

WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

DATE: 24 JUNE 2005

AGENDA ITEM NO: **10**

SUBJECT: AUTHORITY REGULATIONS

Report of the Clerk to the Authority

1. MATTER FOR CONSIDERATION

- 1.1. To inform Members of the general regulations they have approved for the conduct of the Authority's affairs.

2. INFORMATION

- 2.1. The Authority has a number of regulatory documents it has set up to control its affairs. The most important of these, together with details of memberships and staffing, are published annually in a 'red' book issued to all Members after the annual meeting.
- 2.2. The documents referred to are:
 - 2.2.1. Standing Orders (separate report on the agenda)
 - 2.2.2. Code of Conduct for Members (attached as appendix A)
 - 2.2.3. Financial regulations (attached as appendix B)
 - 2.2.4. Members Allowances Scheme
- 2.3. Arising from the **Code of Conduct** approved in 2002 Members are reminded that they have a legal obligation to:
 - 2.3.1. complete their declarations of financial and other interests before they attend the their first PTA meeting.
 - 2.3.2. register any personal or prejudicial interest arising from any item on the agenda of every meeting they attend and
 - 2.3.3. register all gifts and hospitality both offered and received/rejected within 28 days.
- 2.4. The **Financial Regulations** are appended for information only.
- 2.5. The **Members Allowances Scheme** for this year was, in accordance with national regulations, approved before the start of the year. However, the travelling and subsistence rates were provisional at that stage as the national regulations had not been published. They have still not been published. Rates for 2004/05 should, as shown in the current scheme, still be used and any uplift will be paid as appropriate after publication.

3. FINANCIAL AND EC PROCUREMENT IMPLICATIONS

3.1. None directly arising from this report.

4. STAFFING IMPLICATIONS

4.1. None directly arising from this report.

5. EQUAL OPPORTUNITY IMPLICATIONS

5.1. None directly arising from this report.

6. RECOMMENDATIONS

6.1. That the report be noted.

**Clerk to the Authority
West Yorkshire Passenger Transport Authority**

WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

CODE OF CONDUCT FOR ALL MEMBERS

Preamble: This code, registered with the National Standards Board, shall apply, without exception, to all Members and any co-opted Members of the Authority from the date of its implementation at the meeting of the Authority on 26th April 2002. All references to 'he' shall apply equally to 'she'.

PART 1

GENERAL PROVISIONS

Scope

1. (1) A member must observe the authority's code of conduct whenever he:-
 - (a) conducts the business of the authority;
 - (b) conducts the business of the office to which he has been elected or appointed; or
 - (c) acts as a representative of the authority, and references to a member's official capacity can be construed accordingly.
- (2) An authority's code of conduct shall not, apart from paragraphs 4 and 5 (a) below, have effect in relation to the activities of a member undertaken other than in an official capacity.
- (3) Where a member acts as a representative of the authority:-
 - (a) on another relevant authority, he must, when acting for that other authority, comply with that other authority's code of conduct; or
 - (b) on any other authority, he must, when acting for that other body, comply with the authority's code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.
- (4) In this code "member" includes a co-opted member of an authority.

General Obligations

2. A member must:-
 - (a) promote equality by not discriminating unlawfully against any person;
 - (b) treat others with respect; and
 - (c) not do anything which compromises or which is likely to compromise the impartiality of those who work for, or on behalf of, the authority.
3. A member must not:-

- (a) disclose information given to him in confidence by anyone, or information acquired which he believes is of a confidential nature, without the consent of a person authorised to give it, or unless he is required by law to do so; nor
 - (b) prevent another person from gaining access to information to which that person is entitled by law.
- 4. A member must not in his official capacity, or any other circumstance, conduct himself in a manner which could reasonably be regarded as bringing his office or authority into disrepute.
- 5. A member:-
 - (a) must not in his official capacity, or any other circumstance, use his position as a member improperly to confer or secure for himself or any other person, an advantage or disadvantage; and
 - (b) must, when using or authorising the use by others of the sources of the authority, -
 - (i) act in accordance with the authority's requirements; and
 - (ii) ensure that such resources are not used for political purposes unless the use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the authority or of the office to which the member has been elected or appointed.
- 6. A member must when reaching decisions have regard to any relevant advice provided to him by:-
 - (a) the authority's chief finance officer acting in pursuance of his duties under Section 114 of the Local Government Finance Act 1988 or an equivalent provision in any regulations made under section 6(6) of the Local Government and Housing Act 1989; and
 - (b) the authority's monitoring officer acting in pursuance of his duties under Section 5(2) of Local Government and Housing Act 1989.
- 7. A member must, if he becomes aware of any conduct by another member which he reasonably believes involves a failure to comply with the authority's code of conduct, make a written allegation to that effect to the Standards Board for England as soon as it is practical for him to do so.

