

Report of: Head of Finance & Fundraising

Subject: Approve the Financial Standards 2026.

Decision Required: Yes

Recommendation:

It is recommended that Members:

- **Approve** the Financial Standards as set out in Appendix A to this report.
- **Agree** that the approved Financial Standards take immediate effect.
- **Note** that compliance with the Financial Standards will be mandatory and monitored through existing financial governance and internal control arrangements.
- **Note** the financial operational procedures attached (Appendix B) which support the Financial Standards
- **Authorise** the Head of Finance & fundraising to make minor, non-material amendments to the Financial Standards where required to reflect legislative change, audit recommendation, or operational improvement, with any material changes reported back to Committee for approval.

1. Key Messages

1.1.1 The purpose of this report is to seek Members approval for the adoption of a suite of Financial Standards that set out the Authority's required approach to key areas of financial management and control.

1.1.2 The Financial Standards update a previous version dated 2020 and have been rewritten & updated to reflect current operational practices.

1.1.3 The Financial Standards propose an increase in delegation limits as outlined in the Appendix to the Financial Standards.

2. Background

2.1 The Authority is required to maintain robust financial governance arrangements to ensure the proper stewardship of public funds, compliance with statutory requirements, and adherence to best practice. Financial Standards provide clear, consistent guidance on how financial processes must be operated across the organisation, supporting transparency, accountability, and strong internal control.

2.2 The proposed Financial Standards have been refreshed to:

- Align with the Authority's Financial Regulations and Scheme of Delegation
- Reflect current operational practices and shared service arrangements (payroll).
- Support compliance with CIPFA principles and relevant legislation
- Provide clarity on roles, responsibilities, and control requirements

2.3 The scheme of delegation has also been updated to align with current financial approval processes. The proposed increase in delegation limits is intended to improve operational efficiency and proportionality while maintaining strong financial control and oversight. Existing limits no longer fully reflect current cost levels or operational demands, resulting in routine, low-risk transactions being escalated unnecessarily. Increasing the limits will enable timely decision-making at an appropriate management level by officers who are directly accountable for budget control, supporting effective service delivery and cash-flow management. The revised limits are risk-based and will operate within the outlined Financial Standards, Schemes of Delegation, and internal control arrangements, including segregation of duties, monitoring, and audit oversight. This approach is consistent with CIPFA guidance and ensures that strategic, high-risk, or high-value decisions continue to be subject to senior officer or committee approval.

In summary, increased delegation limits reflect:

- Inflation and market changes
- Aim to Improve efficiency and timeliness
- Reduce administrative and committee burden
- Support modern ways of working e.g. electronic purchasing & invoicing, framework contracts
- Strengthen accountability at the appropriate level

Whilst maintaining compliance with best practice i.e. CIPFA and accompanied by clear financial regulations and approval thresholds.

3. Consultation

Consultation has been carried out with Directors and Heads of Service as well as various budget holders and finance staff.

4. Strategic Policy Context

The information and recommendations contained in this report are consistent with the Authority's statutory purposes and its approved strategic policy context.

The Financial Standards support compliance with:

- The Authority's statutory financial responsibilities
- Financial Regulations and Standing Orders
- CIPFA guidance on financial management and governance

They also strengthen the governance framework relied upon by Internal and External Audit.

5. Financial considerations

There are no direct additional financial costs arising from the adoption of the Financial Standards. Their implementation is expected to support improved financial control, reduce the risk of error or non-compliance, and strengthen overall financial management.

6. Risk & Compliance Considerations

Failure to maintain clear and up-to-date financial standards increases the risk of:

- Non-compliance with Financial Regulations and statutory requirements
- Financial error, fraud, or misstatement
- Weak audit assurance

Approval and implementation of the Financial Standards mitigate these risks by embedding consistent and controlled financial practices.

7. Impact on our Public Sector Duties

7.1 Integrated Assessment Completed: No

7.2 Equality, Socio-Economic, Health and Human Rights Impacts

7.2.1 There are no direct equality, socio-economic, health or human rights impacts or sustainability implications arising from this report. The Financial Standards apply consistently across the organisation and support fair, transparent, and accountable financial processes.

7.3 Welsh Language Impacts

7.3.1 Authorisation of the Financial Standards is a technical process that has no impact on the number of Welsh speakers but enables the Authority to fulfil its duties under the Welsh Language Standards.

7.4 Section 6 Biodiversity Duty and Carbon Emission Impacts

7.4.1 Authorisation of the Financial Standards is a technical process that will support the Authority to fulfil its Section 6 Biodiversity Duty and elements of wider activities that support decarbonisation. The technical process has no impact on Carbon Emissions.

7.5 Well-being Goals for Wales and 5 Ways of Working (Sustainable Development Principles) Impacts

7.5.1 Authorisation of the Financial Standards is a technical process that supports the Authority to conduct its strategic priorities in support of the Well-being Goals for Wales and the Sustainable Development Principles.

8. Conclusion

8.1 The proposed Financial Standards provide a clear and robust framework for the management of key financial processes. Member approval is therefore sought to

formally adopt the standards and embed them within the Authority's financial governance arrangements.

8.2 Members formally resolve that:

- The Financial Standards set out in Appendix A to the report be approved and formally adopted by the Authority.
- The Financial Standards take effect from May 2026.
- Compliance with the Financial Standards be mandatory for all relevant officers and be embedded within the Authority's financial governance framework.
- The Head of Finance & fundraising be authorised to make minor, non-material amendments to the Financial Standards where required to reflect legislative change, audit recommendation, or operational improvement, with any material changes reported back to Committee for approval.
- Note the financial operation procedures that document processes, authorisation and internal controls.

9. List Background Documentation:

Detailed in Financial Standards
Financial operational procedures annexed



**Pembrokeshire Coast National Park
Authority**

Financial Standards/Regulations 2026

Pembrokeshire Coast National Park Authority

Financial Standards

Version	Active Date	Document Owner	Internal/ External
8	30/04/2026	<i>Head of Finance & Fundraising</i>	

Please note: Standards Control Sheet is at the end of the document. Standards document is uncontrolled once printed. Please refer to the Authority's Intranet site for up-to-date Standards.

Do these Standards relate to me:

This manual applies to all Members, Committees, officers, departments, entities and groups acting on behalf of the National Park Authority involved in financial management, including budgeting, procurement, accounting, and reporting. Compliance with financial governance requirements is mandated under the Environment Act 1995, Local Government Act 1972, and Welsh Government financial regulations.

Quick Reference - Key Messages from Standards:

These Financial Standards establishes the governance framework, accounting policies, procedures, and internal controls for financial management within the Pembrokeshire Coast National Park Authority, ensuring compliance with statutory requirements, Welsh Government guidance, and stewardship of public funds. They aim to ensure that:

- Legal requirements are met.
- Public money is safeguarded.
- The Authority's assets are safeguarded.
- Budgets and resources are used efficiently.
- Income is maximised where appropriate.
- Best value is achieved.

