

NYANDARUA COUNTY

STAFF

INTEGRITY PACT

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LIST OF ABBREVIATION

EACC-	Ethics and Anti- Corruption Commission
PPOA-	Public Procurement Oversight Authority
CPC-	Corruption Prevention Committee
HODs-	Head of Departments
IAO-	Integrity Assurance Officer
PSs-	Principal Secretaries
CEOs-	Chief Executive Officer
DAS-	Director of Administrative Services
NCA-	Nyandarua County Assembly
BKMS-	Business Keeper Monitoring System
MC-	Management Committee

PREAMBLE

Integrity Pact is a document that identifies procedures, policies, and practices to be adopted in order to achieve a high level of integrity in an organization. The document focuses on Code of Conduct and Ethics, Risk Management, Anti-corruption and Data integrity.

This integrity pact is applicable to Nyandarua County Assembly and may be updated from time to time to reflect any changes taking place within the Assembly. Where clarification of any regulation contained in the handbook is required, the same should be addressed to the Clerk of the County Assembly.

The Clerk,
Nyandarua County Assembly,
P.O Box 720-20303,
OL KALOU.

INTRODUCTION

The integrity Pact is a document that identifies procedures, policies, and practices to be adopted in order to achieve a high level of integrity in an organization.

VISION STATEMENT

To be the leading County Assembly in representation, legislation, and oversight for good governance

MISSION STATEMENT

To facilitate Nyandarua County attain the highest standards in social, economic and political development by effectively and efficiency undertaking its role in representation, legislation, and oversight.

CORE VALUES

The core values of the Services are informed by the values and principles of public service as set out under chapter 13 of the Constitution of Kenya, 2010 as well as Leadership and Integrity Act. Without prejudice to values in the aforementioned legislations, the Service shall maintain and uphold the following core values of service delivery that will define our management practice and culture:

- Integrity;
- Accountability;
- Transparency;
- Equity, respect, and objectivity;
-
- Professionalism and inclusivity; and
- Political neutrality

PART ONE

CODE OF CONDUCT AND ETHICS

The Code of Conduct provides the rules and standards of conduct to be observed by all County Assembly employees in order to maintain discipline and uphold the dignity of the office in which they serve. Any employee who violates any section of the code will be subject to disciplinary action, up to and including termination of employment. The following are tenets that all County Assembly staff should commit to at all times.

Tenet 1: Primary Duty

I recognize that I shall at all times respect my primary duty of dedicating my services to the Assembly in accordance with the terms of my employment contract.

Tenet 2: Compliance with the code

I shall at all times abide by the provisions of chapter 13 of the Constitution of Kenya, 2010 as well as Leadership, Integrity Act and the general Code of Conduct and Ethics set out in Part III of the Public Officers' Ethics Act (No.4 of 2003) which shall form part of this Code and to ensure that I adhere to all the obligations and responsibilities stipulated therein.

Tenet 3: Transparent and Open Leadership

I shall at all times uphold the values of the Assembly and shall exercise transparency, enterprise and openness in my duties and will ensure that the Assembly achieves its Mission and Vision. Where I suspect wrong doing, on the part of a fellow colleague, I shall raise my concern through the procedures laid down by the Board.

Tenet 4: Accountability

Corporate Governance requires proper utilization of allocated resources and this calls for transparency and accountability to the stakeholders. I shall be honest and open in all the transactions pertaining to the Assembly and will be responsible and answerable to the Board.

Tenet 5: Effectiveness and Efficiency

The Assembly has a great responsibility of accounting for the management of public resources. To this end, I shall be effective and efficient in the implementation of the Assembly's policies to ensure proper resource utilization.

Tenet 6: Integrity

Integrity is key to the success of any organization. I shall always uphold and practice integrity in the implementation of the Assembly's activities to ensure it has a positive image, and I will not involve myself in activities that may be prejudicial, injurious and which may bring the Assembly to disrepute. I will purpose to always carry out my duties with honesty and impartiality.

Tenet 7: Social and Environmental Responsibility

I recognize that for the Assembly to achieve its objectives, it must know who its stakeholders are, and take into account the relationship it maintains with the stakeholders. I shall take it upon myself to know the Assembly's stakeholders, understand and be sensitive to their interests and ensure that all their diverse needs are appropriately addressed. I shall participate, when called upon, in social welfare activities organized by the Assembly aimed at bringing about sustainable development in the country.

Tenet 8: Compliance with Statutory Requirements

There are various laws, statutes and Government policies that govern the Assembly. I shall familiarize myself with such Laws, Statutes and Government policies and ensure strict compliance with the same.

Tenet 9: Compliance with Systems, Rules, and Regulations of the Assembly

For any organization to observe corporate governance, principles, rules, regulations, and systems must be put in place.

I shall participate in the development and implementation of systems, rules, and procedures for the Assembly and will endeavor to familiarize myself and comply with all such said rules, systems and procedures.

Tenet 10: Disclosure of Interest

I shall declare my interest or any potential interest in any matter of the Management before the said matter is considered and deliberated upon. Subject to the direction of the

Management, I shall then excuse myself from any discussion, decision and taking position(s) in such a matter.

Tenet 11: Confidentiality

I shall take necessary precautions to preserve confidentiality by not divulging any information that is communicated to me in the course of my duties in my capacity as an employee, either within or outside the Assembly unless duly authorized to do so.

Tenet 12: Gifts

I shall ensure that I do not directly or indirectly solicit, accept or receive any gift, payment or other consideration from any person in return for providing any business or other advantage to such a person, or his/her agent.

Tenet 13: Misuse of the Assembly's Property

I shall not, directly or indirectly use or allow use of any of the Assembly's property for my own personal gain or for any other reason other than for approved activities of the Assembly.

Tenet 14: Relations with Interest Groups

I shall not, knowingly, enter into, or continue any business relationship with any interest group(s) knowing that such relationship may prejudice my integrity and reputation while carrying out official responsibilities for the Assembly.

Tenet 15: Use of the Assembly's Name for Personal Advantage

I acknowledge that the Assembly's name, logo, letter heads and other facilities belong to the Assembly. I shall not use the Assembly's name or other facilities for personal advantage in political, commercial or retail purchasing transaction or in any other activity.

Tenet 16: Communication with the Customers and the general Public

Proper communication to the Assembly's customers and the general public is considered key in expounding the Assembly's Mission, Vision, and Values. I shall not communicate with the public unless the same is authorized by the Clerk. When I do, I shall communicate with the customers, public officers, and the general public courteously, clearly and effectively. I shall use simple language and avoid ambiguity, obscurity and unnecessary use of complicated jargons, and I shall at all times uphold and guard the interest of the Assembly.

Tenet 17: Involvement in Legal Issues

I shall immediately and officially notify the Clerk through my Head of Department of any summons or other legal issues which may involve the Assembly in litigation, charges of fraud, corruption or other matters that may bring the Assembly into disrepute and/or loss.

