



Tay Road Bridge

TAY ROAD BRIDGE JOINT BOARD

Financial Regulations

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TAY ROAD BRIDGE JOINT BOARD

FINANCIAL REGULATIONS

March 2018

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FOREWORD

Tay Road Bridge Joint Board (the Board) has a commitment to demonstrate effective stewardship of public money and reassurance through transparent accounting practices and robust financial controls. The Financial Regulations form an integral part of the financial stewardship and corporate governance of the Board.

The main objectives of these Financial Regulations are to provide a formal document of the framework within which the Financial Administration of the Board is to be conducted and to outline the areas where financial controls should be operated. Balanced against these objectives, it is recognised that the Financial Regulations must be relevant to the needs of users and provide practical guidance.

The Financial Regulations have been written with the above in mind and are intended to provide information and guidance on the key areas of financial control which will assist both Board members and the Tay Road Bridge Joint Board staff and officials in carrying out their duties.

A brief summary of and hyperlinks to the associated codes, procedure manuals and documents is included at the end of this document.

1 INTRODUCTION

- 1.1 The Treasurer is appointed under Paragraph 5 of the Schedule to the Tay Road Bridge Order Confirmation Act 1991 and shall be responsible for the financial affairs of the Board.
- 1.2 The Treasurer shall determine the system of accounting control and form of accounts and supporting records and ensure that the accounts and records are kept up to date.
- 1.3 The Treasurer shall report to the Board with respect to the level of financial resources proposed to be utilised in each financial year by the Board and shall keep it informed as to the detailed administration and application of such resources.
- 1.4 The Treasurer shall be entitled to report upon financial implications of any matter coming before the Board. To allow the Treasurer to fulfill their obligation, the Bridge Manager, Clerk, Engineer and any other staff of the Board, will consult with the Treasurer on all matters with a potential financial implication which are likely to result in a report to the Board.
- 1.5 The Board shall at all times endeavour to secure the best value for the money it spends and encourage the use of the best management techniques.
- 1.6 The Board, the Bridge Board Officers and the Bridge Staff shall observe the Board's Financial Regulations in relation to expenditure, income, assets, etc. falling within their sphere of responsibility. Each member of the Board and every member of staff of the Bridge shall have a responsibility to bring immediately to the notice of the Treasurer any suspected irregularity in regard to cash, stores, assets, other property or contract of the Board or any other related matter concerning the contravention of the Board's Financial Regulations.
- 1.7 The Financial Regulations may be altered or revoked by the Board at any ordinary meeting provided such proposals are supported by a majority of the Board present and voting.
- 1.8 Although the Bridge Manager, Engineer and Treasurer are ultimately responsible for ensuring that their duties laid down in the Financial Regulations are fulfilled, in practice, it is acknowledged that some of the duties will be delegated to be undertaken by members of their respective staff within Dundee City Council and the Bridge Board.
- 1.9 The Treasurer is responsible for ensuring that financial systems exist to ensure proper financial control is exercised. The Treasurer is also responsible for ensuring that financial management systems exist to enable other Bridge Board officers to make informed financial decisions, and take corrective action to deal with under or overspending, in order to achieve value for money and best value.

2 REVENUE BUDGET

- 2.1 The detailed form of the Revenue Budget shall be determined by the Treasurer in accordance with the general directions of the Board.
- 2.2 The Bridge Manager shall prepare a three yearly Revenue Budget of income and expenditure and shall provide the Treasurer with all necessary information regarding requirements on a timeous basis.
- 2.3 Decisions relating to the Revenue Budget shall be taken by the Board. The Treasurer shall submit the draft Revenue Budget to the Board for detailed

consideration in light of any relevant decisions of the Board.

- 2.4 All reports which have revenue expenditure implications must be discussed with the Treasurer prior to submission to the Board. Any observations on such reports by the Treasurer shall be incorporated into the report.

3 CAPITAL BUDGET

- 3.1 The detailed form of the Capital Budget shall be determined by the Treasurer in accordance with the general directions of the Board.