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1. Purpose

These Financial Standards establishes the governance framework, accounting policies, procedures, and internal controls for financial management within the Pembrokeshire Coast National Park Authority, ensuring compliance with statutory requirements, Welsh Government guidance, and stewardship of public funds. They aim to ensure that:

- Legal requirements are met.
- Public money is safeguarded.
- The Authority's assets are safeguarded.
- Budgets and resources are used efficiently.
- Income is maximised where appropriate.
- Best value is achieved.

2. Legislative and Regulatory Framework (Wales)

The Authority operates in accordance with the following legislation and guidance:

- Environment Act 1995 (establishing National Park Authorities)
- Local Government Act 1972 - Local Government (Wales) Measure 2011
- Well-being of Future Generations (Wales) Act 2015
- Local Government and Elections (Wales) Act 2021
- CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom
- CIPFA Prudential Code for Capital Finance in Local Authorities (2021 edition)
- CIPFA Treasury Management in the Public Services: Code of Practice (2017 edition, updated guidance)
- Welsh Government: "Local Authority Accounting in Wales" (statutory guidance)

- Welsh Government: Revenue Support Grant (RSG) Settlement documentation (annual)
- Welsh Government: “Prudential Framework for Local Authority Capital Finance” guidance
- Audit Wales Code of Audit Practice (2021)
- UK GAAP is adapted for the public sector.

3. Scope

This manual applies to all Members, Committees, officers, departments, entities and groups acting on behalf of the National Park Authority involved in financial management, including budgeting, procurement, accounting, and reporting. Compliance with financial governance requirements is mandated under the Environment Act 1995, Local Government Act 1972, and Welsh Government financial regulations.

4. Roles and Responsibilities

4.1 Members (NPA)

Approves budgets, Annual Statement of Accounts, financial strategies & policies, including providing oversight via scrutiny functions (Local Government and Elections (Wales) Act 2021). The Audit & Corporate Services Review Committee monitors financial performance and reviews outcomes of internal and external audits.

4.2 Chief Executive and Senior Leadership (Directors)

Ensures effective financial management across Authority functions and alignment with Well-being of Future Generations (Wales) Act 2015 objectives.

- Ensures Authority decisions and policies are implemented.
- Responsible for the effective use of resources
- Ensuring spending aligns with statutory purposes.
- Preparation of the National Park’s Partnership Plan (Management plan)
- Responsible for the overall performance of their respective services, ensuring service compliance with these Financial Standards and providing assurance that internal controls are applied and effective.

4.3 Chief Finance Officer (Section 151 Officer)

Under the Local Government Act 1972 (Section 151), responsible for:

- Ensuring lawful and prudent financial management including compliance with Regulations and Codes of Practice

Pembrokeshire Coast National Park Authority - Financial Standards/Regulations

- Maintaining accounting records (CIPFA Code of Practice) including overseeing internal controls, accounting, and financial reporting including assessing the effectiveness of the system of internal control environment.
- Reviewing the Statement of Accounts (Audit Wales guidance) ensuring compliance with accepted accounting practices

4.4 Head of Finance & Fundraising

- Reports to Chief Executive
- Oversees day-to-day finance operations.
- Prepare annual accounts.
- Reports on budgetary performance including capital and revenue budgets
- Maintains financial systems, budgets, insurance, fraud policies and authorized signatory lists.
- Reviews and implements a system of internal financial controls and ensures compliance.

4.5 Monitoring Officer

- Ensures compliance with legal and governance requirements including advising members on whether decisions are within the law & codes of practice.
- Manages the Register of Interests and Codes of Conduct including Register of Gifts & Hospitality

4.6 Budget Holders/Team leaders

Manage expenditure within approved service budgets in their area of responsibility (Local Government (Wales) Measure 2011) and deliver value for money.

4.7 Other Key Roles

- **Estates Officer:** Manages property records, arranges valuations including advising on and implementing asset planning.
- **Head of People:** Manages employee relations, HR planning and staff well-being.
- **Democratic Services Manager:** Responsible for effective administration of Authority Governance.

5. Accounting Policies

5.1 Basis of Accounting

Accounts are prepared on an accruals basis as per the CIPFA Code of Practice on Local Authority Accounting. Detailed accounting policies relevant to the Authority are listed in the Statement of Annual Accounts. These are subject to change in accordance with accounting guidance.

Accounting procedures shall comply with relevant local authority accounting standards and regulations (CIPFA Code).

5.2 Revenue Recognition

Revenue includes National Park grant funding, income from services, and other grants, recognized when earned and measurable as per the CIPFA Accounting Code. The basis of measurement is defined in the accounting policies.

5.3 Expenditure Recognition

Expenditure recognized when goods/services are received and in accordance with the CIPFA Accounting Code. The basis of measurement is defined in the accounting policies.

5.4 Capital Expenditure

Capital expenditure follows the Prudential Code and Welsh Government guidance for capital assets and thresholds. The basis of measurement is defined in accordance with the CIPFA code and in the accounting policies. Financial Procedure 14 Fixed Assets sets out the arrangements for the identification, recognition, recording, control, depreciation, and disposal of fixed assets. It ensures that assets are managed effectively, safeguarded appropriately, and accounted for in accordance with the financial procedures, accounting policies and relevant accounting requirements.

5.5 Depreciation

Assets are depreciated using methods recommended by CIPFA guidelines and as defined in the accounting policies. Financial procedure 14 Fixed Assets sets out the procedure for the valuation and depreciation of assets including record requirements.

6. Budgeting Framework

6.1 Medium-Term Financial Plan (MTFP)

A MTFP is maintained over 3–5 years in line with Welsh Government funding guidance and presented with the annual budget.

6.2 Annual Budget Setting

An annual budget must be presented and approved by Members in line with the following annual timetable:

These dates are guidelines only and subject to change:

- **October to November** - Initial planning & preparation, Aligning the budget with strategic goals. Engaging stakeholders to gather input and identify needs. Reviewing past financial performance.
- **November to December** - Drafting the budget. Estimating revenues, identifying pressures and projecting expenses. Planning for contingencies.
- **January** - Consultation & revision
- **February:** Draft budget presented for formal approval by the Authority.
- **15th February:** Levy letter issued to Pembrokeshire County Council
- **April:** Implementation and monitoring - Budgets issued to Budget Holders & Welsh Government returns submitted.
- **30 June:** Draft accounts for the financial year submitted to Audit Wales (or appropriate notice published if this is not possible)
- **31 July:** WG Revenue & capital Out-turn Report submitted.
- **When audit completed:** Audited accounts submitted to Welsh Government

6.3 Budget Monitoring

Monthly and quarterly reports are issued to Authority management and Members as follows:

1. Management

- Monthly budget reports are made available to Budget Holders and Directors tracking actual performance against the budget. These include variance analysis identifying differences between actual & budgeted figures. This enables investigation & understanding for the causes of variances.
- Corrective actions are undertaken by adjusting plans and reallocating resources as needed (authorized budget virements) and updating financial forecasts based on current trends.
- Any corrective actions such as proposals to increase expenditure during the year shall identify funding sources in terms of savings elsewhere, draw on any contingency balance or specific reserve, revenue financing of capital expenditure, capital receipts, locally generated income, service specific grants, or borrowing.
- Budget virements are subject to authorization limits in accordance with the scheme of delegation (appendix B)

- Budget Managers must advise if there is an issue which may have a significant impact on the Authority's budget.