PART 2

INTERESTS

Personal Interests

- 8. (1) A member must regard himself as having a personal interest in any matter if the matter relates to an interest in respect of which notification must be given under paragraphs 13 and 14 below, or if a decision upon

it might reasonably be regarded as affecting to a greater extent than other council tax payers, rate payers, or inhabitants of the authority's area, the well-being or financial position of himself, a relative or a friend or:-

- (a) any employment or business carried out by such persons;
 - (b) any person who employs or has appointed such persons, any firm in which they are a part, or any company of which they are directors;
 - (c) any corporate body in which such persons have a beneficial interest in a class of securities exceeding the nominal value of £5,000; or
 - (d) any body listed in sub-paragraphs (a) to (e) of paragraph 14 below in which such persons hold a position of general control or management.
- (2) In this paragraph:-
- (a) "relative" means a spouse, partner, parent, parent-in-law, son, daughter, step-son, step-daughter, child of a partner, brother, sister, grandparent, grandchild, uncle, aunt, nephew, niece, or the spouse of a partner of any of the preceding persons; and
 - (b) "partner" in sub-paragraph (2)(a) above means a member of a couple who live together.

Disclosure of Personal Interests

9. A member with a personal interest in a matter of who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

Prejudicial Interests

10. (1) Subject to paragraph (2) below, a member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgement of the public interest.
- (2) A member may regard himself as not having a prejudicial interest in a matter if that matter relates to:-
- (a) another relevant authority of which he is a member;
 - (b) another public authority in which he holds a position of general control or management;
 - (c) a body to which he has been appointed or nominated by the authority as its representative;
 - (d) the housing functions of the authority where the member holds a tenancy or lease with a relevant authority, provided that he does

- not have arrears of rent with that relevant authority of more than two months, and provided that those functions do not relate particularly to the member's tenancy or lease;
- (e) the functions of the authority in respect of school meals, transport and travelling expenses, where a member is a guardian or parent of a child in full time education, unless it relates particularly to the school which the child attends;
 - (f) the functions of the authority in respect of statutory sick pay and Part XI of the Social Security Contributions and Benefits Act 1992, where the member is in receipt of, or is entitled to the receipt of such pay from a relevant authority; and
 - (g) any functions of the authority in respect of an allowance or payment made under sections 173 to 176 of the Local Government Act 1972 or section 18 of the Local Government and Housing Act 1989.

Participation in Relation to Disclosed Interests

11. A member with a prejudicial interest in any matter must:-
- (a) withdraw from the room or chamber where a meeting is being held whenever it becomes apparent that the matter is being considered at that meeting, unless he has obtained a dispensation from the authority's standards committee; and
 - (b) not seek improperly to influence a decision about that matter.
12. For the purposes of this Part, "meeting" means any meeting of:-
- (a) the authority; or
 - (b) any of the authority's committees, sub-committee's, joint committees, joint sub-committees, or advisory committees.

PART 3

THE REGISTER OF MEMBERS' INTERESTS

Registration of Financial and Other Interests

13. Within 28 days of the provisions of an authority's code of conduct being adopted or applied to that authority or within 28 days of his election or appointment to office (if that is later), a member must register his financial interests in the authority's register maintained under Section 81(1) of the Local Government Act 2000 by providing written notification to the authority's monitoring officer of:-
- (a) any employment or business carried on by him;

- (b) the name of the person who employs or has appointed him, the name of any firm in which he is a partner, and the name of any company for which he is a numerated director;
 - (c) the name of any person, other than a relevant authority, who has made a payment to him in respect of his election or other expenses incurred by him in carrying out his duties;
 - (d) the name of any corporate body which has a place of business or land in the authority's area, and in which the member has a beneficial interest in a class of securities of that body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital of that body;
 - (e) a description of any contract for goods, services or works made between the authority and himself or a firm in which he is a partner, a company of which he is a remunerated director, or a body of the description specified in sub-paragraph (d) above;
 - (f) the address or other description (sufficient to identify the location) of any land in which he has a beneficial interest and which is in the area of the authority;
 - (g) the address or other description (sufficient to identify the location) of any land where the landlord is the authority and the tenant is a firm in which he is a partner, a company of which he is a remunerated director, or a body of the description specified in sub-paragraph (d) above; and
 - (h) the address or other description (sufficient to identify the location) of any land in the authority's area in which he has a licence (alone or jointly with others) to occupy for 28 days or longer.
14. Within 28 days of the provisions of the authority's code of conduct being adopted or applied to that authority or within 28 days of his election or appointment to office (if that is later), a member must register his other interests in the authorities register maintained under Section 81(1) of the Local Government Act 2000 by providing written notification to the authority's monitoring officer of his membership of or position of general control or management in any:-
- (a) body to which he has been appointed or nominated by the authority as its representative;
 - (b) public authority or body exercising functions of a public nature;
 - (c) company, industrial and provident society, charity, or body directed to charitable purposes;
 - (d) body whose principal purposes include the influence of public opinion or policy; and
 - (e) trade union or professional association.
15. A member must within 28 days of becoming aware of any changes to the interests specified under paragraphs 13 and 14 above, provide written notification to the authority's monitoring officer of that change.