- 3.2 The Bridge Manager and the Engineer shall jointly prepare long-term Capital Plans and a medium-term three yearly Capital Budget of expenditure and shall provide the Treasurer with all necessary information regarding requirements on a timeous basis. This will include information on how the Capital Budget will be financed from either:-

- Grant funding;
- Borrowing;
- Capital receipts; or
- Combination of any of the above.

- 3.3 The Treasurer shall submit the draft medium-term Capital Budget to the Board which will detail the Bridge Board's proposed capital programme and how it is to be financed.

- 3.4 The Bridge Manager and the Engineer shall not incur Capital expenditure which has not been included in the Capital Budget, without prior approval from the Treasurer. All reports seeking approval for capital expenditure must be discussed with the Treasurer prior to submission to the Board.

- 3.5 No tender will be invited for an individual project estimated to cost over £50,000 unless and until the project has been subject to a report to the Board. The report will include a financial appraisal of all additional revenue and capital costs and any resultant savings.

- 3.6 No capital expenditure shall be incurred until any consents required by statute or by statutory orders or instruments have been obtained or regulations prescribed by the Scottish Government.

- 3.7 The Bridge Manager and the Engineer are authorised, in emergency situations, subject to advising the Chairperson and Vice Chair, consulting with the Treasurer and Engineer and reporting to the Board as soon as possible thereafter, to order works in relation to the operation and maintenance of the bridge up to the value of £50,000.

4 EXPENDITURE MONITORING

- 4.1 The primary responsibility for detailed monitoring and control of the Board's revenue and capital expenditure lies with the Bridge Manager.

- 4.2 Revenue and Capital expenditure shall be restricted to that included in the appropriate Budget, unless proposals for additional expenditure have been approved by the Board.

- 4.3 The Treasurer shall furnish the Bridge Manager and the Engineer with periodical statements of income, expenditure and commitments under each approved budget head and such other relevant information as they require. It will however, be the

responsibility of the Bridge Manager to ensure that they have all the relevant financial information to control the actual expenditure and income against the relevant budget.

- 4.4 The Treasurer has a responsibility to ensure that revenue and capital monitoring by the Bridge Manager and Engineer is carried out and that relevant financial information is provided in a format and within a timetable suitable to allow such monitoring.
- 4.5 The Treasurer shall report periodically to the Board on its actual and projected revenue and capital expenditure and income for each financial year, vis-à-vis projected outturns.

5 VIREMENT

- 5.1 Virement may be employed as a means of funding desirable or essential expenditure through identified budget underspendings. Virements may only be applied in respect of material values and subject to the agreement of the Treasurer. It should be noted, however, that no virement proposals should be used to finance a change to existing Board policy without the agreement of the Board. Virement proposals should not add to the permanent staffing establishment of the Bridge Board without the agreement of the Board. No Revenue Budget virement proposals may be made for Capital Funded from Current Revenue (CFCR) or Capital Budget (subject to paragraph 4.2).
- 5.2 The Bridge Manager may vire revenue and capital funds below £10,000 without seeking the prior approval of the Board, but after consulting with the Treasurer. The effect of any such virements will be reflected in the Monitoring report to the following Board meeting.
- 5.3 Virements above £10,000 must be approved by the Board.
- 5.4 All virement proposals should be notified to the Treasurer, who will monitor the overall use of virement and its effect on Budget performance.
- 5.5 The Bridge Manager shall consider the implications on future years' budgets when proposing to vire funds to finance expenditure which have ongoing revenue implications.

6 REVENUE FINANCING

- 6.1 Under Section 70 of the Transport (Scotland) Act 2001, Scottish Ministers offer annual Grant-in-Aid in order to fund and support delivery of the Bridge Board's core operating costs and additional revenue expenditure programme. The Treasurer shall ensure that relevant financial information is provided in a format and within a timetable suitable to inform Ministers' decisions.

7 CAPITAL FINANCING

- 7.1 Under Section 70 of the Transport (Scotland) Act 2001, Scottish Ministers offer annual Grant-in-Aid in order to fund and support delivery of the Bridge Board's capital programme. The Treasurer shall ensure that relevant financial information is provided in a format and within a timetable suitable to inform Ministers' decisions. The Treasurer shall submit to Transport Scotland information relating to Capital projects explaining:
 - the purpose of and reasons for the timing of individual projects.
 - the effects and risks of not receiving the funding for specific projects.