Tenet 18: Promoting Anti-Corruption Activities

I acknowledge the fact that corruption is one "evil" that can easily bring down an organization. As an employee of the Assembly, I shall oppose corruption and support the vision, mission, and values of the Assembly and play an active voluntary role in promoting anti-corruption activities. In case I come across any corrupt activity by any employee I shall take responsibility by reporting the matter immediately through the established channels. I shall also comply with all statutes, laws and governing policies that relate to corruption and corrupt activities.

Tenet 19: Promoting Team Work

Team synergy is key for increased efficiency in the Assembly. I shall promote team work by ensuring that I understand all the activities undertaken by the various departments and all sections in the organization and by living up to the Assembly's values of equity, respect, objectivity, professionalism, and inclusivity.

Tenet 20: Involvement in Business with the Assembly

I acknowledge the need to separate personal business from the Assembly's business. To this extent, I will ensure that a company belonging to either myself or my spouse, does not engage in any business whatsoever with the Assembly.

Tenet 21: Official Communication with the Heads of Departments and the Clerk

There is need, in any organization, to preserve the chain of command to ensure free flow of the right information. I understand that I am answerable to the *(insert appropriately whether it's the Clerk/ Director or Head of Department)* and I shall at all times ensure that any communication with other departments and/or the Clerk shall be made through the said Clerk/ Director or Head of Department unless the said communication had otherwise been approved by the Clerk/ Director or Head of Department as the case may be.

Tenet 22: Influence of Employment of Relatives and/or Friends

Proper recruitment is considered crucial by the Assembly. To ensure that the recruitment policy of the Assembly is adhered to, I shall not, as an employee of the Assembly directly or indirectly influence the employment of my relatives, friends or any other person related to me in whatever way.

Tenet 23: Prohibition against Standing for Election

I shall not stand for an elective political position or hold a political office unless I officially resign from my employment in the Assembly.

Tenet 24: Political Neutrality

Regardless of my political opinion, I shall render my services neutrally with loyalty, honest objectivity and impartiality.

Tenet 25: Sexual Harassment

I shall not sexually harass my fellow employees. Sexual harassment in this context refers to any unwelcome and/or persistent act of sexual nature in the form of;

- Utterance/comment
- Physical touch/contact

Tenet 26: Pecuniary Embarrassment

It is important for employees to live within their financial limits.

As an employee of the Assembly, I shall at all times settle my financial obligations to avoid cases of pecuniary embarrassment.

Tenet 27: Relationship with Colleagues

I shall treat my fellow colleagues in the Assembly with utmost courtesy and fairness. I shall avoid unwelcome, abusive, belittling or threatening behavior to my fellow colleagues.

Tenet 28: Official Working Hour

I shall strictly observe official working hours and avoid lateness or absenteeism without proper authorization or reasonable cause. Reporting time is 8.00 a.m., Lunch time is from 1.00 p.m. to 2.00 p.m. and the official closing time is 5.00 p.m. from Monday to Friday.

Tenet 29: Mode of Dressing

I shall ensure that I am decently dressed during working hours.

Tenet 30: Intoxication

I undertake not to report to work while drunk or intoxicated. I further undertake not to contravene, any law(s) legislating against the consumption of liquor and other intoxicating drugs.

Tenet 31: Reporting of Complaints

I shall avoid spreading any rumors and in case I am aggrieved by any issue, I shall endeavor to report the same to the management through the laid down channels.

Tenet 32: Official language

Whenever engaged in any business of the Assembly, within the scope of my employment, I shall endeavor to use the national official languages namely English, Kiswahili and sign language.

Tenet 33: Public comments

As a public servant, I shall not—

- (a) Make public comments that may reasonably be seen to compromise the political neutrality of my office;
- (b) Publicly comment except in furtherance of my official duties, on matters in relation to which I have been professionally involved in.

Tenet 34: Societal interest

As an employee of the Assembly, I should not be isolated from the society of which I am part of. However, I shall ensure that my unofficial activities do not interfere with my official duties or affect the dignity of my office.

Tenet 35: Harambees

As a public servant of the Republic of Kenya, I shall—

- (a) Not preside over a Harambee, play a central role in its organization or play the role of the guest of honor.
- (b)
- (c) Not participate in a Harambee in such a way as to reflect adversely on my integrity, impartiality or to interfere with the performance of my official duties.

Tenet 36: Professional Bodies

In case I affiliate to any Professional Body as a member, I shall observe the ethical and professional requirements of that body.

Tenet 37: Improper Enrichment and misuse of office

I shall not use my office to improperly enrich myself or others or use my office to influence certain wrong decisions.

Tenet 38: Care of Property

As an employee of the Assembly, I shall take all reasonable steps to ensure that property that is entrusted to my care is adequately protected and not misused or misappropriated. I shall personally be liable for losses resulting from the misuse of property and I stand to be surcharged.

Tenet 39: Giving False Information

Information is power. Hence any information passed to a customer or the general public may have a serious implication to the Assembly either positive or negative. In this regard, I shall not knowingly give false or misleading information to customers or the general public.

I stand to be disciplined accordingly in case I knowingly give wrong or misleading information to customers or the general public.

Tenet 40: Conduct of Private Affairs

Conduct of private affairs should be done in a manner that reflects the good image of the Assembly. As an employee of the Assembly, I shall conduct my private affairs in a way that maintains public confidence in the Integrity of my office.

Tenet 41: Breach of the Code

In the event that I am found to be in breach of the tenets above, such breach shall be a reason for disciplinary action in accordance with my terms and conditions of employment.

Tenet 42: Conduct in Public

I shall conduct myself with dignity both in Public and in private.

Tenet 43: Non-Discrimination

I shall not discriminate directly or indirectly, individuals on the ground of age, gender, race, tribe, disability or political affiliation.

Tenet 44: Nepotism/Favoritism

I shall not favor friends, relatives or associates in decision making or in the provision of services.

COMMITMENT TO THE TENETS OF THE CODE

I,, an employee of the Nyandarua County Assembly, do solemnly and sincerely swear that I shall at all times, abide by the above tenets:-

Witness;

NAME:

DESIGNATION:

SIGNATURE:

PART TWO

RISK MANAGEMENT TOOLKIT

1.0 INTRODUCTION

a) The purpose of this guidance.

This risk management tool kit outlines the roles and responsibilities of members and staff in the County Assembly in establishing and maintaining a robust establishment. The tool kit will give a wide approach to managing risk and provide a number of specific guidelines that Departments should follow in this regard.

It describes a number of techniques that can be employed to develop a structured and systematic approach to managing risk.

