

NATIONAL INTEGRITY INDEX 2019

LOCAL AUTHORITIES

Transparency International Ireland is an independent, non-profit and nonpartisan organisation. Our vision is of an Ireland that is open and fair – and where entrusted power is used in the public interest. Our mission is to empower people with the support they need to promote integrity and stop corruption in all its forms.

www.transparency.ie

Author: Dr Elliott Jordan-Doak

Editor: John Devitt

Assistant Researchers: Aisling Reidy, Tadhg Morris, Áine Fellenz

Design: sophieeverett.com.au



(CC) Transparency International (Ireland) Limited 2019. This work is licensed under a Creative Commons Attribution Non Commercial-No Derivatives 4.0 International License. The information contained within this publication does not constitute legal advice and should not be relied upon as such. In addition, although every reasonable effort is made to present current and accurate information, Transparency International Ireland makes no guarantees of any kind. Any use of or reliance on the information contained in this report is solely at the user's risk. Some identifying information may have been changed.

This study was published with the financial support of the Community Foundation for Ireland; however, it reflects the views of Transparency International Ireland alone. Neither Transparency International Ireland nor the Community Foundation for Ireland can be held responsible for any use which may be made of the information contained herein.

NATIONAL INTEGRITY INDEX 2019

LOCAL AUTHORITIES

CONTENTS

04 INTRODUCTION

06 RESULTS

08 THE DATA IN DETAIL

09 Biggest improvements in transparency, accountability and ethics practices

10 Practices requiring most attention

11 Transparency and Resource Allocation

12 RECOMMENDATIONS

12 Local Authorities

14 Department of Housing, Planning, and Local Government

15 Public Sector Standards Bill 2015

15 Lobbying Regulation

16 FINDINGS

16 Planning

16 Ethics

18 Meeting Minutes

19 Freedom of Information

19 Transparency Surrounding Donation Statements and Expense Claims

20 Tendering & Procurement

21 Revolving Doors

22 CONCLUSION

23 ANNEX – NATIONAL INTEGRITY INDEX – LOCAL AUTHORITIES – METHODOLOGICAL NOTE

23 Development of the Methodology

23 Structure of the Methodology

24 Data Collection

25 END NOTES

INTRODUCTION

Local authorities in Ireland play an important role in shaping the lives of people through the provision of critical services including planning, housing, education and environmental protection. With total current expenditure of €5.1 billion in 2019,¹ Ireland's city and county councils also have significant economic power. Politically, Irish councils are a vital link between the electorate and central government. Local authorities represent the most accessible and proximate channels through which citizens can interact with their government.

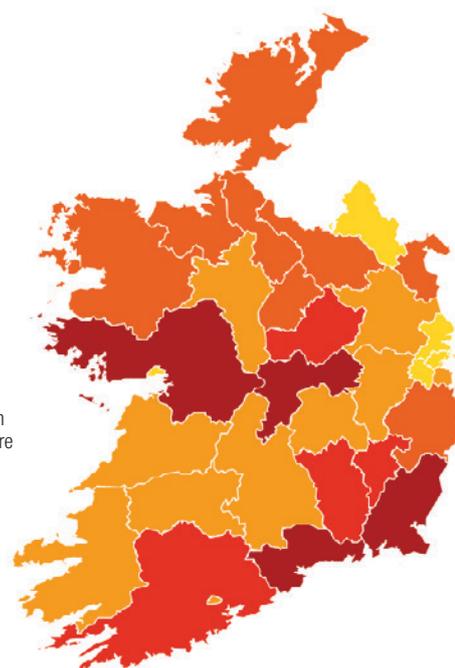
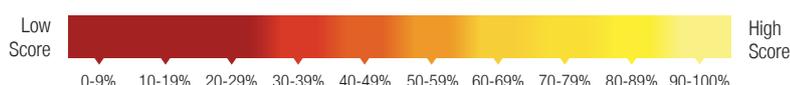
For these reasons, it is imperative that local authorities not only operate with the highest levels of transparency, accountability and ethics in the provision of services to the public, but also seek to actively promote these values among their staff and elected representatives.

In 2018, Transparency International Ireland (TI Ireland) released the first edition of its National Integrity Index (NII) of Irish Local Authorities. That study was one of the first comprehensive assessments of the systems and practices in place to promote integrity and prevent corruption in Irish local government. The NII builds on previous research at TI Ireland² and other TI chapters.³

Events in recent years have underscored the need for regular, systematic analysis and assessment of the policies and procedures to stop corruption in local government. By quantifying the effort made by local authorities to promote transparency, accountability, and ethics, the NII serves as a tool to benchmark authorities against both legal requirements and best practice. Additionally, as one of the few measures of transparency at the local government level in Ireland, the NII can also be used by researchers interested in exploring the determinants and effects of transparency in politics. Both can serve to inform the development of public policy in future. By developing a set of indicators

FIGURE 1. MAP OF RESULTS 2018

This map presents each of the 31 local authorities in Ireland, coloured according to their scores in the index. The lightest colours indicate better performance in the ranking, while the darkest colours indicate where there is much room for improvement.



drawn from both legislative requirements and best practice, the NII is designed to be used as a toolkit for local government policymakers in promoting the highest standards of governance at their councils.

The 2019 edition of the NII continues to assess each local authority along three dimensions: Transparency, Accountability, and Ethics. We retain a 30-indicator binary assessment format, where councils received one point per indicator where they fulfilled the criteria, and no points where the criteria was not met. The sum of each council's points is then converted into a percentage of the 30 indicators used in the assessment, and the authorities are ranked accordingly.

While the NII does not measure corruption levels in Irish local government, we acknowledge the heavy political and economic costs associated with such abuse and argue that strong systems and safeguards must be in place to stop corruption in all forms. Corruption has both significant and substantive economic costs at both the national and local levels through channels such as reduced foreign direct investment⁴ and less efficient public spending,⁵ along with serious social costs such as damaging political trust,⁶ increasing inequality,⁷ and lowering public health levels.⁸

Various factors pose a risk of corruption and fraud in local government. The size of the budget and the powers afforded to local authorities presents a significant economic incentive for abuse. Secondly, the findings of the Mahon Tribunal, several Standards in Public Office Commission (SIPO) decisions,⁹ and the recent investigation into alleged 'protection money' payments at Dublin City Council¹⁰ suggest that without effective systems in place, there is an ongoing risk of misconduct posed to local authorities.



TI Ireland and local authorities share the common goal of serving the public interest in the most open, accountable and effective manner possible. We hope this study will make a contribution to that end.

The results from the 2018 edition of this study revealed considerable variation in how councils around Ireland performed in our assessment. As part of our goal to encourage local authorities to promote greater transparency and improve their governance systems, TI Ireland also published a checklist including corresponding deadlines, a template for ethics and governance webpages, and a reference guide to highlight good practice across the local authorities. In addition, this year TI Ireland held various regional workshops to draw attention to this research and receive feedback from council staff and elected representatives.

TI Ireland and local authorities share the common goal of serving the public interest in the most open, accountable and effective manner possible. We hope this study will make a contribution to that end.

