

BUS LANE ADJUDICATION JOINT COMMITTEE

Agenda

Date: Tuesday 12th July 2022
Time: 11:30am or the rise of the PATROL Adjudication Joint Committee Meeting
Venue: Park Plaza County Hall, London

1. Appointment of Chair

To appoint a Chair until the next meeting of the Joint Committee.

2. Appointment of Vice Chair

To appoint a Vice Chair until the next meeting of the Joint Committee.

3. Apologies for Absence

To receive apologies for absence.

4. Declarations of Interest

To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests and for Members to declare if they have pre-determined any item on the agenda.

5. Minutes of the meeting held 13th July 2021

To approve the minutes of the Bus Lane Adjudication Service Joint Committee held 13th July 2021 (enclosed).

6. Chair's Update (Verbal)

To provide the Joint Committee with a general update since the last meeting.

7. Chief Adjudicator's Update (verbal)

To receive an update from the Chief Adjudicator in relation to Appendix 1.

8. Draft Annual Return 2021/2022

To approve the draft annual return and note supporting documentation (enclosed)

Items common to PATROL and Bus Lane Adjudication Service Joint Committees

9. (11) Establishment of Executive Sub Committees

To establish Executive Sub Committees and appoint members for the period until the annual meeting of the Joint Committee in July 2023 and approve the associated expenses guidelines (enclosed).

10. (12) Report of the PATROL and BLASJC Resources Working Group

To report on the PATROL and BLASJC Resources Working Group which met on 16th December 2021 and 26th May 2022 and to approve the Terms of Reference (enclosed).

11. (13) Review of Financial Documentation

To approve or note governance matters and documentation (enclosed)

- a. Financial Regulations 2022/2023
- b. Scheme of Financial Delegation 2022/2023
- c. Staff Expenses Policies 2022/2023
- d. Members Expenses Policy 2022/2023
- e. Hospitality Expense Guidelines 2022/2023

12. (14) Review of Governance Documentation

To approve governance matters and documentation (enclosed)

- a. MOU Delegations to the Chief Adjudicator
- b. Delegations to the Director
- c. MOU Approved 2021
- d. Risk Register and Risk Management Strategy

13. (15) Appointments to the Advisory Board

To approve appointments to the Advisory Board for the period until the annual meeting of the Joint Committee in July 2022 (enclosed).

14. Date of next meeting

Appendices

1. General Progress Report

General information in respect of appeals activity and tribunal initiatives during 2021/2022

2. Wales Report

Update of enforcement and schemes in Wales

3. Public Affairs Report

Update on current and public affairs activity

AGENDA ISSUED 5th July 2022

Item 5

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Bus Lane Adjudication Service Joint Committee**

held on 13 July 2021 at The Bishop Partridge Hall, Church House, Dean's Yard, London
SW1P 3NZ

Due to the PATROL Adjudication Joint Committee meeting being inquorate the Bus Lane Adjudication Service Joint Committee meeting took place at 11am.

Councillors present:

Councillor Tony Page (Reading Borough Council) in the Chair
Calderdale MBC - Cllr Colin Hutchinson
Cheshire East Council - Cllr Laura Crane
Hampshire CC - Cllr Graham Burgess
Somerset CC - Cllr John Woodman
Tameside MBC - Cllr Peter Robinson

Officers present:

Laura Padden - Director of PATROL
Caroline Sheppard, OBE - Traffic Penalty Tribunal
Sarah Baxter - Cheshire East Council
Iain Worrall - Traffic Penalty Tribunal
Jo Abbot - Advisory Board
Patrick Duckworth - PATROL
Andy Diamond - PATROL

1. Appointment of Chair and Vice Chair

Consideration was given to the appointment of the Chairman and Vice-Chairman, Assistant Vice-Chairman until the next meeting of the Joint Committee.

RESOLVED

That Councillor Tony Page (Reading Borough Council) be appointed Chairman for the meeting and Councillor Graham Burgess (Hampshire County Council) be appointed Vice-Chairman.

2. Apologies for Absence

Apologies for absence were reported as follows:-

Councillor Manda Rigby – BATHNES, Councillor Phil Davis - Birmingham City Council, Councillor Carol Thirkill - Bradford City Council, Councillor Tim Rippington - Bristol City Council, Councillor Alan Quinn – Bury Metropolitan Borough Council, Councillor Mac McGuire - Cambridgeshire County Council, Councillor Patricia Hetherington - Coventry City Council, Councillor John McElroy - Gateshead Council, Councillor David Norman - Gloucestershire County Council, Councillor Phil Bibby - Hertfordshire County Council, Councillor Naheed - Mather Kirklees Metropolitan Borough Council, Councillor Paul Davies - Kirklees Metropolitan Borough Council, Councillor Helen Kilroy - Kirklees Metropolitan Borough Council, Councillor Carl Johnson - North Tyneside Council, Councillor Rosemary Healy - Nottingham City Council, Councillor Adele Williams - Nottingham City Council, Councillor John Cottee - Notts County Council, Councillor Peter Davis - Oldham Metropolitan Borough Council, Councillor Rob Anderson - Slough Borough Council, Councillor Jacqui Rayment Southampton County Council, Councillor James Smith - Stoke City Council

3. Declarations of Interest

There were no declarations of interest.

4. Minutes of the meeting held 16 July 2019

RESOLVED

That the minutes of the meeting held on 16 July 2019 be approved as a correct record.

5. Minutes of the meeting held 28 July 2020

RESOLVED

That the minutes of the PATROL Adjudication and Bus Lane Adjudication Service Joint Committees' Resources Sub-Committee held on 28 July 2020 be noted.

6. Minutes of the meeting held 26 January 2021

RESOLVED

That the minutes of the and Bus Lane Adjudication Service Joint Committees Executive Sub-Committee held on 26 January 2021 be noted.

7. Chair's Update

The Chair thanked those who had attended the meeting in person and welcomed all new Members as well as officers for the first physical meeting in over a year.

Further to this he introduced Laura Padden, the new Director of PATROL, who had previously been the Head of Support Services at London Tribunals.

He reiterated that 2020/2021 had brought unprecedented challenges for the BLASJC and Traffic Penalty Tribunal due to the coronavirus pandemic. From facing a huge drop in the issuance of penalty charge notices, to having to halt all appeals activity in March 2020, to a shift to homeworking for staff. He gave credit to all involved for their tenacity and a ringing endorsement for the flexibility of the Tribunal's online appeal system and 'digital first' approach. The latest information from local authorities showed that enforcement rates were now starting to return to pre-pandemic levels.

Members and Officers had also been kept abreast of matters of interest through regular bulletins and regional local authority workshops organised by PATROL.

Of significance in June this year, Baroness Vere, Parliamentary Under Secretary of State at the Department for Transport – whose portfolio includes roads and buses – gave a keynote address at the Traffex Digital industry event, where she confirmed that the Government would grant moving traffic powers to authorities in England (outside London) from December this year. This would be achieved through the full implementation of the Part 6 powers of the *Traffic Management Act 2004* ("TMA").

