

Policy and Procedure

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Audit Wales: Code of Conduct

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Purpose and Principles

- 1 This Code sets the standards for the conduct of staff and Board members. It reinforces the core values and standards that underpin the work of Audit Wales¹ and is a reference point for decisions and courses of action in delivering our statutory and professional responsibilities.
- 2 The work of Audit Wales is concerned with propriety and accountability in public services. The organisation is therefore under a particular obligation to maintain the highest standards of professional and personal conduct.
- 3 In 1995, the Committee on Standards in Public Life (the Nolan Committee) recommended that public bodies should draw up Codes of Conduct incorporating the seven key principles that it identified should underpin public life. These principles are listed below.
 - **Selflessness** – you should act solely in terms of the public interest.
 - **Integrity** – you should avoid placing yourself under any obligation to people or organisations that might try inappropriately to influence you in your work. You should not act or take decisions in order to gain financial or other material benefits for yourself, your family, or your friends. You must declare and resolve any interests and relationships.
 - **Objectivity** – you must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
 - **Accountability** – you are accountable to the public for your decisions and actions, and you must submit yourself to the scrutiny necessary to ensure this.
 - **Openness** – you 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.
 - **Honesty** – you should be truthful.
 - **Leadership** – you should exhibit these principles in your own behaviour. You should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.
- 4 We must adhere to these principles so that we and our work retain credibility and the confidence of the Senedd, its Committees, our audited bodies and the wider public. We must also apply them to the way that we conduct ourselves in our working relationships with each other.
- 5 We also follow the professional and ethical standards promulgated by the UK Financial Reporting Council.

¹ Audit Wales is the collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities with their own legal functions. Audit Wales is not a legal entity and specific reference to the Auditor General or Wales Audit Office is made where legal precision is needed.

- 6 Audit Wales has adopted organisational values and behaviours that are intended to create a positive and supportive work environment and guide our interactions with each other, the public and the bodies we audit. Accordingly, in undertaking our work, we must observe these values and behaviours.

Scope and Application

- 7 This Code applies to all Audit Wales employees (including casual and short-term employees) and Board members, as well as secondees from other organisations, self-employed contractors (whether engaged directly or via their company), consultants and employment agency workers. For brevity, except where specific descriptions are necessary, all such persons are referred to as “we” or “you” within this Code.
- 8 The Code sets out a framework for the conduct expected of you both inside and outside office premises.
- 9 You should, of course, apply common sense in interpreting this Code. However, there may be occasions when you require further guidance on, or clarification of, an issue, such as:
- if you are in doubt about the application or scope of its provisions;
 - if there appear to be conflicts with the requirements of professional bodies;
 - if you believe that you are being required to act in a way which is illegal, improper or unethical;
 - if you think audit independence may be compromised or perceived as being so; or
 - if you face a fundamental issue of conscience.

In such circumstances, you should discuss the matter with an appropriate member of staff, such as your Line Manager or the Head of Law & Ethics, or the Board Chair and/or Board Secretary in the case of Board members.

- 10 Behaviour and omissions that contravene this Code constitute misconduct. If you are an employee, such conduct may result in disciplinary action against you under Audit Wales' disciplinary procedures. If you are working with or for Audit Wales in some other capacity, such conduct may lead to the termination of that relationship.
- 11 Where this Code requires information to be disclosed to the Board Chair, in the case of the Board Chair, they should report the information to the Chair of the Senedd Finance Committee. If the Board Chair fails to report such a matter to that Committee, the Auditor General should make the report as Accounting Officer.

Annual and within-year Returns

- 12 In order to ensure full compliance with the Code you must complete a Code of Conduct Declaration and answer the associated questions upon commencing your role with Audit Wales and annually thereafter.