- the minimum funding that is required to fulfill the statutory duty of ensuring the bridge is operated safely, effectively, and cost efficiently.
 - the outcomes that will be achieved as a result of the specific capital spend.
 - the potential to re-profile expenditure over a longer period or defer some projects.
- 7.2 If necessary, the Treasurer will also borrow sufficient funds to meet the approved capital expenditure, and will ensure that the amounts borrowed are written off over the useful life of the assets. The Treasurer will maintain, for audit purposes, appropriate records showing the amount borrowed and the amount repaid each financial year.
- 7.3 The Code of Practice on Local Authority Accounting in Great Britain requires the Board to adopt a system of accounting for capital assets. The arrangements will be based upon generally accepted accounting practice and practicality.

8 ACCOUNTING

- 8.1 Under Section 12 of the Local Government in Scotland Act 2003, the Board has a statutory duty to observe proper accounting practice. All accounting procedures and records of the Bridge Board shall be determined by the Treasurer and all accounts and accounting records of the Board shall be compiled by the Treasurer or under their direction.
- 8.2 The following principles should be observed in the allocation of accounting duties:-
- a Duties of providing information regarding sums due to or from the Board and of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting or disbursing them.
 - b Officers charged with the duties of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.
- 8.3 The Board is required to prepare Annual Accounts by the Local Authority Accounts (Scotland) Regulations 2014. The Treasurer shall be responsible for the compilation of an abstract of accounts in accordance with the requirements of the CIPFA/LAA(S)AC Code of Practice on Local Authority Accounting in Great Britain. The Treasurer shall submit to the Board and to the Controller of Audit, not later than the 30 June of each year, copies of an Abstract of Accounts for the previous financial year. The audited copy of the abstract, together with the audit report, shall be laid before a meeting of the Board not later than three months after receipt of the audit certificate.

9 INTERNAL AUDIT

- 9.1 Internal Audit is an assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation's objectives. The control environment comprises the systems of governance, risk management and internal control. The remit of the service is to objectively examine, evaluate and report on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources throughout the Board's activities. The continuous internal audit under the independent control and direction of the Treasurer shall be arranged to carry out an examination of accounting and financial operations of the Board.

- 9.2 The existence of Internal Audit does not diminish the responsibility of management to establish the extent of internal control in the Bridge Board's systems and management should not depend on Internal Audit as a substitute for effective controls.
- 9.3 Given that the scope of Internal Audit work covers the Board's entire control environment, Internal Audit is required to have unrestricted access to all records, assets, personnel and premises and the authority to obtain such information and explanations it considers necessary to discharge its responsibilities.
- 9.4 The primary purpose of Internal Audit reporting is to communicate to management and Board Members information that provides an independent and objective opinion on the control environment and risk exposure and to prompt management to implement the agreed actions. The key stages within the reporting cycle are summarised below:-
- All draft Internal Audit reports shall be submitted to the Bridge Manager in order to provide formal management responses to points arising. A copy of the draft report will also be circulated for information to the Treasurer and any other party as deemed appropriate.
 - All finalised Internal Audit reports which incorporate the management response to the points arising will be issued to the Bridge Manager who has responsibility for ensuring the action plan is implemented within the agreed time frame. A copy of the finalised report will also be issued for information to the Treasurer, the Board's External Auditor and any other relevant party.
 - All reports from either the Internal Auditor or External Auditor shall be submitted to the Bridge Board for its consideration.
- 9.5 The Treasurer or any member of their staff shall have access at all times to the books, accounts, invoices and other documents and records relating to the income and expenditure of the Board and shall be entitled to call for such explanations and background reports as deemed necessary. This level of access will also be made available to the Board's Internal Audit provider.
- 9.6 The Board's Fraud Guidelines detail the approach and procedures in relation to the investigation of fraudulent activities. A summary of the key points within the Fraud Guidelines are provided below:-
- Managing the risk of fraud, corruption and bribery is the responsibility of management. It is therefore a management responsibility to maintain the internal control system and to ensure that the Board's resources are properly applied in a manner and on the activities intended. This includes the responsibility for the prevention and detection of fraud.
 - There is a requirement for management and employees to report all cases of suspected fraud, corruption and bribery to Internal Audit, who has a duty to record, monitor and formally report on such matters to the Board's External Auditor.
 - As the nature and complexity of fraudulent activities varies considerably, the approach to an investigation will be decided on a case by case basis. The Bridge Manager, Treasurer, Clerk to the Board, Human Resources and the police may be consulted, as deemed appropriate, as to the approach to be adopted.

