



An Coimisiún  
um Rialáil Fóntas  
Commission for  
Regulation of Utilities

**CRU Code of Business Conduct  
for Members of the Commission**

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### Code of Conduct for Members of the Commission – Confirmation of Compliance

Member of Commission: \_\_\_\_\_

I confirm that:

- I have read and am fully aware of the Code of Conduct for Members of the Commission and,
- I comply, and will continue to comply, with the Code and will confirm compliance with the Code as and when required.

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

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

<b>CODE OF CONDUCT FOR MEMBERS OF THE COMMISSION – CONFIRMATION OF COMPLIANCE.....</b>	<b>2</b>
<b>1. INTRODUCTION.....</b>	<b>4</b>
<b>2. OBJECTIVES .....</b>	<b>5</b>
<b>3. GENERAL PRINCIPLES .....</b>	<b>5</b>
3.1 Integrity .....	5
3.2 Transparency & Confidentiality of Information.....	5
3.3 Obligations.....	6
3.4 Loyalty.....	6
3.5 Fairness .....	7
3.6 Work and the External Environment .....	7
3.7 Gifts .....	7
3.8 Hospitality.....	8
3.9 Responsibility.....	8
<b>Appendix A.....</b>	<b>9</b>

## CODE OF BUSINESS CONDUCT

### 1. INTRODUCTION

The Commission for Regulation of Utilities ('the CRU') is the independent body responsible for overseeing the regulation of Ireland's energy and water sectors. The CRU was initially established and granted regulatory powers over the electricity market under the Electricity Regulation Act, 1999. The enactment of the Gas (Interim) (Regulation) Act, 2002 expanded the CRU's jurisdiction to include regulation of the natural gas market, while the Energy (Miscellaneous Provisions) Act 2006 granted the CRU powers to regulate electrical contractors with respect to safety, to regulate to natural gas undertakings involved in the transmission, distribution, storage, supply and shipping of gas and to regulate natural gas installers with respect to safety. The Electricity Regulation Amendment (SEM) Act 2007 outlined the CRU's functions in relation to the Single Electricity Market (SEM) for the island of Ireland. This market is regulated by the CRU and the Northern Ireland Authority for Utility Regulation (NIAUR). The Energy Act 2016 (no. 12 of 2016) was signed by the President on the 30 July 2016 and provides for various amendments of the Electricity Regulation Act 1999, the Gas Act 1976, the NORA Act 2007 and the Sustainable Energy Act 2002 and the Registration of Title Act 1964. The CRU is working to ensure that consumers benefit from regulation and competition in the energy sector. The introduction of the Petroleum (Exploration & Extraction) Safety Act 2010 added to the functions of the organisation. In addition, the Water Services Act 2013 and the Water Services (No.2) Act 2013 has seen the CRU become the economic regulator of the Irish public water and wastewater sector.

The CRU has developed this Code of Conduct for employees of the Commission as required under:

State Bodies Guidelines (March 1992);  
Section 5.1 of the Code of Practice for the Governance of State Bodies (2016)  
Section 8 of the Gas (Interim) (Regulation) Act 2002;  
Compaines Act 2014

This Code of Conduct also takes into account the relevant provisions and requirements of, amongst others, the Ethics in Public Office Acts 1995 and 2001, the Employment Equality Acts 1998 – 2011, the Equal Status Acts 2000 - 2011, Safety, Health and Welfare Act 2005, the Freedom of Information Acts 1997 - 2014, the Electricity Regulation Act 1999, the Gas (Interim) Regulation Act 2002 (as amended) and the Data Protection Acts 1988 to 2018.

The CRU Code of Conduct is an important element of the overall framework within which all CRU employees are required and expected to work in order to ensure that the function of the CRU is carried out effectively. It sets out the standards required of all in the discharge of their duties. These standards of conduct and these values are set in the context of a commitment to excellence and a high quality public service, which strives to maintain high levels of performance and personal responsibility. The Code aims to establish an agreed set of ethical principles and prevent the development of acceptance of unethical practices.

## **2. OBJECTIVES**

The objectives of the Code are:

- to set out an agreed set of ethical principles
- to promote and maintain confidence and trust
- to prevent the development or acceptance of unethical practices
- to promote the highest legal, management and ethical standards in all the activities of the CRU
- to promote compliance with best current management practice in all the activities of the CRU
- to set out the standards and behaviour expected of members of the Commission

## **3. GENERAL PRINCIPLES**

Each member of the Commission is required to ensure that the CRU's values of

- Integrity
- Impartiality
- Professionalism
- Transparency
- Effectiveness

are constantly reinforced and developed throughout the organisation. In order to achieve these values the following fundamental principles are applicable throughout the organisation:

### **3.1 Integrity**

1. Subject to the Electricity Regulation Act 1999 (as amended) the Commission shall be independent in the performance of its functions.
2. Members of the Commission must ensure that it accounts and reports and accurately reflects its business performance and are not misleading or designed to be misleading.
3. Members of the Commission are required to avoid the use of the CRU's resources or time for personal gain and/or for the benefit of persons or organisations unconnected with the CRU or its activities.
4. Members of the Commission must not acquire information or business secrets by improper means.
5. Members of the Commission will ensure that the CRU complies with best practice with regard to corporate governance.

### **3.2 Transparency & Confidentiality of Information**

1. Members of the Commission must be committed to providing access to information relating the CRU's activities in a way that is transparent and that enhances its accountability to the general public.
2. Members of the Commission will ensure that the CRU consults with stakeholders in the course of its activities.
3. Members of the Commission are committed to complying with the Ethics in Public Office Acts 1995 and 2001, Companies Act 2014, the Freedom of Information Acts 1997 and 2003 and the Data Protection Acts 1988 to 2018.

4. Under the Ethics in Public Office Act 1995 and 2001 (Ethics Acts) a member's position of employment within the CRU is deemed as being a designated director (Section 17 of the Ethic in Public Office Act, 1995). Members of the Commission have a disclosure obligation as set out in the Act. Please see Appendix A.
5. Members of the Commission are required to disclose outside employment or business interests, which they consider may be in conflict or in potential conflict with the business of the Commission;
6. Members of the Commission should not be involved in outside employment or business interests in conflict or in potential conflict with the business of the Commission;
7. Members of the Commission are required to respect the confidentiality of sensitive information held by the CRU. Sensitive information includes commercially sensitive information, personal information and information received in confidence by the Commission. Additionally, section 13 of the Electricity Regulation Act 1999 (as amended) sets out the prohibition of unauthorised disclosure of confidential information obtained by members of the Commission.
8. Members of the Commission will observe the strictest confidentiality in relation to all discussions and decisions taken at meetings of the Commission.
9. Members of the Commission will undertake appropriate consultation procedures with affected parties where it is proposed to release confidential or commercially sensitive information concerning them in the public interest.

### **3.3 Obligations**

1. Members of the Commission will ensure that they and the CRU fulfil all regulatory and statutory functions, duties and obligations applicable.
2. Members of the Commission must ensure that its purchasing practices for goods and engagement of consultancy and/or any other services is in compliance with public procurement legislation and best practice guidelines. Additionally members must ensure to the extent practicable in the circumstances that prescribed budgets for sanctioning any relevant expenditure are adhered to.
3. Members of the Commission are required to use reasonable endeavours to attend all Commission meetings.
4. Members of the Commission are required to introduce controls to prevent fraud including adequate controls to ensure compliance with prescribed procedures in relation to claiming of expenses for business travel.
5. Obligations in relation to non-disclosure of privileged or confidential information do not cease when employment with the Commission ends.

### **3.4 Loyalty**

1. Members of the Commission acknowledge the responsibility to be loyal to the CRU and to be fully committed to all its activities.
2. Members of the Commission acknowledge their duty to conform to the highest standards of business and professional ethics.
3. Members of the Commission acknowledge their role in leading the organisation to achieve the CRU's Mission, acting in the interests of consumers, to ensure that, energy is supplied safely; the lights stay on; the gas continues to flow; a reliable supply of clean water and efficient treatment of waste water; the prices charged are fair and reasonable; and regulation is to best international practice

### **3.5 Fairness**

1. The Commission is committed to complying with employment, equality and equal status legislation.
2. The Commission is committed to fairness and impartiality in all its business dealings and in the performance of its functions and duties.

### **3.6 Work and the External Environment**

1. Members of the Commission will place the highest standards on promoting and preserving the health and safety of employees and in accordance with the Safety, Health and Welfare Act 2005. The CRU has a safety statement and health and safety committee made up of staff members, including a commissioner and is chaired by the HR manager. The CRU will continue to implement appropriate measures to protect the safety, health and welfare of all staff and visitors to its business premises.
2. The Commission will ensure that community concerns are fully considered in all its activities and operations.
3. The Commission will endeavour to minimise any detrimental impact of its operations on the environment.

### **3.7 Gifts**

1. The receipt of gifts by members of the Commission from those with whom they have official dealings or from persons regulated by the CRU must be governed by the highest standards. Members of the Commission will avoid giving or receiving corporate gifts, hospitality, preferential treatment or benefits which might affect or appear to affect the ability of the donor or the recipient to make independent judgement on business transactions. The overriding concern is that the actions of members of the Commission be above suspicion and that their actions should not give rise to any actual or perceived conflict of interest.
2. The term "gift" includes any benefit, which is given to a member of the Commission free of charge or at less than its commercial price. Gifts of modest value (e.g. diaries, pens, etc.) may be accepted and retained. It should be noted that under the Ethics in Public Office Acts 1995 and 2001, and the Companies Act 2014, as an Office Holder, members of the Commission are required to surrender any gift, with a value in excess of €650, given, by virtue of their office, to them or their spouse, their child or a child of their spouse.
3. Members of the Commission may not solicit gifts, support or sponsorship, directly or indirectly from any business with which they have contact through their official duties or persons regulated by the CRU.
4. Members of the Commission should not accept special facilities or discounts on private purchases from any business with which they have contact through their official duties or entities or persons regulated by the CRU.
5. Members of the Commission should make themselves familiar with the Guidelines on Compliance and with the Provisions of the Ethics in Public Office Acts 1995 and 2001 - Office Holders.
6. It should be noted that, under the Prevention of Corruption Act 1889-1916 as amended by the Ethics in Public Office Act 1995 and 2001, the corrupt giving of gifts to or receipt of gifts by members of the Commission is a criminal offence punishable by imprisonment or fine or both.

### **3.8 Hospitality**

1. The receipt of hospitality, as distinct from gifts, by members of the Commission from those with whom they have official dealings or from persons regulated by the CRU must be governed by the highest standards. This includes hospitality which might affect or appear to affect the ability of the donor or the recipient to make independent judgement on business transactions. The overriding concern is that the actions of members of the Commission be above suspicion and that their actions should not give rise to any actual or perceived conflict of interest.
2. Members of the Commission may accept what would be regarded as routine hospitality, such as a business lunch. However, what may be regarded as “routine” for this purpose will depend on a number of factors such as the value of the hospitality offered, the frequency of offers, whether there is an element of reciprocity and the circumstances in which it is offered.
3. Invitations of a social kind (e.g. cultural, sporting or entertainment events) should be declined except where the interests of the Commission can be clearly demonstrated in advance or where these arrangements involve/include other participants in the energy, safety or water market and the business justification is both compelling and exceptional. Acceptance must be agreed in advance and approved by the Chairperson.
4. Members of the Commission must decline certain types of hospitality, for example where travel and/or overnight costs are involved. The only exception to this rule may be when an employee is speaking at a conference and travel and accommodation is provided by the organisers, and only then with the prior approval of the Chairperson.
5. In cases of doubt, where an individual is concerned about issues relating to the acceptance of hospitality, the matter should first be discussed with the Chairperson.

### **3.9 Responsibility**

1. The Commission will circulate this Code of Business Conduct to all members of the Commission. It is the responsibility of the Members of the Commission to review, follow and retain this Code of Business Conduct.
2. The Human Resources Manager will provide practical guidance and direction to the Commissioners as required on such areas as gifts and entertainment and on any other ethical considerations, which may arise from time to time.
3. During the 12 month period immediate following the termination of a Commissioners' employment as Commissioner the Commissioner shall not:
  - (a) accept an offer of appointment from an employer;
  - (b) accept an engagement in a particular consultancy project or;
  - (c) engage in a new enterprise in the sectors related to the Commission,

where the nature and terms of such appointment or engagement could lead to a conflict of interest without first obtaining approval from the Commission. Even where the twelve months moratorium has elapsed, the Commissioner must continue to observe the restrictions imposed by clause 5 of their employment contract.

The Commission will formally review and approve this Code on an annual basis.

## Appendix A

### **Disclosure obligation for members of the commission**

The Department of Finance Circular 04/2002 sets out members of the commission's obligations under the Ethics in Public Office Act 1995 and 2001 (Ethics Acts). Members must:

- Familiarise themselves thoroughly with the Acts, the Department of Finance Circular 04/2002 and the guidelines issued by the Standards in Public Office Commission.
- Provide an annual written statement in respect of interests (and those interests of a spouse/child) which could materially influence a member's performance in carrying out their official duties.
- If a member believes that there are interests to declare they must return a completed statement to the HR Manager by the date set out in correspondence that will be sent at beginning of each calendar year. Forms for statements of interest are available on the Standards Commission website.
- The person to whom a statement of interest is provided, in this case the HR Manager, may request information relating to the statement or any matter arising in connection with it from the person who provided the statement. Where the HR Manager considers that the provider of a statement may have contravened the Ethics Act, the HR Manager may make a written complaint to the Standards Commission.
- In the 8<sup>th</sup> edition of the guidelines, published in September 2010, the Standards Commission stated that it has decided to withdraw its previous recommendation that a "nil" statement be furnished by a person with no interests to declare. Therefore, if a member considers that they have no interests which could be a material influence on the performance of their functions in the position that they hold, a statement is not legally required.
- If a member has a request for advice on compliance, they should refer it to the Standards in Public Office Commission, 18 Lower Leeson Street, Dublin 2. Once advice has been given, they are obliged to act in accordance with it, unless by doing so you would contravene another section of the Act.