- 13 If you feel at any time (and not just at the time of the annual declaration) there are circumstances that may affect your independence, or other matters covered by the declaration you must report these immediately to the Head of Law & Ethics, or to the Board Secretary in the case of Board members. You will be notified of any action required to address any independence or other issues.
- 14 Where information is provided either in a Code of Conduct Declaration or notification of a change that could impact your continued employment the Head of Law & Ethics will share this information with the Head of HR.
- 15 You must also ensure that any changes in your circumstances that are relevant to your security and vetting clearance are reported to the Head of HR within seven calendar days of the occurrence in accordance with the Procedure for National Security Vetting and Safeguarding Checks and Audit Wales' Security and Vetting Policy. Examples of such changes may include (but are not limited to) changes of name, nationality or partner, divorce, involvement with the police or significant changes in financial circumstances.
- 16 Staff, including Board members, who wish to take on additional roles must seek advice from the Head of Law & Ethics on any potential conflict that such a role or commitment might pose under the FRC's Ethical Standard. Board members must also ensure that they comply with their Terms and Conditions of Appointment and Non-Executive Board members must consult the Finance Committee before considering any such role.

Personal conduct

- 17 We all have a duty to:
 - understand and respect the respective remits of the Auditor General and the Wales Audit Office;
 - discharge our responsibilities reasonably and according to the law;
 - apply the ethical standards governing auditors, and where applicable, our particular professions;
 - work in accordance with the internal management and control systems, and the rules, procedures and guidance that relate to our work; and
 - deal with the affairs of the public sympathetically, efficiently, promptly, and without bias or maladministration.
- 18 In addition, we:
 - must not use our position at Audit Wales or its resources to deal with private matters or to pursue private interests;
 - must make decisions solely in terms of the public interest and not to gain financial or other benefits for ourselves, our family or friends;
 - must not place ourselves under any financial or other obligation to individuals or organisations that might influence us in the performance of our duties;

- must act impartially and objectively and not prejudge an issue;
- must demonstrate professional competence and expertise in our work, maintaining and developing knowledge and skills as required; and
- must adopt high standards of personal behaviour and avoid any forms of behaviour which may adversely affect our conduct, impair the performance of our roles, or negatively impact the reputation of the AGW or Audit Wales.

Compliance with Codes of Conduct for Professional Bodies

- 19 If you are a member of a professional body, you must uphold the codes of conduct of that body. If you are employed because of any professional qualification that you hold, you must also comply with the requirements of your professional body to ensure that you remain competent to undertake assignments and that your knowledge remains up to date. You should record your Continuing Professional Development (CPD) in line with body's CPD requirements which may be within the Audit Wales Employee Self Service System, a system made available by the body, or other accepted record. You must provide a copy of that CPD record upon request to your line manager, Head of HR, or the quality monitoring manager.
- 20 You must report to the Head of Law & Ethics (or the Board Chair and Secretary in the case of Board members) any investigation or allegations of misconduct or malpractice or the results of any disciplinary procedures or reprimands issued by professional bodies. The Head of Law & Ethics will discuss the implications of such matters, e.g., on continuing employment, with the Head of HR. Disclosures in respect of Board members will be shared with the Senedd Finance Committee.

Close personal and domestic relationships

- 21 Close personal relationships and domestic relationships may exist or develop between you and someone with whom you work. If you have any such relationship, you must consider whether this may have an effect on your duties and responsibilities, including in terms of third party perceptions of integrity. Such relationships may include family members (such as parents, siblings and cousins), step relationships and other close relationships such as those involving dependency, physical intimacy and/or significant emotional attachment.
- 22 In such circumstances, you must:
 - behave in a business-like manner, for example, by not allowing your relationship to affect your work performance or that of those around you;
 - not divulge confidential information inappropriately or improperly;
 - not do anything to bring the Auditor General or the Wales Audit Office into disrepute, or to compromise their independence, integrity or professional standing;

- not be responsible for allocating work to, or reviewing or assessing the performance of a member of staff with whom you are having a personal relationship;
 - not engage in any behaviour that is embarrassing to colleagues, e.g., personal arguments or over-intimate behaviour; and
 - inform your Line Manager, or an appropriate senior manager.
- 23 Line Managers or other relevant managers must inform the Head of Law & Ethics of any personal relationships between staff, who in turn must decide whether any arrangements need to be made to ensure that conflicts do not arise. This may require other managers, such as resource managers, to be informed, but any information about personal relationships will be disclosed only to the extent necessary to implement the provisions of this Code.