It was hoped, however, that authorities already enforcing bus lane restrictions should not have to reapply to introduce moving traffic restrictions. He informed Members that he would shortly be making contact with the Minister to consider fast-tracking existing bus lane authorities for the new powers to ease the administrative burden, both for them and her Department. It was agreed that a copy of his letter would be circulated to all Members for their information.

Furthermore he would be raising the prospect of bus lane enforcement being brought under the TMA (currently enforcement fell under the *Transport Act 2000*) as part of the Department's work. Aligning the enforcement and appeals process of these restrictions under the single banner of the TMA, together with parking and moving traffic, could only be of benefit and would provide clarity to the authorities and motoring public, as well as bringing significant efficiency savings by dispensing with the need for two separate joint committees.

Baroness Vere was spearheading the Government's new national strategy for reforming bus services, *Bus Back Better*, which anticipated the use of more bus lanes and gates by English authorities, therefore he hoped the issues he would be raising was of timely and particular relevance.

RESOLVED

That the Chair's update be noted.

8. Chief Adjudicator's Update

Caroline Sheppard OBE attended the meeting and gave an update in respect of how the adjudicators had been operating through the pandemic including the introduction of regular online meetings between adjudicators which had been very positive. She provided further information on Clean Air Zones reporting that Bath and Birmingham had commenced operation of this with few appeals at the moment. She confirmed the adjudicators would be well-prepared to take on any additional work created by the introduction of Clean Air Zones. She advised that bus lanes continued to be enforced during lockdown and that the need to recruit additional adjudicators would be reviewed in a year's time.

RESOLVED

That the update be noted.

9. Draft Annual Return 2020/21

Consideration was given to a report relating to the Draft Annual Return 2020/21.

RESOLVED

1. That the outturn position against the 2020/21 budget, shown at Appendix 1 of the report, be noted.
2. That approval be given to the deficit for the year of £85,772, being taken from the Joint Committee's reserves.
3. That the Executive Sub Committee review the basis for defraying expenses following budget monitoring at the half-year point at their meeting in October 2021.
4. That the balance sheet, shown at Appendix 2 of the report and cash flow, shown at Appendix 3 of the report and audit timetable be noted.
5. That the Annual Internal Audit Report 2019/20, shown as Appendix 4 of the report be noted.
6. That approval be given to the recommendation that the Financial Regulations for 2021/22 remain unchanged apart from the change in the name of the Director where applicable, shown as Appendix 5 of the report.
7. That approval be given to the revised Scheme of Financial Delegation, shown as Appendix 7 of the PATROL papers.
8. That approval be given to the recommendation that the Code of Corporate Governance remains unchanged as shown at Appendix 7 of the report.
9. That the Staff Expensed Policy as shown at Appendix 8 of the report be noted.
10. That the Bad Debt Policy as shown at Appendix 9 of the report be approved.

Items common to PATROL and Bus Lane Adjudication Service Joint Committees

10 Establishment of Executive Sub Committee

Consideration was given to a report setting out arrangements for each Joint Committee to establish an Executive Sub-Committee, and its Terms of Reference for the coming year.

RESOLVED

1. That each Joint Committee establishes an Executive Sub-Committee to act on behalf of the Committee until the annual meeting in July 2022, in accordance with paragraph 2 and Appendix 1 of the PATROL papers, and that it appoints members of the Executive Sub-Committee for the forthcoming year.

2. That it be noted the first meeting of the Executive Sub Committees will be held on 14 October 2021 in London.

3. That it be noted reasonable travel expenses may be claimed for attending Executive Sub Committee meetings in accordance with the policy at Appendix 2 of the PATROL papers.

11 Report of the PATROL AND BLASJC Resources Working Group and Sub Committee

The Committee considered the report of the PATROL and BLASJC Working Group meetings held in January 2021.

RESOLVED

1. That the matters discussed at the meetings since the Executive Sub Committee held in January 2021 be noted.

2. That approval be given to the Resources Sub Committee and Working Group overseeing matters highlighted in the report and reporting back to the next meeting of the Joint Committees or their Executive Sub Committees.

12 General Progress Report

Consideration was given to the Traffic Penalty Tribunal (TPT) statistics, trends and initiatives for the period 1 April 2020 to 31 March 2021.

RESOLVED

That the progress report be noted.

13 Public Affairs Report

Consideration was given to a report outlining the Public Affairs activity throughout 2020/2021.

RESOLVED

That the report be noted.

14 Risk Management Strategy and Register

Consideration was given to a report on the Risk Management Strategy and Register.

RESOLVED

That the current assessment of risk be noted.

15 Review of Governance Documentation

Consideration was given to the governance documentation and arrangements for its review. Delegations to the Chief Adjudicator and the Director were set out and these clarified the role and independence of the Adjudicators.

It was proposed that the cycle of meetings for the coming year be as follows:

14th October 2021 Executive Sub Committee

28th January 2022 Executive Sub Committee

12th July 2022 Annual Joint Committee

RESOLVED

1. That the extension to the arrangements with the Host Authority to coincide with the lease agreement to September 2024 be noted.

2. That the Schemes of Delegation to the Chief Adjudicator and the Director (Appendix 1 and 2) which remain unchanged be noted.

3. That the updated Memorandum of Understanding between the Adjudicators and the Joint Committee (Appendix 3-see Section 4) be approved.

4. That the persons to fulfil the function of the proper officer under the relevant regulations be appointed.

5. That the proposed cycle of meetings for 2021/22, as reported above be noted.

16 Appointments to the Advisory Board

Consideration was given to a report on the appointments to the Advisory Board.

RESOLVED

1. That the appointment of Michael Clarke of City of Stoke on Trent to the Advisory Board for a period of four years until the Joint Committee's annual meeting in July 2025 be approved.

2. That the extension of Graham Addicott OBE as an Independent Member to July 2022 be approved.

17 PATROL Annual Reports by Councils (PACER - formerly PARC) Awards – DEFERRED

RESOLVED

That it be noted due to complications with booking the House of Commons for the event, in part due to Covid restrictions, the event had been postponed until October 2021. An alternative venue was currently being sought.

18 Date of Next Meeting – Proposed as Wednesday 20 October 2021 TBC

It was noted that the date of the next meeting would be **proposed as Wednesday 20 October 2021 however due to ongoing enquires in respect of venues, this is to be confirmed in due course.**

The meeting commenced at 11am and concluded at 12 Noon.

