

Appendix 1

**PARKING AND TRAFFIC REGULATIONS OUTSIDE LONDON
ADJUDICATION JOINT COMMITTEE (PATROLAJC)**

**FINANCIAL REGULATIONS
Draft Prior to Joint Committee Approval**

1. General

- 1.1 These Regulations should be read in conjunction with the Parking and Traffic Regulations Outside London Adjudication Joint Committee's Financial Standing Orders and Rules of Financial Management contained within the PATROLAJC Agreement and the Scheme of Delegation to the Head of Service.
- 1.2 These Regulations lay down for the guidance of members and officers, principles to be followed in securing the proper administration of the Joint Committee's financial affairs and shall be reviewed by the PATROLAJC on an annual basis.
- 1.3 The Head of Service, as the officer responsible for the proper administration of the Joint Committee's affairs, shall report to the Joint Committee any significant failure to comply with these regulations which comes to his/her attention.
- 1.4 The Head of Service shall be responsible for the accountability and control of all resources managed by him/her on behalf of the Joint Committee and will maintain a written record where decision making has been delegated to others
- 1.5 The Head of Service will ensure the organisational structure provides an appropriate segregation of duties to provide adequate internal controls to minimize fraud or malpractice.
- 1.6 The Head of Service can allow exceptions to these Regulations if it is believed that the best interests of the PATROLAJC would be served if the Regulations were not applied. A written record of these decisions must be kept and reported to the PATROLAJC at the earliest opportunity.
- 1.7 Whenever any matter arises which may involve financial irregularity, the Head of Service shall be notified immediately, and if an irregularity is disclosed the matter shall, at the discretion of the Head of Service, and after consultation with the Joint Committee Treasurer, be referred by them to the PATROL Adjudication Joint Committee or its Executive Sub Committee. The Head of

Service and the Joint Committee Treasurer will determine whether the matter should be referred to Internal Audit. Further in a case where the Head of Service advises that there is prima facie evidence of a criminal offence having been committed, the matter shall be reported to the Police forthwith.

2. Accounting Arrangements

- 2.1 The Statement of Responsibilities for the Statement of Accounts sets out the role of the PATROLAJC, the Head of Service and the Treasurer to the PATROLAJC.
- 2.2 The Treasurer to the Joint Committee is responsible for the preparation of the PATROLAJC's Statement of Accounts.
- 2.3 The Head of Service shall ensure that appropriate financial arrangements and procedures are in place on behalf of the Joint Committee in order that the Treasurer can be provided with the necessary accounting records.
- 2.4 The Accounts must be approved by the Joint Committee before the end of June each year.
- 2.5 The Head of Service will publish and make available a final accounts/audit timetable to member authorities.
- 2.6 The Auditor's report must be presented to the Joint Committee by the end of September.
- 2.7 The Head of Service, where applicable, shall be responsible for the submission of all claims for grant to Government Departments, or to the EU.

3. Banking Arrangements, Cheques and Purchase Cards

- 3.1 All arrangements with the Authority's bankers, including the procedures for the ordering and safe custody of cheques and purchase cards, shall be made under arrangements approved by the Head of Service.
- 3.2 All cheques drawn on behalf of the Joint Committee shall be signed by the Head of Service and Finance Officer except in their absence or in the case of personal expenses incurred by these post holders in which circumstances named signatories within the Joint Committee's Lead Authority will provide signatures.
- 3.3 Purchase cards can be used to a pre-set limit of £40,000 per month and £10,000 per single transaction and will be used in accordance with agreed

procedures including storage, authorised users and record keeping requirements.

- 3.4 Bank reconciliation will be undertaken on a monthly basis and signed by two members of staff in accordance with the Bank Reconciliation Procedure.

4. Revenue and Capital Budgets

- 4.1 The Head of Service, in consultation with appropriate Officers, shall prepare annual estimates of expenditure and income, including the proposals for the basis for defraying that expenditure through member authorities. The budget and the basis for defraying that expenditure through member authorities must be approved by the Joint Committee or its Executive Sub Committee by the end of January each year.
- 4.2 The Head of Service will monitor income and expenditure against the budget in consultation with the Lead Authority's External Clients Department and will report to the meetings of the PATROL Adjudication Joint Committee or its Executive Sub Committee in September, January and June (including outturn report) showing budgeted, actual and (where applicable) projected expenditure.
- 4.3 The Head of Service shall be authorised to approve transfers between expenditure heads up to a maximum of £25,000. These transfers will be reported for information to the Joint Committee at the next available meeting as part of the budget monitoring arrangements (see 4.2). Anything in excess of this shall be reported for approval to the PATROL Adjudication Joint Committee or its Executive Sub Committee.
- 4.4 Where it is anticipated that expenditure as a whole will exceed the approved revenue budget by more than 2.5%, the Chair and Vice Chair of the Joint Committee should be notified by the Head of Service at the earliest opportunity following consultation with the Chair of the Advisory Board.

5. Income

- 5.1 The collection of all money due to the Joint Committee shall be under the supervision of the Head of Service.
- 5.2 All money received shall be without delay passed for payment to the Joint Committee's bank account.
- 5.3 The Head of Service shall be furnished with information to ensure prompt rendering of accounts for the collection of income.
- 5.4 Following year-end, the Head of Service shall request a self-certification of Penalty Charge Notices issued from member authorities.
- 5.5 The Head of Service shall seek to validate the accuracy of data supplied through the self-certification process.
- 5.6 The Head of Service shall report all bad debts to the PATROL Adjudication Joint Committee or its Executive Sub Committee for these to be written off. This report will include the cause of the bad debt and the recovery measures taken in accordance with the Debt Recovery Procedure.