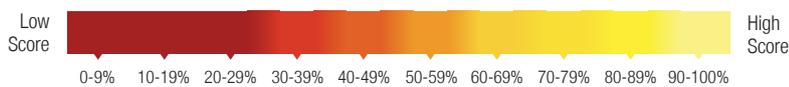
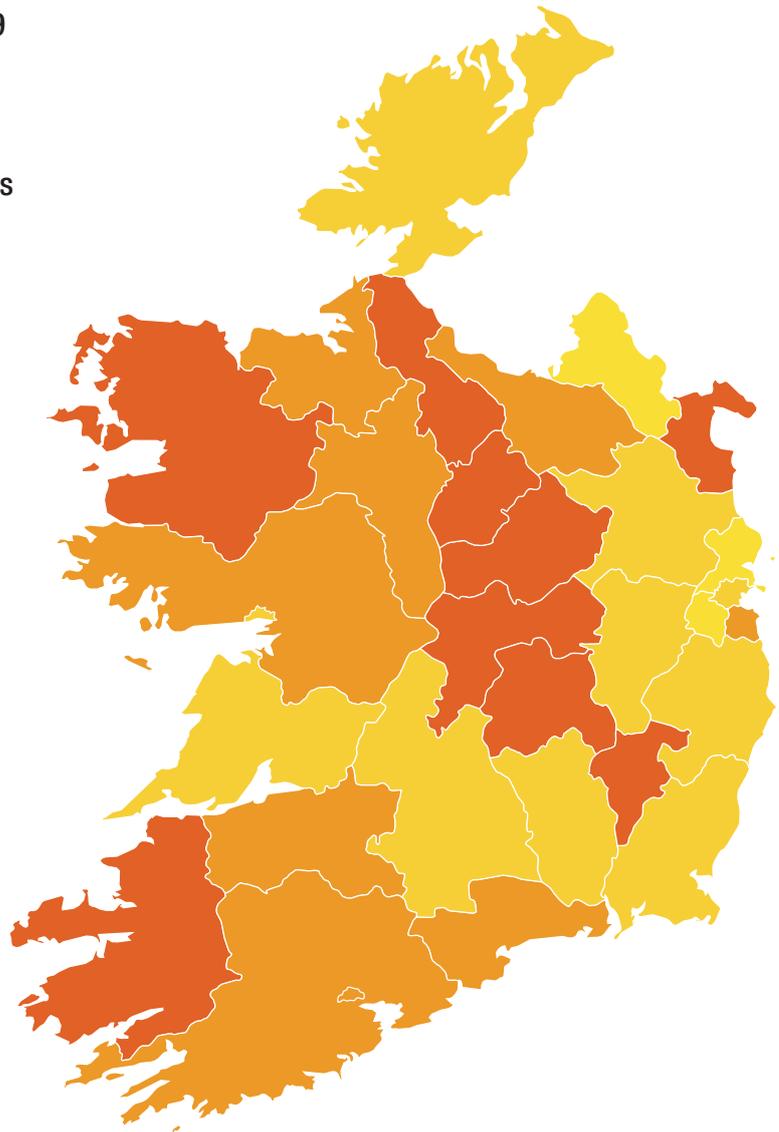
RESULTS

TABLE 1. NATIONAL INTEGRITY INDEX RESULTS 2019

RANKING	COUNCIL	SCORE (out of 30)	%
1.	Fingal County Council, South Dublin County Council	22	73
3.	Monaghan County Council	21	70
4.	Kildare County Council	20	67
5.	Dublin City Council, Kilkenny County Council, Meath County Council, Wexford County Council, Wicklow County Council	19	63
10.	Clare County Council, Donegal County Council, Galway City Council, Tipperary County Council	18	60
14.	Cavan County Council, Dún Laoghaire–Rathdown County Council, Limerick City and County Council	17	57
17.	Sligo County Council	16	53
18.	Cork City Council, Cork County Council, Galway County Council, Roscommon County Council, Waterford City and County Council	15	50
23.	Carlow County Council, Laois County Council, Leitrim County Council, Louth County Council	14	47
27.	Longford County Council, Mayo County Council, Offaly County Council	13	43
30.	Kerry County Council, Westmeath County Council	12	40

FIGURE 2. MAP OF RESULTS 2019

The improvement in NII scores in 2019 is reflected in the fewer number of local authority scores represented by darker colours than was the case in 2018. Overall, local authority NII scores improved by 9%. Wexford County Council's overall performance on the index improved by 40%.



THE DATA IN DETAIL

Local authorities are sharing significantly more information on their commitment to transparency, accountability and compliance with ethical standards than was the case in 2018. The average score received by councils in the NII for 2019 was 17 points (57% of fulfilled criteria). This represents a 9% increase on last year's results.

The highest number of points received by a council last year was 21, (or 70%), which Galway City Council received. Those councils in first place for this year's assessment are South Dublin and Fingal County Councils - both of which received 22 points. Monaghan

County Council followed closely in third place, receiving one point less. This is noteworthy given the radically different budget sizes of these councils and provides evidence to dispel any assumption that resources alone explain performance in the NII.

TABLE 2. TOP THREE IMPROVERS



This year's findings offer some room for optimism. A greater number of councils are sharing more information demonstrating their commitment to transparency, accountability, and ethics than last year. Of the 31 local authorities surveyed in the NII, 23 (74%) have improved their scores. While the average scores of the whole sample show moderate improvements in levels of transparency, those that have improved have done so particularly strongly.

The average increase in the overall scores received by those 23 councils stands at 14%, with Wexford County Council's overall performance on the NII improving by 40%. Among the remaining eight councils that have not seen their scores improve, five (16%) have received the same score this year as last, while three have worsened. However, of those that received lower scores than last year, the average drop was around 11%.

Another positive finding relates to those councils that performed relatively poorly. The lowest score received in last year's assessment was five points (16%), while this year this 'floor' has more than doubled and risen to 12 points (40%), showing that even the worst performing councils have fared far better than those last year. This finding is underlined by the standard deviation for each year, which dropped from 3.7 in 2018 to 2.8 this year.

BIGGEST IMPROVEMENTS IN TRANSPARENCY, ACCOUNTABILITY AND ETHICS PRACTICES

Since the initial release of the NII in 2018, local authorities have demonstrated an improvement in a number of areas relating to the promotion of transparency, accountability, and ethics practices in their councils. The following table highlights the areas where the most significant improvements this year are observable.

TABLE 3. BIGGEST IMPROVEMENTS IN PRACTICES

INDICATOR	IMPROVEMENT FROM 2018 TO 2019 (Local authorities receiving a point)	IMPROVEMENT FROM 2018 TO 2019 (%)	TOTAL LOCAL AUTHORITIES (%)
Comprehensive Protected Disclosures Policy Posted (A3)	13	42%	68%
Procedures in Place to Investigate Contraventions of Local Government Act 2001 (A7)	10	32%	71%
Comprehensive Page Dedicated to Ethics and Governance (E2)	9	29%	58%
Council Responsive to Requests from Public (A10)	7	23%	71%
Meeting Minutes Posted Online (T1)	6	19%	90%
Decision on FOI Requests in Four Weeks (A2)	6	19%	90%

The number of councils posting Protected Disclosures policies increased substantially, with 21 of the 31 councils uploading these documents online. Only eight councils had posted this information last year, and represents the most significant statistical improvement witnessed this year.