Councillor Tony Page (Chair)

Item 8

Bus Lane Adjudication Service Joint Committee

| | |
|-------------------------|--|
| Date of Meeting: | 12 th July 2022 |
| Report of: | The Director in consultation with the Advisory Board |
| Subject/Title: | Draft Annual Return 2021/22 |

1.0 Report Summary

1.1 This report presents the draft annual return for the year 2021/22

2.0 Recommendations

That the Joint Committee:

- a) Notes the outturn position against the 2021/22 budget included within the report.
(Appendix 1) subject to external audit validation
- b) Approves the **surplus** for the year of £111,765 being added to the Joint Committee's reserves.
- c) Determines that the Executive Sub Committee review the basis for defraying expenses following budget monitoring at the half-year point at their meeting in October 2022.
- d) Notes the balance sheet **(Appendix 2)** and cash flow **(Appendix 3)** and audit timetable
- e) Notes the Annual Internal Audit Report 2021/22 **(Appendix 4)** and the Small Bodies Draft Annual Return submitted for External Audit **(Appendix 5)**
- f) Approves the recommendation that the Financial Regulations for 2021/22
- g) Approves the Scheme of Financial Delegation – no proposed changes
- h) Approves the recommendation that the Code of Corporate Governance remains unchanged

3.0 Reasons for Recommendations

3.1 To finalise accounts for 2021/22

4.0 Financial Implications

4.1 As outlined in the report

5.0 Legal Implications

5.1 None

6.0 Risk Management

6.1 None

7.0 Background and Options

7.1 This report provides background information in respect of:

- a) The outturn position against the 2021/22 budget included within the report. (**Appendix 1**)
- b) The **surplus** for the year of £111,765 being added to the Joint Committee's reserves.
- c) The basis for defraying expenses.
- d) The balance sheet (**Appendix 2**) and cash flow (**Appendix 3**) and audit timetable.
- e) The Internal Audit Report 2021/22 (**Appendix 4**)
- f) The Small Bodies Draft Annual Return submitted for External Audit (**Appendix 5**)
- g) Financial Regulations 2022/23
- h) The Scheme of Financial Delegation
- i) The Code of Corporate Governance

8.0 Outturn Position against the 2020/21 budget

Introduction

- 8.1 The adjudication service is operated on a self-financing basis with income obtained by defraying expenses amongst member authorities and providing adjudication services to non-member authorities as determined by statute.
- 8.2 At the meeting of Executive Sub-Committee held on 26th January 2021 it was agreed to adopt the revenue budget estimates for 2021/22 set out in this report.
- 8.3 At the meeting of the Executive Sub-Committee held on 26th January 2021 the Lead Officer was given authorisation in consultation with the Chair, Vice Chair and Assistant Chair to incur expenditure against the revenue budget in excess of the £677,798 set by the Committee should the need arise, provided such expenditure is within the total income for the year.
- 8.4 The outturn position to 31st March 2021 is enclosed at **Appendix 1**.
The Balance Sheet at March 2022 is shown at **Appendix 2**.
The Cash Flow for the year 2021/22 is shown at **Appendix 3**.

- 8.5 The Joint Committee’s income has previously been derived from a pre-estimate of the number of penalty charge notices (PCNs) each council will issue. Corrections were applied at the 6- month and 12-month points once the actual number of PCNs issued was known. Due to the ongoing pandemic income has been derived from **actual returns** received from enforcement authorities on a **monthly basis**. This has ensured that Income predictions and reporting are timelier and more accurate
- 8.6 Should it be the case that there is a need for greater expenditure than that provided for in the approved budget, there is a recommendation to authorise the Director to incur additional expenditure, provided such expenditure does not exceed the income for the current year.
- 8.7 Should it be the case that the revenue account falls into deficit then the surplus from previous years is available.
- 8.8 Should there be greater income than expenditure in the year then there is a recommendation that this be transferred into the succeeding year as reserves.

Income and Expenditure

| | FULL YEAR | | | | |
|---------------------|-----------------------------------|-----------------------------------|--------------------------------|------------------------------------|-----------------|
| | 31/03/2022 Forecast Outturn | 31/03/2022 Full Year Budget | 31/03/2022 Var to Budget | 31/03/2021 Prior Year Result | Var to Prior Yr |
| Income | 627,546 | 483,296 | 144,250 | 323,122 | 304,424 |
| Expenditure | 515,781 | 677,798 | 162,017 | 408,894 | -106,887 |
| Surplus / (Deficit) | 111,765 | -194,502 | 306,267 | -85,772 | 197,537 |

- 8.9 PCN Income was £144,250 higher than budget due to higher issuance of PCNs than anticipated
- 8.10 Bank interest was £2,854 lower than expected due to reduced balances and rates
- 8.11 Expenditure was lower than budgeted by £162,017 (see **Appendix 1**). This was due to a lower than anticipated recharge for costs from PATROL, in turn due to a lower than anticipated proportion of PCNs issued against other income streams.

Outturn

- 8.13 The outturn for BLASJC for 2021/22 was a **surplus** of £111,765.
- 8.14 The Joint Committee is asked to approve the surplus of £111,765 being added to the Joint Committee’s reserves.

Reserves

8.15 The current Reserves Position is summarised as follows:

| | BUS LANES | | | Movement |
|------------------------------------|----------------|----------------|----------------|----------------|
| | Reserves | Approved | Free Reserves | |
| Opening Reserves 2020/21 | 574,567 | 332,214 | 242,353 | -65,243 |
| Reserves for year 2020/21 | -85,772 | | | |
| Drawdown in Year 2020/21 | 0 | | | |
| Opening Reserves 2021/22 | 488,795 | 338,899 | 149,896 | -92,457 |
| Reserves for year 2021/22 | 111,765 | | | |
| Opening Reserves 2022/23 | 600,560 | 347,342 | 253,218 | 103,322 |
| From 2019/20 to end 2021/22 | 61,660 | 116,038 | -54,378 | -54,378 |

| | Reserves | Effect v Budget |
|---------------------------------|----------------|-----------------|
| Opening Reserves 2019/20 | 538,900 | |
| Budget 19/20 | 31,052 | |
| Actual 19/20 | 35,667 | 4,615 |
| Opening Reserves 2020/21 | 574,567 | |
| Budget 20/21 | -117,895 | |
| Actual 20/21 | -85,772 | 32,123 |
| Opening Reserves 2021/22 | 488,795 | |
| Budget 21/22 | -194,502 | |
| Actual 21/22 | 111,765 | 306,267 |
| Opening Reserves 2022/23 | 600,560 | 343,005 |
| RESERVES MOVEMENT | 61,660 | |
| Budgeted Movement | -281,345 | |
| Improvement / Decline | 343,005 | |

The closing Free Reserves at March 2022 is £253,218.

Over the period 2019/20 to end 2021/22 cash reserves increased by £61,660 (offset by an increase in the approved reserve by £116,038 leading to a decrease in Free Reserves of £54,378).

The increase in cash Reserves of £61,660 indicates that any effect on Reserves of the pandemic is now recovered.