6. Borrowing and Investments

- 6.1 The Joint Committee approves on an annual basis a Treasury Management Statement prepared by the Lead Authority.

7. Orders and Contracts

- 7.1 The Order Procedure includes the required procedures, recording keeping and procurement thresholds. These procurement threshold are set out below together with the responsibilities of the Head of Service and budget holders in procurement:

Up to £2,000, a written quotation submitted by a requisitioner and authorised by the Budget Holder.

Between 2,000 and £30,000 – three written quotations submitted by the Budget Holder

£30,000 to EU Threshold formal tender process to at least three candidates authorised by the Head of Service.

EU Threshold to £250,000 follow EU Tender Rules initiated by the Head of Service.

Only Budget holders and staff who have received training in the Order Procedure may order goods or services.

The Head of Service will ensure that staff involved in procurement are aware of the financial thresholds and the need for aggregation with single suppliers in respect of purchasing thresholds.

- 7.2 The Head of Service has the authority to waive these rules (excluding those falling within the EU threshold) where the interests of the PATROLAJC would best be served. Such circumstances would include where there is only one contractor that is able to provide the goods or service or where the need for such goods or services was urgent and the above procedure would be detrimental to the PATROLAJC. Forward planning and market testing will be deployed to ensure that cases of waiver are minimised. The Head of Service shall maintain a record of such decisions and report to the Joint Committee at the earliest opportunity.

8. VAT

- 8.1 The Head of Service will make arrangements for VAT to be reclaimed from the Joint Committee's Lead Authority on a quarterly basis.

9. Reserves

- 9.1 The Joint Committee shall approve a Reserves Policy Statement on an annual basis.

10. Assets

- 10.1 The Head of Service will ensure that all staff are aware of their responsibility for the security and proper recording of assets under their control including their personal responsibility with regard to the protection and confidentiality of information whether held in manual or computerized records in accordance with the Information Security Policy. All assets over £100 in value must be recorded in the Asset Registers in accordance with the Asset Management Policy. The Head of Service will also ensure that no PATROLAJC asset is subject to personal use by an employee without proper authorisation.

11.0 Insurance

- 11.1 The Head of Service shall in consultation with the Joint Committee's Treasurer, arrange such insurances as he/she considers necessary.
- 11.2 Officers shall give prompt notification to the Head of Service of all new risk or any alterations which may affect existing insurances.

- 11.3 Officers shall inform the Head of Service promptly in writing of any event which may involve the Joint Committee in a claim.

12. Risk

- 12.1 The Head of Service will present a Risk Register for review by the Joint Committee or its Executive Sub Committee at each meeting in accordance with the Risk Management Procedure. In addition, the Head of Service will ensure that effective Business Continuity Planning arrangements are in place.

13. Internal Audit

- 13.1 The Head of Service shall on an annual basis, so far as he/she considers necessary:
- a) Agree an audit plan with the internal auditors (currently the Lead Authority's Internal Audit Department)
 - b) Arrange for the internal audit of accounts and internal assurance framework of the Joint Committee and its officers in accordance with an agreed audit plan.
 - c) The Head of Service will ensure that Internal Auditors have right of access to such records and explanations as they require to complete work undertaken.

14. External Audit

- 14.1 The Joint Committee will be asked to approve the recommendation that the Auditors appointed by the Audit Commission to the Lead Authority also undertake the audit of the Joint Committee's annual accounts.
- 14.2 The Head of Service will make such arrangements as are necessary to facilitate this audit.
- 14.3 The Head of Service will ensure that External Auditors have right of access to such records and explanation as they require to complete work undertaken.

15. Petty Cash

- 15.1 The Head of Service shall make such arrangements as he/she considers necessary for defraying petty cash and other expenses by means of an imprest system in accordance with a procedure to be agreed by the Treasurer should a petty cash imprest system be introduced.

16. Gifts and Hospitality Register

- 16.1 The Head of Service will ensure that a register is held for the purposes of recording gifts and hospitality and that staff are made aware of its existence.

17. Declarations of Interest

- 17.1 All staff will be required to complete a Declaration of Interest form on an annual basis. Members at each meeting will be provided with the opportunity to declare a pecuniary or non-pecuniary interest.

18. Anti-fraud, anti-corruption and whistleblowing

- 18.1 Compliance with these financial regulations is supported by policies and procedures in respect of anti-fraud, anti-corruption and whistleblowing. Where staff have concerns in this respect, they should approach their Line Manager, The Head of Service or if they wish to speak to someone external to the organisation, they can contact the Audit Commission Whistleblowing Hotline on 0845 052 2646. The Head of Service will ensure that staff are aware of whom they can contact both within and external to the organisation in these circumstances.

19. Document Retention

- 19.1 All documents will be retained for a period of six years in accordance with the Document Retention Policy.

PATROLAJC Financial Regulations - Related Documentation

1. Financial Standing Orders and Rules of Financial Management contained within the PATROLAJC Agreement.
2. The Scheme of Delegation to the Head of Service.
3. The Statement of Responsibilities for the Statement of Accounts
3. Annual Governance Statement
4. Treasury Management Statement
5. Reserves Policy Statement
6. Responsibilities of the PATROLAJC and Terms of Reference for its Executive Sub Committees and the PATROLAJC Advisory Board
7. Financial Regulations – Operational Procedures Manual. This manual contains all policies, procedures and guidelines to staff referenced within these Regulations.

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