Disclosure of court orders, official enquiries, investigations, licence refusals etc

- 24 You should inform the Head of Law & Ethics, or the Board Chair and Secretary in the case of Board members, if you:
- are subject to a court order instigated by a regulatory body;
 - are subject to investigation by a financial, professional or other business authority (including the police); or
 - 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, and this will have an adverse impact on your work or the reputation of the Auditor General or the Wales Audit Office.

Bankruptcy and significant financial difficulties

- 25 You must inform your Line Manager and the Head of Law & Ethics (or the Board Chair in the case of non-executive Board members) if:
- (a) you are subject to a judgement by a UK court about a debt or an attachment of earnings order;
 - (b) you are declared bankrupt or served with a bankruptcy petition (or the equivalent in Scottish law);
 - (c) you enter into compromise arrangements or trust deeds with creditors;
 - (d) you experience significant financial difficulties.
- 26 You will be required to give a full statement of your case to enable the Head of Law & Ethics in consultation with the Head of HR, (or, in the case of non-executive Board members, the Board Chair in consultation with the AGW) to decide whether your position is likely to prejudice your proper and effective contribution to the work of the organisation or the performance of your duties, and whether as a consequence any

action is necessary. For staff, such action may include transfer to other work, or action in accordance with the Audit Wales Disciplinary Policy and Procedure.

- 27 A Board member who becomes bankrupt (or the equivalent in Scottish law) or who has made arrangements with creditors may be removed from the Board in accordance with the provisions of the Public Audit (Wales) Act 2013.

Criminal offences and civil actions

- 28 If you are questioned as a suspect in an ongoing criminal investigation, arrested and refused bail, or convicted by a court of a criminal offence, (with the exception of a traffic offence for which the penalty did not involve imprisonment or disqualification), you must report the fact at once to your Line Manager and the Head of HR, or the Board Chair and Secretary in the case of Board members.
- 29 You are also obliged to report any civil actions you are subject to as a result of professional or business activities, where a court has found against you. Action may be necessary depending on individual circumstances and for employees may include transfer to other work or, where appropriate, action in accordance with the Audit Wales Disciplinary Policy and Procedure.

Fraud

- 30 Audit Wales will not tolerate fraud by anyone working for or with it in any capacity. Any indication of fraud will be investigated and may be reported to the police. If you are an employee, disciplinary action may also be taken, which could lead to dismissal. If you are working with or for Audit Wales in some other capacity, the relationship with you may be terminated immediately.
- 31 You also have a responsibility for reporting immediately to your Line Manager and the Money Laundering Reporting Officer any suspected fraud by anyone within the organisation or with whom you come into contact as a result of your work, including suppliers. (See the Auditor General Guidance XC10 on money laundering, the Counter Fraud Strategy and the Fraud Response Plan.)

Fair and reasonable treatment at work

- 32 You are entitled to expect fair and reasonable treatment from your colleagues and managers, and we must treat each other, staff at audited bodies, colleagues and other relevant parties with dignity and respect at all times, including by being open to different views and perspectives.
- 33 Through our Equalities policies and the way in which they are put into practice, we aim to comply as much with the spirit as the letter of the law. In this respect, there are three particular areas in which you should be aware of your rights and responsibilities:

- **Equality** – in particular, you must not discriminate on the grounds of Equality Act 2010 protected characteristics. You should take special care if you are involved in functions such as recruitment, training, allocation of duties, performance appraisal and promotion and ensure that you always comply with our Equality and Diversity and Recruitment Policies.
- **Bullying and Harassment** – Audit Wales will not tolerate, and seeks to prevent, bullying or harassment in any form (including sexual harassment, victimisation, physical or verbal abuse, and other behaviour such as ignoring or excluding a colleague, showing unwanted attention, or making inappropriate personal remarks) of colleagues and other people who you may come into contact with through your work. You must adhere to the principles of our Dignity and Respect Policy.
- **Health and Safety** – we all have a personal responsibility, so far as is reasonably practical, both for our own health and safety at work and for ensuring that we do not put the health and safety of others at risk by our actions. You must comply with the health and safety requirements set out in the Health and Safety and Well Being Policies and take account of guidance provided in respect of remote and lone working.