The NII 2019 results also show that 71% of councils had procedures in place to investigate alleged contraventions of Part 15 of the Local Government Act. This represents a 32% improvement since 2018, when only 39% of local authorities reported having these in place.

These improvements were broadly in line with a push by local authorities towards making information on

ethics related issues at councils available to the public online. Likewise, the number of councils that had specific webpages dedicated to ethics and governance related issues, such as the Regulation of Lobbying Act, the Protected Disclosures Act, and others, was 29% higher this year than last.

Where information relating to indicators in the NII was not posted, T1 Ireland researchers made specific requests to councils to provide such information through FOI requests, and by calling and emailing each local authority. We found that councils were more responsive this year than last to our phone calls and emails, with 71% of councils receiving a point for this indicator. Additionally, 90% of councils received a point

for issuing a decision relating to our FOI requests within the four-week statutory deadline.

Lastly, our research shows that more councils are making the minutes of their monthly meetings available online for public inspection. In 2019, 90% of local authorities were regularly uploading these documents, represented by six extra councils who received a point for this indicator this year.

PRACTICES REQUIRING MOST ATTENTION

In contrast to the increase in the quantity and quality of information shared in some areas highlighted above, some local authorities performed more poorly

in respect to other NII indicators during 2019 than they did in 2018. For instance, although more local authorities published Protected Disclosures policies in 2019 than last year, TI Ireland researchers found that four fewer local authorities had posted annual reports on the protected disclosures made at their councils.

Likewise, five (16%) fewer local authorities demonstrated efforts to inform individuals of their responsibilities under the Regulation of Lobbying Act 2015. There was no improvement at all in respect to other indicators, with no local authority reporting that it had published its Chief Executive’s diary and only 3% of councils reporting that they adopt proactive measures to restrict employees in sensitive roles from accepting employment in the private sector that might pose a conflict of interest.

TABLE 4: PRACTICES REQUIRING MOST ATTENTION

INDICATOR	REGRESSION/ IMPROVEMENT 2019 (Local authorities receiving a point)	NET IMPROVEMENT 2019 (%)	TOTAL LOCAL AUTHORITIES (%)
Informs Individuals of Obligations Under Lobbying Act (E8)	-5	-16%	45%
Annual Report on Protected Disclosures Published (A4)	-4	-13%	45%
Chief Executive’s Diary Published (T12)	0	0	0%
Restrictions on Employees Taking Employment in the Private Sector (E7)	1	3%	3%
Planning Motions of Councillors (T5)	2	6%	16%
Complete Planning Application Documentation (T3)	2	6%	19%

Similarly, only 16% of local authorities had published written motions submitted by Councillors on city and/or county development plans on the development plan pages of the local authority’s website; while only 19% of councils published an online searchable database of past and current planning applications with complete

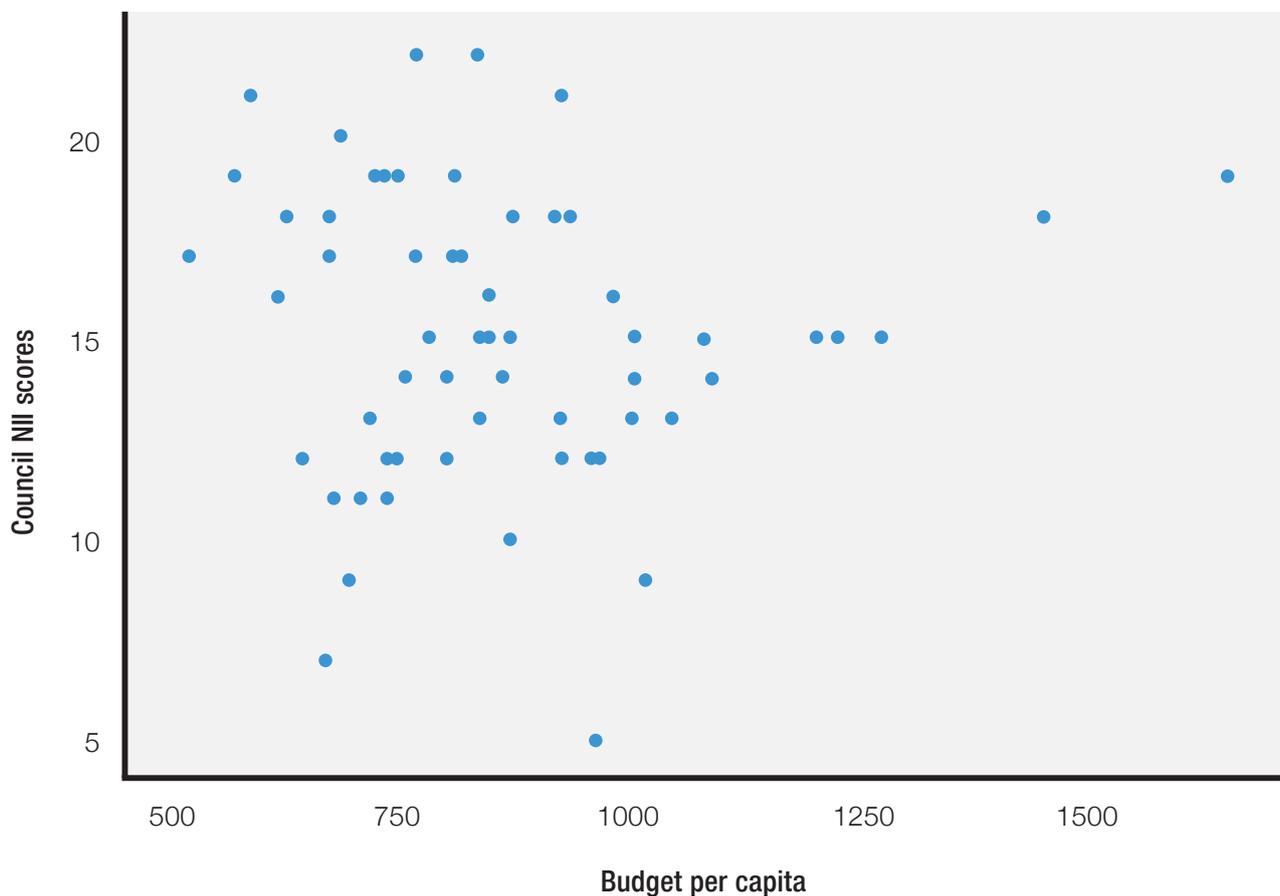
documentation for each application. Given the risks of corruption in Ireland’s planning system and the documented cases of malpractice highlighted by the Mahon Tribunal and elsewhere, it is regrettable that so few local authorities are posting such information in a timely or comprehensive manner.

TRANSPARENCY AND RESOURCE ALLOCATION

As one of the few studies available that seeks to quantify transparency at the local government level in Ireland, the NII may help understand the determinants and impact of transparency at the council level. However, there is relatively little data available from local authorities in Ireland, with the majority collected regionally or nationally. TI Ireland researchers

regressed the NII scores on expenditures data for each council over the last two years measured on a per capita basis, and found no statistically significant relationship between the two variables.¹¹ By measuring expenditures on a per capita basis, we essentially test the argument that councils with larger resource allocations can fulfil more of the criteria we have outlined in the NII methodology. This finding suggests that additional funding is not necessarily required by councils to improve on their performances in our index.

CHART 1. TRANSPARENCY AND RESOURCE ALLOCATION



Source: Whitaker Institute

RECOMMENDATIONS

The findings from the 2019 edition of the NII demonstrate that there are a number of steps to be taken not only by councils, but also by the Department of Housing, Planning, and Local Government (DHPLG), and other bodies to promote transparency in local government. These recommendations repeat or complement those already made in pages 10 to 12 of the 2018 NII Report.

LOCAL AUTHORITIES

Local authorities in Ireland operate within the laws drafted by central government and passed by the Oireachtas. The ability of councils to improve their own governance can therefore be largely addressed through legal reform. The enactment of the Public Sector Standards Bill 2015 would represent considerable progress in this regard. That said, there are many relatively easy steps that could be taken by local authorities to improve transparency and accountability in the meantime.

- > Several of our indicators relate to information that local authorities are required by law to collect, aggregate, and make available for public inspection at council offices or other buildings. However, since the introduction of the Local Government Act 2001 and related legislation, there has been both a downsizing of local government, and a substantial growth in the use of the internet. Maintaining a physical register available for inspection at council offices is an inefficient and inaccessible way to store and share information. Given the law already requires that this information be collected and stored, councils should not find it unduly cumbersome to also **post information online for inspection by the public**. This would serve to promote transparency in local authorities and improve trust with the public. Additionally, posting more information online could reduce the burden placed on FOI units within councils, who, along with other council staff, expressed to us their dissatisfaction with the level of resources at their disposal.¹²
- > In many cases, authorities that were posting information online were doing so in PDF format. While uploading this information is a priority, local authorities could share this in a more user-friendly format. For example, **information on expenses, purchase orders, public contracts and annual budgets should be supplied in machine**

readable format for use in statistical software and database packages. Providing data in this format can help researchers interested in public finance more easily analyse spending patterns and identify cost-saving measures for councils. More readily available data will make researching investment decisions less costly and should help attract more firms to the tendering process.

- > Councils should also **publish more comprehensive data on the economic and social indicators** of their areas. While there is relatively little data collected at the council level, local authorities should still aggregate and make available the data gathered by the Central Statistics Office (CSO) and used in their analysis and annual reports.¹³ This would serve to improve public understanding of the economic and social issues facing local authorities now and in the future. Even if this data is not published on the website of the council, web links and instructions should be made available online to direct users to data gathered by other agencies such as the CSO or Industrial Development Agency Ireland.



Given the law already requires that this information be collected and stored, councils should not find it unduly cumbersome to also post information online for inspection by the public.

KEY STATISTICS

2019

Comprehensive data on expenses published

8/31

Declarations of interests published

10/31

Protected Disclosures Reports posted online

14/31

Diary of the Chief Executive posted online

0/31

Donation Statements of Councillors posted

10/31

Annual Reports posted online

14/31

- > Since the 2018 edition of this study, five local authorities have developed **Fraud and Corruption Prevention and Contingency Plans**, bringing to 27 the number of councils that have such plans in place. These authorities aside, four councils either failed to report the existence of such plans, or were relying on plans written almost a decade ago. The development, and regular updating of these plans is essential to mitigate corruption and fraud related risks. Such plans should include comprehensive steps to be taken during any investigation into alleged instances of any possible contraventions of Part 15 of the Local Government Act at a local authority.¹⁴
- > Local authorities should also continue to develop and promote ethics and governance in their councils. This can be done partly by using **local authority websites** as a medium through which they can highlight the importance of, and their commitment to, high standards of good governance. Providing information on the number of protected disclosures made, and actions taken in response to them for example, would help in demonstrating the local authority's commitment to good governance while also meeting its legal obligations under **section 22 of the Protected Disclosures Act**. As part of these obligations, councils must furnish a report on the number of protected disclosures made to them, including the actions taken in response. When we assessed the number of councils that had made such reports for the preceding year available online, we found that only 14 had done this.
- > It became clear while conducting this research that many staff dealing with the public did not know who the ethics registrar was at their council. The fact that many staff members were unaware of who at the local authority was tasked with ethics duties indicates that there is little awareness of the role amongst employees. As the designated first point of contact for ethics-related complaints or queries, ethics registrars perform an important role in seeing that ethics procedures at councils operate effectively. Local authorities should therefore proactively **inform all staff and the public of the role and identity of their ethics registrar**.

DEPARTMENT OF HOUSING, PLANNING, AND LOCAL GOVERNMENT

- > One of the key recommendations made by TI Ireland following the publication of the NII in 2018 related to the work of the ethics registrars in local authorities. Owing to feedback we received from councils that there was extremely limited training made available to council staff on ethics practices, we called on the DHPLG to introduce a curriculum around this topic. While some councils did report that an ethics training session is being organised for 2020, our research this year indicates that ethics training is largely still not provided at local authorities. This is particularly problematic for ethics registrars, where expertise and training in this area is most needed. **Ethics training should therefore be introduced** without delay. Local authority staff and members should be assessed on awareness of their roles and responsibilities in relation to ethics and related legal requirements.
- > In line with many of our assessed indicators, a greater push towards digitisation and online publication needs to take place at local government level. This is particularly relevant for councils publishing **annual declarations of interests by staff and members**, which we found only 10 councils had made available online, along with the donation statements submitted by councillors, which were also posted online by 10 councils. The **digital submission** of these records by members and staff would also greatly reduce the administrative burden of their collection, dissemination, and storage. Moreover, guidance from the Council of Europe maintains that the use of a paper-based system should only be during times of "extreme hardship".¹⁵
- > The DHPLG should also play a more prominent role in providing councils with tools to communicate such information effectively. Rather than simply providing additional resources to councils for their media and communications departments, the DHPLG should develop a more **proactive strategy in sharing governance and ethics-related information**. The "Your Council" programme will help share more information with the public on the essential work done by councils around the country and could offer an opportunity for local authorities to also share more information on how they are governed.¹⁶

- > Our research from both this year and last suggests that the system in place for receipt of the annual ethics declarations made by councillors and staff is outdated. The current, paper-based format continues to make verification and validation of such declarations difficult. Additionally, there is no legal requirement for registrars to check declarations and the obligation to submit a complete and accurate declaration lies with the staff member or councillor. Local authorities would therefore benefit from **departmental guidance** on checking ethics declarations.



Many of the issues highlighted in this report could be addressed with the enactment of the Public Sector Standards Bill 2015.

PUBLIC SECTOR STANDARDS BILL 2015

- > Many of the issues highlighted in this report could be addressed with the **enactment of the Public Sector Standards Bill 2015**. This would standardise disclosure and enforcement procedures for local and central government and provide for the submission of ethics declarations to the Office of the Public Sector Standards Commissioner. This would also see the submission of dishonest returns become a criminal offence.¹⁷ This legislation should be enacted without further delay.

LOBBYING REGULATION

- > More guidance should also be provided to local authorities relating to the **Regulation of Lobbying Act 2015**. The need for this became clear over the course of our research, where just 14 councils were able to report the practical steps they take to inform both their designated public officials (DPOs), and lobbyists of obligations under the Act. This guidance could include practical measures to be taken within the council buildings, such as signage to promote awareness, or more regular training, either online or in person.

FINDINGS

PLANNING

One of the central functions delegated to local authorities by central government relates to the maintenance of short and long-term planning and development plans in the council's area. City and county councils are responsible for the approval of planning permission for both residential and commercial developments. As one of the most important tasks undertaken by local authorities, planning is a particularly high-risk area for irregularities. This has been underscored by events in recent years.¹⁸ Our indicators are designed to assess how transparent each council is in sharing information about its planning procedures, and how it develops its longer-term position on development within its area.

We found that only six councils were consistently posting online all necessary documentation relating to planning applications. For the 25 councils that did not receive a point for consistently posting this documentation, posting the details of pre-planning consultations held in respect of a planning application should be a priority. There is a meaningful role to be played by pre-planning consultations as part of the overall application process, primarily to increase efficiency. This procedure should



As one of the most important tasks undertaken by local authorities, planning is a particularly high-risk area for irregularities... Our indicators are designed to assess how transparent each council is in sharing information about its planning procedures, and how it develops its longer-term position on development within its area.

be as transparent as possible. While the legislation stipulates that documentation should be made available to the public in some format, we argue this should be published online.

Each local authority in Ireland is required to produce a development plan, which sets out the overall planning policies of the council for a six-year period.¹⁹ Local authorities are assessed in the NII on whether they have published online the public submissions and observations received along with the motions of councillors relating to their respective development plans. Given the significant length of these plans, meaningful and transparent engagement with the public over their development is crucial. Both requirements in our index, which assesses authorities separately on the submissions and the motions received in respect of their plan, are drawn from the recommendations of the Mahon Tribunal into planning and payments irregularities. We found that most councils are still not making this information available on the planning pages of their websites (or the website dedicated to the development plan). Just 13 councils had posted submissions made relating to all stages of the development plan process, while only five authorities had posted the motions made by councillors in respect of the council's development plan on the corresponding webpage.

As this update has come just a year after the last NII was published, the same development plans produced by most councils are still in place this year. It is encouraging however that several local authorities have begun to make this information available online as part of the formulation of their most recent development plans.

ETHICS

The NII includes eight indicators relating to the ethics practices of councils in Ireland. Some indicators saw almost all local authorities receive a point. For example, since last year, several councils have been proactive in developing plans and procedures to address risks relating to instances of corruption and fraud, with 27 councils reporting having these plans in place. Fraud and Corruption Prevention and Contingency Plans can reduce the likelihood of it occurring, help detect

NUMBER OF LOCAL AUTHORITIES PROVIDING INFORMATION UNDER THE FOLLOWING NII INDICATORS

2019

Reported having an up-to-date Fraud and Corruption Prevention Plan

27/31

Fraud and Corruption Prevention Plan posted online

8/31

Ethics Declarations posted online

10/31

it where it does, and limit damage where it occurs. Despite this, many authorities are still reliant on plans that are over a decade old and that do not take account of emerging threats and trends.

The periodic update of these plans is important for several reasons. Firstly, the evolving nature of corruption and fraud means that relevant systems require close scrutiny and monitoring, coupled with a flexibility to update them as necessary. Without effective systems and procedures in place to combat corruption and fraud, the probability of such occurrences increases. The importance of having an up-to-date plan was made clear by the fact that when asked to share details of the procedures in place at local authorities to investigate potential contraventions of Part 15 of the Local Government Act 2001, those with dedicated corruption and fraud risk plans in place detailed more comprehensive measures than those who employed legislative guidance alone.²⁰ This is a further reason that producing effective decision-making processes and procedures dealing with potential ethics contraventions should be a priority for local authorities.

Secondly, the production and promotion of these plans can send a strong signal about the institution's risk appetite for corruption and fraud. By being proactive in making people aware that a council takes the risk of corruption seriously, the likelihood of these instances can be reduced. While most local authorities had some form of plan in place at their council, only eight had made these plans available online.

The fact that few local authorities publish their Fraud and Corruption alert plans online is part of a wider problem regarding the prevalence of ethics and governance-related information on councils' websites. The NII examines whether councils had a page or section on their website dedicated to ethics and governance related issues, including information on lobbying, freedom of information requests, and other issues. While 18 councils received a point for this indicator, some websites need to be upgraded or restructured. Many councils had information posted, but in a seemingly unstructured way, and one that would make it difficult for the public to access. To assist with any potential reorientation or upgrade of these pages, we have produced an ethics and governance webpage template, available on the TI Ireland website.²¹

The NII also contains two indicators relating to the verification of ethics declarations and their subsequent publication on council websites. This aspect of political life has received significant coverage in recent years at both the central and local government levels. In 2015, an RTÉ Investigates investigation drew attention to the under declaration of interests by county councillors in local authorities.²² Such declarations should be verified by local authority staff and made available to the public for inspection online. One way in which verification could be undertaken would be to systematically cross-check declarations made by elected representatives and council staff against property or business registers.

It must be noted that there is no legal basis or guidance that instructs local authority ethics registrars to systematically vet declarations. For this reason, councils are not required to verify the content of declarations by members and staff to receive a point in the index. However, only those councils that reported that their ethics registrar checks ethics declarations for errors or omissions received a point, with 19 authorities doing so. In some cases, registrars reported to us that they would be unaware of any errors or omissions within the declarations they receive. This serves to underline a recommendation from last year's report which highlighted the need for a systematic verification process, along with an enforcement mechanism for non-compliance or omission. Such a process is required to deter councillors or staff who may deliberately conceal or misrepresent their financial interests.

Additionally, local authority staff should receive structured ethics training. This is particularly important for ethics registrars, as they may be the first point of contact for complaints. Furthermore, having the capacity to appropriately manage such complaints requires dedicated training that should be provided on an ongoing rather than on an ad-hoc basis.

Regardless of whether ethics declarations were proactively checked by ethics registrars, councils that posted these documents on their websites received points. Over the course of our engagement with elected and appointed officials, concerns were raised about privacy surrounding these declarations.²³ Nonetheless, these declarations are required by law to be made available to the public for inspection at council offices. They should therefore be made available online to allow greater accessibility.

Transparency surrounding the financial interests of councillors is crucial for strengthening trust between the electorate and their representatives. Most importantly, accessing and validating ethics declarations is a crucial way to highlight potential conflicts of interest and to prevent and detect potential acts of corruption. This can serve to both increase political participation from the electorate, while also protecting councillors against untrue allegations in the case of human errors on their part. The number of councils that had posted these declarations online at the time TI Ireland researchers checked was ten, only marginally more than the seven councils that received a point for this indicator in 2018. This is regrettable given the relative ease of publishing returns online.

MEETING MINUTES

Councils are required to make the meetings of their minutes available to the public for inspection.²⁴ Local authorities should be expected to make these documents available to the public online. This year saw a significant increase in the number of councils that received a point for this, with only three councils of the 31 failing to post minutes regularly. Points were also awarded to the four councils that live-stream their monthly meetings, which provides greater accessibility for the public than posting minutes alone. The recent controversy surrounding voting procedures in the Dáil highlights the need for transparent and accountable voting and attendance systems in local authorities.²⁵



Accessing and validating ethics declarations is a crucial way to highlight potential conflicts of interest and to prevent and detect corruption.

The manual voting procedure employed in many local authorities is less prone to abuse than an electronic system, but this would be enhanced if coupled with the livestreaming of meetings and the online publication of voting records of councillors.

FREEDOM OF INFORMATION

As part of the assessment that measures the accountability of local authorities in Ireland, TI Ireland issued Freedom of Information (FOI) requests to all 31 councils, with each council accepting our request by email. One point was awarded to an authority if an acknowledgement of the FOI was received within the statutory deadline of two weeks, and another if the decision was issued within four weeks. All local authorities except for one received a point for issuing an acknowledgement to us within the deadline, and all except for three issued a decision to us within the legislative timeline. In general, the communication regarding FOI requests was better than in other areas of this study. However, council staff provided very different responses to our request. In some cases, FOI officers were extremely helpful, and suggested the rewording of one part of the FOI request to allow facilitation, while in others, council staff were proactive in helping resolve queries over numerous phone calls or emails. However, in 21 cases, one question in the FOI requests was met with rejection, often with little justification. Some councils referred to legislative grounds under which overly laborious retrievals under FOI requests could be rejected. As noted previously, during TI Ireland's engagement with local authorities, many characterised their working environment as being constrained by inadequate resources. If staffing levels at local authorities represent a barrier to the facilitation of FOI requests, this burden could be eased by providing additional information on each council's website.

TRANSPARENCY SURROUNDING DONATION STATEMENTS AND EXPENSE CLAIMS

Promoting transparency around public expenditure is essential for building trust with the electorate and preventing corruption.²⁶ With this in mind, the NII also includes two indicators that examine the willingness of local authorities to provide details on expenses paid to

councillors. Councils are legally required to maintain a comprehensive register of expenses available for public inspection at their offices. In the case of expense claims, which have been the subject of a number of high-profile political scandals in recent years,²⁷ 25 had posted a register of expenses online. However, only eight of these registers contained sufficient information to merit a point in the NII. For example, councils had to report expenses disaggregated not only by councillor, but also by trip and event where applicable. These details are essential to allow members of the public to examine the expense claims of their councillors for unusual patterns, duplicates, and comparison with those at other councils. This requirement would be relatively easy to fulfil, given that most authorities already maintain and post a register of expenses online.

During a series of NII workshops with staff and members of local authorities, participants complained about the negative tone of media coverage that meets the publication of expenses. This seemed to inform a reluctance to provide additional information to the public on expenses, ethics declarations, donation statements, and personal information of any kind. There is no evidence to suggest that anything other than the vast majority of local authority staff and members work diligently to provide citizens with the best possible service. With these factors in mind, there exists a clear need to explain to the public the work that local authority staff and councillors do in providing vital services for people in Ireland. This would help to explain the work of councillors, why they need to claim expenses and mitigate some of the negative coverage of expense claims.

Councils were far less proactive in posting donation statements and ethics declarations online. Our research found that only 10 councils had provided the details of political donations their members received in the run up to the local elections of 2019. Political finance has become an issue of increasing concern in recent years for many democracies, and transparency surrounding who funds politics is essential if abuse is to be curtailed and the public are to have confidence in the political system. Publishing donation statements online serves both to highlight potential conflicts of interest and to assure the public that their political representatives are not answerable to anyone but them. Local authority members are required by law to make an annual submission of their political donations and one would expect to see an online register of donations be made a priority by local and central government.²⁸

Similar arguments can be made for facilitating online access for citizens to the ethics declarations that each staff member and councillor furnishes each year. As noted, the NII assesses each authority on their willingness to check each declaration for errors and omissions. An additional mechanism to help enforce the honest declarations of financial assets by staff and councillors could come from public oversight of the submissions. Ethics registrars are not legally obliged to manually vet the declarations they receive. However, journalists and citizens should be able to scrutinise these returns and determine whether they are complete and accurate.²⁹ Only ten local authorities posted the ethics declarations of councillors on their websites during 2019. This represents a very marginal increase on those that posted such information during 2018, when 7 councils received a point for this indicator. This is concerning given that in recent years, a number of councillors have been shown to have failed in declaring all commercial or residential interests to their names.³⁰ Irish local authorities should not only provide this information but also share information on the backgrounds, professional experience, and areas of expertise held by councillors.³¹

TENDERING & PROCUREMENT

While conducting research for the NII this year concerns were raised by elected representatives that large-scale capital projects at local authorities, as well as ad-hoc expenditures, were both proposed and approved with little transparency, and without any clear strategy.³² Furthermore, concerns were raised as to the financial performance of councils, particularly regarding projects already underway and annual costs when compared against other local authorities.³³

Public contracting procedures should not only comply with European Union law but also be aimed at maximising value for taxpayers' money. Attracting the right firms to tender for public contracts is essential if local authorities are to receive the best goods and services at the best price. If the procurement process is opaque or open to abuse, this will raise the cost of service provision in both the short and long run for the public and reduce the quality of goods and services. One way to ensure an efficient delivery of services is to actively promote information on procurement by local authorities. By putting this information in the public domain, local authorities can send strong signals to potential firms interested in the procurement process.



While many councils had posted their procurement policy online, only 14 councils received a point for posting full details relating to procurement, including contracts awarded.

Additionally, researchers in public finance can use such data to help achieve more efficient outcomes in the provision of public services.

For that reason, the NII assesses local authorities on whether they are proactive in posting their purchase orders regularly, and whether there are comprehensive procurement procedures made available on their websites.³⁴ TI Ireland found that twenty councils were posting details of their purchase orders over €20,000 on a regular basis. However, ten had failed to post within the six-week timeframe following the end of a quarter, as outlined in the July 2016 Model Publication Scheme Guidance.³⁵ The regular update of these databases is essential to see that there is adequate transparency surrounding the sums of money disbursed by councils through public procurement.

Additionally, a comprehensive document that provides information on procurement policies for each local authority should be updated as necessary and made available on the website of the local authority. Each council's website should also contain a section within which users can learn about procurement. This might include multiple documents targeted at different audiences, such as members of the public or private firms. Ultimately, while many local authorities had posted their procurement policy online, only 14 councils received a point for posting full details relating to procurement, including contracts awarded.

REVOLVING DOORS

Ensuring that government decisions are not influenced by public officials' private interests is an ongoing concern.³⁶ The issue of political 'revolving doors', where staff in the public or private sectors often move between senior roles in the two areas poses one of the biggest challenges in managing potential conflicts of interest. A senior public servant that moves to a firm in the private sector could be perceived to have a conflict of interest where they bring expertise, information or access to decision-makers to their new employer. This also poses a significant corruption risk where public officials are responsible for procurement or planning, and have the opportunity to substantially increase their income after they have acted to the advantage of their prospective employer.

Councils appeared to be aware of this issue to the extent that many referenced the code of conduct for local authority staff in correspondence with TI Ireland. However, only one council provided details

sufficient to receive a point for this indicator.³⁷ This indicator is based on guidelines outlined in Section 10.5 of the Code of Conduct for Employees which states that employees to which Part 15 of the Local Government Act 2001 applies, cannot accept an offer of employment which would lead to an actual or perceived conflict of interest, without the approval of the local authority in question.³⁸

It is difficult to see how local authorities can enforce or monitor potential instances of 'revolving doors', without requiring their staff to simply disclose job offers from prospective employers before they are accepted and/or without guidance on preventing post-employment conflicts of interest. During our engagement with local authority staff, it became clear that local authorities often relied on one another for best practice guidelines that were not issued by central government.³⁹ The LGMA, SIPO and/or the DHPLG could help in drafting such guidance. Without such guidance, councils are unlikely to effectively address this issue.

2019

Development plan submissions posted online

.....

13/31

Restrictions on employees taking employment in the private sector

.....

1/31

Comprehensive procurement details posted online

13/31

CONCLUSION

The results of our research this year indicate that overall, local authorities in Ireland have taken important steps towards improving the systems and practices in place to promote transparency, integrity, and ethics.

Some councils have been proactive in developing important tools, such as Fraud and Corruption Prevention and Contingency Plans. Others have made smaller but significant changes, for example posting more information on their websites. However, the NII results also show that there is considerable room for improvement. We hope that in identifying and illustrating best practices, we can continue to help local authorities make further progress in 2020. Promoting transparency, accountability, and ethics is an iterative process, and requires an ongoing commitment from management. Yet it should not be seen as an afterthought to the critical daily functions for which a council is responsible. Building trust with the public needs to be seen as one of these tasks.



The NII results also show that there is considerable room for improvement. We hope that in identifying and illustrating best practices, we can continue to help local authorities make further progress in 2020.

ANNEX

NATIONAL INTEGRITY INDEX – LOCAL AUTHORITIES – METHODOLOGICAL NOTE

TI Ireland's National Integrity Index (NII) on Local Authorities is composed of a set of 30 indicators, assessing the systems and practices of Ireland's 31 local authorities to promote and ensure transparency, accountability and ethics.

Each local authority received one point for fulfilling the criteria outlined in our methodology, and zero points otherwise. The sum of points received is then converted to a percentage (points out of 30), rounded to the nearest whole number, and then used as the respective local authority's score.

The Indicator Reference Sheet (provided on the NII webpage), explains the significance, justification for including each indicator, as well as the marking scheme and the source of the information (e.g. council websites, emails to councils, phone calls to councils, and freedom of information requests).

DEVELOPMENT OF THE METHODOLOGY

TI Ireland developed the project based on similar research carried out by TI National Chapters in other European countries (examples include Austria, Portugal, Slovakia and Ukraine). In adapting the indicators to the local context and to ensure they covered the issues relevant to local government in Ireland, TI Ireland consulted with the Standards in Public Office Commission, the Local Government Audit Service, the Office of the Information Commissioner, two academic institutions, a former Director of Services in a local authority and a former County Manager in a local authority. Additionally, in anticipation of this updated index, TI Ireland held four regional workshops around the country during 2019. All elected councillors in the country, along with senior officials from all councils were invited. The location of each workshop was chosen to maximise accessibility, and regions were defined based on the Central Statistics Office guidelines. The aim of these consultations was to receive feedback and input from a broad sample of stakeholders, namely academia, central government, local government, as well as rural and urban experience.

With the exception of the FOI requests lodged with local authorities, TI Ireland informed the authority that

it was undertaking research on local government in Ireland. Local authorities were also informed that the workshops were being held around the country to discuss this update to the NII and receive feedback on our methodology. In addition, local authorities were emailed several weeks before publication to share their preliminary results. When forwarding the results with councils, TI Ireland requested that feedback be received back within eight business days.

STRUCTURE OF THE METHODOLOGY

Given the varying environments, sizes and contexts across the 31 authorities, TI Ireland understands the complexity in assessing local authorities. This methodology is based on a binary system of indicators, all of which TI Ireland expects local authorities should and can fulfil, regardless of budget, location, or number of staff. Additionally, during our engagement with local authority staff this year, several expressed their satisfaction with the methodology and noted that these expectations were reasonable.

A number of possible indicators were considered when developing the methodology, with multiple indicators removed that were considered too demanding for smaller authorities. The National Oversight and Audit Commission's (NOAC) performance indicators for local government were considered. Some loosely relate to accountability but given that they are intended to measure management rather than transparency, accountability and ethics, they are not directly relevant to this research. Much of the data published by NOAC is not appropriate for comparative purposes. Some of this data was instead used for regression analysis with the study's final data.

It was not feasible to address every corruption and ethics-related risk in the list of indicators. Where additional risks arise, they could be included in future editions of the index.

DATA COLLECTION

Data was collected for the 2019 edition of the NII between July and November 2019. TI Ireland took every reasonable step to obtain the data for each respective indicator. However, if there were obstacles to obtaining data or a local authority was not forthcoming with information, no points were awarded to those authorities. Likewise, an authority might maintain that certain information is published on its website. If TI Ireland's team of researchers cannot find this information after an exhaustive search, then a typical citizen is unlikely to find this information, and hence no points can be awarded.

Similarly, when calling and emailing local authorities, TI Ireland called and/or emailed each local authority initially and, if not reaching them on the first attempt, provided at least two follow-up calls and/or emails. Voicemails or messages were left with the officials' colleagues when calling, and follow-up emails were sent when no voicemail response was received. If there was no response from the authority after the third attempt, questions were not pursued further, and no points were given. A citizen should not have to call or email his or her local authority four times in order to obtain public information.

As part of this research, TI Ireland sent a five-part questionnaire by email to each local authority. The questions contained in the email were as follows:

1. What steps does x County Council take to inform individuals (lobbyists and designated officials) of their obligations under the Regulation of Lobbying Act?
2. Does the Council take any steps to prevent employees from taking on positions in the private sector that would conflict with their role in the local authority, both during and following employment with the local authority (i.e. Section 10 of the LGA Code of Conduct for Employees)? If so, could the Council share example(s)?
3. Would it be possible to share any procedures the Council has in place to investigate alleged contraventions of Part 15 of the Local Government Act 2001 by councillors and "relevant employees"?

4. Would it be possible to share any disciplinary procedures applicable for instances when an employee breaches the LGA's Code of Conduct?
5. Would it be possible to share any risk management or alert plan, addressing corruption and fraud risks, that the Council has in place, including when it was drafted?

FOI requests were also sent to each local authority. The questions included were as follows:

1. With regard to Section 174 (8)(a) of the Local Government Act, 2001, could the Council share records on the number of "matters brought to attention under subsection (7)", the number of corresponding investigations carried out (Section 174 (8)(a)(i)) and the number of corresponding reports prepared (Section 174 (8)(b)(i)) separately for 2018, 2017 and 2016? Only numbers, no details, are requested.
2. Could the Council share an organisational chart, indicating the reporting structure of the internal audit unit? Alternatively, we ultimately would like to know – does the internal audit unit (or contracted company, if outsourced) report directly to a Head of Finance or Director of Service (as opposed to the Chief Executive and Audit Committee)?
3. Can the council confirm that it has available for inspection by the public, as per guidance in the Department of Public Expenditure and Reform's Model Publication Scheme for FOI Bodies, and as applies to ministers and secretary generals; diaries relating to the professional activities of the Chief Executive, and if so, can the council share these documents?

END NOTES

1. Government of Ireland. 2019. "Local Authority Budgets 2019". Available at: https://www.housing.gov.ie/sites/default/files/publications/files/final_local_authority_budget_publication_doc_print_version.pdf (Accessed: 03/12/2019)
2. National Integrity Systems, 2009 & 2012. See <https://www.transparency.ie/resources/NIS>
3. See for example TI Slovakia <http://samospava.transparency.sk/>
4. Wei, S.J. 2000. "How Taxing is Corruption on International Investors?". *The Review of Economics and Statistics*, 82(1), 1-11.
5. Del Monte, A; Papagni, E. 2001. "Public Expenditure, Corruption, and Economic Growth: The Case of Italy". *European Journal of Political Economy*, 17(1), 1-16.
6. Morris, S.D.; Klesner, J.L. 2010. "Corruption and Trust: Theoretical Considerations and Evidence From Mexico". *Comparative Political Studies*, 42(10), 1258-1285.
7. Breen, M.; Gillanders, R. 2015. "Political trust, corruption, and ratings of the IMF and the world bank. International Interactions". *International Interactions*, 41(2), 337-364.
8. Gupta, S; Davoodi, H; Alonso-Terne, R. 2002. "Does corruption affect income inequality and poverty?". *Economics of Governance*, 3(1), 23-45.
9. Azfar, O; Gurgur, T. 2008. "Does corruption affect health outcomes in the Philippines?". *Economics of Governance*, 9(3), 197-244.
10. Kelly, F. 2018. "Mayo councillors breached code of conduct over land rezoning, says Sipo". *The Irish Times*, 13 December 2018. Available at: <https://www.irishtimes.com/news/ireland/irish-news/mayo-councillors-breached-code-of-conduct-over-land-rezoning-says-sipo-1.3730719> (Accessed 26/11/2019)
11. Hennessy, M. 2019. "Barrister appointed to investigate Dublin City Council 'protection money' allegations". *The Journal*. Available at: <https://www.thejournal.ie/social-housing-protection-money-4883522-Nov2019/> (Accessed: 04/12/2019)
12. P-value of 0.739. We lag each council's budget by one year to account for the implementation of the budget and allocation of resources over the year, the effects of which are far more likely to be felt the following year. Data was collected from NUI Galway's Local Authority Finances Project. Available at: <http://localauthorityfinances.com/> (Accessed: 01/12/2019)
13. Population data is drawn from the CSO's database. Available at: <https://www.cso.ie/en/csolatestnews/presspages/2017/census2016summaryresults-part1/> (Accessed: 01/12/2019)
14. Several Local government representatives at NII Workshops throughout October, 2019, expressed this sentiment.
15. Presumably because of the past and future likelihood of changes to local government structures.
16. This is the legislative ethical framework for Local Government.
17. This relates to the current, paper-based stockpiling system. See: Council of Europe. 2014. "Practitioner manual on processing and analysing income and asset declarations of public officials". P.6. Available at: <https://rm.coe.int/16806db62d> (Accessed: 26/11/2019)
18. See: <https://www.yourcouncil.ie/> (Accessed: 01/12/2019)
19. Public Sector Standards Bill, 2015. Section 32, Part 7. Available at: <https://data.oireachtas.ie/ie/oireachtas/bill/2015/132/eng/initiated/b13215d.pdf> (Accessed: 28/11/2019)
20. Hutton, B. 2018. "Report into planning corruption in Donegal remains unpublished". *The Irish Times*. Available at: <https://www.irishtimes.com/news/environment/report-into-planning-corruption-in-donegal-remains-unpublished-1.3486061> (Accessed: 28/11/2019)
21. Finn, C. 2019. "Gardaí launch investigation into Wicklow County Council over allegations of planning irregularities". *The Journal*. Available at: <https://www.thejournal.ie/wicklow-county-council-gardai-4632224-May2019/> (Accessed: 28/11/2019)
22. Citizens Information. Available at: https://www.citizensinformation.ie/en/housing/planning_permission/planning_devel_plans.html (Accessed: 28/11/2019)
23. Guidance is outlined in Section 174(7) of Part 15 of the Local Government Act 2001. Available at: <http://www.irishstatutebook.ie/eli/2001/act/37/enacted/en/pdf> (Accessed: 30/11/2019)

21. See: <https://www.transparency.ie/resources/national-integrity-index/toolkit>
22. Raidió Teilifís Éireann. 2018 (Originally broadcast 2015). "RTE Investigates – Standards in Public Office". Available at: <https://www.rte.ie/news/investigations-unit/2015/1207/751833-rte-investigates/> (Accessed: 26/11/2019)
23. Several Local government representatives at NII Workshops throughout October, 2019, expressed this sentiment.
24. Under Schedule 10, Section 44(14) of the Local Government Act 2001.
25. Raidió Teilifís Éireann. 2019. "Fianna Fáil TDs apologise over Dáil voting in wake of controversy". Available at: <https://www.rte.ie/news/politics/2019/1023/1085264-dail-voting/> (Accessed: 26/11/2019)
26. Organisation for Economic Co-operation and Development. 2000. "Trust in Government: Ethics Measures in OECD Countries". Available at: <https://www.oecd.org/gov/ethics/48994450.pdf> (Accessed: 26/11/2019)
Organisation for Economic Co-operation and Development. 2013. "Money In Politics: Sound Political Competition and Trust in Government". Available at: <https://www.oecd.org/gov/ethics/Money-in-politics.pdf> (Accessed: 26/11/2019)
27. The Irish Independent. 2014. "Callely jailed for expenses fraud". Available at: <https://www.independent.ie/breaking-news/irish-news/callely-jailed-for-expenses-fraud-30464350.html> (Accessed: 26/11/2019)
28. Some councils have gone a step further and provided details for unsuccessful candidates in local elections.
29. In several cases, ethics registrars admitted that declarations may contain errors or omissions, or even that they may not receive the full quotient from staff and councillors.
30. Raidió Teilifís Éireann. 2018. "RTE Investigates – Standards in Public Office". Available at: <https://www.rte.ie/news/investigations-unit/2015/1207/751833-rte-investigates/> (Accessed: 26/11/2019)
31. See the example of Madrid, Spain, where comprehensive information on councillors is posted. See: <https://transparenciapersonas.madrid.es/people/councillors> (Accessed: 28/11/2019)
32. Phone interview with County Councillor (name withheld), 3/10/2019.
33. Ibid.
34. For a full list of justifications, see: <https://www.transparency.ie/resources/national-integrity-index/indicators>.
35. Department of Public Expenditure and Reform. 2016. "FOI Model Publication Scheme, July 2016".
36. Organisation for Economic Co-Operation and Development. 2019. "Managing Conflict of Interest in the Public Service". Available at: <http://www.oecd.org/gov/ethics/managingconflictinterestinthepublicservice.htm> (Accessed: 28/11/2019)
37. In correspondence with TI Ireland, one council advised us in an email that: "Relevant staff who have potential restrictions on employment upon retirement are advised of this by HR Section".
38. Local Government Act 2001, Code of Conduct for Employees. Available at: <https://www.housing.gov.ie/sites/default/files/migrated-files/en/Publications/LocalGovernment/Administration/FileDownload%2C8776%2Cen.pdf> (Accessed: 28/11/2019)
39. One council staff member at a NII Workshop provided the development of local authority websites as an example of this practice.

Transparency International Ireland
69 Middle Abbey Street
Dublin 1, Ireland

Phone: +353 1 554 3938

admin@transparency.ie
www.transparency.ie