- It is the responsibility of the Bridge Manager to ensure that the Treasurer and Human Resources are advised of any irregularities.
- It is the responsibility of Internal Audit to advise the Bridge Manager and the Treasurer of any suspected irregularities and provide updates during the investigation as deemed appropriate.

10 BANKING ARRANGEMENTS AND CONTROL OF FINANCIAL TRANSACTIONS

- 10.1 All arrangements with the Board's bankers shall be made by the Treasurer who shall operate such banking accounts as the Treasurer may consider necessary. The daily management and operation of accounts shall be the responsibility of the Treasurer.
- 10.2 The Treasurer shall be responsible for arranging any payments through the Bankers Automated Clearing System (BACS) and shall ensure that proper security control procedures are affected and reviewed.
- 10.3 Cheques on the Board's banking accounts shall be of the facsimile signature of the Treasurer or other authorised signatories approved by the Treasurer.
- 10.4 All cheques shall be ordered only on the authority of the Treasurer who shall make proper arrangements for their safe custody.

11 ORDERS FOR WORKS, GOODS AND SERVICES

- 11.1 The Bridge Manager shall be responsible for all orders issued by the Bridge Board and for ensuring that the cost is allocated to an appropriate budget head and covered within the approved estimates.
- 11.2 Official orders shall be in a form approved by the Treasurer. Orders shall be approved only by officers authorised by the Bridge Manager. Electronically submitted orders shall be issued only by officers authorised by the Bridge Manager. The Bridge Manager shall be responsible for any official orders issued. The number of officers so authorised shall be determined, in agreement, with the Treasurer. A register of authorised signatories should be maintained by the Bridge Manager.
- 11.3 Official orders shall be issued for all work, goods or services to be supplied to the Bridge Board except for supplies of public utility services, for periodical payments such as rent and rates, for petty cash purposes or such other exceptions as the Treasurer may approve.
- 11.4 The procedures for obtaining competitive tenders and Board approvals for all supplies and works as detailed in the Board's Tendering Procedures should be followed at all times.
- 11.5 The procedures for managing Contracts and other agreements as detailed in the Board's Contract Management Procedures should be followed at all times.
- 11.6 Guidance issued by the Treasurer under Efficient Government on how Board Officers order and procure goods and services including e-procurement must be adhered to.
- 11.7 Orders and payments by credit card shall be processed in accordance with procedures issued by the Treasurer.

12 PAYMENT OF ACCOUNTS

- 12.1 The Bridge Manager is responsible for ensuring satisfactory systems are in place for the examination, verification and certification of invoices and similarly for any other payment vouchers, documents or accounts arising from sources within their service.
- 12.2 Where possible, arrangements should be made by the Bridge Manager for the separation of the authorisation of orders as distinct from goods received notes or any other process which involves the certification of invoices. Variations to these arrangements are subject to the approval of the Treasurer. Each goods received note or electronic version should be approved by the appropriate receiving officer and should be authorised by the appropriate authorised signatory. The authorised signatory shall always be different from the receiving officer.
- 12.3 Before certifying invoices, payment vouchers, goods received notes, documents or accounts the certifying officer shall satisfy himself/herself with regard to:-
- a the receipt of goods being in accordance with the order.
 - b the correctness of prices, discounts and arithmetic.
 - c non-duplication of payment.
 - d expenditure being within the Budget Estimates.
 - e allocation to the appropriate expenditure head.
 - f appropriate entries having been made in inventories, stock records etc as required.
 - g work having been carried out to a satisfactory level.
- 12.4 The payment of all certified invoices, etc. shall be made by the Treasurer, under arrangements approved and controlled by them.
- 12.5 Payment should not be made on duplicate invoices, statements or photocopy invoices unless the Bridge Manager, in consultation with the Treasurer, certifies in writing that the amount in question has not been previously paid.
- 12.6 The Bridge Manager shall, as soon as possible after 31 March, and not later than a date intimated by the Treasurer in each financial year, notify the Treasurer of all outstanding expenditure relating to the previous financial year.