Registration of Gifts and Hospitality

16. A member must within 28 days of receiving any gift or hospitality over the value of £25, provide written notification to the authority's monitoring officer of the existence and nature of that gift or hospitality.

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WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

FINANCIAL REGULATIONS (June 2003)

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FINANCIAL REGULATIONS

1. **Application**

1.1. These financial regulations shall apply at all times and must be adhered to by all employees of the Authority and external agencies acting on behalf of the Authority unless specifically exempted by the terms of the contract entered into between those agents and the Authority.

1.2. The Chief Financial Officer is designated under Section 151 of the Local Government Act 1972 as the officer who is responsible for the proper administration of the financial affairs of the Authority and shall

make suitable arrangements to ensure that these financial regulations are made known to all employees.

2. Relationship with Executive/Leeds City Council

2.1. The Executive and Leeds City Council both have their own Financial Regulations. The Authority makes use of the Executive's financial systems for payments and Leeds City Council for borrowing and investments and the operation of the cash book. All Officers shall follow the requirements of those bodies, in relation to the above transactions, as determined by them from time to time.

3. SEALING OF DOCUMENTS

3.1. The Common Seal of the Authority shall be kept in a safe place and the keys thereof shall be in the custody of the Clerk or some other Officer authorised by the Clerk.

3.2. A resolution of the Authority authorising the taking of any action shall be sufficient authority for the sealing of any document necessary to give effect to such resolution.

3.3. The sealing of a document shall be entered and consecutively numbered in a register kept for that purpose in the custody of the clerk.

3.4. The Clerk shall be authorised to sign all documents and in his absence the Deputy Clerk or Deputy Chief Financial Officer shall be authorised to sign any such documents.

4. Amendments to Financial Regulations

4.1. Any amendment to add to, vary or revoke these regulations shall only be permissible at a quorate meeting of the full Authority.

4.2. These regulations may not be suspended

4.2.1. by any Member or Officer, so far as regards any particular item of business is concerned,

4.2.2. except where, on any particular item, a motion to suspend a particular regulation is recorded in the minutes of the Authority specifying the suspension concerned.

5. General Interpretation

5.1. In this and the succeeding parts of the Financial Regulations (FRs):-

“Authority” means the West Yorkshire Passenger Transport Authority.
“Clerk” means the Clerk to the Authority
“Officer” means an officer of the Authority unless otherwise specified
“CFO” means the “Chief Financial Officer” of the Authority
“Executive” means the West Yorkshire Passenger Transport Executive.
“DG” means the Director General of the Executive

6. **Budgeting**

- 6.1. The CFO and the Clerk shall prepare a financial strategy comprising a forecast of expenditure and income for discussion with District Councils in relation to future Levies and report such discussions to the Authority.
- 6.2. The CFO shall ensure that a revenue budget is prepared on an annual basis for consideration at a meeting of the Authority before 15 February prior to the start of the financial year. At that meeting determination shall be made of the level of the Levy for the following year.
- 6.3. The Authority shall approve revenue budgets for the Authority and Executive and determine the arrangements for the controls to be applied for the following year. All actions of the Executive shall be within the policies and budget laid down by the Authority.
- 6.4. The CFO shall monitor the Authority’s expenditure in relation to its budget and report any significant variations to a subsequent meeting of the Authority.