Confidentiality

- 34 Audit Wales is committed to demonstrating openness and transparency in the way it operates and how it communicates with the public. You must be careful in your handling of information obtained in the course of your duties. You must not disclose, beyond the proper channels of reporting, any information about audited bodies, the Auditor General or the Wales Audit Office, which you have obtained as a result of your work. You must pass requests for information to the Information Officer in accordance with [AGW Guidance XC12](#) and you must follow that guidance.
- 35 Audit Wales treats breaches of confidentiality or information security seriously. Unauthorised access or supply of information to others may lead to disciplinary action, the termination of an appointment, prosecution and/or other legal action.
- 36 The duty of confidentiality continues after you have ceased working for the Audit Wales. All documents, electronic and other information generated or accessed in the course of your work are the property of Audit Wales, and you may not retain such items without permission. You must surrender them, along with any other property belonging to the Audit Wales that may be in your possession or under your control, at the end of your employment, engagement or appointment.
- 37 For further advice concerning the confidentiality and protection of official information, please refer to the Audit Wales Information Security Policy.

Internal Whistleblowing Policy

- 38 You are encouraged to disclose, and will not be penalised for disclosing, information about crime or other wrongdoing within the organisation, including breaches of the Ethical Standard. Mechanisms for raising such matters are set out in the Internal Whistleblowing Policy.

Protection of information

- 39 You have a duty to protect the security and confidentiality of all information whether electronic or paper based. This applies both to information obtained from audited bodies and that generated internally. For example, if you have access to confidential salary and other personal information in the course of your duties you must ensure that it is not disclosed to unauthorised third parties. You must take special care when transferring or communicating information physically or electronically and you must comply at all times with the Information Security Policy.

Contact with the media, social media and publicity

- 40 Wherever possible, contact with the media should be channelled through the Communications Team, and it is essential that they are consulted before you consent to be interviewed. The Communications Team will confer with the relevant persons as necessary. In most cases, a Communications Officer should be present at any interview.
- 41 In all cases the Auditor General is the final arbiter about what shall, or shall not, be disclosed about audit related matters, and the Chair of the WAO is the final arbiter about what shall or shall not be disclosed about the functions of the WAO (including fees).
- 42 You must read and adhere to the principles in the Social Media Policy and, in the event of uncertainty about what you may do online, seek advice from the Communications Team. You should not make any reference to your work with Audit Wales when speaking in public or in your use of social media, such as X (formerly Twitter) or LinkedIn, if there is any risk of the content being regarded as prejudicial
- 43 If you wish to write or contribute to books or articles related to the work of the Auditor General and the Wales Audit Office, you should seek advice from the Head of Communications. and the Head of Law & Ethics. Any contributions must also be discussed and agreed with both the Auditor General and the Board Chair.

The Ethical Standard

- 44 In order for the Auditor General's work to be professionally and publicly credible, we must comply with the Ethical Standard promulgated by the UK's Financial Reporting Council.

- 45 The Standard includes overarching principles covering integrity, objectivity and independence, and it is supported by ethical provisions setting out the arrangements that need to be in place for compliance purposes. This Code is designed to satisfy those requirements.
- 46 Importantly, when considering whether ethical outcomes have been met, we should evaluate our actions against the third-party test, of whether it is probable (more likely than not) that an objective, reasonable and informed third party would conclude that integrity or objectivity (and therefore independence) is compromised.

Independence (Conflicts of Interest)

- 47 Our integrity and objectivity must be beyond question if we are to discharge our functions effectively. That integrity and objectivity can only be assured if we are, and are seen to be, independent of audited bodies and their suppliers.
- 48 It is impossible to cover in advance every circumstance in which a conflict of interest might arise, and some cases may not be straightforward. However, all threats to independence, integrity and objectivity must be reported immediately to the Head of Law & Ethics, or to the Board Secretary in the case of Board members.