2. Members

Budget performance reports are submitted to Audit & Corporate Services Review Committee quarterly:

- July meeting (12 months to 31st March budget report, draft annual statement of accounts)
- November meeting (6 months to 30th September budget report)
- February (9 months to 31st December budget report)
- May (forecast out turn to 31st March)

7. Treasury Management

7.1 Objectives

Liquidity, security, and yield management is defined as per the CIPFA Treasury Management Code (2017) and Welsh Government guidance. The Code sets out a framework of operating procedures for both Members and Officers to reduce treasury risk and improve understanding and accountability regarding the Treasury position of the Authority. To this end, the Authority will comply with CIPFA's Code of Practice on Treasury Management

7.2 Governance

An Investment and Treasury Management Strategy is presented to members as part of the budget setting process and published with the annual budget paper. This is compliant with the Prudential Code.

7.3 Banking arrangements

- Bankers must be appointed with the approval of NPA or Audit & Corporate Services Committee.
- All arrangements concerning the operation of the Authority's bank accounts shall be made upon direction of the Head of Finance & Fundraising or the Chief Executive. They are authorised to open such subsidiary bank accounts with the approved bankers as are necessary.
- The Members delegate authority to the Chief Executive and Head of Finance & Fundraising to process payment instructions of any kind within banking limits.
- An approved list of bank signatories will be maintained by the finance department.
- All staff shall immediately notify the Head of Finance & Fundraising of any irregularity affecting cash, (including suspicions of money laundering), inventory or other property of the Authority and if an irregularity is disclosed, the Head of

Finance & Fundraising shall take such steps as he/she considers necessary after consultation with such Chief Executive as appropriate. The Head of Finance & Fundraising is the nominated officer to whom employees can notify 'suspicious transactions' which includes those with money laundering implications.

- The Head of Finance & Fundraising shall ensure that there are safe and efficient arrangements in place for the control of and access to blank cheques, and the preparation, signing and issue of cheques.
- The Head of Finance & Fundraising shall ensure appropriate records and accounts of all Treasury Management transactions are maintained.
- Acceptance of Credit / Debit Cards and their associated merchant accounts is subject to the approval of the Head of Finance & Fundraising.

8. Internal Controls and Governance

8.1 Governance Framework

The financial governance framework includes Financial Regulations, Contract Standing Orders, and Scheme of Delegation, compliant with CIPFA standards.

The Head of Finance & Fundraising ensures that a secure, efficient and reliable accounting system is in place to process accounts, payroll and any other associated transactions.

8.2 Segregation of Duties

Key duties are separated where possible to help mitigate fraud. In a small organization where this is not always feasible, this should be mitigated by management scrutiny and other checks.

8.3 Risk Management

Risk management is aligned with the corporate risk framework and Well-being of Future Generations (Wales) Act 2015 objectives.

8.4 Financial procedures & controls

All financial procedures and internal controls are documented in the following documents. These are integral to and support the delivery of the Financial Standards:

FP01 – Petty cash & floats procedure

FP02 - Purchase Order procedure

FP03 – Income collection & sales invoicing procedures

FP04 – Disposal of Surplus Assets

FP05 – Cash handling

FP06 – Payroll procedures

FP07 – Obsolete

FP08 – Quotations procedure – purchase of goods & services below £25,000 net vat

FP09 - Invoice payments & authorization procedures
FP10 – Staff Subsistence expenses
FP11 - Obsolete
FP12 – Grant applications & claims
FP13 – Inventory management
FP14 – Fixed assets
FP15 - Awarding Grants & Management Agreements
FP16 – Awards to Strategic partnerships
FP17 – Members Travel policy
FP18 - Travel policy & travelling claims procedures

Internal procedures:

IP1 – Processing Invoices for Payment
IP2 – Debtors/Creditors Accounts
IP3 – Cash flow management
IP4 – Purchase order processing
IP5 - Budgetary control
IP6 – Payroll over/under payments
IP7 – Cancellation/Amendments to debts
IP8 – Vat returns
IP9 – Bank reconciliations
IP10- Castell Henllys Weekly Banking Operational procedure
IP11- Carew weekly banking procedure
IP12- OYP weekly banking procedure

8.5 Policies

The following policies and standards support the governance of *financial procedures and standards* in the Authority:

Contract Standing orders
Scheme of Delegation as per the Financial Standards (Appendix B)
Asset Management Policy & Strategy (deployment & management)
Socially Responsible and Sustainable Procurement Policy
Financial Reserves Policy
Investments Strategy and Treasury Management Policy
Record management & Retention Policy including Retention Schedule
Money laundering Policy
Antifraud & Bribery Policy
Members' Code of Conduct
Code of Corporate Governance
Partnership Framework
Risk Management Strategy (Policy) and Guidance
IT User Policy
Information and Data Security Policy
Data Protection Policy

HR related policies such as maternity pay, etc. which inform payroll processing.

9. Procurement and Contract Management

9.1 Principles

Procurement must be transparent, fair, demonstrate value for money, and comply with UK and Welsh procurement rules (Procurement Act 2023, Welsh Government Procurement Guidance).

9.2 Procurement & Tendering

All procurement must follow the Authority's **Sustainable Procurement Strategy** and **Contract Standing Orders**. Officers shall also ensure that the selection and tendering process meets any conditions specified on grant-aided projects.

Consideration should be given at the appropriate procurement opportunity to the use of the Sell2Wales web site, Welsh Purchase Cards Scheme, Sell2Wales Frameworks, Wales Procurement Policy Statement and any other Welsh Government procurement initiatives.

The Authority is committed to ensuring that all contracts deliver wider economic, social, and environmental benefits in line with government policy objectives, including the transition to Net Zero.

9.3 Purchase orders

A Purchase Order (PO) must be completed for every contract or order for goods or services placed by officers of the Authority. Expenditure should follow the Purchase order procedures as per FP02.

9.4 Purchase cards

All staff using an authority purchase card do so subject to the conditions laid out in the Authority's Purchasing Card User Guide.

Purchase cards should only be used for incidental expenditure and are subject to spending limits and authorization procedures. Purchase cards are issued to budget holders only or where a sound business case is made for a non-budget holder e.g., remote working.