Risk management system should concentrate on the principal risks in the County Assembly as well as the principal risks arising from its relationship with other organizations. The risk assessment and management process should be integrated into existing management systems and should be kept as simple and straightforward as possible. In introducing a risk management program, full use should be made of existing systems, processes, procedures and reporting structures.

b) Definition of Risk

The risk in this context can be thought of as a possible loss or other adverse consequence that has the potential to interfere with Nyandarua County Assembly's ability to achieve its objectives and fulfill its mission. Risks to the achievement of objectives can be due to both internal and external events. Effective risk management offers the Assembly and its Departments a means of improving its strategic, operational and financial management. It can also help to minimize financial losses, service disruption, and adverse publicity.

c) Definition of Risk Management

Risk management is a process of clearly defined steps which support better decision-making by contributing a greater insight into risks and their impacts. Risk management is not a stand-alone activity. It requires special skills and resources that add to the administrative burden. The focus should be on successfully managing risk rather than on the system of

risk management. Therefore, Departments should integrate risk management practices into existing frameworks.

Employees should manage risks systematically and this should lead to the development of a risk management culture in Departments rather than a stand alone risk management “function”. **Risk management is the concern of everyone in the Department; risk management is part of the normal day-to-day business; the process of managing risk is logical and systematic and ideally should become second nature.**

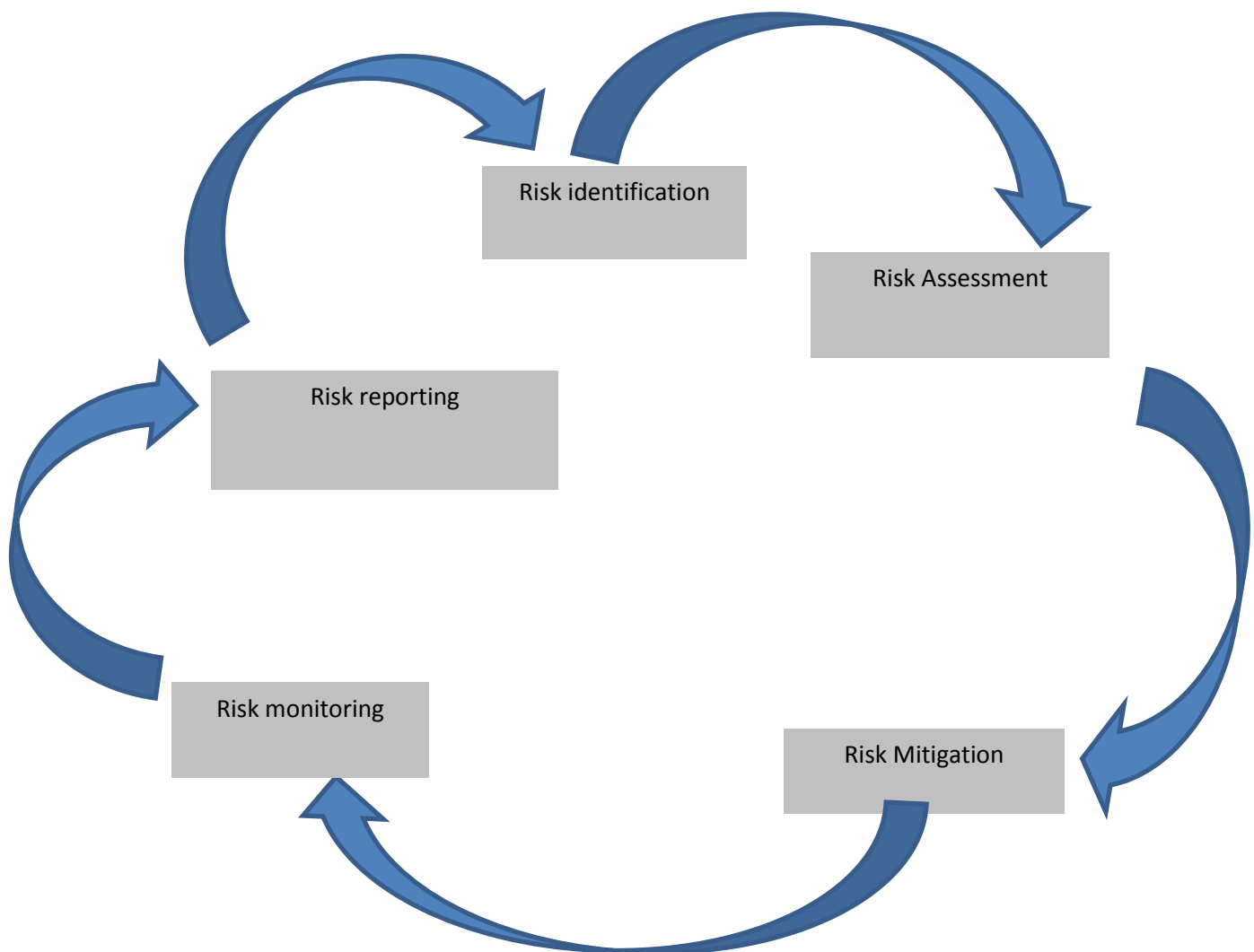
d) Benefits of risk management

By identifying risks and implementing an action plan to address them in a systematic way,

- 1) The Assembly can protect its ability to provide public services; and
- 2) The Assembly’s fraternity can make decisions on services with a greater degree of safety.

2.0 RISK MANAGEMENT CYCLE

The process of risk management involves a cycle of identifying risks, evaluating their potential consequences and determining the most effective methods of responding to them (i.e. of reducing the chances of them occurring and reducing the impact if they do occur). The cycle is completed by a system of regular monitoring and reporting.



a) Risk identification

The process of identifying risk exposures is key to the success of a risk management process as all other elements of the process flow from this initial step. It is, therefore, essential that a thorough job

Risk identification is accomplished on a regular basis, but at least annually. Risk identification attempts to identify the Assembly's exposure to uncertainty. This requires a detailed knowledge of the Assembly's, legal, social, political and cultural environment in which it operates, as well as the development of a sound understanding of its strategic and operational objectives, including factors critical to its success, threats, and opportunities related to the achievement of these objectives. The process of drawing up statements of strategy should ensure that these elements are in place.

It will be a matter for every Department to identify for itself the potential risks it faces

(i) Categories of risks

1. Strategic risks (risks that may be external to the organization such as the Economic conditions/trend, cash flow crisis etc.)
2. Operational risks (relating to the procedures/technologies etc. employed to achieve particular objectives).
3. Financial risks (relating to the procedures/systems/accounting records in place to ensure that the organization is not exposed to avoidable financial risks, including risks to assets).
4. Reputation risks (involving risks to the public reputation of Nyandarua County Assembly and their effects).

(ii) Other risks to be considered

1. Commercial risks.
2. Litigation risks.
3. Economic/market risks.
4. Legal and regulatory risks.
5. Organizational management/human factors risks.
6. Political/societal factors.
7. Environmental factors.
8. Technical/operational.

WAYS OF IDENTIFYING RISKS

1. Listing the obvious risks to continuity of service
2. Brainstorming (When, where, why and how are risks likely to arise?)
3. Questionnaires (e.g. to heads of divisions)
4. Workshops (perhaps facilitated jointly by management and internal audit)
5. Incident investigations
6. Audits and inspections
7. Cost-benefit analysis
8. SWOT analysis
9. Sensitivity analysis
10. Cash flow analysis
11. Decision trees

b) Risk Assessment

Each department in the County Assembly should assess identified risks at least once a year.