13 PAYROLL ADMINISTRATION

- 13.1 The payment of all salaries, wages, pensions, compensation and other emoluments to all employees or former employees of the Board shall be made by the Treasurer or under arrangements approved and controlled by them.
- 13.2 The Bridge Manager shall ensure records are kept of all matters affecting the payment for such emoluments and in particular:-
- a appointments, promotions, resignations, dismissals, suspensions, secondments and transfers.
 - b absences from duty for sickness, holidays or other reasons.
 - c changes in remuneration, other than normal increments and pay awards and agreements of general application.
 - d information necessary to maintain records of service for pension, income tax, national insurance, etc.
- 13.3 All time records or other pay documents shall be in a form prescribed or approved

by the Bridge Manager. A record of the names of officers authorised to sign such records should be maintained, together with specimen signatures and shall be amended on the occasion of any change.

- 13.4 The Treasurer will, through the payroll system, provide such management information as they or the Bridge Manager decide is necessary for the achievement of best value.

14 **INCOME**

- 14.1 It shall be the duty of the Treasurer to make adequate financial and accounting arrangements to ensure the proper recording of all monies due to the Board and for the proper collection, custody, control and banking of all cash for the Bridge.
- 14.2 Invoices shall be raised at the time of the provision of goods or services or as soon as possible thereafter. Particulars of all charges to be made for work done or services rendered or for goods supplied by the Board and of all amounts due to the Board shall be promptly notified to the Treasurer and all accounts due to the Board shall be recorded by or under arrangements approved by the Treasurer.
- 14.3 All receipts, forms, books, tickets and other such items used to record financial and related transactions shall be in a form approved by the Treasurer who shall satisfy himself as to the arrangements for ordering, supply and control. It will be a requirement that all such records, forms, etc. aforementioned shall be retained by the board for a period stipulated by the Treasurer.
- 14.4 All monies received on behalf of the Board shall be deposited promptly with the Treasurer or the Board's bankers in accordance with the arrangements made by the Treasurer. No deduction may be made from such money except to the extent that the Treasurer may specifically authorise.
- 14.5 Personal cheques shall not be cashed out of money held on behalf of the Board, nor shall personal cheques be substituted for cash collected on behalf of the Board.
- 14.6 All transfers of money from one member of staff to another will be evidenced in the records of the Board by the signature of the receiving officer.

15 **INSURANCE & RISK MANAGEMENT**

- 15.1 The Bridge Manager, in conjunction with the Treasurer, will ensure that the risks faced by the Board are identified and quantified and that effective measures are taken to reduce, eliminate or insure against them.
- 15.2 The Treasurer, shall effect insurance cover and negotiate all claims as necessary.
- 15.3 The Bridge Manager is responsible for ensuring that there are adequate systems for the:-
- a prompt notification to the Treasurer of potential liabilities, property or vehicles which require to be insured or affect existing insurance arrangements.
 - b prompt notification to the Treasurer of all incidents of loss, damage or injury which may give rise to a claim by or against the Board.
 - c prompt notification to the Treasurer of all disposals of insured assets.
- 15.4 All relevant officers or employees shall be included under the Board's Fidelity Guarantee Insurance as determined by the Bridge Manager in consultation with the

Treasurer.