Card holders are allocated a prescribed limit as set by the Head of Finance & Fundraising from time to time.

9.5 Recurring expenditure

POs do not have to be completed for the following items:

- Standard electricity/gas/water/telephone payments.
- Periodic payments such as rent and rates.
- Renewal of annual subscriptions for publications.
- Petty cash
- Purchase card transactions.

However, they should be subject to value for money reviews on an annual basis or when contracts are due for renewal as relevant.

9.6 Contract Management

Contracts must be actively monitored to ensure compliance with contractual obligations and financial regulations. All contractors must be adequately insured. A Contractor's Insurance Questionnaire and a Risk Assessment should be completed where contracts exceed £30,000 including VAT.

The contract must be monitored by the budget holder.

9.7 Contracts register

All legally binding contracts of any size must be recorded in the internal contracts register detailing start date, end date, value, department & contact details. Contracts with a value of £30,000 or more (inclusive of VAT) must have contract details published on Sell2Wales in accordance with the transparency requirements of the Procurement Act 2023 and Welsh Procurement Policy Note 01/24.

9.8 Tender register

A tender register is maintained to record all tenders issued for goods & services of £30,000 (inclusive of vat) or more. This includes contract awards via frameworks. The register logs all tenders released together with outcomes.

9.9 Exceptions

The above requirements shall be suspended and overridden only in the following exceptional circumstances:

- **Emergency Works**
Works required to address an immediate and high risk to public safety, loss of life, or significant risk to the Authority's assets or income may be undertaken without delay and progressed in the most expedient manner possible. A written report detailing the circumstances and actions taken must be submitted to the Head of finance & Fundraising and the relevant Director by the next working day.
- **Time-Limited Grant Funding**
Where permitted by the terms of a grant, contracts reliant on time-limited funding may be awarded to a contractor who has been appointed by the Authority within the preceding 12 months, using previously accepted tendered prices adjusted for

relevant industry inflation. This exception may only be applied where adherence to the normal Standards would result in the loss of funding due to time constraints. Invocation of this provision requires the specific prior written approval of the Chief Executive, informed by a financial report setting out the implications of the decision.

10. Financial Reporting

10.1 Internal

Monthly and quarterly reports are issued to Authority management and Members as follows:

- Monthly budget reports made available to Budget Holders and Directors
- Quarterly budget performance reports submitted to Audit & Corporate Services Review Committee

10.2 External

The Authority's financial year runs from 1st April to 31st March.

Annual Statement of Accounts are required to be prepared in accordance with the CIPFA Code and statutory deadlines.

11. Audit and Assurance

11.1 Internal Audit

Internal audit provides assurance on governance and controls. The Chief Executive Officer is responsible for ensuring an adequate and effective ongoing internal audit of the Authority's financial affairs, including value for money reviews, and will ensure that an Audit Plan is available each financial year.

11.2 External Audit

The Authority is subject to external audit of its accounts, returns and performance plans, conducted by Audit Wales under Code of Audit Practice (2021). Audit staff have full access to Authority records.

The Authority may also be inspected by other external auditors and inspectors – for example, H.M.R.C etc. It is the responsibility of the relevant Director to ensure that all necessary assistance is provided to such auditors/inspectors.

A formal Audit Report is produced at the conclusion of each audit and, following agreement of actions, is presented to the National Park Authority or Audit & Corporate Services Review Committee for approval.

The Head of Finance & Fundraising is responsible for ensuring that audit action plans are implemented.

11.3 Internal Controls

The Authority shall maintain proper controls to ensure secure and reliable operation of systems and the prevention, detection, reporting and investigation of any error, irregularity or fraud. Internal controls are documented in the financial procedures' documents.

Key policies in this respect are:

Anti-fraud & Bribery Policy
Whistle Blowing Policy
Money laundering policy

12. Gifts, loans and Sponsorship

12.1 Gifts of money, gifts in kind, loans of property or sponsorship may be accepted where they demonstrably support the Authority in enhancing or extending the services it would otherwise provide. Such offers may be accepted only from sources with legitimate, transparent and well-intentioned reasons for supporting specific projects or activities.

12.2 The Authority shall not accept any gift, loan or sponsorship that could, or could be perceived to, compromise its independence, influence decision-making, or affect the direction of a policy, contract or operational activity. Where acceptance is considered inappropriate, the offer shall be courteously declined and the Chief Executive notified in writing.

12.3 Any free gifts received in connection with orders placed by the Authority, or gifts from suppliers or contractors engaged by the Authority, which do not carry conditions or imply influence, shall be deemed the property of the Authority. Low-value promotional items (for example diaries, pens or stationery) may be retained by the receiving officer with the approval of their Team Leader.

12.4 All gifts, loans and sponsorship received—other than the low-value items referred to above—must be declared by the receiving officer and recorded in the Gifts and Hospitality Register held by the Chief Executive's office.

12.5 Gifts provided by the Authority shall also be recorded in the Gifts and Hospitality Register, or in site-based stock records where the items are issued from the Authority's merchandise or promotional stock.

12.6 The Monitoring Officer shall maintain appropriate procedures for the declaration of interests in accordance with legislative and governance requirements. Any interests of Members or officers that relate to the work of the Authority, or that may influence decisions made by the Authority, must be declared and recorded in the relevant Register of Interests held by the Chief Executive's office.

13. Insurance & security

13.1 Each Director is responsible for ensuring that adequate and effective arrangements are operated for the care and custody of all Authority assets and property within their control, and that their use is properly authorised and controlled. This should include adequate and effective security measures to prevent loss, and procedures to minimise damage and vulnerability of Authority assets.

13.2 The Llanion Park facilities manager ensure procedures for the secure opening of incoming mail and handling cash and private/confidential correspondence. Post shall be opened with at least two members of staff present and logged. Similarly, procedures shall be maintained for outgoing post – to be collected by the Post Office (franked) or taken to other mail organisations safely and securely.

13.3 Site Managers/Team Leaders shall be responsible for incoming/outgoing post arrangements at their respective sites.

13.4 The Head of Finance & Fundraising shall ensure that appropriate insurance policies are in place to cover the work of the Authority, although the Authority may determine to 'self-insure' for certain risks.

13.5 The Head of Finance & Fundraising shall maintain a record for all insurance arrangements and issues.

13.6 The relevant Director is required to provide a schedule of service specific risks. Risks should be re-evaluated at least annually or in line with any significant changes to the service or on-going projects.

13.7 Officers shall give prompt notification to the Head of Finance & Fundraising of any new risks, properties, equipment or other assets or liabilities for which insurance may be required, and of any changes affecting existing risks.

13.8 Officers shall notify the Head of Finance & Fundraising in writing of any loss, liability or damage or any event likely to lead to a claim and shall provide information and explanations required by the Head of Finance & Fundraising or the Authority's insurers.

