

Ref: JH/JOC

14 September 2023

Email: ASPconsultation2023@centralbank.ie.

Submission from FSU "Consultation Paper 154 on the ASP Guidelines under the Individual Accountability Framework"

The Financial Services Union welcome the opportunity to contribute to the Central Banks consultation Paper 154 Consolidated Guidelines in respect of the Central Bank Administrative Sanctions Procedure.

The paper includes twenty-six questions for consideration and response but for the purpose of expediency and as a method of highlighting important issues to the FSU it is our intention to answer in letter format. I trust this is satisfactory and helpful to the Central Bank.

The FSU have previously submitted a response to a consultation paper on the individual accountability framework carried out by the Central Bank and it is worthwhile repeating a number of points that we raised in that paper

Our strong opinion is that there is a complete lack of a focus on speaking up, This is a key weakness in the regulations which needs to be rectified. A multifaceted approach to ensuring an ethical finance sector must include supporting and empowering employees to call out behaviours or initiatives that are not in the best interests of customers and in breach of the individual accountability framework.

We believe that all entities should inform staff of the speaking up process in the firm and highlight in their annual reports the numbers of cases recorded each year. Staff should also independently be made aware of the CBI speaking up line for finance workers.

Targeting or victimising whistle-blowers should be called out as a serious breach.

These seismic changes will require training for staff who are tasked with implementation every day. The regulations cover training but are not explicit enough in ensuring there is protected time provided for staff.

The regulations require additional reporting structures. Training is vital to the good workings and implementations of the regulations. Training cannot be a text manual issued to staff without proper instructions and without adequate time given for staff to absorb and understand the consequences and responsibilities for each individual employee. This training and protected time should be available to all staff including board members and recorded in each banks annual report.

Because banks run on very lean staffing models, and no leave reserve system exists proper staffing to carry out business as usual has been a challenge. Adding in onerous responsibilities without provision for training time to be supported by appropriate staffing levels is not going to lead to a good rollout of the regulations.

The sanctions procedures introduce a new sanctioning factor with respect to an individual's seniority and level of responsibility. This factor will allow the Central Bank to consider an individual's seniority and level of responsibility, and the nature of any role performed by the individual, at the time of the individual's commission of and/or participation in the prescribed contravention. While we welcome this section the FSU feel that it requires more explanation.

For example, if a staff member is not a decision maker will this be taken into account.

We have previously raised the issue on the length of time that an investigation will remain on the staff member's record. if they are cleared of any wrongdoing, we would expect their employment record would reflect this. How long will the Central Bank retain the records of the complaint?

We look forward to discussing these and other matters with the Central Bank in the near future.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'John O'Connell', written in a cursive style.

John O'Connell
General Secretary