- 15.5 The Treasurer, in conjunction with the Bridge Manager, shall annually or as necessary review all insurances and report to the Board accordingly.
- 15.6 The Bridge Manager is responsible for ensuring that there is a Strategic Risk Management Plan and Strategic Risk Register in place which demonstrates the Board's approach to managing strategic risk and that this is reviewed and reported to the Board annually or at other appropriate times e.g. in light of major organisational or legislative changes.
- 15.7 The Bridge Manager is responsible for ensuring that there is a Business Continuity Plan in place which demonstrates the Board's approach to managing operational risk and that this is reviewed and reported to the Board annually or at other appropriate times e.g. in light of major organisational or legislative changes.

16 **STORES AND INVENTORIES**

- 16.1 The safe custody of stores and equipment shall be the responsibility of the Bridge Manager who will be required to make a return of all stocks and stores to the Treasurer at the end of each financial year or as requested.
- 16.2 The Bridge Manager shall ensure that asset inventories are maintained and updated timeously with additions and disposals, and shall be submitted to the Treasurer when requested.
- 16.3 The Bridge Manager shall be responsible for maintaining an efficient system of stores accounting including stock control. Stores accounting systems must be approved by the Treasurer. Any alterations to such systems shall be submitted to the Treasurer for approval.
- 16.4 Stock reconciliation will be carried out on a continuous basis by the Bridge Board staff, and a full stock take done at the request of the Treasurer.
- 16.5 The Board's stores and inventories shall not be removed otherwise than in accordance with the ordinary course of the Board's business or used otherwise than for the Board's purposes except in accordance with specific formal directions issued by the Bridge Manager.
- 16.6 Stores and inventories shall not be carried in excess of reasonable requirements.
- 16.7 No adjustment in respect of stores and inventories shall be made to write off deficiencies or bring surpluses into account unless authorised by the Treasurer.
- 16.8 All surplus plant, vehicles, equipment, tools, furnishings, materials, or commodities in excess of £1,000 in value to be disposed of by the Board shall be advertised for sale either by the invitation of sale offers or by public auction unless in special circumstances of which the Board shall be the sole judge it is otherwise decided.

17 **SECURITY**

- 17.1 The Bridge Manager is responsible for maintaining proper security at all times for all buildings, stock, stores, furniture, equipment, cash, records etc. under their control. The Bridge Manager shall consult with the Treasurer in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

- 17.2 Maximum limits for cash holding shall be agreed with the Treasurer and shall not be exceeded without their express permission.
- 17.3 Keys to safes and similar containers are the responsibility of the key holder who shall make suitable arrangements for the security at all times. The loss of any such keys must be reported to the Bridge Manager immediately. For insurance purposes, keys should be removed from the premises overnight.
- 17.4 The Bridge Manager shall be responsible for ensuring proper security and confidentiality on information held in computer installations and in the use to which such information may be put. The Clerk shall make such arrangements as may be required to ensure confidentiality of information under the terms of the Data Protection Act.

18 IMPREST ACCOUNTS

- 18.1 The Treasurer shall provide appropriate imprest advances and determine accounting periods in connection with the payment of expenses and petty outlays chargeable to the Board.
- 18.2 Payments from imprest accounts shall only be made for minor items of expenditure and shall be supported by VAT receipts. The maximum limit for any one payment will be as determined by the Treasurer.
- 18.3 The Bridge Manager shall ensure adequate arrangements are in place for the security and correct operation of imprest accounts and shall, upon request, provide the Treasurer with a certificate of imprest held.
- 18.4 The recipient of any advance of petty cash or imprest shall account for this money to the Treasurer when required and shall repay the money on leaving the Board's employment or when required by the Treasurer.

19 STAFF TRAVELLING, SUBSISTENCE AND FINANCIAL LOSS ALLOWANCES

- 19.1 The Bridge Manager shall establish arrangements to ensure the proper timeous payments of claims for travelling and subsistence allowances necessarily incurred in the carrying out of duties on behalf of the Board.
- 19.2 All claims for payments of car allowances, subsistence allowances, travelling and incidental expenses shall be submitted to the Bridge Manager, duly certified on an approved form to them at such regular intervals as are agreed. A record of the names of officers authorised to sign such records should be maintained, together with specimen signatures and shall be amended on the occasion of any change. The number of officers so authorised shall be determined in agreement with the Treasurer.
- 19.3 The certification by or on behalf of the Bridge Manager shall be taken to mean that the certifying officer is satisfied that the journeys were properly authorised, the expense properly and necessarily incurred and that the allowances are properly payable to the Board.
- 19.4 Employee's claims submitted more than two months after the expenses were incurred will not be paid unless the Bridge Manager is satisfied that a legitimate reason for the delay is provided.