14. Payroll Governance, Administration & control

14.1 The Head of Finance & Fundraising is accountable for the integrity, security and effective operation of the payroll system and shall ensure that payroll processing arrangements are robust, controlled and subject to appropriate management oversight. All payroll payments must be accurate, duly authorised and made on approved pay dates.

14.2 The Head of Finance & Fundraising shall ensure that responsibilities for payroll authorisation, processing, reconciliation and system access are appropriately segregated where possible. The Payroll officer shall be responsible for day-to-day payroll processing and administration, including statutory and contractual deductions, strictly in accordance with formally authorised instructions. (FP06-Payroll procedures).

14.3 Payroll data shall only be processed based on written, authorised instructions supported by approved HR documentation or certified claims. Payroll administration shall include PAYE, National Insurance, pension contributions and all other statutory or contractual deductions and payments.

14.4 The Head of Finance & Fundraising shall authorise all amendments to payroll master records, including starters, leavers and changes to personal or payment details. All payroll inputs shall be reconciled to outputs prior to payment, and exceptions investigated and resolved promptly.

14.5 The Human Resources officer is responsible for issuing timely, accurate and authorised notifications to Payroll in respect of:

- Appointments and terms of employment.
- Pay grades, spinal column points and annual verification.
- Changes to contracts, conditions of service or working patterns.
- Leave entitlements including maternity, paternity and unpaid leave.
- Suspensions, secondments, transfers and all forms of termination, including retirement.

14.6 Recruitment and appointment shall only proceed where budget provision has been approved in advance and in compliance with the Authority's employment policies.

14.7 Line Managers are accountable for ensuring staff work only the hours authorised and for maintaining accurate attendance and absence records. Variable hours and overtime claims must be supported by certified timesheets or overtime forms, approved in advance and within budgetary limits.

14.8 Travel, subsistence and other expense claims shall be processed only where properly authorised and in accordance with documented procedures. The Head of Finance & Fundraising may approve alternative payment routes where there are no tax or National Insurance implications, subject to defined value limits.

14.9 Directors, Human Resources, Line Managers and Payroll share responsibility for ensuring that payroll payments are made only to bona fide employees and solely where a valid, approved entitlement exists.

14.10 The Payroll officer shall perform a formal bi-annual validation of payroll listings against authorised staffing records in conjunction with Line Managers, with discrepancies reported and resolved.

14.11 No employee or Member shall enter a contract for goods or services with the Authority without prior written approval from the relevant Director. All such interests shall be declared, recorded, reviewed annually and formally approved by the Chief Executive.

14.12 Salary payments shall normally be made by BACS to an employee's nominated bank account. Pay advances shall be permitted only in exceptional circumstances, subject to written authorisation by the Head of Finance & Fundraising and recovery through the next payroll run.

14.13 It is the responsibility of the Head of Finance & Fundraising to ensure that all P11D benefits are reported to the H.M.R.C by the statutory deadline.

15. Travelling & subsistence

15.1 All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be submitted, duly certified, in a form approved by the Head of Finance & Fundraising. Such claims shall be made in accordance with:

FP10 – Staff subsistence expenses

FP17 – Members Travel policy

FP18 - Travel policy & travelling claims procedures

15.2 The rates paid will not exceed the maximum rates adopted by the Authority as per the financial procedures.

15.3 The Authority will not meet or contribute to the costs of any fines or other expenses associated with speeding or any other illegal activity, linked to journeys undertaken on Authority business unless approved by the Chief Executive.

15.4 For approved travel outside of the UK, the Authority's normal maximum subsistence allowances may be increased to reflect higher prices in some foreign cities at the discretion of the Chief Executive.

15.5 Use of Authority vehicles is subject to FP19 Travel policy.

16. Reserves and Balances

Section 25 of the Local Government Act 2003 requires local authorities to have regard to the level of reserves needed to meet estimated future expenditure when calculating its annual budget requirement. It is the responsibility of the S151 officer and Head of Finance and Fundraising to advise on the level of reserves, and to ensure that there are clear protocols for the establishment and use of any earmarked reserves.

The financial reserves policy is reviewed annually and presented to members for approval with the annual budget papers.

17. Personal use of facilities

Approved personal uses of the Authority's assets are limited to:

- Printing and photocopying – subject to reimbursement at rates identified by the Head of Finance & Fundraising.
- ICT equipment – all staff can access ICT equipment for part of their working day, and a reasonable, limited amount of use is tolerated. The personal use should be in staff's own time and at no cost to the Authority.
- Purposes identified in any procedure supporting these Financial Standards, subject to the approval of the Head of Finance & Fundraising.

The personal use of plant and equipment other than those identified above requires prior approval of the relevant Director.

18. Record Retention

The Authority maintains a retention policy which specifies the period for which documentation needs to be retained. This is documented in the Record management & Retention Policy including Retention Schedule

In addition, financial document retention must comply with statutory requirements (HMRC) and in accordance with the conditions of the respective Structural Fund or grant program under which the grant has been awarded. Any destruction of such documents will require the written approval of the Welsh European Funding Office and the authority's Chief Executive Officer.

19. Code of Conduct

All employees are required to comply with the Authority's Code of Conduct relating to employees. This includes the requirement to make declarations in respect of outside employment, employees' personal interest and offers or receipt of gifts or hospitality. Details of procedures are included in the Employees' Handbook and related Declaration forms.

20. Suspension of Financial Standards

Any recommendation or intended action for a specific purpose, by an officer or Member of the Authority, which would breach these Financial Standards, will require such fact to be specifically brought to the attention of the Chief Executive and Head of Finance & Fundraising for consideration for approval. Any such approval to suspend Financial Standards shall be recorded and shall be reported to the next meeting of the NPA for endorsement.

21. Review and Updates

These Standards will be reviewed every 5 years by the Chief Finance Officer and Head of Finance & Fundraising in line with legislative changes and Welsh Government guidance.

However, from time to time it may be necessary to amend/update these Financial Standards and Financial Procedures before 5 years. Cosmetic amendments, and those that do not materially change the requirements of these Standards, may be made subject to the approval of the Chief Executive and Head of Finance & Fundraising. Any other amendments/updates would be subject to approval of the NPA.