Due to prudent budget setting, however, the last 3 financial years have seen a greater amount being added to Reserves than anticipated. These amounts are as follows:

| | |
|---------|----------|
| 2019/20 | £4,615 |
| 2020/21 | £32,123 |
| 2021/22 | £306,267 |

8.16 The approved budget for 2022/23 indicates a reduction in Reserves of £72,810. However, it should be noted that this is a prudent budget in that a cautious estimate has been taken of Income, and that the Cost Recharge from PATROL is based on 'worst case' in that it is likely that some costs will not be incurred in the year in question.

| | FULL YEAR | | | | | |
|---------------------|----------------------------|-----------------|--------------------------------|-----------------|------------------------|-----------------------------|
| | 31/03/2022 Year to Date | 21/22 Budget | 31/03/2022 Var to Budget | 22/23 Budget | Year on Year Budget | 22/23 budget v 21/22 Act |
| Income | 627,546 | 483,296 | 144,250 | 621,849 | 138,553 | -5,697 |
| Expenditure | 515,781 | 677,798 | 162,017 | 694,659 | -16,861 | -178,878 |
| Surplus / (Deficit) | 111,765 | -194,502 | 306,267 | -72,810 | 121,692 | -184,575 |

9.0 External Audit

9.1 The external audit timetable is as follows:

| Stage | 2021/22 |
|---|----------------------------|
| Draft annual return submitted to PATROL and Bus Lane Adjudication Service Joint Committees Resources Sub Committee for approval | 12 th July 2022 |
| Submission of Annual Return and Supporting Documents to BDO | 31 st July 2022 |

10. Internal Audit Report 2020/21

10.1 Internal audit is provided by the Host Authority (see Appendix 4).

The number of recommendations raised is as follows:

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|-----|---------|---------|---------|---------|---------|---------|---------|
| Low | 6 | 3 | 0 | 0 | 1 | 0 | 2 |

| | | | | | | | |
|--------------|-----------|-----------|----------|----------|----------|----------|----------|
| Med | 11 | 7 | 1 | 0 | 3 | 0 | 0 |
| High | 2 | 1 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 19 | 11 | 1 | 0 | 4 | 0 | 2 |

10.2 The level of assurance for 2021/22 is **GOOD** (which is the highest level that can be awarded).

11. Financial Regulations

No changes are recommended to the Financial Regulations.

12. Scheme of Financial Delegation 2022/23

No changes are recommended

13. Code of Corporate Governance

A copy of the Code of Corporate Governance is enclosed

Appendix 1:

BUS LANE Outturn to 31/03/2022

| | Year to Date | | | | Full Year | | | |
|--------------------------------|----------------|-----------------|----------------|----------------|------------------|------------------|----------------|-------------------|
| | 31/03/2022 | 31/03/2022 | 31/03/2022 | 31/03/2022 | 31/03/2022 | 31/03/2022 | 31/03/2022 | 31/03/2021 |
| | Actual | Budget | Var to Budget | Var to Budget | Forecast Outturn | Full Year Budget | Var to Budget | Prior Year Result |
| Income | | | | | | | | |
| Bus Lane Income | 627,400 | 480,296 | 147,104 | 30.63% | 627,400 | 480,296 | 147,104 | 322,732 |
| Interest | 146 | 3,000 | -2,854 | -95.14% | 146 | 3,000 | -2,854 | 390 |
| Total Income | 627,546 | 483,296 | 144,250 | 29.85% | 627,546 | 483,296 | 144,250 | 323,122 |
| Expenditure: | | | | | | | | |
| Supplies and Services Recharge | 512,983 | 677,798 | 164,815 | 24.32% | 512,983 | 677,798 | 164,815 | 412,844 |
| Bad Debts | 2,720 | 0 | -2,720 | 0.00% | 2,720 | 0 | -2,720 | -4,026 |
| Bank Charges | 78 | 0 | -78 | - | 78 | 0 | -78 | 76 |
| Total Expenditure | 515,781 | 677,798 | 162,017 | 23.90% | 515,781 | 677,798 | 162,017 | 408,894 |
| Surplus / (Deficit) | 111,765 | -194,502 | 306,267 | 157.46% | 111,765 | -194,502 | 306,267 | -85,772 |

Appendix 2:

BALANCE SHEET - BUS LANES

| | Apr-21 p1 | May-21 p2 | Jun-21 p3 | Jul-21 p4 | Aug-21 p5 | Sep-21 p6 | Oct-21 p7 | Nov-21 p8 | Dec-21 p9 | Jan-22 p10 | Feb-22 p11 | Mar-22 p12 |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Current Assets | | | | | | | | | | | | |
| LA Debtors | 61,375 | 34,465 | 14,429 | 74,942 | 80,933 | 27,720 | 191,135 | 120,443 | 23,419 | 147,378 | 93,037 | 14,695 |
| Other Debtors | | | -7,809 | -7,215 | -33,706 | -17,613 | -13,236 | -8283.3 | -11673.6 | -26,093 | -15,825 | -2,720 |
| VAT | | | | | | | | | | | | |
| Cash and Bank | 523,439 | 458,696 | 485,390 | 500,763 | 451,166 | 443,151 | 418,403 | 487,575 | 443,240 | 477,205 | 532,109 | 537,336 |
| Total | 584,814 | 493,162 | 492,010 | 568,490 | 498,393 | 453,258 | 596,302 | 599,734 | 454,985 | 598,490 | 609,322 | 549,310 |
| Current Liabilities | | | | | | | | | | | | |
| Trade Creditors | 95,604.16 | 44,242 | 87,152 | 118,948 | 49,890 | 42,320 | 50,974 | 96,805 | 0 | 48,131 | 73,264 | 44,273 |
| Other Public Bodies | | | | | | | | | | | | |
| Other Creditors | 44,242 | 43,746 | 31,781 | -7,790 | -28,886 | -51,032 | 1,441 | -87 | -102 | 25,017 | 44,142 | -95,522 |
| Total | 139,846 | 87,988 | 118,933 | 111,158 | 21,004 | -8,712 | 52,415 | 96,717 | -102 | 73,148 | 117,406 | -51,249 |
| Net Current Laibilities | 444,967 | 405,174 | 373,077 | 457,333 | 477,389 | 461,970 | 543,887 | 503,017 | 455,087 | 525,343 | 491,916 | 600,559 |
| Long Term (Liabilities)/Assets | | | | | | | | | | | | |
| NET ASSETS | 444,967 | 405,174 | 373,077 | 457,333 | 477,389 | 461,970 | 543,887 | 503,017 | 455,087 | 525,343 | 491,916 | 600,559 |
| Financed By: | | | | | | | | | | | | |
| Reserves BF | 488,795 | 488,795 | 488,795 | 488,795 | 488,795 | 488,795 | 488,795 | 488,795 | 488,795 | 488,795 | 488,795 | 488,795 |
| Current Year Surplus | -43,827 | -83,621 | -115,717 | -31,462 | -11,405 | -26,824 | 55,093 | 14,222 | -33,707 | 36,548 | 3,121 | 111,765 |
| TOTAL NET WORTH | 444,967 | 405,174 | 373,077 | 457,333 | 477,389 | 461,970 | 543,887 | 503,017 | 455,087 | 525,343 | 491,916 | 600,559 |

Appendix 3:

CASH FLOW - BUS LANES

| | Apr-21 p1 | May-21 p2 | Jun-21 p3 | Jul-21 p4 | Aug-21 p5 | Sep-21 p6 | Oct-21 p7 | Nov-21 p8 | Dec-21 p9 | Jan-22 p10 | Feb-22 p11 | Mar-22 p12 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Opening Cash Balance | 519,329 | 523,439 | 458,696 | 485,390 | 500,763 | 451,166 | 443,151 | 418,403 | 487,575 | 443,240 | 477,205 | 532,109 |
| Decrease / (Increase) in LA Debtors | -79,534 | 26,910 | 20,036 | -60,513 | -5,992 | 53,213 | -163,415 | 70,692 | 97,023 | -123,959 | 54,341 | 78,342 |
| Decrease / (Increase) in Other Debtors | 0 | 0 | 7,809 | -594 | 26,491 | -16,093 | -4,377 | -4,952 | 3,390 | 14,419 | -10,268 | -13,104 |
| Decrease / (Increase) in VAT Debtor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Increase / (Decrease) in Trade Creditors | 37,967 | -51,362 | 42,910 | 31,795 | -69,057 | -7,570 | 8,653 | 45,831 | -96,805 | 48,131 | 25,133 | -28,991 |
| Increase / (Decrease) in other Public Body Creditors | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Increase / (Decrease) in Other Creditors | 89,505 | -496 | -11,965 | -39,571 | -21,097 | -22,146 | 52,473 | -1,529 | -15 | 25,119 | 19,125 | -139,664 |
| Movement on Reserves | -43,827 | -39,794 | -32,096 | 84,255 | 20,057 | -15,419 | 81,917 | -40,871 | -47,929 | 70,255 | -33,427 | 108,643 |
| Closing Cash Balance | 523,439 | 458,696 | 485,390 | 500,763 | 451,166 | 443,151 | 418,403 | 487,575 | 443,240 | 477,205 | 532,109 | 537,336 |

Appendix 4:

Internal Audit – Assurance Report PATROL (Parking and Traffic Regulations Outside London) 2021/22

Report Status: Final
Report Date: 16th June 2022
Prepared by: Lucy Nelson

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Distribution List – Draft Report:

- Laura Padden – PATROL, Director
- Erica Maslen – PATROL, Central Services Manager

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- Erica Maslen – PATROL, Central Services Manager

Final Report Owner:

- Laura Padden – PATROL, Director

Version Control

| Version Number | Date | Changes |
|-----------------------|-------------|--|
| 1.0 | 07/06/22 | Draft report prepared |
| 1.1 | 14/06/22 | Draft report reviewed and approved for issue |
| 1.2 | 15/06/22 | Draft report comments received from PATROL and amendments noted. |
| 1.3 | 16/06/22 | Final Report agreed and issued |

| | |
|--------------------------|-------------|
| Galileo Reference | EXT001.0008 |
|--------------------------|-------------|

Executive Summary

1. Background

1.1 PATROL (Parking and Traffic Regulations Outside London) has been established to enable Councils undertaking civil parking enforcement in England and Wales and civil bus lane and moving traffic enforcement in Wales to exercise their functions under:

- Section 81 of the Traffic Management Act 2004 (TMA) and Regulations 17 and 18 of The Civil Enforcement of Parking Contraventions (England) General Regulations 2007 (the English General Regulations);
- Section 81 of the TMA and Regulations 16 and 17 of the Civil Enforcement of Road Traffic Contraventions (General Provisions) Wales Regulations 2013 (the Welsh General Provisions Regulations);
- Regulations 12 and 13 of The Road User Charging (RUCA) Schemes (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2013 (the Road User Charging Regulations);
- Regulation 18 of The Littering from Vehicles Outside London (Keepers: Civil Penalties) Regulations 2018.

1.2 These functions are exercised through PATROL in accordance with Regulation 16 of the English General Regulations and Regulation 15 of the Welsh General Provisions Regulations.

1.3 The Bus Lane Adjudication Service Joint Committee (BLASJC) has been established to enable councils in England undertaking civil enforcement of bus lanes to exercise their functions under Regulation 11 of The Bus Lane Contraventions (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2005 (the Bus Lane Regulations).

1.4 These functions are exercised through BLASJC in accordance with Regulation 12 of the Bus Lane Regulations.

1.5 Under the above legislation and regulations, Councils operating civil traffic enforcement functions are responsible for funding the provision of adjudication. The Councils carry out this function through a Joint Committee. The PATROL and Bus Lanes Adjudication Joint Committees perform this function in accordance with legislation and regulations and the constituent authorities of each Joint Committee defray expenses in such a proportion as the Joint Committees decide.

1.6 The Traffic Penalty Tribunal also provides adjudication in respect of penalties issued for failure to pay the road user charge at the Dartford-Thurrock River Crossing, the Mersey Gateway Bridge and the Durham Road User Charge Zone and in relation to Clean Air Zones, Moving Traffic offences and Littering from Vehicles penalty notices.

1.7 PATROL is classed as a small relevant body in accordance with the Accounts and Audit Regulations 2015, and prior to 2015/16 had to complete a Small Bodies Annual Return

Executive Summary

(SBAR) summarising their annual activities at the end of each financial year. This requirement was removed for 2015/16 by the Accounts and Audit Regulations 2015; however, the Body has decided to still complete the SBAR on an annual basis as good practice and in the spirit of openness and transparency.

- 1.8 Cheshire East Council was appointed as the Host Authority to the PATROL Adjudication Joint Committee and Bus Lane Adjudication Joint Committee on 1st January 2013. As part of this role, the Council has delivered the Body's Internal Audit service.
- 1.9 Where reference is made to policies and procedures in this report, these are PATROL's, not Cheshire East Council's unless specified otherwise.

2. Scope of Review and Risks Covered

- 2.1. Due to the Covid-19 pandemic and following a period of consultation, PATROL staff have moved to Home Based contracts with staff operating under home working agreements. As such, Internal Audit has followed the programme of testing and carried out physical testing where required but has also placed reliance on information being supplied electronically.
- 2.2. In order to complete Section 4 of the 2021/22 SBAR, we had to determine whether the ten stated internal control objectives have been achieved throughout the 2021/22 financial year to a standard adequate to meet the needs of the Body. The control objectives are:

- A. Appropriate accounting records have been kept properly throughout the year.
- B. The body's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT appropriately accounted for.
- C. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage this.
- D. The annual taxation or levy or funding requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.
- E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.
- F. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.
- G. Salaries to employees and allowances to members were paid in accordance with body approvals, and PAYE and NI requirements were properly applied.
- H. Asset and investment registers were complete and accurate and properly maintained.
- I. Periodic and year-end bank account reconciliations were properly carried out.
- J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors properly recorded.

Executive Summary

2.3. In order to satisfy the above control objectives, we carried out a programme of audit testing on the following areas:

- Assets
- Banking and Cheques
- Budgetary Control
- Income
- Payroll
- Procurement
- Purchase Cards
- Petty Cash
- Risk Management

2.4. PATROL introduced a petty cash system during 2019/20 with a balance limit of £50 and there are also six purchase cards linked to the bank account. As such, and as per testing carried out in previous years, a review of processes and controls in operation in relation to the cards was also undertaken.

2.5. The separate Joint Committees for PATROL Adjudication Service and Bus Lanes Adjudication Service share the same systems and processes. Therefore, where appropriate, audit work focussed on PATROL and assurance can be drawn from this for Bus Lanes.

2.6. Where sample testing was undertaken, sampling was proportionate to the volume of transactions in relation to the PATROL, Bus Lanes, RUCA moving traffic and littering. Furthermore, the samples selected included transactions completed throughout the whole of 2021/22 in order to ensure that the findings are as comprehensive and reliable

as possible and also capture an accurate reflection of the practices in place. Although reasonable assurance can be drawn from these findings it is never possible to give complete assurance that all issues have been uncovered, as we are unable to test every transaction.