20 OFFER OF GIFTS, GRATUITIES AND HOSPITALITY

- 20.1 Members and employees should comply with the provisions of their respective Codes of Conduct when offered gifts, gratuities and hospitality.
- 20.2 Members and employees should only accept gifts or hospitalities where the acceptance of such is at a level and amount which is deemed to be reasonable. In the event that doubt should exist over the appropriateness of any gift, hospitality, fee or commission, they should seek advice from the Clerk to the Board.
- 20.3 Significant gifts (which for indicative purposes should be considered to be gifts of a value of more than £50) should be recorded in the register kept for that purpose by the Clerk to the Board.
- 20.4 Excessive hospitality from businesses or organisations (irrespective of whether the Board does or does not do business with them), shall be viewed as unacceptable and leave the member, officer or employee open to disciplinary action.
- 20.5 No persons employed by the Board shall be entitled to retain any fee, commission or other payment collected or received under colour of his or her office of employment except with the consent of the Clerk and Treasurer. Any employee who receives a fee, commission or other payment from a party who is or may expect to be under contract to the Board for the provision of any works goods or services, shall be liable to summary dismissal.

21 MEMBERS' ALLOWANCES AND EXPENSES

- 21.1 The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 set out the remuneration arrangements for Councillors. The Regulations make specific arrangements in respect of the Chair and Vice-Chair of Joint Boards.
- 21.2 Payment to Members in respect of expenses incurred in respect of duties undertaken on behalf of the Board shall be met by the Council to which that Board Member belongs.

22 TREASURY MANAGEMENT

- 22.1 The Treasurer shall establish the arrangements for Treasury Management and shall observe the guidance laid down in the CIPFA Treasury Management Code of Practice.

23 PENSION FUND

- 23.1 Tay Road Bridge Joint Board is a scheduled body of the Tayside Pension Fund. All employees are entitled to join and contribute to the Fund which is administered by Dundee City Council.

24 RESERVES AND BALANCES

- 24.1 The Treasurer shall ensure all reserves are operated in accordance with the guidance laid down in CIPFA Guidance on Local Authority Reserves and Balances. The Treasurer shall also ensure that any specific reserves are operated in accordance with the relevant legislation and for the specific intended purpose.

- 24.2 Any new expenditure proposals that require the use of any of the Board's reserves shall be subject to the prior approval of the Board and shall be clearly identified in the Financial Implications section of the specific Board report.
- 24.3 In the Annual Revenue Budget report that is considered by the Board, the Treasurer shall include:-
- a note highlighting the estimated opening and closing General Reserve balances for the financial year ahead.
 - a note advising as to the adequacy of the General Reserve balances over the budget period(s) under consideration after taking into account the strategic, operational and financial risks facing the Board.
 - a note reporting on the annual review of any earmarked reserves.
- 24.4 The Treasurer shall ensure that the position on the General Reserve shall be subject to continuous monitoring by the Treasurer and shall be included in the quarterly Revenue Monitoring reports to the Board.
- 24.5 The Treasurer shall include a statement showing the movement's in the Board's reserves in the Annual Statement of Accounts.

25 **REVISION OF FINANCIAL REGULATIONS**

- 25.1 The foregoing Financial Regulations may be altered or revoked by the Board, if the motion for alteration or revocation is supported by a majority of the board members present and voting.
- 25.2 The Financial Regulations should be reviewed regularly and updated as appropriate to reflect major changes in legislation or working practices.

ASSOCIATED CODES, PROCEDURE MANUALS AND DOCUMENTS

All policies and publications in respect of Tay Road Bridge Joint Board can be found on the Board Documents page on the Board's website: <http://www.tayroadbridge.co.uk/board-business/board-documents>

The following is a list of codes of practice, procedure manuals and other documents that form an integral part of the Financial Regulations.