22. Contacts

- **Chief Executive** – Tegryn Jones
- **Monitoring Officer** – Michael Kent
- **Chief Financial Officer** (S151 officer) - Richard Griffiths
- **Head of Finance & Fundraising** – Catrin Evans

Authority Address:

Pembrokeshire Coast National Park Authority,
Llanion Park,
Pembroke Dock,
SA72 6DY

Tel: 0845 345 7275 Fax: 01646 689076

Appendices: Financial Regulations

Appendix A – Procurement methods per Contract Standing Orders

Estimated value (inc. vat)	Procurement Method	Details	Format
Up to £1,200	No formal requirement	Link/attach any documentation if available to the Order (achieve value for money)	Order or Contract
£1,201 to £12,000	Request for Quotation	At least one written Quotation must be obtained	Order or Contract
£12,001 to £30,000	Request for Quotation	At least three written Quotations must be requested	Order or Contract
Above £30,001 but below PA23 Thresholds	Tender	At least three Tenders must be Invited Above £30k - should be advertised on Sell2Wales	Written Contract
Above PA23 Thresholds	PA23 compliant Tender	Must comply Procurement Act 2023	Written Contract
Any	Existing Framework Agreement	Must ensure that the Framework is compliant with relevant regulations and the Authority's procedures	Written Contract

The Public Contracts Regulations – Summary of Thresholds from 1 January 2024

Supplies & Services (except subsidised services contracts)

- Central Government bodies £139,688
- Others £214,904

Subsidised services contracts

- All bodies £214,904

Works (including subsidised works contracts)

- All bodies £5,372,609

Light Touch Regime for Services

- All bodies £663,540

Small lots

Pembrokeshire Coast National Park Authority - Financial Standards/Regulations

- Supplies and services £70,778
- Works £884,720

Guidance: [Thresholds \(HTML\)](#) - GOV.UK

Appendix B – Scheme of delegation

B1. Full Authority

Approves budget, funding allocations, and capital programme.

B2. Audit & Corporate Committee

Oversees budget delivery and approves major expenditure within delegated limits.

B3. Chief Finance Officer

Authority over financial administration, including urgent financial decisions (Local Government Act 1972, Section 151).

B4. Directors / Heads of Service

Approve operational expenditure within service budgets.

B5. Budget Holders

Responsible for day-to-day financial management within approved budgets.

B6. Delegated Financial Limits

Rentals / operating leases / licences / grant and sponsorships/disposal of assets shall be subject to the following limits:

	Approval 1	Approval 2
Rental Leases		
Entering any new or renewal freehold or lease interest in land or property.	Estates Officer & Chief Executive	NPA
Operating leases & finance agreements:		
Entering into any new or renewal operating lease or finance agreement for plant & equipment – all values	Head of finance & fundraising	Chief Executive

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Licences	Approval 1	Approval 2
Total value licence under any one agreement up to £10,000.	Estates Officer	Head of Service
Total value licence under any one agreement from £10,000 to £50,000	Director	Chief Executive
Total value licence under any one agreement over £50,000.	Chief Executive	NPA

Disposal of assets	Approval 1	Approval 2
Assets with a net book value of under £25,000 excluding land & buildings	Budget Holder	Head of service/Director
Assets with a net book value of over £25,000 excluding land & buildings	Director	Chief Executive
Any land & buildings	Chief Executive	NPA

Pembrokeshire Coast National Park Authority - Financial Standards/Regulations

Total Value of Grant, Sponsorship, Strategic Partnership or Management Agreement (per agreement) *	Authorising Officer / Body Approval
Certain grants as defined by Terms of Reference – all values	Grants committee as defined in TOR
Where no grant committee in existence:	
Up to £10,000	Budget Holder
	Head of Service
Between 10,001 up to £50,000	Head Of Service
	Director/Chief Executive
Over £50,001	Chief Executive
	NPA / Committee

Grants assessed as **substantial risk or novel**, must be referred for **member approval**.

**The value limit applies to a single grant offer/agreement only, even if this covers multiple years.*

Approval Limits for expenditure:

	<u>1st Approval</u>	<u>2nd Approval</u>	<u>3rd Approval</u>	<u>4th Approval</u>
Purchase Orders:				
Up to £10,000	Budget Holder/Dept manager	Employee line manager	n/a	n/a
Up to £25,000	Budget Holder/Dept manager	Head of Service	n/a	n/a
Up to £50,000	Budget Holder/Dept manager	Head of Service	Director	n/a
Over £50,001	Budget Holder/Dept manager	Head of Service	Director	Chief Executive
	<u>1st Approval</u>	<u>2nd Approval</u>	<u>3rd Approval</u>	<u>4th Approval</u>
Purchase Invoices				
Up to £10,000	Budget Holder/Dept manager	Employee line manager	n/a	
Up to £25,000	Budget Holder/Dept manager	Head of Service	n/a	
Up to £50,000	Budget Holder/Dept manager	Head of Service	Director	
Over £50,000	Budget Holder/Dept manager	Head of Service	Director	Chief Executive

Pembrokeshire Coast National Park Authority - Financial Standards/Regulations

Major expenditure	£50,000 – £500,000	Yes (Authority Management)
Strategic projects	Over £500,000	Yes (Full Authority)

The Head of Finance & Fundraising holds over riding approval authority on the finance system in cases where:

1. There is urgency of payment.
2. Authorising officer has left employment.
3. Authorising officer is on long term sick leave.
4. Authorising officer on leave for over 7 days where no delegation has been set up and there is urgency of payment.

Evidence of purchase order approval or other authorization is required to support the approval and noted on the approval system.

Budget virements:

Budget virements	Approval 1	Approval 2
Changes to budgets up to £5,000	Budget Holder	Head of service & Head of Finance & Fundraising
Changes to budgets over £5,000	Head of Service	Chief Executive

Delegated Financial Limits – Grant Applications & Funding:

Activity	Authorised Officer	Financial Limit	Conditions / Notes
Submission of grant applications	Head of Service	Up to £25,000	Must be within approved budget and organisational objectives
Submission of grant applications	Director	Up to £50,000	Must be within approved budget and organisational objectives
Submission of grant applications	Chief Executive Officer	Up to £250,000	Finance consultation mandatory
Submission of grant applications	Chief Executive Officer	Over £250,000	Material strategic or financial impact - Board notification required
Acceptance of grant funding	Head of Service	Up to £25,000	Subject to review of terms and conditions
Acceptance of grant funding	Director	Up to £50,000	Must not create unfunded commitments
Acceptance of grant funding	Chief Executive Officer	Up to £250,000	Finance consultation mandatory
Acceptance of grant funding	Chief Executive Officer	Over £250,000	Material strategic or financial impact - Board notification required
Authorisation of grant claims	Head of Service	Up to £25,000	Evidence and reconciliation required
Authorisation of grant claims	Director	Up to £50,000	Evidence and reconciliation required
Authorisation of grant claims	Chief Executive Officer	Up to and over £250,000	Evidence and reconciliation required

The Board or Audit Committee may review delegated limits periodically.