When the important risks facing a Department have been identified, the next step is to assess them. Two approaches to risk analysis are outlined below to assist Departments to structure their own approach to risk analysis

(i) The Risk Map

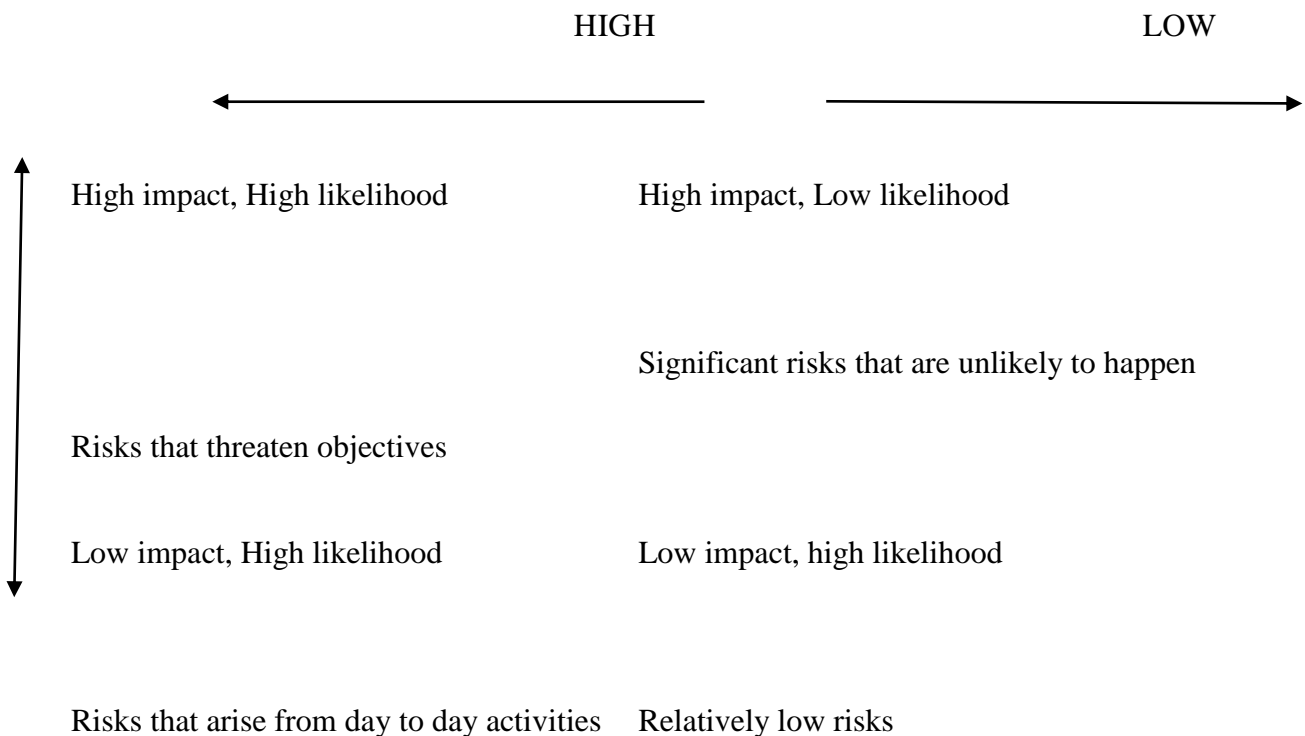
Risk mapping is a simple and useful method for assessing an identified risk. It involves plotting them on a matrix or map against relevant criteria. The assessment is usually carried out on the basis of two criteria;

- a) Significance/impact
- b) Likelihood

Having identified the risks, they are recorded in the appropriate quadrant of the map. The figure below shows such a risk map.

Risk Map

IMPACT VS LIKELIHOOD



(ii) Risk Criteria

Another method of assessment is to evaluate risks on the basis of specific criteria.

The example below demonstrates how risk could be assessed on the basis of three criteria; Impact, Likelihood, and Effectiveness of existing Controls. Departments could opt for a variation on this structure or different scoring system, for example scoring only on the basis of Impact and Likelihood.

- **Impact on the Department:** The impact on the Department if the risk actually happens is estimated using a scale of 1 to 5, where 1 is equivalent to having “no significant impact” and 5 is equivalent to having an “extremely detrimental impact”.
- **Likelihood of occurrence:** The likelihood of occurrence is estimated again on a scale of 1 to 5 where 1 is “rarely, if ever” and 5 is “almost unavoidable/already happening”.
- **The effectiveness of existing controls:** The effectiveness of existing controls is

estimated using a scale of 1 to 3 where 1 is “highly effective” and 3 is “no controls/controls ineffective”.

A risk ‘score’ is determined by multiplying the risk impact by the risk likelihood.

This risk ‘score’ is then multiplied by 1, 2 or 3 depending on the control effectiveness to determine the risk reporting level.

Possible Risk Reporting Level:

0 – 12 Green

13 – 24 Amber

25+ Red

Under this method, the risk scores are defined as follows:

Impact	Likelihood
1 = No significant impact	1 = Rarely, if ever
2= Minor impact	2 = Possible
3 = Significant but containable impact	3 = Likely
4 = High Impact	4 = Very likely
5 = Extremely detrimental effect	5=Almost unavoidable/ already Occurring

Control Effectiveness

1 = Controls highly effective

2 = Controls could be improved

3 = No controls / controls are ineffective

c) Risk mitigation

When risks have been identified and assessed, departments should determine an appropriate method for addressing them before considering which method is most appropriate to a particular risk. Departments will first need to consider the adequacy and appropriateness of any existing controls.

1) Risk Reduction

The majority of risks will be addressed under this heading. The objective is not to prevent the risk totally, but to contain it to an acceptable level. Risk reduction strategies aim to minimize the frequency or severity of the negative impacts of a risk. An example of a risk reduction strategy is the preparation of contingency plans to expedite recovery from losses.

2) Risk Avoidance

Deciding not to undertake an activity or program etc., while is clearly a very effective way of controlling risks, is not often a practical option for a Government establishment like the County Assembly.

3) Risk Transfer

The scope for transferring risk in the context of a Government Department may be limited. In the private sector, for example, risk transfer might be achieved through such things as normal insurance cover or contracting out of services. Departments should ensure that the costs of controls to mitigate risk are not disproportionate to the potential impact of a risk being managed. Departments should also bear in mind that business continuity management is an essential element towards mitigating the effects of risks on the key activities of a Department.

4) Risk Retaining.