Employment links

- 49 The following activities will almost always present a conflict of interest, and you should report them immediately to the Head of Law & Ethics:
- auditing or inspecting a body from which you are on secondment;
 - auditing or inspecting any body in which you or a member of your family have a financial interest (for example, receiving income from a contractual relationship with the body); and
 - auditing or inspecting a body that employs or engages you or has employed or engaged you, e.g. as an officer, member, secondee, consultant or other worker) within the last two years, or for as long as your work at the body has significance.
- 50 We require:
- all Senior Leadership Team (SLT) members (Executive Directors, Directors or Heads of Service) to notify the Auditor General of any situation involving their potential employment with any audited body as soon as reasonably possible; and
 - all other staff to inform the Head of Law & Ethics of any situation involving their probable employment with an audited body where they are a member of the engagement team.
- 51 Taking into account the nature and significance of the appointment, the Head of Law & Ethics will assess whether staff who have given notice in respect of the matters in para 49 above should be removed from the engagement team. The Head of Law &

Ethics will also consider whether any other action is necessary in respect of such situations, including whether a member of staff should cease working on an audit pending determination of an application or upon an offer of employment being made, or whether a review should be undertaken of the recent audit work performed by the resigning engagement team member or whether a member of staff may return to the audit if not successful in their application.

- 52 If you become aware that one of your immediate family members (a spouse, or equivalent, or dependent) or close family members (a non-dependent parent, child or sibling) is employed by an audited body in respect of which you are a member of the engagement team, and is in a position to exercise influence on the body's accounting records or financial statements, you must report the position to the Head of Law & Ethics. The Head of Law & Ethics will consult with the relevant Engagement Lead and determine whether you should cease to be a member of the engagement team.
- 53 In the case of a close family member of a SLT member holding a position as described in paragraph 49, the SLT member should resolve the matter in consultation with the Head of Law & Ethics and the Auditor General.
- 54 Similarly, the Auditor General's objectivity and independence may or may be perceived to be compromised if a Board member's immediate or close family member holds a position of influence with an audited body. In such circumstances:
- Board members are required to report any immediate family, close family and other personal relationships involving an audited body which might create a threat to the auditor's objectivity and independence or perception of objectivity and independence; and
 - the relevant audit engagement directors will be notified promptly of any such relationships, will assess the threat and will apply appropriate safeguards to eliminate it or to reduce it to an acceptable level.
- 55 Except for giving biographical details in communications such as CVs, members must not make use of their official position to further their private interests or that of family, friends or associates.

Residing in the area of a body you are auditing or inspecting

- 56 In most situations staff will not necessarily be barred from carrying out an audit or inspection in the area in which they reside, but must declare any interest (whether personal or financial) that might compromise, or be perceived to compromise, their objectivity and independence or the reputation of the Auditor General or the Wales Audit Office. If staff reside in the catchment area of an authority they are auditing or inspecting, they must disclose details of any financial transactions with the authority (other than council tax payments or payments for the use of authority facilities) to the Head of Law & Ethics, to decide on an appropriate course of action.
- 57 The existence of some kind of financial relationship between you and a public body, such as the payment of tax, is often unavoidable. It is unrealistic to seek to introduce

controls or arrangements to avoid such general financial relationships. However, other financial and business relationships between staff or their immediate or close family member may be incompatible with the principles of independence, objectivity and integrity. Such relationships could include, for example:

- having a close family member with a contractual relationship with an audited body (e.g. a spouse with a school transport business), for which you have audit responsibilities; and
- being in receipt of or making a loan to an audited body (e.g. the purchase of a bond or investment).

All such cases must be reported to the Head of Law & Ethics.

Relationships with members and staff of audited bodies

- 58 You should disclose any potential conflicts of interest, including personal or domestic relationships with members or staff of audited bodies, via the Declaration of Independence or Code of Conduct Return. Where personal relationships may call into question the independence of the Auditor General's work, the Head of Law & Ethics will recommend alternative staffing arrangements.
- 59 This paragraph relates to a situation where your spouse, partner, close family member or other person with whom you have a close personal or domestic relationship is employed as Chief Executive, Monitoring Officer or Director of Finance or Chief Finance (S151) Officer at an audited body in respect of which you undertake work. It also relates to any other post in which such person will have the capacity – actual or perceived – to influence the nature, extent, and reporting of audit work at an audited body in respect of which you undertake work. In such circumstances, you will normally be removed from the audit, and you should have no involvement in audit work relating to the body concerned until a period of at least two years has elapsed since the individual concerned has ceased to be employed by the body.
- 60 While it is right that audit work informs public debate, you must seek to avoid being drawn unnecessarily into disputes between groups within an audited body. You should confirm and stand by the content of your work, but you should not be drawn into commenting beyond your findings. You should consult with the relevant Engagement Director and the Head of Law & Ethics in cases of contentious use of your work.