7. **Capital Expenditure**

- 7.1. The CFO shall present a capital programme for the current and future year with the annual budget report.
- 7.2. No capital expenditure shall be incurred without first being approved by the Authority, except up to a maximum of £100,000 on feasibility studies or advance design work required for a scheme that appears within the approved capital programme. All expenditure on schemes shall be the subject of a report to the Authority setting out the nature and justification for the scheme plus the anticipated capital costs and revenue consequences.
- 7.3. Expenditure on a capital scheme which is in excess of the approval granted by the Authority may only be incurred up to a limit of £100,000 or 10%, whichever is the less (provided such excess exceeds £10,000), without a further report to the Authority. All capital expenditure incurred during the financial year shall be reported to the Authority by the CFO/DG in an annual report to coincide with the annual accounts.
- 7.4. All funding arrangements shall be undertaken by the CFO in

accordance with any decisions or delegations made by the Authority. The CFO shall include a full statement of the funding arrangements actually applied in the annual final accounts report to the Authority for their approval.

8. Accounting Arrangements

- 8.1. The CFO shall, not later than the date specified in government regulations, prepare and submit to the Authority the annual statement of accounts for the year ending on the preceding 31 March; such statements of accounts being in a form prescribed by the CFO in compliance with the Accounts and Audit Regulations currently applicable. The statements shall also conform to all relevant Statements of Accounting Policy and Financial Reporting Standards (SSAPs and FRSs) issued by the appropriate Accountancy Bodies.
- 8.2. The CFO shall, from time to time when he deems it necessary, issue instructions, which must be followed by all Officers, in relation to:-
- 8.2.1. **Assets.** The systems and procedures to be used in the recording, and the valuation of, all stocks and items of furniture, equipment, plant, vehicles and properties etc. held by, or under the control of, any Officer of the Authority. All such assets shall be the responsibility of the appropriate officer who shall take all necessary steps to ensure their safe custody.
- 8.2.2. **Income.** Safe and efficient arrangements for the receipt and recording of all monies payable to the Authority.
- 8.2.3. **Payments.** The checking and certification of all invoices, vouchers, contract certificates, wages and salary records, members allowances and all other documents appertaining to the disbursement of monies by the Authority, through the Executive or Leeds City Council.
- 8.2.4. **Petty cash.** The amount and rules under which any petty cash advance may be operated and reimbursed.
- 8.2.5. **Financial Information.** The prompt furnishing of any information required for financial reports and appraisals on any matters howsoever arising affecting the Authority.

9. Disposal of Property

- 9.1. No asset of the Authority shall be disposed of without the prior approval of the CFO.
- 9.2. All property found upon Authority premises shall be dealt with by the Executive under the Executive's Financial Regulations.

10. **Contracts for the supply of goods and services**

- 10.1. The Executive has procedures in relation to the supply of all works, goods and services. Those procedures shall apply to the Authority as follows:
 - 10.1.1. In relation to amounts below category C (minimum currently £20,000) the appropriate procedures shall be determined by the Clerk to the Authority as required.
 - 10.1.2. In relation to amounts covered by category C or above the Executive's procedures shall apply.
 - 10.1.3. All references to the Executive Board shall be construed as references to the Authority.

11. **Banking and Treasury Management**

- 11.1. The CFO shall make suitable arrangements regarding the opening and operation of all bank accounts of the Authority.
- 11.2. The CFO shall prepare a Treasury Management policy for adoption by the Authority and present reports, at least annually, to the Authority on its performance.

12. **Audit and Risk Management**

- 12.1. The Authority has statutory responsibilities and will not tolerate fraud or corruption in the administration of its affairs. The CFO will therefore ensure arrangements are made to cover:
 - 12.1.1. **Risk Management.** Risk management is the planned and systematic approach to the identification, evaluation and control of risk. All such matters relating to the Authority as well as the Executive will form part of the consideration of the Executive's internal Risk Management committee.
 - 12.1.2. **Fraud and corruption.** All Members and Officers shall follow the appropriate codes of conduct as adopted by the Authority in relation to declarations of interests, gifts and hospitality, and general business practices as well as following the staffing policies developed by the Executive and adopted by the Authority.
 - 12.1.3. **Insurance.** The CFO shall determine insurance requirements and implement them through combined Authority/Executive policy(ies).
 - 12.1.4. **Internal audit.** There are currently no directly employed

internal audit staff thus the Executive's internal audit section shall assume responsibility for providing internal auditing services to the Authority and shall have unrestricted access to the Authorities staff, records and systems. Audit work programmes and results from internal audits performed shall be reported to the CFO.

- 12.1.5. **External audit.** External audit shall be carried out by an auditor appointed by the Audit Commission who will report annually, or more often if deemed necessary, to the Authority.

13. Interpretation

- 13.1. Any ambiguity which arises from the interpretation of these regulations shall be settled by the Clerk to the Authority.