2.7. We have previously issued a draft report to present our key findings and actions, (reported on an exception basis), to confirm the factual accuracy of the findings and to agree recommended actions. This final report is issued now that the recommended actions, along with responsibilities and timescales have been agreed.

3. Key Findings and Recommended Actions

3.1. A total of 88 controls have been tested covering all areas detailed in the control objectives on the SBAR. This draft report is intended to highlight the areas where improvements are required, either in the control itself or to improve compliance with the controls.

3.2. As a result of the testing, 2 recommended actions have been raised in this report and can be found at **Appendix A**. The actions raised relate to non-compliance with the controls the Body has established in its processes and procedures.

3.3. The areas identified for improvement are as follows:

Control Objective F

- There were no transactions recorded through Petty Cash during 2020/21 and 2021/22 with the minor

Executive Summary

items of expenditure that the system was intended for being purchased using other methods.

Control Objective H

- Although other checks have been in place, the IT Asset Register has not been fully independently reviewed in line with PATROL's Financial Regulations.

4. Conclusion and Opinion

- 4.1. The audit concluded that on the whole the 10 control objectives detailed on the 2021/22 SBAR are effectively managed for both PATROL and Bus Lane Adjudication Joint Committees. **Appendix B** confirms the results of the audit work as it will be entered on the SBAR.
- 4.2. The review concluded that the steps taken to address compliance with the controls the Body has established in its processes and procedures are operating satisfactorily.
- 4.3. Internal Audit use a formal opinion system, details of which are given in **Appendix C**. Based upon the findings and actions raised, a "Good Assurance" opinion has been given.

Good Assurance

Controls are in place to mitigate against the risks identified in the Terms of Reference. Testing has shown that controls are working effectively and consistently to ensure that key risks are well managed.

- 4.4. In line with our Audit Charter, the agreed action plan will be subject to a follow up review to provide assurance that recommended actions have been implemented.

Appendix A – Action Plan

| F - Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for | | | | |
|--|--|--|--|------------|
| | Finding | Implication | Recommended Action | Priority |
| 1 | <p>A petty cash system was introduced in 2019/20, with a balance limit of £50.</p> <p>A review of the records and physical cash held confirmed a current balance on 19th May 2022 of £21.92, with no transactions during 2021-22 and 2020-21. Petty cash was introduced to purchase minor items, for example, stamps and refreshments for meetings, however these items are reimbursed through staff expenses or purchased using a staff purchase card.</p> | <p>Petty cash facilities are not effectively managed and at an increased risk of misappropriation.</p> | <p>PATROL should review the requirement for a petty cash system and consider closing the fund if there is no longer a business need.</p> | <p>Low</p> |
| Management Response | | | | |
| <p>Agreed: Petty cash is kept in the safe with restricted access, however there is no longer a requirement for this facility. Facility has been removed</p> <p>Responsibility: Central Services Manager</p> <p>Target Date: Completed</p> | | | | |

| H – Asset and investment registers were complete and accurate and properly maintained | | | | |
|---|---|--|--|------------|
| | Finding | Implication | Recommended Action | Priority |
| 2 | <p>Financial Regulations 21-22 sets out that IT equipment will be physically verified annually by the Finance and Central Services Manager.</p> <p>Although PATROL maintain an IT Asset Register there is no evidence to support when the IT Asset Register was last subject to an annual independent review.</p> <p>Previous audit records confirmed that a review took place in April / May 2019 and the review for</p> | <p>An increased risk that assets are not safeguarded against theft or identified for insurance purposes in the event of a claim.</p> | <p>The asset register should be formally reviewed on an annual basis and evidenced as such in line with the Financial Regulations 21-22.</p> <p>This should be in addition to the other controls in place.</p> | <p>Low</p> |

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Appendix A – Action Plan

| | | | |
|---|--|--|--|
| 20/21 did not take place due to remote working through the Covid-19 outbreak. | | | |
| Management Response | | | |
| <p>Agreed: To return to a full check each year. However, there have been checks completed but not as a single exercise:</p> <ul style="list-style-type: none"> • A full check was completed in March 2022 by the Central Services Manager of equipment held by Adjudicators. • All equipment issued to staff is signed for. When replacement equipment is issued the form is updated and resigned. This form shows all equipment held and the control here is that any irregularities would be raised at this point. • All equipment in the office was recorded at the point of the move – Feb 2021. <p>Responsibility: Central Services Manager Target Date: March 2023</p> | | | |

Appendix B – Summary of Results for the Small Bodies Annual Return

| Section | Objective | Agreed | | |
|---------|--|--------|----|-------------|
| | | Yes | No | Not Covered |
| A | Appropriate accounting records have been kept properly throughout the year | ✓ | | |
| B | The body's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT appropriately accounted for | ✓ | | |
| C | The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage this | ✓ | | |
| D | The annual taxation or levy or funding requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate | ✓ | | |
| E | Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for | ✓ | | |
| F | Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for | ✓ * | | |
| G | Salaries to employees and allowances to members were paid in accordance with body approvals, and PAYE and NI requirements were properly applied | ✓ | | |
| H | Asset and investment registers were complete and accurate and properly maintained | ✓ | | |
| I | Periodic and year-end bank account reconciliations were properly carried out | ✓ | | |
| J | Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors properly recorded | ✓ | | |

* There are six purchase cards linked to the bank account, therefore, a review of processes and controls in operation in relation to the cards was also undertaken.

Audit Opinion

An overall opinion on the control environment will be given on completion of the audit work. This opinion relates **only** to those risks identified or systems tested. Where the audit opinion given is either limited or no assurance, consideration will be given to including those areas in the Annual Governance Statement.

There are four possible opinions: good assurance, satisfactory assurance, limited assurance, and no assurance.

The following table explains the various assurance levels in terms of the controls in place and how testing has shown them to be operating. It also gives an indication as to the priority rating of recommendations you might expect at each assurance level, although please note this is for guidance only as the final opinion lies at the discretion of the Auditor.

| Assurance Level | Explanation |
|-------------------------------|--|
| Good Assurance | Controls are in place to mitigate against the risks identified in the terms of Reference. Testing has shown that controls are working effectively and consistently to ensure that key risks are well managed. No high level recommendations have been made although there may be a small number at medium level. Some changes in the control environment may be beneficial to enhance performance and realise best practice. |
| Satisfactory Assurance | Controls are adequate to address the risks identified in the terms of reference. Testing has shown that there are some inconsistencies in the application of the controls, and attention is needed to improve the effectiveness of these controls. Recommendations will normally be no higher than medium level. |
| Limited Assurance | Controls are either not designed to mitigate the risks identified in the terms of reference, or testing has shown there to be significant non-application of controls. There are likely to be a number of high priority recommendations and/or a large number at the medium level. Attention is needed to improve the quality and effectiveness of the control environment in order to ensure key risks can be managed well. |
| No Assurance | There is an absence of controls to mitigate against the risks identified in the terms of reference. The majority of recommendations made are high priority, and key risks are not being properly managed. Urgent attention is required by management to improve the control environment. This area may be considered for inclusion in the organisation's Annual Governance Statement. It may also be appropriate for this area to be included in the sections/directorate Risk Register, and for the action plan to address these fundamental weaknesses to become part of the Service Delivery Plan. |