Business relationships with audited bodies

- 61 You should not enter into business relationships with audited bodies or their affiliates. The only exception is the purchase of goods and services from the audited body in the ordinary course of domestic life where the value involved is not material to either party. Where you become aware that a close family member or other person with whom you have a close personal or domestic relationship has entered into a business relationship with an audited body, or its affiliates or its management, you

should report the matter to the Head of Law & Ethics, who will set out what action must be taken to avoid any conflicts of interest.

Governance roles with audited bodies

- 62 Unless resigning your role with the WAO, you must not accept appointment:
- to the board of an audited body; or
 - to any sub-committee of that board.
- 63 Where an immediate or close family member or other person with whom you have a close personal or domestic relationship holds a position described above you should declare this through the Code of Conduct Return. The Head of Law & Ethics will consider whether the relationship could be regarded as impairing the audit objectivity and whether any action should be taken.

Relationships with suppliers

- 64 Contracts must be awarded on merit in fair competition against other potential suppliers, and no favouritism should be shown to businesses run by friends, partners or relatives. If you are responsible for engaging or supervising contractors with whom you have any personal or domestic relationship, you should declare this to your Line Manager and the Head of Law & Ethics.

Gifts, hospitality and entertainment

- 65 Under the Bribery Act 2010 it is an offence for an employee or other associated person (i.e. someone who performs services on behalf of the organisation) to:
- pay bribes, i.e. offer or give a financial or other advantage with the intention of inducing that person to perform a relevant function or activity improperly or to reward that person for doing so; and
 - receive bribes, i.e. receive a financial or other advantage intending that a relevant function or activity should be performed improperly as a result.
- 66 The term “relevant function or activity” includes any function of a public nature and any activity connected with a business. This encompasses the full range of the work of the Auditor General and the Wales Audit Office—from reporting on audited bodies to procuring office supplies. Conviction under the 2010 Act is punishable by imprisonment for a maximum term of 10 years.
- 67 There is also an offence of failing to prevent bribery. An organisation is guilty of such an offence if an employee or other associated person bribes another person as above. The organisation has a full defence if it can show it had adequate procedures in place to prevent bribery. This policy and our Counter Fraud Strategy form part of such procedures.

- 68 Audit Wales will not tolerate any involvement in bribery, indications of such activity will be investigated, and Audit Wales will inform the police where appropriate. In addition, Audit Wales will apply disciplinary sanctions in respect of an employee found to have engaged in bribery, and contractual sanctions, including, where applicable, termination, in the case of contractors.
- 69 The provision of proportionate hospitality and minor gifts in accordance with this policy would be very unlikely to be found to constitute bribery. But employees and other associated persons should note that where there is suspicion that hospitality and gifts are provided as a cover for bribing someone, Audit Wales, police and prosecuting authorities will consider such things as, among others, the level of hospitality offered, the way in which it was provided and the level of influence the person receiving it had on the business decision in question.
- 70 You must comply with the Gifts & Hospitality Policy, both in providing and in receiving gifts, hospitality and entertainment. You should be careful to ensure that gifts and hospitality do not lead to suspicions of bribery.
- 71 If you are paid a fee to make speeches, give lectures or provide similar services as part of your duties, you must remit the fee to Audit Wales. You may accept accommodation and meals that are reasonably provided in connection with a related event.
- 72 The provisions of this section do not apply to activities that are not related to Audit Wales. It is, however, your responsibility to ensure that you do not accept any gifts or hospitality that lead to a conflict of interest with the functions of the Auditor General or Wales Audit Office.