Standing Orders

This document supports the Financial Regulations.

Scheme of Delegated Powers

The Clerk is responsible for maintenance of this document.

Tender Procedures

The Clerk is responsible for maintenance of this document.

Fraud Guidelines

This document, produced by the Treasurer, sets out the Board's policy on the prevention, detection and investigation of fraud, bribery and corruption.

The Board recognises its responsibilities under the Bribery Act 2010. The Board is an employer and a provider or procurer of works, goods and services, and as such it will not tolerate any contravention of the Act. The Board will not employ individuals, nor conduct business with any individual or third party which does not abide by the terms of the Act.

Strategic Risk Management

The Board has a developed Risk Management Policy. This states that "Tay Road Bridge Joint Board is dedicated to the management of risk in order to:-

- Minimise loss, damage or injury to Board employees or members of the public
- Protect Board assets and property
- Preserve and enhance the management and operation of the Board
- Maintain effective stewardship of public funds
- Promote a favourable corporate image"

The main priorities within this policy are the identification, evaluation and control of risks which threaten the Board's ability to deliver services to the public. The Board has a high level Business Continuity Plan which sets out the arrangements by which the Board aims to continue to deliver its critical services in the event of an emergency event. Critical services are identified through a process of identification and analysis contained within risk registers.

Resources aimed at improving internal control within the Board are allocated according to priorities determined by the Annual Audit Plan, reflecting the changing risks and priorities of the Board.

The Board's Annual Accounts now include a corporate governance statement.

The Risk Management Policy and Strategy contain the procedures to be adopted to ensure risk is properly identified and appropriate mitigating control actions are put into place.

Corporate Governance

Includes the Annual Governance Statement and the Local Code of Corporate Governance.

Tay Road Bridge Joint Board strives to meet the highest standards of corporate governance to help ensure that it meets its objectives. The Board is determined to ensure that it delivers the best possible services to bridge users.

The Board is committed to effective decision-making that is transparent and open to genuine scrutiny. It therefore provides on its website minutes and reports from Board meetings as well as policy and procedure documents.

Definition

Corporate governance is the system by which the Board directs and controls its functions and relates to bridge users and the community. A Corporate Governance Assurance Statement is included in the Board's Annual Report and Accounts each year. The Bridge members, officers and employees shall ensure that the Board has sound Corporate Governance arrangements in place. The Board officers provide a return each year setting out adherence to these requirements.

The Code

The Local Code of Corporate Governance for the Council consists of seven main elements:-

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.
- Defining outcomes in terms of sustainable economic, social and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

Members Code of Conduct

Though not specifically finance, the Board expects all Members to adhere to the relevant codes of conduct.

Information Security

The Board has an Information and Communication Technology Security and Safe Use Policy. The aim is to ensure that everyone is aware that the information we use as part of our day-to-day work should be protected, held securely and handled with care.

The Board has the following policy and procedures in place:

- Data Protection Policy
- Freedom of Information Policy
- CCTV Procedures
- Communications Strategy.

Asset Management Plan and Asset Management Lifecycle Plan

These documents sets out the procedures and programmes by which the Board intends to prioritise maintenance and manage its assets. They highlight that there is a structured approach to the inspection and maintenance regime.

Complaints Procedure

The Board is committed to providing a high quality customer service and has published a Complaints Procedure in order to help improve the Board's service procedures.

Annual Accounts

The Board prepares annual accounts in accordance with CIPFA's Code of Practice on Local Authority Accounting in the UK. These are reported to the Joint Board.

Confirmation Acts

The Board was established by the Tay Road Bridge Order Confirmation Act 1962 to construct and maintain the Tay Road Bridge. This Order was superseded by the Tay Road Bridge Order Confirmation Act 1991 ("the 1991 Act"). The Board's business model has been set up to meet the requirements of the 1991 Act.

The Acts of Parliament provide for the establishment and constitution of the Joint Board, the appointment of officers, provisions relating to authorised works to maintain, repair and improve the bridge and its surrounds, establishing financial requirements and duties, conveying to the Board the power to make byelaws, provisions as to meetings and proceedings, etc.