Priority Rating for Individual Findings

Every audit finding and supporting recommendation will be rated in line with the criteria shown below. Timescales for necessary actions will be discussed with service managers, but the broad expectations for consideration and implementation are outlined below.

| Priority | Explanation | | |
|---------------|--|--|--|
| | Risk | Controls and Testing | Timescale |
| High | <p>Action is required to mitigate against a risk which is assessed as likely to arise, and having a high impact should it do so. A fundamental risk may involve failure to:</p> <ul style="list-style-type: none"> • Meet key business objectives • Meet statutory objectives • Adhere to Cheshire East policies • Prevent fraud or material error | <p>Controls to mitigate risks identified in the terms of reference are either absent or poorly designed.</p> <p>Testing has shown that controls are significantly failing to work as intended.</p> | <p>This action needs immediate consideration by management.</p> <p>Implementation of necessary actions may take longer, but an action plan to address the issues should be developed immediately.</p> |
| Medium | <p>Action is required to mitigate against a risk which is assessed as being likely to arise OR having a significant impact if it should arise.</p> | <p>Controls to mitigate risks identified in the terms of reference are in place.</p> <p>Testing has shown that controls are working as intended, with some minor inconsistency.</p> | <p>This action needs to be considered by management within 3 months.</p> <p>Implementation of necessary actions may take longer, but an action plan to address the issues should be developed within 3 months.</p> |
| Low | <p>Action is required to mitigate against a risk which is assessed as having a low impact or being unlikely to arise.</p> <p>Implementation of these actions will further strengthen internal control and improve potential for achieving best practice.</p> | <p>Controls to mitigate risks identified in the terms of reference are in place.</p> <p>Testing has shown that the controls are being applied consistently and effectively.</p> | <p>This action needs to be considered by management within 6 months.</p> <p>Implementation of necessary actions may take longer, but an action plan to address the issues should be developed within 6 months.</p> |

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Appendix 5:

Joint Committees Return for the financial year ended 31 March 2022

The return on pages 2 to 5 is made up of four sections:

- Sections 1 and 2 are completed by the person nominated by the Joint Committee
- Section 3 is completed by BDO LLP as the reviewer appointed by the Joint Committee.
- Section 4 is completed by the Joint Committee's internal audit provider.

Completing your return

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the return. Also our extranet contains useful advice for you to refer to, see below.

Complete all sections highlighted in red. Do not leave any red box blank. Incomplete or incorrect returns require additional work and so may incur additional costs.

Send the return, together with your bank reconciliation as at 31 March 2022, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to us, BDO LLP, by the due date.

We will identify and ask for any additional documents needed for our work. Therefore, unless requested, do not send any original financial records.

Once we have completed our work, the completed return will be returned to the Joint Committee.

It should not be necessary for you to contact us for guidance.

Section 1 – Governance statement 2021/22

We acknowledge as the members of

Enter name of reporting body here: **BUS LANE ADJUDICATION SERVICE JOINT COMMITTEE**

Our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2022, that:

| | Agreed | | Yes Means that the body |
|--|-------------------------------------|-----|---|
| | Yes | No* | |
| 1 We approved the accounting statements prepared in accordance with the guidance notes within this Return. | <input checked="" type="checkbox"/> | | Prepared its accounting statements and approved them. |
| 2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness. | <input checked="" type="checkbox"/> | | Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge |
| 3 We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with generally accepted good practice that could have a significant financial effect on the ability of the body to conduct its business or on its finances and have reported our financial results to our host authority for inclusion in their accounts. | <input checked="" type="checkbox"/> | | Has only done what it has the legal power to do and has complied with general accepted good practice |
| 4 We carried out an assessment of the risks facing the body and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. | <input checked="" type="checkbox"/> | | Considered the financial and other risks it faces and has dealt with them properly. |
| 5 We maintained throughout the year an adequate and effective system of internal audit of the body's accounting records and control systems. | <input checked="" type="checkbox"/> | | Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the body. |
| 6 We took appropriated action on all matters raised during the year in reports from internal audit and external reviews. | <input checked="" type="checkbox"/> | | Responded to matters brought to its attention by internal and external reviewers. |
| 7 We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the body and where appropriate have included them in the accounting statements. | <input checked="" type="checkbox"/> | | Disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant. |

The governance statement is approved by the Joint Committee and recorded as minute reference

Date

Signed by:

Chair

Signed by:

Clerk

*Note: Please provide explanations on a separate sheet for each 'No' response. Describe how the joint committee will address the weaknesses identified.

Enter name of reporting body here:

BUS LANE ADJUDICATION SERVICE
JOINT COMMITTEE

| | Year ending | | Notes and guidance |
|--|--------------------|--------------------|---|
| | 31 March 2021 £ | 31 March 2022 £ | |
| 1 Balances brought forward | 574,566 | 488,794 | Total balances and reserves at the beginning of the year as recorded in the body's financial records. Value must agree to Box 7 of previous year. |
| 2 (+) Income from local taxation and/or levy | - | - | Total amount of local tax and/or levy received or receivable in the year including funding from a sponsoring body. Excluding any grants received. |
| 3 (+) Total other receipts | 323,121 | 627,546 | Total income or receipts as recorded in the cashbook less the taxation and/or levy (line 2). Include any grants received here. |
| 4 (-) Staff costs | - | - | Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses. |
| 5 (-) Loan Interest/capital repayments | - | - | Total expenditure or payments of capital and interest made during the year on the body's borrowings (if any). |
| 6 (-) All other payments | 408,893 | 515,781 | Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5). |
| 7 (=) Balances carried forward | 488,794 | 600,559 | Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6) |
| 8 Total cash and short term investments | 519,329 | 537,336 | The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March - to agree with bank reconciliation. |
| 9 Total fixed assets plus other long term investments and assets | - | - | The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the body as at 31 March |
| 10 Total borrowings | - | - | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB) |

I certify that for the year ended 31 March 2022 the accounting statements in the return present fairly the financial position of the Joint Committee and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

Date 24/06/2022

I confirm that these accounting statements were approved by the Joint Committee on:

and recorded as minute reference:

Signed by Chair of meeting approving these accounting statements:

Section 3 – External Report 2021/22 Certificate

We present the findings from our review of the return for the year ended 31 March 2022 in respect of:

Enter name of reporting body here:

BUS LANE ADJUDICATION SERVICE JOINT COMMITTEE

Respective responsibilities of the Joint Committee and the reviewer

The Joint Committee has taken on the responsibility of ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The Joint Committee prepares a return which:

- summarises the accounting records for the year ended 31 March 2022; and
- confirms and provides assurance on various governance matters in accordance with generally accepted good practice

This report has been produced in accordance with the terms of our engagement letter dated [date] ("the Engagement Letter") and in accordance with the International Standard on Related Services 4400 applicable to agreed-upon-procedures engagements as published by IAASB.