Travel and Accommodation

- 73 You must ensure that any travel or accommodation for business purposes is reasonable in the circumstances and would not expose you, the AGW or the Wales Audit Office to public criticism. You must comply with the relevant Travel and Subsistence Policy.
- 74 While Audit Wales does not recognise any representational or other reason for partner accompanied travel at public expense, it does not restrict the freedom of individuals to be accompanied by partners at their own expense. In making any such arrangements you are responsible for ensuring their practicability, that any such arrangement does not impinge on the business for which the travel is being undertaken or have a negative impact on the reputation of the Auditor General or Wales Audit Office. Partners travel at their own risk and are responsible for their personal health, safety and security.

Political activities

- 75 The Auditor General is independent; he is not, in the exercise of any functions, subject to the direction or control of the Senedd or the Welsh Government. The work

of the Auditor General affects a very wide range of national and local issues, which frequently attract public and political attention. It is therefore essential that the Auditor General, the Wales Audit Office and its staff are, and are seen to be, free from political bias.

- 76 Under Article 10 of the European Convention on Human Rights, you have a right to freedom of expression, including political expression. It is, however, a qualified right that can be restricted in pursuit of a legitimate aim, such as protecting audit independence, that is proportionate and necessary in a democratic society.
- 77 The public expects you to carry out your duties in a politically neutral way. You must implement the policies of the Auditor General and the Wales Audit Office irrespective of your personal views, and you must not do anything that might call into question the independence of the Auditor General or the Wales Audit Office. The main principle is to provide you with the greatest possible freedom to participate in public affairs, without prejudicing the impartiality of the Auditor General or the Wales Audit Office.
- 78 You have the right to be a member of a political party or other political organisation, but it would be unsuitable for the staff of Audit Wales to engage in high-profile, public, party-political activity. You should follow this guidance in deciding whether political activity is appropriate and discuss any doubts or matters of interpretation with the Head of Law & Ethics.
- 79 It is not possible to specify in isolation all the types of political activity that are acceptable. If you wish to participate in political activity, you must first discuss this with the Head of Law & Ethics (or the Board Chair and the Auditor General in the case of Board members) and provide all relevant information so that each case may be considered on its merits².
- 80 The following political activities are likely to be subject to restriction, especially at all but the most junior level:
- candidature for local authorities, police and crime commissioner, the Senedd or, the UK Parliament (but see paragraph 86);
 - holding office in party-political organisations involved in or the institutions mentioned above.
 - Other political activities that may be subject to restriction, depending on the circumstances, include:
 - speaking in public on matters of national or local political controversy; and
 - 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 a candidate for an institution mentioned above.
- 81 The Head of Law & Ethics (or the Board Chair and the AGW), conferring where necessary with the Executive Director of Corporate Services, will decide whether the proposed activity is acceptable, based on these considerations:

² The Head of Law & Ethics, Chair and the Auditor General will have regard to human rights when considering a request and will seek advice where necessary

- the impact on your perceived independence in relation to your location and line of work;
 - the public profile of the proposed activity; and
 - your position in the organisation and your profile with audited bodies and the wider public.
- 82 If you do participate in political activities, you must keep them strictly separate from your work for Audit Wales. You must not use Audit Wales' time or assets, including its email and postal addresses, for political purposes. You must not draw attention to your employment with Audit Wales in any public political activity.
- 83 You should also keep your political activities under review and notify the Head of Law & Ethics (or the Board Chair and the AGW) of any changes in your job or political activities that may alter their compatibility with this Code.
- 84 If any risks to the interests of the AGW or the Wales Audit Office arise from your involvement in approved political activities, you will be required to cease your participation. Failure to do so may result in disciplinary action.
- 85 The Public Audit (Wales) Act 2013 disqualifies the following from being a member or employee of the Wales Audit Office:
- a member of the Senedd;
 - the holder of any other office or position to which a person may be appointed, or recommended or nominated for appointment, by or on behalf of the Crown, the Senedd or the Senedd Commission;
 - a member of the House of Commons or the House of Lords;
 - a member of the Scottish Parliament; and
 - a Member of the Northern Ireland Assembly.
- 86 In addition, Board members:
- may not be a member, or a candidate for membership of a local authority; and
 - may not be a candidate for membership of the Senedd, the UK Parliament or the European Parliament.
- 87 Staff who decide to stand for election to a local authority, the Senedd, the UK Parliament or the European Parliament are required to resign their employment before nomination day. If not elected they will, on application within a week of declaration day, be reinstated in their previous capacity as from the date of the application. The period of break will not count for pensionable service but will count for continuity of service.