Appendix D: Key References and Sources

- Welsh Government (2023–2024), *Local Government Finance Report (No. X)*
- Welsh Government, *Statutory Guidance on the Well-being of Future Generations (Wales) Act 2015*
- Welsh Government, *Capital Finance and Accounting Regulations for Local Authorities in Wales*
- CIPFA (2021), *The Prudential Code for Capital Finance in Local Authorities*
- CIPFA (2017), *Treasury Management in the Public Services: Code of Practice*
- CIPFA/LASAAC (annual), *Code of Practice on Local Authority Accounting in the United Kingdom*
- Audit Wales (2021), *Code of Audit Practice*
- Public Contracts Regulations 2015
- Environment Act 1995 (Establishment of National Park Authorities in Wales)

Standards Control Sheet

Change Level

Change Level	Tick
Minor editorial/ accuracy changes	
Under Scheme of Delegation change requires Management Team approval only	
Under Scheme of Delegation change requires Management Team approval only, however Management Team have requested for it to go to NPA for approval.	
New Standards or under Scheme of Delegation change requires NPA approval	✓

Consultation

Group	Date
<i>[Staff/ Staff Reps]</i>	n/a
<i>[Asset Management Group/ Health and Safety Group etc.]</i>	n/a
<i>[Management Team]</i>	

Assessments

Assessment – If Applicable	Date
Integrated Assessment – Full	n/a
Integrated Assessment – Policy/ Procedure Review	n/a
Data Protection Impact Assessment	n/a

Approval

Approved by	Name	Date	Signature
National Park Authority			

Version History

Version	Active Date	Summary of Changes
8	30/04/2026	

Review

Version	Active Date	Document Owner	Review Date Trigger

Publication

Standards must be co-ordinated through the Performance and Compliance Team, for compliance, auditing, and control purposes. Please send all new or reviewed standards

Pembrokeshire Coast National Park Authority - Financial Standards/Regulations

once approved to mairt@pembrokeshirecoast.org.uk for formal publication of policy to staff and where required on the Authority's website.

Publication	Date
Published on SharePoint Corporate Policy/ Standards Hub	
External Standards – Published on Website: HTML	

End of Financial Standards Manual



Petty Cash and Till Float Procedure

1. Purpose

This procedure sets out the controls for the establishment, use, reconciliation, and monitoring of Petty Cash accounts and Till Floats within the Authority.

2. Scope

This procedure applies to all employees who handle or authorise Petty Cash and Till Floats on behalf of the Authority.

3. Responsibilities

- **Head of Finance & Fundraising:** Authorises the establishment of Petty Cash accounts and Till Floats, oversees compliance, and conducts audits.
- **Budget Holders/Managers:** Approve Petty Cash balances, transactions, reconciliations, and reimbursements.
- **Responsible Officers:** Safeguard cash, maintain records, and ensure compliance with this procedure.

4. Petty Cash

4.1 Purpose of Petty Cash

Petty Cash is used to reimburse employees for:

- Incidental costs incurred in carrying out their duties (e.g. car parking fees).
- Minor or miscellaneous purchases where it is impractical to use the Purchase Order process.
- It is not to be used for personal expenditure.

4.2 Establishment of Petty Cash Accounts

- Petty Cash accounts must be agreed between the **Head of Finance & Fundraising** and the **Budget Manager**.
- A completed manual payment form will be processed by Finance and cash allocated accordingly.
- Once established, the Petty Cash account must be accounted for until formally closed by Finance.

4.3 Standard Petty Cash Accounts

The following ongoing Petty Cash accounts are maintained:

Location	Responsible Officer	Amount (£)
Oriel y Parc	Rachel Perkins	100.00
Castell Henllys	Owen Edwards	100.00
Carew Castle	Daisy Hughes	100.00
Carew Castle Tearoom	Daisy Hughes	100.00
Fleet	Greg David	200.00
Finance	Tanya Glass	250.00

Additional Petty Cash accounts may be established for specific seasonal activities, subject to approval by Finance.

Petty cash balances are subject to a maximum limit of £500 at any one site.

4.4 Security and Access

- Petty Cash and supporting records must be stored securely in a safe or locked cupboard when not in use.
- Access to Petty Cash must be restricted to named staff only.
- Each site must maintain a record of staff authorised to make Petty Cash payments.

4.5 Record Keeping

- A master log or spreadsheet must be maintained for all Petty Cash transactions.
- As a minimum, the log must record the following:
Date | Paid To | Description | Net Amount | VAT Amount | Gross Amount | Petty Cash Balance | Paid by
- The budget GL code, department, location, cost centre and project code must be recorded for each item of expenditure.

4.6 Transaction Limits and Evidence

- Petty Cash payments should not normally exceed **£50** per transaction.
- All payments must be supported by a receipt or other appropriate documentary evidence.

4.7 Balancing and Reimbursement

- Petty Cash accounts must be balanced monthly and approved by the **Budget Holder/Manager**.
- To replenish Petty Cash, a claim must be submitted to Finance including:
 - A summary of all transactions (as per the master log)
 - Receipts
- Claims must be certified and authorised by the Budget Holder/Manager.
- Reimbursement will be made in cash by Finance or from cash takings in the case of Centres, with the deduction clearly noted on the weekly cash sheets and supported by the record of expenditure.

4.8 Accounting and VAT

- The Petty Cash master record must be submitted to Finance **quarterly** to allow:
 - Posting of transactions to the accounting system
 - Recovery of any eligible VAT

- VAT may only be reclaimed where:
 - The goods or services are vatable, and
 - A valid VAT receipt is provided showing a VAT registration number.

4.9 Seasonal Arrangements

For seasonal activities, alternative Petty Cash arrangements may be determined by Centre managers and agreed by finance.

4.10 Year-End Requirements

- An end-of-year certificate confirming Petty Cash balances is required for all accounts held across financial years.
- This must be completed in accordance with the annual **End-of-Year Closedown Procedures** issued by the Head of Finance & Fundraising.

5. General Petty Cash Controls

5.1 At all times, the combined value of cash held and Petty Cash vouchers/receipts must equal the approved Petty Cash balance.

5.2 Finance may conduct unannounced audits of Petty Cash on an ad-hoc basis.

5.3 Petty Cash must not be:

- Used for non-Authority purposes
- Temporarily borrowed by staff
- Used to reimburse travel or subsistence expenses
- Used to pay wages or contributors' expenses

5.4 Employees must not pay Petty Cash to themselves. Transactions must be separately authorised and handled by another member of staff.

5.5 Petty Cash records must be retained for **7 years** in accordance with the records retention policy.

6. Till Floats

6.1 Purpose of Till Floats

Till Floats are maintained to ensure sufficient cash is available to provide change for customers.

6.2 Establishment of Till Floats

Till Floats must be agreed between the **Head of Finance & Fundraising** and the relevant **Centre Manager**.

6.3 Standard Till Floats

The following Till Floats are maintained:

Location	Responsible Officer	Value (£)
Oriel y Parc	Rachel Perkins	450.00
Castell Henllys	Owen Edwards	300.00
Carew Castle	Daisy Hughes	850.00
Carew Tearoom	Daisy Hughes	100.00
Llanion Reception	Jess Morgan	50.00

6.4 Security and Handling

- Till Floats must be stored securely, preferably in a safe, when tills are closed.
- Local written instructions must be in place to ensure staff understand their responsibilities.