We have performed the following work in respect of the return prepared by the Joint Committee:

- agreed to bank reconciliation to the annual return and the bank statements
- agreed the Annual return figures back to the trial balance
- ensured the trial balance and accounting statements adds up
- agreed the precept to the funding body
- agreed any loans to the PWLB or whoever the loan is with
- checked the comparative figures to the prior year accounts
- undertake an analytical review of the figures and investigated any variances in excess of 10%
- agree that the accounting statements and annual governance statement have been signed and dated as required.
- investigated any NO answers to the Annual Governance Statement
- investigated any NO answers in the Internal auditor report

[No exceptions were found / Apart from the following exceptions, noted below, no exceptions were found.]

We have not subject the information contained in our report to checking or verification procedures except to the extent expressly stated above and this engagement does not constitute an audit or a review and, as such, no assurance is expressed. Had we performed additional procedures, an audit or a review, other matters might have come to light that would have been reported.

You were responsible for determining whether the agreed upon procedures we performed were sufficient for your purposes and we cannot, and do not, make any representations regarding the sufficiency of these procedures for your purposes.

Our report is prepared solely for the confidential use of the joint committee. Our report must not be used for any purpose other than for which it was prepared or be reproduced or referred to in any other document or made available to any third party without the written permission of BDO LLP.

We accept no liability to any other party who is shown or gains access to this report.

Reviewer signature

Section 4 – Annual internal audit report 2021/22 to

Enter name of reporting body here: **BUS LANE ADJUDICATION SERVICE JOINT COMMITTEE**

The Joint Committee's internal audit service provider, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2022.


Internal audit has been carried out in accordance with the Joint Committee's needs and planned coverage.

On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Joint Committee.

| Internal control objective | Agreed? Please choose one of the following | | |
|--|--|-----|---------------|
| | Yes | No* | Not covered** |
| A. Appropriate accounting records have been kept properly throughout the year. | ✓ | | |
| B. The Joint Committee's financial regulations have been met, payments were approved and VAT was appropriately accounted for. | ✓ | | |
| C. The Joint Committee assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. | ✓ | | |
| D. The annual taxation or levy or funding requirements resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate. | ✓ | | |
| E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for. | ✓ | | |
| F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for. | ✓ | | |
| G. Salaries to employees and allowances to members were paid in accordance with the body approvals, and PAYE and NI requirements were properly applied. | ✓ | | |
| H. Asset and investments registers were complete and accurate and properly maintained. | ✓ | | |
| I. Periodic and year-end bank account reconciliations were properly carried out. | ✓ | | |
| J. Accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cash book, were supported by an adequate audit trail from underlying records, and, where appropriate, debtors and creditors were properly recorded. | ✓ | | |

For any other risk areas identified by the Joint committee (list and other risk areas below or on separate sheets if needed) adequate controls existed:

Name of person who carried out the internal audit: **Josie Griffiths**

Signature of person who carried out the internal audit:  Date: **23/06/2022**

*Note: If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).

Guidance notes on completing the 2021/2022 return

1. Make sure that your return is complete (i.e. no empty red boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of and approved by the body, properly initialled and an explanation provided to us. Returns containing unapproved or unexplained amendments will be returned and may incur additional costs.
2. Use the checklist provided below. Use a second pair of eyes, perhaps a member of the committee or the Chair, to review your return for completeness before sending it to us.
3. Do not send us any information not specifically asked for. Doing so is not helpful. However, you must notify us of any change of Clerk, Responsible Financial Officer or Chair.
4. Make sure that the copy of the bank reconciliation or letter confirming the balance held on your behalf which you send with the return covers all your bank balances. If the joint committee holds any short-term investments, note their value on the bank reconciliation. We must be able to agree your bank reconciliation to Box 8 on the Accounting statements. You must provide an explanation for any difference between Box 7 and Box 8.
5. Explain fully significant variances in the accounting statements on page 3. Do not just send in a copy of your detailed accounting records instead of this explanation. We want to know that you understand the reasons for all variances. Include a complete analysis to support your explanation.
6. If we have to review unsolicited information, or receive an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which we will make a charge.
7. Make sure that your accounting statements add up the balance carried forward from the previous year (Box 7 of 2021) equals the balance brought forward in the current year (Box 1 of 2022).
8. Do not complete section 3. We will complete it at the conclusion of our work.

| Completion checklist – No answers mean you may not have met requirements | | Done? |
|--|---|-------------------------------------|
| All sections | All red boxed have been completed? | <input checked="" type="checkbox"/> |
| | All information has been sent with this return? | <input checked="" type="checkbox"/> |
| Section 1 | For any statement to which the response is 'no', an explanation is provided? | <input checked="" type="checkbox"/> |
| Section 2 | Approval by the body confirmed by the signature of Chair of meeting approving the accounting standards? | <input checked="" type="checkbox"/> |
| | An explanation of significant variations from last year to this year is provided? | <input checked="" type="checkbox"/> |
| | Bank reconciliation as at 31 March 2022 agrees to Box 8? | <input checked="" type="checkbox"/> |
| Section 4 | An explanation of any difference between Box 7 and Box 8 is provided? | <input checked="" type="checkbox"/> |
| | All red boxed completed by internal audit and explanations provided? | <input checked="" type="checkbox"/> |

Bus Lane Adjudication Service Joint Committees

| | |
|------------------------|--|
| Date of Meeting | 12 th July 2022 |
| Report of: | The Director |
| Subject/Title: | Review of Income and Expenditure & Reserves for 2022/23 for BLASJC |

1.0 Report Summary and Recommendation

- 1.1 To note the Income and Expenditure position at 31st May 2022 for the year 2022/23.
- 1.2 To note the Reserves position at 31st May 2022 against the approved Reserves Levels.

2.0 Reasons for Recommendations

- 2.1 Compliance with financial regulations.
- 2.2 To inform the Risk Register.

3.0 Income and Expenditure

| | SUMMARY TO DATE | | | | |
|---------------------|-----------------|----------------|---------------|-------------------|-----------------|
| | 31/05/2022 | 31/05/2022 | 31/05/2022 | 31/03/2022 | |
| | Actual | Budget | Var to Budget | Prior Year Result | Var to Prior Yr |
| Income | 103,185 | 103,642 | -457 | 627,546 | -524,361 |
| Expenditure | 77,517 | 115,776 | 38,259 | 515,781 | 438,264 |
| Surplus / (Deficit) | 25,667 | -12,135 | 37,802 | 111,765 | -86,097 |

- 3.1 At 31st May 2022 Income is £457 adverse to budget.

Expenditure is positive to budget by £38,259. This is due to lower than anticipated costs recharged from PATROL.

This results in a surplus to date of £25,667 against a budgeted deficit of £12,135 (a positive variance of £37,802)

4.0 Reserves

| | To Date | Budget ytd | Var to Budget |
|--|----------------|----------------|---------------|
| Reserves b/f from 21/22 | 600,560 | 600,560 | 0 |
| Surplus / (Deficit) for year 22/23 - YTD | 25,667 | -12,135 | 37,802 |
| Closing Balance | 626,227 | 588,425 | 0 |
| <i>Approved Reserves</i> | 347,342 | 347,342 | 0 |
| FREE Reserves to Date | 278,885 | 241,083 | 37,802 |
| | | | 0 |

- 4.1 At 31st May 2022 there is a Reserves balance of £626,227 giving a Free Reserves balance of £278,885 (against a budgeted balance of £241,083).