, abuse, loss or damage to that information as quickly as possible and to assist fully in any subsequent investigation.

Breaches of confidentiality or security will be treated with utmost seriousness and could prompt an investigation under Audit Scotland's discipline policy. Any wilful breach could lead to termination of your employment with Audit Scotland. If you are in any doubt about a matter of confidentiality or security, please check with your manager.

You should comply with our information management policy and procedures (click [here](#)) including completing information management training if requested to do so.

7. Paid employment outside Audit Scotland

Audit Scotland will normally allow you to undertake paid employment outside Audit Scotland in your own time unless there is a conflict of interest, or it is likely to have an adverse effect on the work of Audit Scotland or on your own performance. A conflict of interest can arise where a member of staff seeks to do work for an audited body or to undertake work outside Audit Scotland which relates to the work of Audit Scotland. Outside employment can adversely affect the work of Audit Scotland if it damages the organisation's reputation. It can affect your own performance if it significantly reduces your capacity to carry out your duties. If you undertake work outside Audit Scotland

you must first obtain the approval of your Director/Assistant Director and then advise the Human Resources team. This procedure is in your interests and will protect you. It will also enable us to meet our legal obligations in relation to family friendly benefits and Working Time Regulations. You are not allowed to use the equipment and resources of Audit Scotland in any outside employment.

If you receive a fee for a publication, broadcast, speech or lecture where you have used official information or your own work experience you must remit that fee to Audit Scotland. This also applies to external work carried out in working hours which attracts a fee. You may retain tokens of appreciation such as book tokens or commemorative items. The acceptance of such tokens should be advised to the Chief Operating Officer who will record it in a register kept for that purpose.

8. **Hospitality**

You should not accept or offer hospitality connected with your work unless you can answer “yes” to the following questions. If you are in any doubt you should consult your Director/Assistant Director.

“Can I justify this?” and “Can I be sure I will not be subject to legitimate criticism from colleagues or the public?”

In general, modest hospitality may be acceptable providing that it is reasonable in the circumstances for example, a sandwich lunch.

It is Audit Scotland’s policy that the acceptance of hospitality should be declared and recorded. You should obtain approval from your Director/Assistant Director and then advise the Chief Operating Officer of any such acceptance which will be recorded in a register kept for that purpose.

To assist staff in deciding what to declare, the following guidance may be useful.

Items **NOT** requiring declaration and recording are:

- Working lunches at audited bodies, partner firms, working groups/committees, boards, professional institutes and other public bodies.
- Meals and accommodation incidental to the attendance at conferences, seminars and workshops.

Items that **WOULD** require disclosure include:

- Meals in external restaurants, whether working or not
- Attendance at functions organised /hosted by professional bodies eg institute annual dinners
- Receptions held by public bodies, partner firms or other parties where there is a widespread range of attendees eg gallery viewings.
- Functions where the focus of the event is an awards ceremony which involves a public sector element.
- Meals paid for by visiting delegations from other audit offices and Parliaments / Governments.

You should not accept offers to attend social or sporting events unless it would be of benefit to Audit Scotland or where Audit Scotland would expect to be represented.

In exceptional circumstances it may be appropriate to accept hospitality in order to avoid embarrassment or offence for example, hospitality offered from overseas hosts when we are carrying out international work.

You should not accept repeated hospitality from the same source.

9. Gifts

As a general rule, you must not accept personal gifts although you may keep items of token value, e.g. a pen or diary.

In exceptional circumstances it may be appropriate to accept a gift of more than token value, for example where refusal would embarrass Audit Scotland or damage an important relationship. The acceptance of such a gift should be approved by your Director/Assistant Director. Where an unsolicited and inappropriate gift is received and you are unable to return it or the donor refuses to accept its return, you should report the circumstances to your Director/Assistant Director.

All gifts above token value will belong to Audit Scotland and are not a personal gift to the recipient. The Chief Operating Officer keeps a register to record such instances and to show whether or not acceptance was authorised.

The International Liaison Manager maintains a sub-section of the gifts register for work with other countries. Any gifts received in the course of carrying out work for other countries should be recorded in the register of International Gifts and Hospitality maintained by the International Liaison Manager.