Lobbying and access to members of public bodies

Board Members

- 88 Board members must not offer or accord any preferential treatment to those lobbying on a fee basis on behalf of clients.
- 89 Board members should not accept any paid work:
- that would involve lobbying the Auditor General, the Wales Audit Office, the Senedd or a body that the Auditor General audits; or
 - to provide services, for example, as a strategist, adviser or consultant, advising on how to influence the Wales Audit Office and its members. If a member is concerned about an approach from any person or organisation they must seek guidance from the Chair.

Membership of other organisations

- 90 You must consider whether your membership of an external organisation, or participation in its activities, could create a conflict of interest that needs to be declared to the Head of Law & Ethics and make any necessary declaration accordingly.

Work in the community and professional institutions

- 91 Audit Wales encourages you to play a full part in the community, including helping voluntary organisations, and in the work of relevant professional institutions. However, you should ensure that your outside activities do not conflict with the seven key principles of public life or your official duties or jeopardise the standing of the organisation in the eyes of audited bodies or the general public. Any voluntary work undertaken by staff in Audit Wales' time requires the prior approval of your Line Manager and must not conflict with the work of Audit Wales.

School and college governors

- 92 You may become a school or college governor provided you are not involved in work of the 'parent' authority if that authority is an audited body and provided that the college is not an audited body. You should declare your involvement to your Line Manager and the Head of Law & Ethics at the time of your appointment, or upon commencing work for Audit Wales.

Private work and outside interests

- 93 You must not carry out any work that might conflict with the interests of Audit Wales.
- 94 If staff propose undertaking outside employment or other economic activity, they should obtain the written consent of the Head of Law & Ethics if:
- it involves the use of official information acquired in the course of official duties - examples of such information range from general themes developed as a result of the Auditor General's work, to specific information obtained from

audited bodies - in the latter case, it is most unlikely that approval would be given;

- it is for any body with which you come into contact (or have come into contact) as part of your work for Audit Wales; and
- the working hours of proposed employment, when aggregated with the working hours of Audit Wales employment, are likely to exceed 48 hours per week.

- 95 No private work should be carried out on the Audit Wales' premises or those of audited bodies, and the addresses of Audit Wales should not be used for private work correspondence. You should not seek or undertake work on your own account for any supplier or contractor with whom you have had direct dealings as an employee/contractor of Audit Wales, or directly on behalf of any such supplier or contractor.
- 96 Audit Wales' addresses must not be used for any invoicing, including in connection with domestic household matters.

Copyright

- 97 Subject to any written agreement to the contrary, copyright in all material produced in the course of work for Audit Wales belongs to the Auditor General or the Wales Audit Office. Such material includes working papers and equivalent electronic documents, draft reports, emails, social media posts, blogs, spreadsheets, databases and computer code.

Investments

- 98 You should not hold or deal in investments if you are in a position to gain information through your work which might affect their value. (Insider dealing and misuse of inside information are offences under the Criminal Justice Act 1993 and the Financial Services and Markets Act 2000.) If an investment might raise a question of possible conflict with the interests or independence of the Auditor General or the Wales Audit Office, you should not obtain it, or, if you already hold it, you should declare the holding immediately. Such conflict may arise where, for example, you know of planned audited body action that might affect a company's prospects.
- 99 The Head of Law & Ethics, in consultation with the relevant Engagement Lead, will decide whether the individual's financial interest might exert undue influence on his or her judgement, and will determine the appropriate course of action.
- 100 You should also ensure that no confidential information obtained in the course of your work is imparted to colleagues, friends or relatives, except through proper disclosure channels.

- 101 You should also declare any investment interests you hold with suppliers with whom you might deal. Where conflict might arise, you should dispose of your investment or ensure that you play no part in awarding the contract.