Involves accepting the loss, or benefit of gain, from a risk when it occurs. True self-insurance falls in this category. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible. War is an example since most property and risks are not insured against war, so the loss attributed to war is retained by the insured. Also, any amounts of potential loss (risk) over the amount insured is a retained risk. This may also be acceptable if the chance of a very large loss is small or if the cost to insure for greater coverage amounts is so great that it would hinder the goals of the organization.

e. Risk Monitoring and Reporting

Departments' risk management systems should provide for monitoring and reporting at various levels of management. The risk analysis will identify the risks that would have the greatest potential for negative impact and high likelihood. These risks perhaps representing only 20% of risk but having perhaps 80% of potential impact should become the focus for particular attention from the management Committee.

Each department in the County Assembly should:

- a) Be aware of the significant risks that come within their area of responsibility, the possible impacts those risks could have on other areas of the department and the consequences other Divisions' risks might have on them
- b) Report systematically and promptly to senior management about risk management, in particular about perceived new risks or failures of existing controls.

The staff of the County Assembly should:

- a) Understand their accountability for risks.
- b) Report systematically and promptly to senior management on any perceived new risks or failures of existing controls.

3.0 INITIATING RISK MANAGEMENT AND SUSTAINING IT

The approach to risk management should be driven by a department's objectives as detailed in its Statement of Strategy. Risk management strategies and programs should focus on those items that could prevent the achievement of the objectives specified in the Statement of Strategy. All departments may choose to concentrate initially on a small number of high impact and likelihood risks. Alternatively, only a small number of risks could be initially identified for each department.

Risk management is to be an ongoing process by laying down a rota –preferably annual – according to which risks are to be identified and assessed and accompanying control measures are identified and put in place, and a report made to management committee. Risk management is to be a regular agenda item at departmental meetings and where relevant risk management responsibilities are to be included on performance appraisal forms.

a) Risk Management Structures

Risk management will have a better chance of becoming embedded in a department if it is operated on the basis of clearly-defined structures and responsibilities. In all cases, the risk structure should be integrated into existing management structures.

b) Existing Management Structures

(i) The MC (Management Committee)

MC should initiate risk management and direct the overall process. MC should receive reports on the operation of the risk management system and demand actions.

It is the responsibility of the MC and senior management in a Department to ensure that there is a robust risk management process in place.

(ii) Heads of Departments should be responsible for:

- Implementing the department's risk management process in their departments
- Identifying, evaluating and signing off risks at departmental level;
- Owning and managing risks within the division's organizational or functional remit on a day to day basis;
- Ensuring clear roles and responsibilities for risk identification, management and reporting are defined within their areas and in their work plans;
- Ensuring compliance with the formal risk reporting requirements on an ongoing basis;
- Ensuring risk management awareness throughout the departments.

(iii) Staff:

Individual members of staff should be made responsible for

- Operating and monitoring the system of internal control;
- Proactively identifying risk issues and bringing these to the attention of management;
- Ensuring that all risks are identified and reported in a timely and effective manner.

c) Audit Structures

(i) Audit Committee

Audit Committees should be responsible for reviewing and agreeing on the processes for managing risk in the County Assembly (CA). The Audit Committee should have a standing agenda item on risk at its meetings and should receive feedback from the head of Internal Audit and the Department's management on the implementation and performance of the risk management process. Such feedback should include the five key areas of identifying, assessing, mitigating, reviewing and reporting on risks.

(ii) Internal Audit Unit

Internal audit has a central role of advising the Clerk of the County Assembly on the state of the institution's risk management processes. Internal audit should regularly review risk management to ensure that it is robust. When deciding the most appropriate role for it to play, internal audit should assess the extent to which it can add value to the process of risk management. Of course, internal audit always needs to adhere the professional requirement for independence and objectivity.

(i) Risk Register

Departments will need to maintain centralized records about their risks in a risk database or register. The register will be a primary tool for risk tracking, containing the overall system of risks and the status of any risk mitigation actions.

(ii) Risk Management committee

Existing structures should be used to the greatest extent possible. Most Departments will want to assign this function to an existing committee of management. Where this is not possible, Departments should establish dedicated risk structures such as risk committees and risk teams. Risk committees are representative of different functional areas (technical, specialist as well as policy) and would have the responsibility of coordinating the efforts of the management Committee. A risk committee would also report to the management committee on the lessons learned from risk occurrences. Typical responsibilities of an existing committee of management assigned the risk function or a dedicated Risk Management Committee should;

- Oversee the implementation of the Department's Risk Management;

- Define and review on a regular basis, the Department’s risk policy, methodology, and standards;
-
- Create awareness, across the Department, of the need to identify and manage risk effectively;
- Monitor the management of risk throughout the Department and report on a regular basis to the Assembly’s Management Committee and Audit Committee.
- Assisting the Risk Management Committee with development of risk management policy and the supporting framework;
- Assisting and providing guidance to divisions of the Department on the management of risk;
- Coordinating the management of risk for business processes that may cross the boundaries of business areas, divisions and locations (“cross cutting” issues)
- Providing an analysis of risk findings on a regular basis for the Risk Management Committee;
- Maintaining the risk management reporting system.

4.0 GUIDELINES ON RISK MANAGEMENT

1. Each department should initiate risk management as an integral and ongoing part of its management process and the Management should put in place effective mechanisms to carry out risk management accordingly.
2. The risk management process should be kept as simple and straightforward as possible and existing structures should be used, as far as possible.
3. Each Department should have clearly defined risk management structures and responsibilities.
4. Departments should repeat the process of risk identification at least once a year.
5. Departments should assess identified risks at least once a year.
6. When risks have been identified and assessed, Departments should determine an appropriate method for addressing them

PART THREE

ANTI-CORRUPTION POLICY

POLICY STATEMENT

Management at all levels is responsible for ensuring that their employees are aware of the Assembly Code of Conduct, financial regulations, tender procedures and delegation of powers, and that the requirements of each are being met.

It is also a management responsibility to maintain the internal control system and to ensure that the Assembly's resources are properly used on the activities intended. This includes responsibility for the prevention and detection of corruption

The Management of Nyandarua County Assembly is committed to dealing with corruption decisively.

1.0 LEGISLATIVE AND ADMINISTRATIVE REQUIREMENTS/CONTEXT

- The Constitution of Kenya
- The Penal Code Cap 63 laws of Kenya
- The Anti-Corruption and Economic Crimes Act, 2003.
- Public Officer Ethics Act, 2003.
- Public Finance and Management Act 2012
- Public Procurement and Disposal Act 2015.
- Public Procurement Regulation 2016
- Government Financial Management Act, 2005 and
- The Performance Contracting.-
- Code of Conduct and Ethics.

2.0 SCOPE/APPLICABILITY

The Anti-Corruption Policy applies to all employees of the County Assembly. This policy does not form part of the employee's employment contract with the Assembly hence it may be changed by the Assembly at any time. However, the employees are contractually bound by the contents of this policy as it forms the basis for prevention and detection of corruption at the workplace.

3.0 DEFINITION OF CORRUPTION

- The World Bank defines corruption as “the abuse of power, most often for personal gain or for benefit of a group to which one owes allegiance. It can be motivated by greed, by the desire to retain or increase one’s power or, perversely enough, by the belief in a supposed greater good.
- While the term “corruption” is most often applied to abuse of public power by politicians or civil servants, it describes a pattern or behavior that can be found in every sphere of life” (Stapenhurst and Sedigh, 1999)
- Abuse of public power for private gain;
- Abuse of socially accepted norms;
- Misuse of public power, office or authority for private benefit;
- Misuse of office or authority for the benefit of an individual or a group through coercion, undue influence, misrepresentation, falsification, dishonesty or any other improper acts or means in breach of laws, regulations and the rules in force;
- Unlawful acquisition of property at the expense of the public;

Offenses that constitute corruption and economic crimes include:-

- Bribery;
- Breach of Trust
- Fraud
- Abuse of Office;
- Embezzlement;
- Tax Evasion;
- Extortion;
- Grabbing of public property; and
- Favoritism.

4.0 A BREAKDOWN OF CORRUPTION RISK AREAS AND CORRUPT PRACTICES IN THE INSTITUTION.

All functional areas in County Assembly are potential risk areas. They include:

- Financial management systems and procedures
 - Cash requisition
 - Cash transfer

- Cash handling
- Information communication and technology systems
 - Software installation
 - Cash handling
- Procurement
 - Capital works/projects
 -
 - Cash handling
- Human resources
 - Recruitment
 - Promotion
- Record management
 - Cash transfer
 - Cash handling

5.0 A STRUCTURES TO FIGHT CORRUPTION

- Enhanced Systems Control;
- Enhanced staff integrity through regular anti-corruption sensitization workshops;
- Setting up and implementation procedural/operations manuals;
- Supervisory checks and controls;
- Internal complaint systems
- Setting up of a corruption prevention committee (CPC)
- Signing wealth declaration forms
- Code of conduct and ethics for Nyandarua County Assembly
- Declaration of conflicts of interests;
- Protection of confidential information.
- Regular vetting of staff.

6.0 CORRUPTION PREVENTION COMMITTEE

- County Assembly Clerk – Chairperson
- Director of Budget and Economic Planning– member
- Principal Internal auditor – member
- Director of Administrative Services – member

- Integrity assurance officer – secretary.
- Two persons appointed by the board

7.0 MANDATE AND OPERATIONS OF THE CORRUPTION PREVENTION COMMITTEE

- Setting priorities in the prevention of corruption within the organization;
- Planning and coordinating corruption prevention strategies;
- Integrating all corruption prevention initiatives on NCA;
- Receiving and reviewing reports on corruption prevention initiatives and recommend appropriate action;
- Receiving and taking appropriate action on corruption reports made by staff and other stakeholders.
- Spear-heading anti-corruption campaigns.
- Monitoring and evaluating the impact of corruption prevention initiatives; and
- Preparing and submitting quarterly progress reports to the performance contract steering committee.

8.0 ROLE OF INTERNAL AUDIT

- Promoting the prevention and detection of fraud and assisting management in preventing and deterring corruption through strengthening of internal controls;
- Promoting an awareness of the importance placed by the Assembly on internal control and a corporate commitment to an anti-corruption culture among employees and our customers;
- Considering external audit reports;

9.0 RESPONSIBILITY OF EMPLOYEES

Nyandarua County Assembly employees are expected to give the highest possible standard of service to the public and where it is part of their duties, to provide appropriate advice to Management and fellow employees with impartiality.

Employees will be expected to bring to the attention of the appropriate level of Management any significant impropriety or breach of procedure.

Employees should be aware of this commitment to working to the highest standards and that any fraudulent activity on their part in relation to their own departments, or any other fraudulent activity which is deemed as bringing the Assembly into disrepute, will be subject to disciplinary proceedings.

10.0 HOW TO REPORT CORRUPTION INTERNALLY AND EXTERNALLY

Corruption offenses can be referred to the Integrity Assurance Officers (IOAs) using:

- Letters; P.O. Box 720-20303- **OL KALOU**
- Telephone: **Office Mobile:** 0706-116880;
- Email: **nyandaruacountyassembly@gmail.com**
- Anonymously if preferred;
- The Anti-Corruption Box;
- To EACC in person or using the BKMS anonymous reporting system available at **www.eacc.go.ke.** (i.e. Business Keeper Monitoring System - certified whistleblowing application regarding its data protection and data security)
- If there is suspicion of corruption by a member of staff and the reporter is another member of staff- please contact the Integrity Assurance Officers and your referral will be dealt with in confidence.

11.0 HANDLING OF CORRUPTION CASES

Corruption cases will be dealt with fairly, expeditiously and within the law according to the provisions of:

- The Anti-Corruption and Economic Crimes Act, 2003;
- Public Officer Ethics Act,2003;
- Code of Regulation;
- Code of Conduct and Ethics.

12.0 PROTECTION OF WHISTLEBLOWERS.

The legal framework for the protection of whistleblowers will be as set out in the Witness Protection (Amendment) Act, 2010 section 32 which prohibits any action or proceeding

against a person who has testified in court or given any information to a law enforcement agency. Section 65 of the Anti-Corruption and Economic Crimes Act has similar provisions.

The Assembly is committed to protecting the identity of persons making corruption disclosures and to ensure that information that might identify the person making the disclosure is not released. If there is need to release such information, the Assembly must discuss first with the person.

13.0 DISCIPLINARY MEASURES

The Employees are obliged to familiarize themselves with this policy because breaches of the policy may have implications on their career or ultimately their employment with the Assembly.

This policy should be read and applied together with Public Officer Ethics Act, 2003 and the Nyandarua County Assembly Code of Conduct and Ethics whose provisions are binding to employees of Nyandarua County Assembly.

14.0 TRAINING

The Management commits itself to ensure that staff members shall be trained and sensitized on anti-corruption issues.

15.0 IMPLEMENTATION AUTHORITY.

The implementation of this policy shall be steered by the Corruption Prevention Committee which shall be reporting to Management their activities and decisions once every quarter.

16.0 REVIEW

This policy document shall be reviewed at such intervals as the Management may determine.

17.0 EFFECTIVE DATE

Issued this _____ Day of _____ 20_____

Hon. Nderi Ndiani

NYANDARUA COUNTY ASSEMBLY CL

SAMPLE CORRUPTION PREVENTION WORK PLAN

UNITS	Quarter	Quarter	Quarter	Quarter 4	Target
	1 Target	2 Target	3 Target	Target	for the YR
	%	%	%	%	%
Approve and institutionalize code of conduct	-	20	-	80	100
Reconstitute CPC to have Clerk as chair and all Directors and HODs as members	-	100	-	-	100
Train Clerk, Directors, and HODs on corruption risk assessment and management	-	15	60	25	100
Continuously sensitize staff on anti-corruption.	-	25	25	50	100
Undertake corruption risk assessment	-	10	50	40	100
Review institutional corruption prevention plan based on thorough risk assessment of all functional areas of the organization	-	-	50	50	100
Enhance channels to facilitate corruption reporting for staff and stakeholders and feedback mechanisms on reported cases	-	-	50	50	100
Provide internal mechanism for preliminary investigation of corruption	-	100			100
Ensure staff compliance with code of conduct by signing an integrity pact	-	25	25	50	100
Develop a procedure for reporting and managing ethical misconduct cases.	-	15	20	65	100
Implement corruption prevention strategies to address corruption related risks	-	25	25	50	100

Implement EACCs recommendations in systems review reports	-	-	50	50	100
Implement mechanisms to address corruption related audit queries	-	-	50	50	100
Adhere to provisions of PPOA/EACC corruption prevention guide in public procurement process	-	25	25	50	100
Deal with cases of ethical misconduct effectively and promptly	-	25	25	50	100
Disseminate institutional policy position on corruption prevention of service user, suppliers, and stakeholders	-	100	-	-	100
Suspend public officer(s) suspected of corrupt practices to allow room for investigations	-	33	33	34	100
Submit quarterly reports to EACC using prescribed format clearly indicating corruption prevention strategies implemented/ or are ongoing and the outcome with minutes of the CPC deliberations attached	-	33	33	34	100

NAME.....

SIGNATURE

SAMPLE CORRUPTION PREVENTION ON SPECIFIC ACTIVITIES

S.no	Issue	Activity	By Who	By when
1	Reconstitute CPC to have the Clerk as chair and all Directors/HODs as members.	<ul style="list-style-type: none"> - Appoint all Directors/HODs as members of their respective Directorate/departmental CPCs - Clerk to chair CPC meetings 	<ul style="list-style-type: none"> - Clerk - IAOS 	
2	Continuously sensitize staff on anti-corruption	Sensitize at least 40 staff on ethics and anti-corruption issues	CPC	
3.	Train Clerk and Directors/HODs on corruption risk assessment and management	Write a letter to EACC requesting them to train Clerk and Directors/HODs	IAO Clerk	
4.	Provide internal mechanism for preliminary investigation of corruption	Ensure that preliminary investigations are done before employees are suspected of corruption and interdicted	Directors/HODs	
5.	Ensure staff compliance with code of conduct by signing an integrity pact	All employees to sign a fresh an undertaking to comply with the company's code of conduct	DAS	
6	Develop a procedure for reporting and managing ethical misconduct cases	A draft procedure to be developed	DAS	
7.	Undertake corruption risk assessment	Undertake preliminary assessment awaiting comprehensive one after EACC	CPC IAO	

training

- | | | | |
|-----|--|---|-------------|
| 8. | Implement corruption prevention strategies to address corruption related risks | Ensure strategies to prevent corruption risks are effectively implemented | CPCs
IAO |
| 9. | Adhere to provisions of PPOA/EACC corruption prevention guide in public procurement process | Download a copy of the provisions from EACC website and assess compliance thereof. | IAO |
| 10. | Deal with cases of ethical misconduct effectively and promptly | Cases of ethical misconduct to be dealt with accordingly and in line with the guidelines. | DAS |
| 11 | Suspend public officer(s) suspected of corrupt practices to allow room for investigations | Ensure that staff are suspended after preliminary investigations | DAS |
| 12 | Submit quarterly reports to EACC using prescribed format clearly indicating corruption prevention strategies implemented/ or are ongoing and the outcome, with minutes of the CPC deliberations attached | Compile quarterly reports to EACC according to the new format and requirements | |

ETHICS AND ANTI-CORRUPTION COMMISSION



HOW THE ACCOUNTING OFFICER SHOULD ADDRESS CORRUPTION

Commitment by the Principal Secretaries/ Accounting Officers/ Chief Executive Officers to address corruption in their respective institutions should be undertaken as follows:

LEVEL	CATEGORY	SUB-INDICATORS	KEY DELIVERABLES	PERFORMANCE LEVEL WEIGHT
1	Anti-Corruption framework	<p>Set up and operationalize corruption prevention committee/ integrity committee comprised of PSs/AOs/CEOs as Chair and HODs as members</p> <p>Forward names of Chief Executive Officers and Heads of Departments names to EACC for integrity vetting</p> <p>Develop and implement an Anti-Corruption Policy</p> <p>Develop/ review and implement a specific leadership and ethics code of conduct in line with the Leadership and Integrity Act (2012)</p>	<p>Committee constituted and operational as evidenced by membership and minutes of quarterly meetings</p> <p>Names forwarded for vetting</p> <p>Anti-Corruption Policy</p> <p>Corruption Risk Assessment and Management Report</p>	10%
2.	Institutionalized corruption	Implementation of the provisions of the Anti-corruption framework under level 1 enhanced (specifically	Quarterly progress monitoring reports on implementation of the	20%

	prevention	and CRA and anti- Corruption plan)	CRA and anti- corruption	
		Outcomes and impact of the anti- corruption framework implementation in level 1 evaluated	Annual Evaluation report	
		Institutional capacity on integrity, ethics, and anti-corruption enhanced	Report of training of staff on integrity, ethics, and anti-corruption	
3.	Corruption control	System, policies procedures and practices of work enhanced	Report on specific corruption control measures implemented indicating the level and depth of corruption control	
			External Auditors report and observations	20%
		Organizational culture and ethics enhanced	Report of institutional advisory/ disciplinary committees on breach of codes	
		Number of public officer(s) suspected of corruption practices suspended	Report providing specific details of the actions taken	
4	Zero tolerance to corruption	All staff vetted on integrity	Report of vetting of staff including action taken on those found to lack integrity	20%
		Continuous enhancement of internal controls to mitigate against	Report on specific internal control measures	

	corruption and unethical practices	implemented indicating the level and depth of corruption control	
	High standard of ethical culture maintained	Reports of institutional advisory disciplinary committees on breach of codes	
	Transparency accountability and service delivery enhanced	Unqualified reports of external Auditor-General's Overall ranking on performance contracting Over ranking on the corruption perception index	
5.	Integrity certification	Integrity certification	Report of EACC on integrity certification 30%
	TOTAL		100%

NOTES:

1. Institutions are required to progress from level one (1) to level five (5) to attain Integrity Certification within a period of 5 years, failure to which institutional management commitment to fighting corruption and promotion of ethics will be put to question and appropriate sanctions taken.
2. Institutions that remain at the same level for more than two (2) years will attract a penalty of reduced scores and an EACC review of management commitment to implementation.
- 3.
4. Institutions will be required to submit quarterly reports to EACC using prescribed format clearly indicating corruption prevention strategies implemented during the reporting quarter.

5. In all categories, institutions are required to submit the quarterly reports, information on all tenders and contracts awarded which are above the threshold of ksh. 500,000. The information submitted should include names of the directors of companies and contract/ Tenders prices.
- 6.
7. Guidelines on implementation available on the EACC website www.eacc.go.ke

PART FOUR

DATA INTEGRITY FRAMEWORK

DATA INTEGRITY

Introduction

As the volume of data and reliance on it increases, so does the need for data integrity. The need to provide data users with a level of assurance that the data they are using is trustworthy and can be relied upon is very important. Data integrity forms part of a wider set of data-related practices that are designed to help ensure the effectiveness and efficiency of data management.

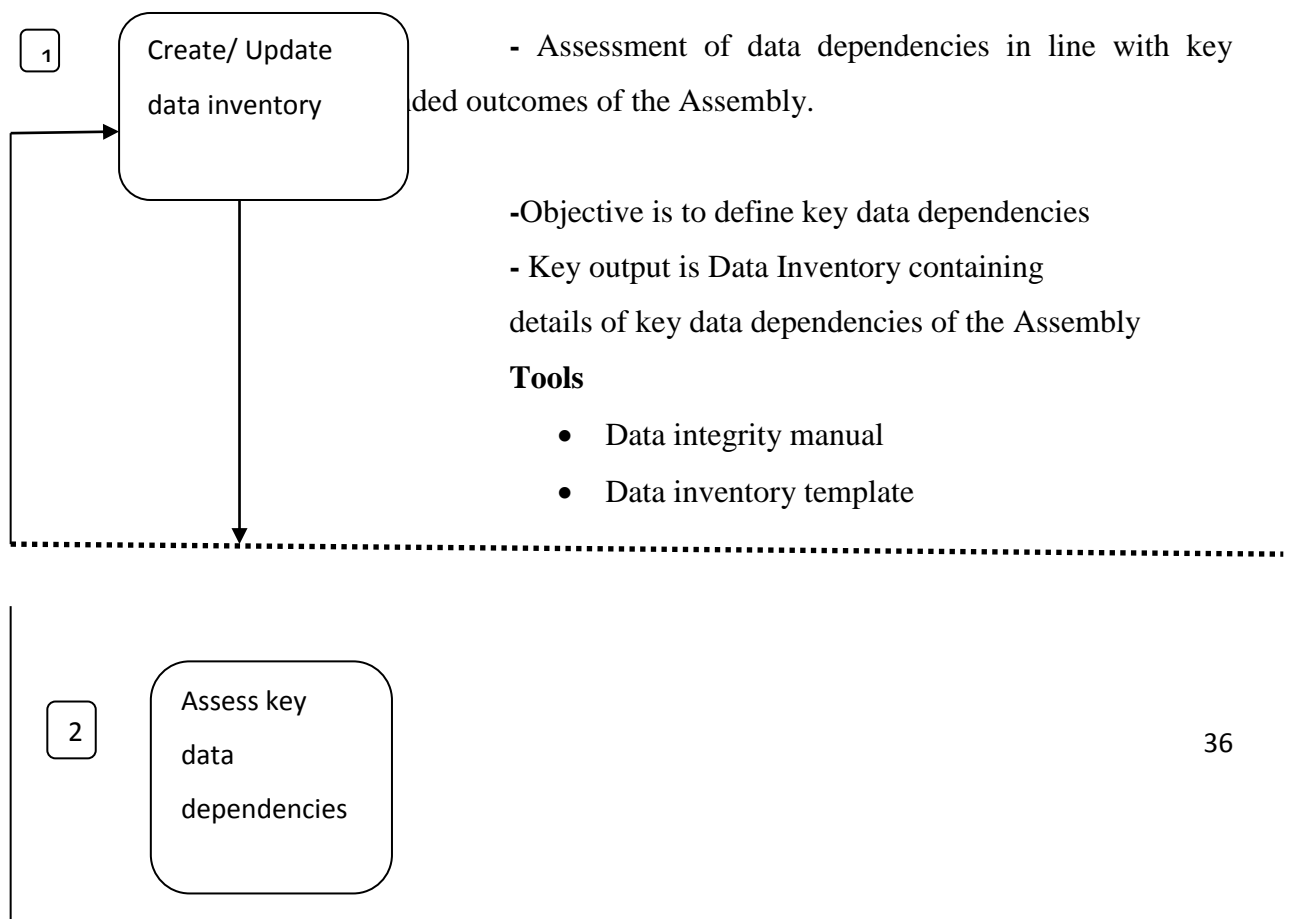
Quality of data

This can be defined as the existence of the right data in the right format at the right place and time to meet the needs of the people and systems that use it.

The data integrity framework

This is risk-based and involves identification, assessment, and management of relevant risks that reinforce the 'fitness-for-purpose' of key data used and produced by the County Assembly to fulfill the organization's plan and associated operational goals, objectives, and outcomes.

County Assembly data integrity framework overview



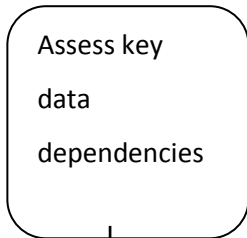
- Periodic assessment of key data dependencies defined data inventory
- Assessment based on data integrity impact assessment (questionnaire in data integrity manual.)
- The key output is high/ moderate/ low classification for key data dependencies in data inventory.



- **Tools**
- Data integrity manual
- Data Integrity Impact Assessment Questionnaire.

Application of controls guidance in line with

3



Assessment of differential requirements based on assigned classification of importance
Data Integrity Controls Guidance supported by detailed guidance materials

Tools

- Data integrity manual
- Data Integrity Control Guidance
- Detailed guidance materials
- Periodic assessment of the effectiveness of the key control over data integrity of the key data dependency

4



Tools

- Data integrity manual

County Assembly Data integrity controls

- The County Assembly has assigned the Clerk to have explicit executive level accountabilities for data integrity.
- The County Assembly has defined and documented a data integrity Charter outlining its perspective and approach to the management of data integrity across the organization.
- The County Assembly has defined and documented a data integrity plan for data dependency outlining the County Assembly's requirements for data integrity for the key data dependency.
- The County Assembly has assigned the Clerk as the dedicated owner for defined data dependency.
- The County Assembly has incorporated data integrity responsibility as a component of staff performance plans and measures to provide incentives.
- The County Assembly has established and documented integrity standards and procedures for the key data dependency.
- The County Assembly understands and has documented the full range of data risks in relation to the defined data dependency in a risk register.
- Changes to organizational processes or systems that impact on the defined data dependency are subject to a controlled implementation process.
- The County Assembly has identified and implemented the key controls required to ensure data integrity for the dependency over data acquisition, maintenance, and distribution.
-
- The entity has identified and implemented validation controls to detect errors or anomalies in data submitted or used in the key data dependency.
- The entity has implemented IT controls to manage the IT environment that supports the data dependency.
-
- The entity has defined data integrity requirements for data as submitted or managed by an external party and subsequently used in the defined data dependency.
- The entity provides data training to the data dependency owner and any other relevant management and staff.
- The entity has defined and documented a formal process for managing data integrity issues, starting with conducting root cause analysis through a resolution.

- The entity has defined metrics and a way to measure and report on data integrity for the data dependency. Data integrity is regularly measured and reported.
- The entity actively monitors and assesses the effectiveness of its key data integrity controls for the data dependency on an ongoing basis.
- The entity has mechanisms to detect anomalies in all key data.