The giving of gifts is restricted to international visits, the rules for which are set out in the [Policy on visits, and the provision and acceptance of gifts & hospitality in relation to work with other countries](#). This states that gifts to visiting delegations are given as mementoes of their visit to Audit Scotland. Such gifts should be modest in nature (e.g. book, quaich, paper weight) and should exclude alcohol. The cost of such gifts will be met out of the budget for international activities.

10. Bribery and Corruption

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

It is important that you are aware that it is a serious criminal offence for you to:

- give, receive or solicit a bribe (ie to corruptly receive or give any gift, loans, fee, reward or advantage) in return for doing or not doing anything
- show favour or disfavour to any person in the course of your work with Audit Scotland.

It is also important to be aware that an act of bribery by an individual may render Audit Scotland liable of committing an offence.

Corrupt actions, including bribery, can lead to dismissal and prosecution.

11. Use of resources

You and your colleagues serve the public, and you must remember this principle when you use Audit Scotland's equipment, materials and resources in order to ensure value for money and economy, efficiency and effectiveness.

The equipment of Audit Scotland is available to you for use in your personal affairs, provided that:

- any such use is in your own time
- the cost of any consumables e.g. paper, postage, telephone calls is met by you
- you are not receiving any fee or reward for the purpose.
- you must not store your personal (non-work related) information on Audit Scotland equipment

You must observe Audit Scotland's policies on the use of electronic media such as Email and the Internet.

12. Appointments

You must observe Audit Scotland's policy that all appointments must be made on merit.

If you are involved in the recruitment and selection process and have any kind of relationship which might affect your ability to be impartial, that relationship must be declared to your Director/ Assistant Director. Your Director/Assistant Director and the person chairing the selection process will decide whether you can participate in the process. The same procedure must be followed in other HR procedures such as grievance, discipline or performance reviews under the Performance Development System.

You must not lobby Board Members or another colleague either directly or indirectly to secure your own appointment or promotion, or the appointment or promotion of another person. If an applicant, another colleague or any other person has lobbied you, you must report the matter to your Director/Assistant Director and the HR & OD Manager.

13. Media

In your work with Audit Scotland, any contact with the media is likely to originate from the Audit Scotland communications team. If you are approached directly by the media, you should consult with the Communications Manager or one of the communications officers unless circumstances make that impossible and it is in Audit Scotland's interest for you to respond to the media enquiry. In this case you must alert the communications team afterwards. More detailed provisions for Audit Services staff are contained in the Audit Manual. Relevant training on dealing with the

media is provided for staff most likely to need it. Contact the Communications Team or your line manager for more information.

14. Political neutrality

The public expects you to carry out your duties in a politically neutral way. You must implement the policies of Audit Scotland irrespective of your personal views, and you must not do anything which might call into question the independence and political neutrality of Audit Scotland. You have the right to be a member of a political party but it would be unsuitable for Audit Scotland's staff to engage in high profile public party political activity. If you are in any doubt, you should take advice from your Director/Assistant Director.

15. Health and safety at work

We recognise that we have a duty to ensure that all reasonable precautions are taken to provide and maintain a safe and healthy working environment for our staff, regardless of where they are required to work. We also understand that we have a duty to comply with the Health and Safety at Work Act, any other associated legislation or statutory codes of practice.

You have a duty under the Health and Safety at Work Act for the health, safety and welfare of yourself and others, including members of the general public who may be affected by what you do or fail to do at work. All employees are expected to comply with our Health and Safety Policy and co-operate with us in our compliance with health and safety legislation.

16. Fair and reasonable treatment at work

You are entitled to expect fair and reasonable treatment from your colleagues and managers. If you feel that you have been unfairly treated or have been discriminated against you are entitled to make use of the grievance procedure.

As your employer, Audit Scotland expects you to support and abide by its policies, practices and procedures both in your dealings with other staff of Audit Scotland and outside the organisation. You should not do anything which might undermine or adversely affect any position or decision of Audit Scotland.

Audit Scotland has a whistle blowing policy. You should refer to it if you feel that you have been required to act in a way, or have become aware of practices in the organisation, which might be illegal, improper, unethical, or which are in conflict with the principles of this Code.

This document was reviewed in June 2011 and will next be reviewed during April 2012.

I confirm that I have read and understand Audit Scotland's policy on Code of Conduct.

Print Name:

Signed:

Date: