



Coimisiún um Chaighdeán in Oifigí Poiblí  
Standards in Public Office Commission



Annual Report  
2014

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## Annual Report 2014

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Justice Daniel O'Keeffe receiving his seal of Office from President Higgins.

## Foreword

In accordance with the provisions of section 27(2)(a) of the Ethics in Public Office Act 1995, I am pleased to furnish the Annual Report of the Standards in Public Office Commission for 2014 to the Minister for Public Expenditure and Reform.

Justice Daniel O'Keeffe  
Chairperson  
Standards in Public Office Commission  
June 2015

## Members of the Standards Commission



**Justice Daniel O'Keeffe**  
Chairperson

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**Seamus McCarthy**  
Comptroller and Auditor General

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**Peter Tyndall**  
Ombudsman

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**Peter Finnegan**  
Clerk Assistant of Dáil Éireann

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**Deirdre Lane**  
Clerk of Seanad Éireann

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**Jim O'Keeffe**  
Former member of Dáil Éireann

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## Introduction by the Chairperson

I became Chairperson of the Standards in Public Office Commission (Standards Commission) in February 2014. This report covers the activities of the Commission during my first, almost full, year in office. 2014 has been a busy year for the Standards Commission.

Elsewhere in the report the extent of the work of the Standards Commission during 2014 is set out in detail.

The extent of the responsibilities of the Standards Commission is varied. Since its establishment in December 2001, it supervises the ethics legislation, the electoral legislation and the Party Leaders Allowance legislation. Each of these areas of legislation has been amended over the years, in some cases adding to the supervision role of the Commission.

As appears in greater detail in this report, additional regulation was enacted which govern the Commission's operations. With effect from 1 July 2014, the Oireachtas (Ministerial and Parliamentary Offices) (Amendment) Act 2014 provides that, for the first time, independent members of the Dáil and Seanad are required to account to the Commission for their expenditure of Exchequer funding provided in the form of the Parliamentary Activities Allowance. Parliamentary leaders of qualified political parties have been required to provide such information since 2001. The first returns by independent members were provided in April 2015 in respect of the 6 month period from 1 July to 31 December 2014. In respect of 2015 and subsequent years, independent members will be required to account for the whole of the allowance received in each year. Details of funding under this legislation in 2014 are provided later in Chapter 3 of this report.

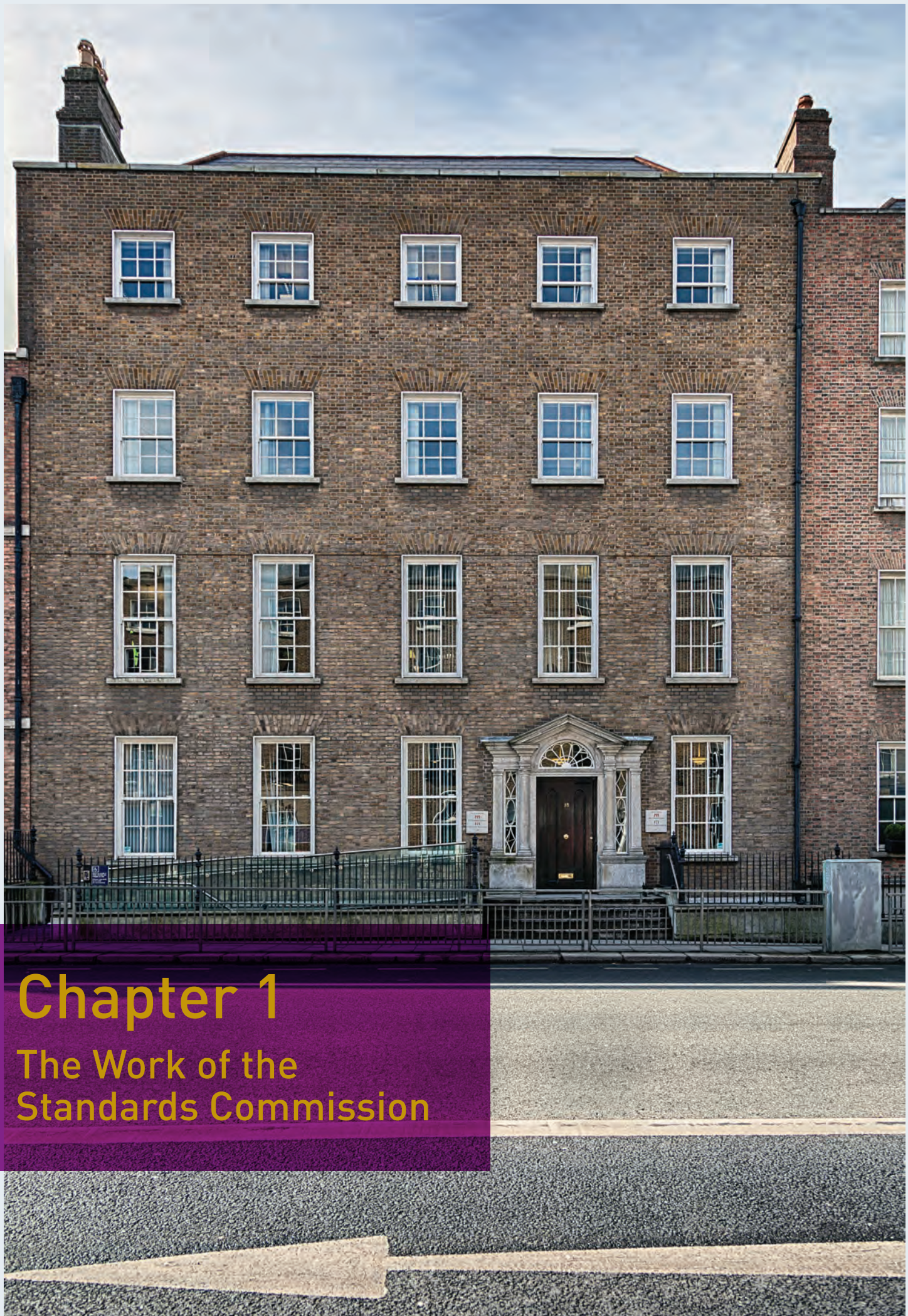
The Registration of Lobbying Bill 2014 was published in mid 2014 and was signed into law by the President in March 2015. The Commission engaged with the Minister for Public Expenditure and Reform in the drafting of the Act during 2014 and 2015. Under the Act, the Commission is given the role of maintaining the online register of lobbying and regulating most of the provisions of the Act. Further information on the lobbying legislation is set out in Chapter 4 of this report.

I reported in the Commission's report in 2013 that the Electoral (Amendment) (Political Funding) Act 2012 requires the Commission to prepare and publish guidelines for the purpose of providing practical guidance to political parties with respect to keeping proper books of account and preparing an annual statement of accounts. The Minister gave his consent to the publication of the guidelines and these were published in December 2014.

This report includes reports and updates on complaints which the Commission has received. Two such complaints were against former Councillors Padraig Doherty and Dessie Larkin, Donegal County Council, relating to overclaiming of travelling and subsistence allowances. The Commission, in deciding that some of the complaints relating to Councillors Doherty and Larkin were established, made a number of recommendations to the Minister for the Environment, Community and Local Government about strengthening the procedures for claiming expenses to avoid double claiming. Further details are set out later in Chapter 2 of this report. The Commission is glad to report that its recommendations were accepted by the Minister. It is hoped that the new procedures will eliminate the possibilities of double claiming of expenses.

Finally, I want to thank my fellow members of the Standards Commission for their contributions during the year. I also want to thank the Commission Secretary, Paddy Walsh, who joined us in August 2014 and his predecessor, David Waddell, for their dedication and commitment. I would like to thank the excellent staff of the Commission Secretariat for their continued commitment and hard work during the year. The range of tasks to be performed by the Standards Commission is now so wide that it would be impossible for the Commission to discharge all of its statutory obligations in a timely and effective manner were it not for the extensive support and assistance afforded to it by the Secretariat.





# Chapter 1

## The Work of the Standards Commission

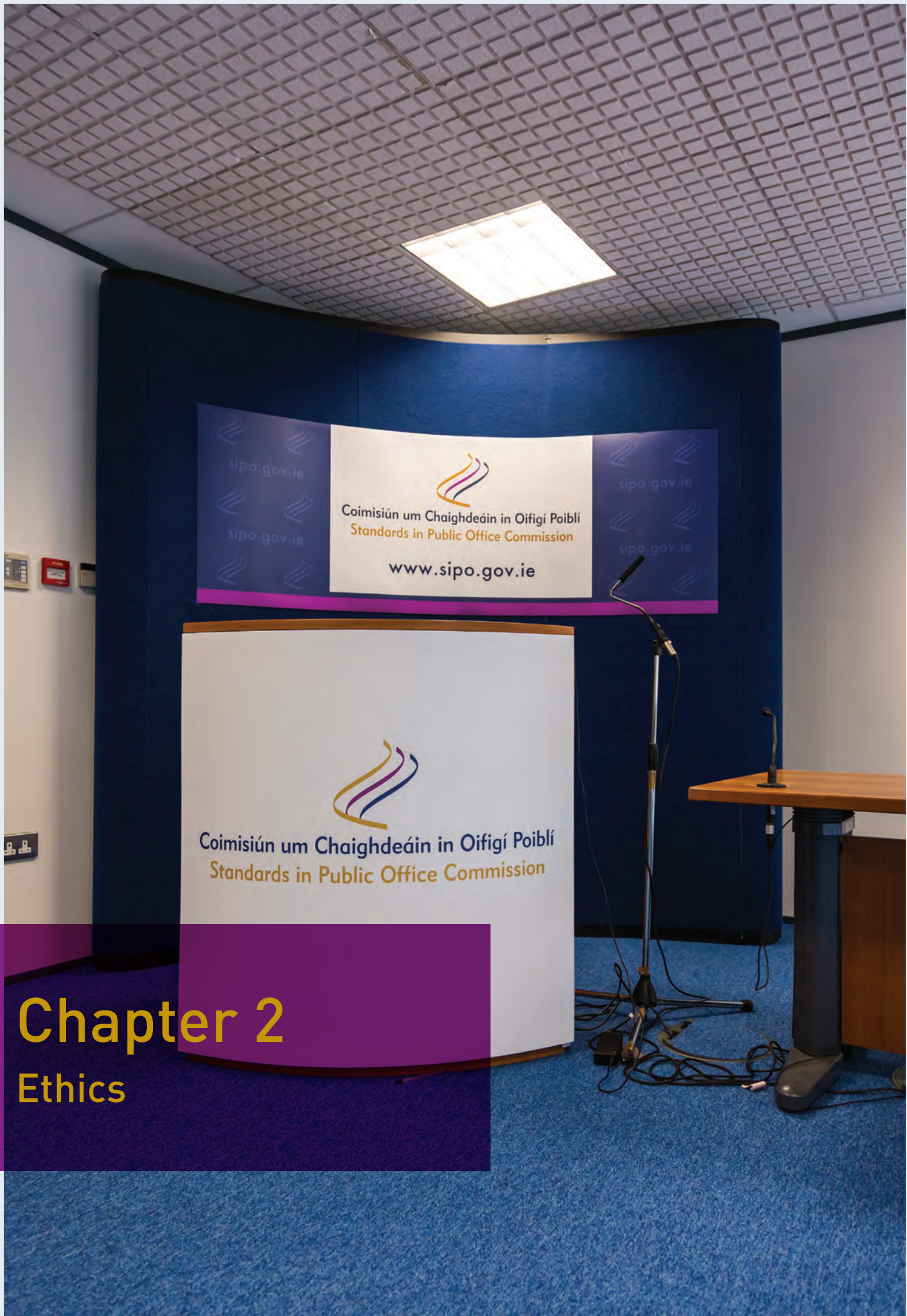
# Chapter 1 – The Work of the Standards Commission

The Standards in Public Office Commission is an independent body established in December 2001 by the Standards in Public Office Act 2001. It has six members and is chaired by a former Judge of the High Court, Mr Justice Daniel O’Keeffe. Up to 2014 it has supervisory roles under three separate pieces of legislation:

- the Ethics in Public Office Act 1995, as amended by the Standards in Public Office Act 2001, (the Ethics Acts);
- the Electoral Act 1997, as amended, (the Electoral Acts);
- the Oireachtas (Ministerial and Parliamentary Offices) (Amendment) Act 2014, (the Parliamentary Activities Allowance Act);

Its functions include supervising the disclosure of interests and compliance with tax clearance requirements, monitoring the disclosure of donations and election expenditure. It also supervises the expenditure of state funding received by political parties. In 2015 it became responsible for the Regulation of Lobbying Act 2015. The Office of the Ombudsman provides secretarial staff to the Standards in Public Office Commission.

Further information about the functions of the Standards Commission is available on the Commission’s [website](#).



# Chapter 2

## Ethics

## Chapter 2 – Ethics

### Complaints

The number of complaints received by the Standards Commission under the Ethics Acts remains low. 2014 saw a small increase from the previous year's total of 29 complaints to 39. However, the number of complaints which were valid within the terms of the Ethics Acts fell from 16 in 2013 to 12 in 2014. The Commission considers that this underscores the difficulty of making valid complaints under the present legislation.

#### Former Councillor Pádraig Doherty Investigation

In its annual report for 2013, the Commission reported on its investigation of a complaint concerning former Councillor Pádraig Doherty, Donegal County Council. The Commission published its investigation report on 17 June 2014. It found that Mr Doherty had contravened sections 168 and 169(3) of the Local Government Act 2001, had acted in disregard of provisions of the Code of Conduct for Councillors and had done a series of 'specified acts' within the meaning of the Standards in Public Office Act 2001 in relation to certain claims for travelling and subsistence expenses from Donegal County Council and from Údarás na Gaeltachta.

The investigation report, together with full details of the Standards Commission's findings and determinations, is available on the Commission's [website](#).

In forwarding the investigation report to Mr Brendan Howlin TD, Minister for Public Expenditure and Reform, the Commission informed the Minister that the Commission was concerned at the scope for abuse by persons making claims to more than one public body and requested that he give consideration to putting in place arrangements across the public service for cooperation by public bodies in ensuring that only the appropriate amounts within the relevant regulations are paid in response to claims by persons to more than one body in respect of the same period.

The Commission also recommended that there be a requirement for expenses claims to be submitted in a timely manner and that claimants be required to preserve some contemporaneous record of the basis of claims submitted.

Minister Howlin replied to the Commission Chairperson setting out the requirements for claimants and for public bodies in dealing with travelling and subsistence expenses.

He also indicated that the development of IT systems to check across different sectors or to check against organisations not covered by such shared services was beyond scope.

The Commission also forwarded its report to Mr Phil Hogan TD, Minister for the Environment, Community and Local Government. In his response, the Minister stated that the law has been amended to require an elected member who receives expenses from a body that he or she is a member of by virtue of being a Councillor to submit to his local authority a report each quarter of the expenses received (including details of mileage travelled) from the body concerned.

The Minister also stated that he had made regulations to require local authorities to maintain public registers of payments made to councillors, including details of payments made to its elected members who receive expenses from bodies of which they are members by virtue of being Councillors, which information can be used to ensure no double payments are made.

The Commission welcomes the Ministers' responses and the measures undertaken to ensure against improper claiming of travelling and subsistence expenses. However, it remains of the opinion that a whole of public service approach to preventing and detecting double claiming should be adopted. In this regard, the measures undertaken could be adopted across all sectors of the public service to require any person who may be claiming expenses from more than one public body to provide to each such body on a quarterly basis a report of all expenses received (including details of mileage travelled) from such other body as he/she is submitting claims to. Alternatively, persons making expenses claims should be required to claim all allowable expenses in relation to public service from one body only — usually this will be their employer — and for that body to recoup relevant expenses from other public bodies, as appropriate.

### Former Councillor Dessie Larkin Investigation

The Commission received a complaint from Councillor Frank McBrearty, then Mayor of Donegal County Council and Mr Seamus Neely, County Manager, concerning Councillor Dessie Larkin. The complaint centred on alleged contraventions of Part 15 of the Local Government Act 2001 in relation to the claiming of expenses from both Donegal County Council and the Border, Midland and Western Regional Assembly for attendance at conferences in Mullingar, County Westmeath, Ballinlough, County Roscommon, Westport, County Mayo and for attending a meeting at the offices of the Border, Midland and Western Regional Assembly in Ballaghaderreen, County Roscommon.

The Commission published its investigation report on 19 December 2014. It found that Mr Larkin had contravened sections 168 and 169(3) of the Local Government Act 2001, had acted in disregard of provisions of the Code of Conduct for Councillors and had done a series of 'specified acts' within the meaning of the Standards in Public Office Act 2001 in relation to certain claims for travelling and subsistence expenses from Donegal County Council and from the Border, Midland and Western Regional Assembly. The Commission sent its investigation report to the Director of Public Prosecutions.

The investigation report, together with full details of the Standards Commission's findings and determinations, is available on the Commission's [website](#).

In response to the Commission's recommendations in its investigation report the Minister for Environment, Community and Local Government, replied stating that he had:

- (1) made regulations, entitled the Local Government Act 2001(Part 15) Regulations 2015 (S.I. No. 29 of 2015) which -
  - amend the form of undertaking to be made by an elected member or a relevant staff member of a local authority when making an annual return of declarable interests to confirm that he or she has both read and understood the Codes of Conduct for Councillors and Local Authority Staff, as appropriate; and
  - require a local authority's ethics registrar to keep accurate records of the supply of copies of the Codes of Conduct to all local authority members and relevant members of staff, and
- (2) amended the relevant Directions requiring local authorities to revise their claim forms for travelling and subsistence allowances as follows -
  - to require a member of a local authority to provide all such details relevant to a claim as are sufficient to allow a local authority to make payment of only such allowances as related to travel away from home on official business, and
  - to require members to provide such details as would be required to distinguish between travel expenses incurred for official business purposes and for other business or personal purposes.

The Commission welcomes the measures taken by the Minister in this regard.

## Senator Brian Ó Domhnaill Investigation

The Commission reported in its annual reports for 2012 and 2013 on a complaint received from the County Manager and Mayor of Donegal County Council in May 2012 about a number of expenses claims made by Senator Brian Ó Domhnaill in his former capacity as a member of the Council and of Údarás na Gaeltachta. They also complained that he had not properly attended the whole of some conferences which he was delegated to attend, and in respect of which attendance he had been reimbursed expenses. In their complaint, the Manager and Mayor alleged that he may have done specified acts within the meaning of the Ethics Acts in this regard.

The Standards Commission appointed an Inquiry Officer to conduct a preliminary enquiry into the complaint. Following consideration of the Inquiry Officer's report, the Commission decided that it was appropriate to carry out an investigation under section 23 of the Ethics Act to determine whether Senator Brian Ó Domhnaill had contravened provisions of Part 15 of the Local Government Act or had done a specified act or acts.

Following correspondence between the Commission and Senator Ó Domhnaill, or his advisers, as to the role of the Irish language in the investigation and as to whether the complaints originated from anonymous person(s), Senator Ó Domhnaill subsequently made an application for judicial review of the Commission's arrangements for the investigation hearing on the grounds that he was entitled to have the hearing held by Commissioners who were in a position to understand his evidence which he intended to present in Irish without the aid of translation. He further objected to the examination of the complaint in that the identity of the complainants was not disclosed in accordance with section 8 of the Standards in Public Office Act 2001.

The court found that while the initial complaints to Donegal County Council were anonymous, those complaints before the Commission were not and the Commission had not acted contrary to the provisions of section 8 of the Standards in Public Office Act 2001 in this regard. The court rejected the argument that all the members of the Commission must be bilingual before being able to adjudicate in the matter. The court found that there was no need to adjudicate on the question of whether the Commission's legal representatives were obliged to communicate in Irish in this matter, as they had in fact done so once Senator Ó Domhnaill indicated in March 2013 that he wished to correspond in that language.

Senator Ó Domhnaill's legal representatives subsequently informed the Commission that he intended to appeal the decision to the Supreme Court. At the time of writing, the matter is before the Court of Appeal.

## Councillor Oisín Quinn Investigation

The Commission reported in previous annual reports on its investigation into a complaint received concerning former Councillor Oisín Quinn, Dublin City Council and on an unsuccessful judicial review application made by Dublin City Council and Councillor Quinn against the Commission.

In accordance with section 180(4)(a) of the Local Government Act 2001, the Commission's investigation report was considered by the elected members of Dublin City Council on 23 June 2014. A resolution was passed noting the contents of the report and resolving that no further action be taken in the matter. The City Council agreed that the Protocol Committee should consider aspects of the report regarding future implications for members.

## Scope of the Ethics Acts

The Standards Commission has reported in each of its Annual Reports since 2004 on the large increase in the scope of the Ethics Acts in terms of the numbers of public bodies in the public service in which the Minister for Finance and latterly the Minister for Public Expenditure and Reform has prescribed designated directorships and designated positions of employment.

In its report for 2013, the Commission reported that the most recent regulations in this regard had been made in July 2013 and that regulations that would ordinarily have been due to be made to come into effect on 1 January 2014 had not been made.

Regulations were subsequently made on 29 January 2015. These regulations brought the 16 Education and Training Boards into the remit of the Ethics Acts more than eighteen months after their establishment. Other bodies listed in the regulations for the first time include the Child and Family Agency, Irish Water, the Credit Review Office, the Office of Regulator of National Lottery, the Charities Regulatory Authority, the Strategic Banking Corporation of Ireland, the Competition and Consumer Protection Commission and the Irish Human Rights and Equality Commission.

The Standards Commission remains of the opinion that persons in all public bodies who potentially may have conflicts between the functions they perform and interests they and persons connected to them hold must be subject to the obligations of the Ethics Acts to ensure that public functions are performed solely in the public interest. For that reason, it considers that regulations updating the lists of such persons must be made when required to ensure comprehensive coverage.



## GRECO

The Council of Europe's Group of States Against Corruption (GRECO) carries out evaluations of its 49 member states' frameworks for preventing corruption. During 2014, GRECO carried out a 4th Round Evaluation on Corruption Prevention in respect of Members of Parliament, Judges and Prosecutors in Ireland.

The GRECO evaluation team visited Ireland and met with relevant persons, including representatives of the Standards Commission. The report of the team's evaluation was adopted at a plenary meeting of GRECO on 10 October 2014 at which the Commission was also represented.

The Commission made eleven recommendations, five of which referred to parliamentarians. These were:

- i. that the existing ethics framework be replaced with a uniform and consolidated values-based normative framework encompassing the ethical conduct of members of parliament - including their staff as appropriate - covering various situations of conflicts of interest (gifts and other advantages, third party contacts including lobbyists, accessory activities and post-employment situations etc.) with the aim of providing clear rules concerning their expected conduct;
- ii. that the authorities clarify the scope of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act 2013 so as to ensure that the protections and encouragement for whistleblowers contained in the Protected Disclosures Act 2014 are fully understood and implemented;
- iii. that the existing regime on asset declarations by members of parliament be enhanced by a) extending the obligations to disclose their interests to include quantitative data on their significant financial and economic involvements as well as in respect of significant liabilities; and b) that consideration be given to widening the scope of members' declarations to also include close or connected persons, in line with the existing rules for office holders;
- iv. that the establishment of a consolidated independent monitoring mechanism be considered in respect of members of parliament, that it be provided with necessary means to investigate complaints as well as to sanction findings of misconduct and that all its decisions, including on the dismissal of cases are given an appropriate level of publicity and
- v. that the parliamentary authorities provide dedicated regular training for members of parliament on issues such as ethics, conduct in situations of conflicts of interests and corruption prevention (paragraph 110);

The evaluation report is available on the GRECO [website](#).

The Commission welcomes the recommendations, a number of which were previously recommended by the Commission itself, in particular the recommendation for a uniform and consolidated values-based normative framework. The Commission expects that the forthcoming Public Sector Standards Bill will provide such a framework.

## Public Sector Standards Bill

In its Annual Report for 2014, the Commission noted that the Government had announced in its legislative programme for the 2014 Spring/Summer Session that the Minister for Public Expenditure and Reform intended to publish a Public Sector Standards Bill during 2014. The Commission noted that in the context of its response to the Final Report of the Mahon Tribunal the Government had decided, *inter alia*, to take the opportunity to undertake a full review of how the existing legislative framework for ethics can be reformed in order to develop a single, comprehensive legislative framework grounded on a clear and comprehensive set of principles. The Commission had first sought such a consolidation of the legislation in its 2009 Annual Report.

While at the time of writing the Bill has yet to be published, it is understood that work is proceeding on the General Scheme of the Bill and that a public consultation exercise will be undertaken on its contents. The Commission looks forward to contributing to the development of the proposed legislation.

# Chapter 3

## Electoral



## Chapter 3 – Electoral

### Political Party Accounts

The Electoral (Amendment) (Political Funding) Act 2012 required the Commission to prepare and publish guidelines for the purpose of providing practical guidance to political parties with respect to keeping proper books of account and preparing an annual statement of accounts and auditor's report. The Minister for the Environment, Community and Local Government consented, on 1 December 2014, to the Commission publishing its guidelines for political party accounts. The guidelines were then published by the Commission.

In accordance with Section 86(2) of the Act the first audited accounts that political parties will be required to submit to the Commission will be in respect of the year 2015. Such accounts must be presented no later than June 2016.

### Political Donations

#### Donations disclosed by political parties

Each political party was required to furnish a Donation Statement to the Standards Commission by 31 March 2015. Donations received by a political party exceeding an aggregate value of €1,500 are required to be disclosed. The maximum value of donations which a political party can accept from the same person in the same calendar year is €2,500. Donations received from the same donor in the same calendar year must be aggregated for the purposes of observing the disclosure and maximum acceptance limits. The total value of donations disclosed by parties during 2014 was €166,392. Details of the donations disclosed by political parties in respect of 2014 are available in a report which is available on the Commission's [website](#).

Under section 25 of the Electoral Act 1997, it is an offence for the appropriate officer of a political party to fail to furnish a Donation Statement/Statutory Declaration and Certificate of Monetary Donations/Statutory Declaration to the Standards Commission by the specified date. The deadline for furnishing the required documentation was 31 March 2015. The Standards Commission referred a file to the Gardaí on 1 May 2015 on Direct Democracy Ireland's failure to comply with the statutory requirements.

### Disclosure of Donations in respect of 2014 by TDs, Senators and MEPs

A person who was a TD, Senator or MEP during 2014 was required to furnish a donation statement/certificate of monetary donations/statutory declaration to the Standards Commission by 31 January 2015. Donations received during 2014 which exceeded a value of €600 were required to be disclosed. Donations from the same person in the same year must be aggregated for the purposes of observing the disclosure threshold and the maximum acceptance limit (€1,000).

The report is available on the Commission's [website](#).

### Donation Statements received from individual donors

Section 24(1A) of the Electoral Act provides that an individual must furnish a Donation Statement/Statutory Declaration to the Standards Commission, if he/she, in a particular year, makes donations exceeding €1,500 in aggregate value to two or more persons who were members of the same political party when the donations were made, or to a political party, and to one or more of its members. The Donation Statement/Statutory Declaration, must give details of the donations and the persons to whom they were made and must be furnished by 31 January of the following year.

If a donor does not intend to comply with this requirement and a Member or candidate at an election is aware of this, he/she is prohibited from accepting a donation from that individual. If such a donation is received, the Standards Commission must be notified within 14 days and the donation or its value remitted to the Standards Commission.

Seven Donation Statements from individual donors with a total value of **€56,520** were received in respect of 2014.

Details of the donations disclosed by individual donors in respect of 2014 are available in a report which is available on the Commission's [website](#).

## Donations to Third Parties

From 1 January 2013, an organisation which receives a donation in excess of €100 in value is considered to be a third party and must register with the Standards Commission. It is subject to the same rules about acceptance of donations as political parties. A donation is a contribution **given** for political purposes.

A third party, must, by 31 March each year, furnish the Standards Commission with:

a Certificate of Monetary Donations/Statutory Declaration (CMD) confirming that all donations were lodged to that account and that payments from the account were used for political purposes, and a bank statement from the financial institution where its political donations account is held.

The up to date figures on the number of organisations contacted, those registered and those organisations that have declared that they are not required to register can be seen on the Commission's [website](#).

## Register of Corporate Donors

A corporate donor is defined as including: a body corporate, an unincorporated body of persons or a trust which makes a donation. A body corporate and any subsidiary thereof are deemed to be one person. In the case of a Corporate Donor, a donation in excess of the value of €200 cannot be accepted **unless** the Corporate Donor is registered in the Register of Corporate Donors (maintained by the Commission) **and** a statement (i.e., a donation statement) is made on behalf of the Corporate Donor and furnished with the donation to the donee confirming that the making of the donation was approved by the Corporate Donor. The statement must be accompanied by a statutory declaration that to the best of the knowledge and belief of the person concerned, the statement is correct in every material respect and that the person has taken all reasonable action in order to satisfy him/herself as to the accuracy of the statement.

In January 2013 the Commission published Guidelines relating to the register of Corporate Donors which will be maintained by the Commission. Corporate donors who wish to make a donation for political purposes in excess of €200 must register with the Commission and furnish a statement to the recipient of a donation confirming that the donation has been approved by the members, shareholders or trustees of the corporate donor concerned.

During 2014 only four corporate donors registered with the Commission – INTO, SIPTU, the Transport Salaried Staffs' Association (TSSA) and UNITE. In November 2014 the Commission wrote to those registered corporate donors that had registered in respect of 2014, reminding them of the necessity for them to renew their registration as corporate donors, if they were still corporate donors.

SIPTU registered with the Standards Commission as a corporate donor for 2015 on 14 November 2014. UNITE the Union was registered as a corporate donor from 3 March 2015.

## Election Spending

### European Parliament Election 23 May 2014

Total expenditure disclosed by election agents and national agents at the European Parliament Election amounted to **€2,882,329**. The total donations disclosed amounted to **€23,649**. The spending limit per candidate in all constituencies was **€230,000**.

A total of **€974,121** was paid by the Exchequer to twenty six candidates who qualified for a reimbursement of election expenses. Twenty five candidates qualified for the maximum reimbursement of **€38,092**.

Files in respect of three candidates (Mr. Tom Darcy, Direct Democracy Ireland; Mr. Mark Fitzsimmons, Non-Party and Mr. Ben Gilroy, Direct Democracy Ireland) were referred on 25 August 2014 to the Gardaí for failing to furnish the Commission with the required statutory documentation by 18 July 2014.

Mr. Gilroy subsequently furnished the required statutory documentation on 2 March 2015. The Commission has received no further correspondence from either Mr Darcy or Mr. Fitzsimmons. The Report on the European Parliament election is available on the Commission [website](#).

### Dublin-West and Longford-Westmeath Dáil Bye-elections 23 May 2014

Total expenditure disclosed by election agents and national agents at the Dublin West and Longford-Westmeath bye-elections amounted to **€275,867**. The total donations disclosed amounted to **€11,690**. The spending limit per candidate in both constituencies was **€37,650**.

A total of **€109,903** was paid by the Exchequer to fourteen candidates who qualified for a reimbursement of election expenses. Eleven candidates qualified for the maximum reimbursement of **€8,700**.

A file in respect of one candidate (Mr. Donal Jackson) was referred on 25 August 2014 to the Gardaí for failing to furnish the Commission with the required statutory documentation by 18 July 2014. Mr Jackson subsequently satisfactorily furnished the required statutory documentation on 4 December 2014.

The report on the Dublin West and Longford-Westmeath bye elections is available on the Commission's [website](#).

## Dublin South-West and Roscommon-South Leitrim Dáil Bye-elections 10 October 2014

Total expenditure disclosed by election agents and national agents at the Dublin South-West and Roscommon-South Leitrim bye-elections amounted to **€287,577**. The total donations disclosed amounted to **€3,000**. The spending limit per candidate in the Dublin South-West constituency was **€37,650** and the spending limit per candidate in the Roscommon-South Leitrim constituency was **€30,150**.

A total of **€104,400** was paid by the Exchequer to twelve candidates who qualified for a reimbursement of election expenses, each of whom qualified for the maximum reimbursement of **€8,700**.

A file in respect of one candidate (Mr. Gerry O'Boyle) was referred on 19 January 2015 to the Gardaí for failing to furnish the Commission with the required statutory documentation by 5 December 2014.

Mr O'Boyle subsequently furnished the required statutory documentation to the Commission on 17 April 2015. The report on the Dublin South-West and Roscommon-South Leitrim bye elections is available on the Commission's [website](#).

## Exchequer funding of political parties

### The Electoral Act 1997 as amended

In order to qualify for funding under the Electoral Acts, a political party must be included in the Register of Political Parties and must have obtained at least 2% of the first preference votes at the last Dáil general election. Funding was paid to four qualified parties (Fianna Fáil, Fine Gael, Sinn Féin and The Labour Party) during 2014 on the basis of the results of the 25 February 2011 general election.

Each qualified political party is paid a basic flat rate amount of €126,974 annually. In addition, each qualified political party is also entitled to a share of an annual sum which was originally set at €3m and which increases in line with general pay increases in the civil service. The Electoral (Amendment)(Political Funding) Act 2012 introduced a new requirement that the annual sum may also decrease in line with general pay reductions in the civil service. There were no increases or decreases applied to the fund in 2014.

The fund stood at €4,948,202 at 31 December 2014. This sum plus the flat rate amount for each qualifying political party (€126,974) above will be available for distribution in 2015. The share of the fund payable to a qualified political party is determined by expressing the first preference votes of the qualified party as a percentage of the total first preference votes received by all qualified political parties. The parties received a total of €5.5 million in 2014.

The funding may not be used for electoral or referendum purposes.



The Commission is conscious of the very general nature of the legislation and of guidelines published by the Commission in this regard. The Act does not make any reference to whether funding is to be applied for capital or current purposes, and does not specify the time period to which the funding relates. The Commission is of the view that there is a need for greater clarity in these matters.

A report on the exchequer funding received in 2014 by political parties is available on the Commission's [website](#).

### **The Oireachtas (Ministerial and Parliamentary Offices) (Amendment) Act 2014 (Parliamentary Activities Allowance)**

The payment of an annual allowance (which was known as the Party Leaders Allowance) to one or more leaders of parliamentary parties (in relation to expenses arising from the parliamentary activities, including research, of the party) has been provided for and regulated in a succession of Acts beginning with the Ministerial and Parliamentary Offices Act 1938. Party leaders have, since 2001, been required to furnish to the Commission an annual statement of expenditure from the allowance.

A similar allowance became payable to independent members of the Dáil and Seanad under the Oireachtas (Ministerial and Parliamentary Offices) (Amendment) Act 2001. Independent members were not required to furnish an annual statement of expenditure.

The Oireachtas (Ministerial and Parliamentary Offices) (Amendment) Act 2014 reduced the level of payments and for the first time provided that independent members are now required to furnish to the Commission an annual statement of expenditure. The allowance is now known as the Parliamentary Activities Allowance (PAA). The Act also provides that the allowance shall not be subject to income tax.

The relevant provisions of the 2014 Act came into operation on 1 July 2014. With effect from that date, any payment of the PAA received by an independent member/parliamentary party leader is subject to the provisions of the legislation.

A qualifying party is defined in the Act as a political party, registered in the Register of Political Parties, which contested the last preceding general election or any subsequent bye-elections and which had at least one member elected to Dáil Éireann or elected or nominated to Seanad Éireann. The parliamentary leaders of seven political parties (Anti-Austerity Alliance, Fianna Fáil, Fine Gael, People before Profit Alliance, Sinn Féin, Stop the Water Tax - Socialist Party and The Labour Party) qualified to receive the allowance. The parties received a total of €7,117,340 in 2014.

The funding may not be used for electoral or referendum purposes.

Qualified political parties must furnish to the Standards Commission Statements of Expenditure of the funding received.

Non-party members of Dáil and Seanad Éireann also receive funding under the Parliamentary Activities Allowance legislation. The total paid to non-party members was **€812,989** (€563,859 to non-party members of the Dáil and €249,130 to non-party members of the Seanad).

A report on the funding received in 2014 by parliamentary party leaders/independent members is available on the Commission's [website](#).

## Accounting Units

As highlighted in previous Annual Reports, the Standards Commission continues to experience difficulties in supervising the provisions of the legislation relating to accounting units.

It is an offence for the responsible person of an accounting unit to fail to furnish, by 31 March each year, a Certificate of Monetary Donations and Bank Statement to the Standards Commission. Only a small percentage of accounting units complied with their statutory requirements to furnish the required documentation to the Standards Commission by 31 March 2015.

The report on Political Party Donations 2014 contains details of the returns made by accounting units and is available on the Commission's [website](#).

# Chapter 4

## Regulation of Lobbying



## Chapter 4 – Regulation of Lobbying

The 2011 Programme for Government contained a commitment to introduce a statutory register of lobbying, and rules concerning the practice of lobbying. The Registration of Lobbying Bill 2014 was published on 20 June 2014 and the Regulation of Lobbying Act 2015 was signed into law by the President Michael D. Higgins on 11 March 2015. The report is available on the Commission's [website](#).

### Regulation of Lobbying Act

The primary purpose of the legislation is to provide for a web-based Register of Lobbying to make information available to the public on the identity of those communicating with designated public officials on specific policy, legislative matters or prospective decisions.

The legislation also provides restrictions and conditions on the taking up of certain employments by certain designated officials for a specified period of time where a possible conflict of interest arises.

The legislation provides that the Standards Commission will be the Regulator of Lobbying. The Standards Commission will establish and oversee an online Register of Lobbying. The Standards Commission will also monitor compliance with the legislation, provide guidance and assistance and where necessary investigate and pursue breaches of legal requirements in due course. The Standards Commission will also prepare a Code of Conduct for Lobbying.

The focus of the Standards Commission in the initial period of the operation of the legislation will be on guidance and information. It is intended that those provisions of the legislation which allow the Standards Commission to investigate non-compliance and administer sanctions will not be commenced until a review of the implementation of the legislation has been carried out. This review will take place one year after the commencement of the legislation, i.e. 1 September 2015.

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## Preparation for Regulation of Lobbying

During 2014 the Standards Commission worked closely with the Department of Public Expenditure and Reform regarding the development of the legislation.

The Standards Commission has a role under the legislation to issue guidance and information to promote an understanding of the legislation and has recently published its guidelines for compliance with Regulation of Lobbying and other information material on [www.lobbying.ie](http://www.lobbying.ie). The Standards Commission will publish further information leaflets and advice bulletins in due course.

An Advisory Group composed of relevant experts and stakeholders has been established to assist the Standards Commission in addressing key implementation issues arising from the establishment of a Register of Lobbying which will be in a position to provide information and guidance that will assist in the smooth implementation of the legislation.

The Standards Commission has also recruited a Head of Lobbying Regulation, Ms Sherry Perreault, to support its work of regulating lobbying in Ireland.



Back row left to right: Paddy Walsh, Commission Secretary; Seamus McCarthy, Comptroller and Auditor General; Peter Finnegan, Clerk Assistant of Dáil Éireann; Peter Tyndall, Ombudsman.

Front row left to right: Deirdre Lane, Clerk of Seanad Éireann; Daniel O'Keeffe, Chairperson; Jim O'Keeffe, former member Dáil Éireann.



# Appendices

## Appendix 1 – Recommendations for change

In previous Annual Reports, the Standards Commission summarised its recommendations for changes to ethics and electoral legislation. The major proposals are summarised in this Appendix, along with updates on any progress which may have taken place in the meantime. Minor proposals, such as technical amendments, are referred to in previous annual reports.

### Proposed procedural amendments to the Ethics Acts

- the Standards Commission should directly lay its annual report before each House of the Oireachtas rather than furnishing it to the Minister for Finance (now the Minister for Public Expenditure and Reform) who then lays it ([Introduction, Annual Report 2010](#));
- power to appoint an Inquiry Officer to conduct a preliminary inquiry into a matter in the absence of a complaint under the Ethics Acts ([Chapter 1, 'Own initiative inquiries', Annual Report 2004](#));
- provision for a quorum of not less than three members (including in all cases, the Chairperson) be provided for the hearing of an investigation under the Ethics Acts ([Chapter 4, 'Proposed amendments to the Ethics Acts', Annual Report 2008](#)).



## Other proposed amendments to the Ethics Acts and related legislation

- a comprehensive Act consolidating the Ethics Acts and all other legislation providing for disclosure of interests and related provisions for public officials (Chapter 2, 'Overlapping Ethics Frameworks' Annual Report 2009); the Minister for Public Expenditure and Reform is developing a single, comprehensive legislative framework, which the Government intends will be published in 2015 as the Public Sector Standards Bill (Chapter 2, 'Public Sector Standards Bill' Annual Report 2014);
- amendment of the provisions for complaints about a 'specified act' to allow reference to a high level statement of the ethical principles to be followed by public servants and public representatives (Chapter 2, 'High Level Statement of Ethical Principles', Annual Report 2009);
- amendment of the definition of 'connected person' to provide that a person is a "connected person" to a company of which he or she is a director and that the other directors of that company are also "connected persons" to that person (Chapter 2, 'Connected Persons', Annual Report 2009);
- requirement that liabilities be disclosed as 'registrable interests' (Chapter 2, 'Disclosure of Liabilities', Annual Report 2009);
- proposal that motions be initiated in the Houses of the Oireachtas to designate the Chairpersons of Oireachtas Committees as office holders for the purposes of the Ethics Acts (Chapter 1, 'Ethics Acts' Annual Report 2005); the Minister for Finance decided not to move the resolutions (Chapter 4, 'Proposed amendments to the Ethics Acts', Annual Report 2008);
- amendments to the time limits within which statutory declarations, tax clearance certificates and application statements are to be made or issued and furnished to the Standards Commission by elected members and by appointees to senior positions and directorships in the public service (Chapter 1, 'Tax Clearance Provisions - observations to the Minister for Finance' Annual Report 2003); the Civil Law (Miscellaneous Provisions) Act 2008 amends the deadline for the making of a statutory declaration by a person recommended for appointment to judicial office from one month to three; a similar provision for elected members and senior public servants is required (Appendix 4, 'Proposed amendments to the Ethics Acts and related legislation', Annual Report 2009);
- adoption of a code of conduct for public servants and members of state boards in the wider public service (Chapter 1, 'Codes of Conduct for Public Servants', Annual Report 2003).
- adoption of a whole of public service approach to preventing and detecting double claiming of travelling and subsistence expenses (Chapter 1, 'Codes of Conduct for Public Servants', Annual Report 2003)

## Proposed legislation regarding public interest disclosure

- a comprehensive public interest disclosure and whistleblower protection law ([Chapter 2, 'Whistleblowing', Annual Report 2009](#)); the Protected Disclosures Act 2014 came into effect in July 2014.

## Proposed procedural amendment to the Electoral Acts

- as the body with responsibility for supervising the Electoral Acts, the Standards Commission should have a statutory basis on which to review the legislation and report on its findings ([Review of the Electoral Acts 2003](#)).

## Proposed amendment to the Electoral Acts relating to the election period

- consideration should be given to imposing some accountability, in the context of the spending limits, in respect of a specified period prior to commencement of the legally defined election period (i.e., that the election period might be extended to include a period prior to the dissolution of the Dáil or moving of the writ at an election) ([Review of the Electoral Acts 2003](#)).

## Proposed amendment to the Electoral Acts relating to Third parties

- the definition of what constitutes a “third party” should not be determined on the basis of whether an individual/group has received a donation but should focus on spending by individuals/groups and to regard them as third parties if they intend to incur expenditure over a certain threshold, say €5,000, in relation to a campaign which is for political purposes as defined in the legislation ([Review of the Electoral Acts 2003](#); and [2009 Report on third parties at the Referendum on the Treaty of Lisbon](#));
- the registration process for “third parties” and for “other persons” (who intend to incur election expenses) should be amalgamated. (There should be no need for an individual/group to register as a “third party” and to also register as an “other person”.) ([Review of the Electoral Acts 2003](#));
- registration of third parties should be allowed for a particular campaign or on an on-going basis ([2009 Report on third parties at the Referendum on the Treaty of Lisbon 2008](#)).

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## Proposed amendment to the Electoral Acts relating to spending at referendums

- to provide for transparency in funding and expenditure on referendum campaigns, third parties and political parties should be required to disclose details of expenditure on referendum campaigns. Similarly, information should be made available on the sources of funding available to both third parties and political parties (2009 Report on third parties at the Referendum on the Treaty of Lisbon 2008).

## Other proposed amendments to the Electoral Acts

- sanctions for non-cooperation with the Standards Commission should be reviewed. In particular, failure to cooperate with enquiries made by the Standards Commission under section 4(4) of the Electoral Act should constitute an offence (2009 Report on third parties at the Referendum on the Treaty of Lisbon 2008);
- to ensure a level playing field between candidates, and a degree of transparency, the use of public funds for electoral purposes should form part of the electoral code rather than other legislation which patently has quite a separate purpose. This would involve a consequential repeal of the provisions dealing with the provision of services and facilities following a dissolution of Dáil Éireann by the Houses of the Oireachtas Commission [Section 4(4A) of the Houses of the Oireachtas Commission Act 2003 (as amended by Section 4(c) of the Houses of the Oireachtas Commission (Amendment) Act 2009)] (Report on the Dáil general election of 2007).

## Proposed amendment to the Parliamentary Activities Allowance legislation relating to the giving of advice

- the Standards Commission should be able to give advice on the appropriate use of the Parliamentary Activities Allowance and for such advice to be legally binding on the persons to whom they apply (Annual Report 2007). The passing of the Oireachtas (Ministerial and Parliamentary Offices)(Amendment) Act 2014 goes some way to provide for this requirement.

## Appendix 2 – Standards Commission Publications in 2014.

### February

- Report on Donation Statements and Statutory Declarations furnished to the Standards in Public Office Commission by members of both Houses of the Oireachtas and members of the European Parliament, pursuant to section 24 of the Electoral Act 1997, as amended.

### April

- Guidelines for the European Parliament Elections 23 May 2014

### May

- Guidelines for the Dublin West and Longford-Westmeath Dáil bye-elections
- Report on Party Leaders Allowance to the Minister for Finance in accordance with Section 1.(10)(11)(e) of the Oireachtas (Ministerial and Parliamentary Offices) (Amendment) Act 2001
- Report on Annual Statements of Expenditure of Exchequer Funding and Auditors' Report to the Chairman of Dáil Éireann in respect of 2013, furnished to the Standards in Public Office Commission by qualified political parties pursuant to section 20 of the Electoral Act 1997

### June

- Investigation by the Standards in Public Office Commission of Alleged Contraventions of the Ethics in Public Office Acts 1995 and 2001 and Part 15 of the Local Government Act 2001 by Councillor Pádraig Doherty Donegal County Council and formerly Údarás na Gaeltachta

### July

- Report on Political Party Donation Statements furnished to the Chairman of Dáil Éireann pursuant to section 4(1) of the Electoral Act 1997

### August

- Standards in Public Office Commission Annual Report 2013

## September

- Report to the Chairman of Dáil Éireann (Ceann Comhairle) pursuant to section 4(1) of the Electoral Act 1997 on spending and donations disclosed by candidates at the European Parliament Election of 23 May 2014
- Report to the Chairman of Dáil Éireann (Ceann Comhairle) pursuant to section 4(1) of the Electoral Act 1997 on spending and donations disclosed by candidates at the Dublin West and Longford-Westmeath bye-elections of 23 May 2014
- Guidelines for the Seanad bye-election 10 October 2014

## October

- Guidelines for the Dublin South-West & Roscommon-South Leitrim bye-elections of 10th October 2014

## November

- Guidelines for Parliamentary Activities Allowance 28 day Public Consultation
- Guidelines for the Registration of Corporate Donors
- Explanatory Notes for Third Parties

## December

- Investigation by the Standards in Public Office Commission of Alleged Contraventions of the Ethics in Public Office Acts 1995 and 2001 and Part 15 of the Local Government Act 2001 by Former Councillor Dessie Larkin Donegal County Council and the Border, Midland and Western Regional Assembly.
- Political Party Annual Statements of Accounts - Guidelines for Political Parties

## Appendix 3 – Costs in 2014

The table below outlines the expenditure attributed to the Standards Commission in 2014. The figures for 2013 are also shown for comparison purposes. The Office of the Ombudsman provides services to the Standards Commission in order to allow it to carry out its functions. The expenditure is provided for in Subhead B of Vote 18 [Office of the Ombudsman].

	2014 €000	2013 €000
Staff Salaries	548	602
Travel and Subsistence	3	2
Incidental Expenses	61	51
Postal Telecommunications	8	9
Office Machinery and Other Office Supplies and Related Services	59	55
Office Premises Expenses	31	21
Consultancy Services	22	25
Legal Fees	134	408
<b>Total</b>	<b>866</b>	<b>1,173</b>

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## Appendix 4 – Annual Energy Efficiency Report

The secretariat to the Standards Commission is provided by the Office of the Ombudsman at its offices in 18 Lower Leeson Street, Dublin 2, which also houses the Office of the Information Commissioner, the Office of the Commissioner for Environmental Information and the Commission for Public Service Appointments. The Annual Energy Efficiency report itemises energy usage across the whole office and is available in the [Annual Report of the Ombudsman 2014](#).