6.5 Reconciliation and Separation

- Till Floats must be kept separate from daily cash takings.
- They must not be included in admissions or sales income.
- Tills must be balanced daily and the Till Float reconciled.
- Surplus till floats retained for change must be securely held in a safe and reconciled weekly.
- Any direct banking of Till Floats must be reported to Finance via the weekly cash sheets.

6.6 Adjustments to Till Floats

- Till Floats may be increased to meet operational needs (e.g. events or seasonal activity).
- Increases must be authorised by the Centre Manager or relevant Line Manager.
- Additional cash may be taken from takings or formally requested from Finance.

6.7 Year-End Requirements

An end-of-year certificate confirming Till Float balances must be completed for all floats held across financial years, in line with the annual End-of-Year Closedown Procedures.

7. Queries

Any queries regarding this procedure should be directed to the **Finance Team**.

Assurance statement

The Petty Cash and Till Float Procedure and the controls provides reasonable assurance that appropriate financial controls are in place to safeguard cash, ensure accurate record-keeping, support segregation of duties, and promote compliance with the Authority's financial procedures.

The procedure clearly defines roles and responsibilities, establishes limits and approval requirements, and sets out formal reconciliation and reporting arrangements. These controls, when operating as designed, mitigate the risk of error, misuse, or misappropriation of cash and support accurate financial reporting, including VAT recovery.

Ongoing assurance is supported by requirements for regular reconciliations, managerial approval, record retention, year-end certification, and the ability for Finance to undertake unannounced audits. The overall control framework is proportionate to the risks associated with Petty Cash and Till Float holdings.

Key internal controls:

- Establishment of all Petty Cash accounts and Till Floats requires approval by the Head of Finance & Fundraising and the relevant Budget or Centre Manager.
- Approved cash limits are defined for each location and responsible officer.
- Additional or seasonal arrangements are subject to Finance approval.
- Clear segregation of duties between:
 - Cash custodians (Responsible Officers),
 - Budget Managers (approval and oversight), and
 - Finance (processing, monitoring, and audit).
- Staff are prohibited from authorising or paying themselves.
- Petty Cash payments are limited (normally £50 per transaction).
- All transactions must be supported by valid receipts or documentary evidence.
- Explicit prohibitions prevent inappropriate use (e.g. personal use, wages, travel, or loans).
- Mandatory master logs capture full transaction details and running balances.
- Petty Cash balances must reconcile to cash plus vouchers at all times.
- Petty Cash is balanced monthly and approved by the Budget Manager.
- Tills are balanced daily, with Till Float reconciliations performed.
- Replenishment claims require certified transaction summaries and receipts.
- Finance processes reimbursements and posts transactions to the accounting system.
- VAT is reclaimed only where valid VAT receipts and eligibility criteria are met.
- Finance may conduct unannounced audits on a risk or ad-hoc basis.
- Quarterly submission of Petty Cash records supports central oversight and VAT recovery.
- Records are retained for 7 years in line with the records retention policy.
- Mandatory end-of-year certificates confirm Petty Cash and Till Float balances.
- Year-end arrangements align with the Authority's formal Closedown Procedures.

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. FP2

Ordering and Commissioning Procedure 2026
(covering goods, materials, contractors etc)



Ordering and Commissioning Procedure

1. Purpose

This procedure sets out the controls and requirements for ordering and commissioning goods, services, and works within the Authority, ensuring compliance with Financial Standards and Contract Standing Orders.

2. Scope

This procedure applies to all employees involved in committing expenditure on behalf of the Authority.

3. Responsibilities

- **Budget Holders** are responsible for ensuring compliance with this procedure and monitoring outstanding commitments.
- **Line Managers** are responsible for approving expenditure within delegated limits.
- **Finance Team** is responsible for PO processing, invoice matching, and closing or cancelling POs as required.

4. Procedure

4.1 Raising Orders

All orders must be placed formally using one of the following approved methods:

4.1.1 Purchase Orders (POs)

- All POs must be raised on **Sage Intacct**.
- Merchandise stock POs must be raised on **KCPOS/Dynamics** and replicated on Sage Intacct.
- PO numbers are allocated automatically and sequentially by the system.
- All POs must be approved in line with the **Financial Standards** and **Contract Standing Orders (CSOs)**.

4.1.2 Construction Contracts

- For construction works, a legally binding contract must be executed.

4.2 Compliance Requirements

Before placing an order, staff must consult the **Financial Standards** and **Contract Standing Orders** to ensure that the Authority's requirements for supplier selection, quotations, and tendering have been met.

4.3 Use of Purchase Orders

- A PO must be raised before purchasing any goods or services.
- POs are required for all expenditure unless explicitly exempt under the Financial Standards (e.g. purchase cards or approved recurring expenditure).
- Purchase orders must NOT be left 'in draft'.
- POs must not be used by individuals to obtain goods and services for their private use. Whilst employees may purchase merchandise already stocked by the Authority, no goods may be ordered specifically for purchase by employees.

4.4 Budget Coding

- All POs must include a valid budget code and transaction date.
- POs without a budget code will not progress through the automated approval workflow.

4.5 PO Content Requirements

Each PO must include:

- A clear description of the goods or services
- Quantity, unit price, and total cost
- VAT status of the goods or services
- The relevant department, location, cost centre & project where relevant.
- The PO must state which procurement method was used in the order to ensure compliance with the CSOs.

4.6 Invoicing

- All invoices must be addressed to the **Finance Team** and forwarded immediately upon receipt.
- Invoices must be sent to: invoices@pembrokeshirecoast.org.uk

4.7 Invoice Approval

- Upon receipt, invoices are matched to the corresponding electronic PO.
- Matched invoices are automatically forwarded to the relevant budget holder and line manager for approval, in line with authorised limits.

- Expenditure exceeding **£25,000** requires additional approval from the Directors and/or Chief Executive, as defined in the Financial Standards.

4.8 Outstanding Purchase Orders

- POs outstanding for more than two months will be reported to Budget Managers.
- Budget Managers must investigate outstanding orders, as commitments will remain against the relevant budget until resolved.

4.9 Cancellation of Purchase Orders

- If a PO is no longer required, the **Finance Team** must be notified.
- The Finance Team will close the PO and remove the associated commitment from the budget.

5. Related Documents

- Financial Standards
- Contract Standing Orders

Assurance statement

The Ordering and Commissioning Procedure provides **reasonable assurance** that a robust control framework is in place to govern the commitment of expenditure and the ordering of goods, services, and works.

The procedure establishes clear requirements for authorisation, budgetary control, procurement compliance, and invoice approval, supported by system-based controls within Sage Intacct and related systems. When operating as designed, these controls reduce the risk of unauthorised expenditure, non-compliance with Financial Standards and Contract Standing Orders, duplicate or incorrect payments, and inaccurate commitment reporting.

The integration of purchase ordering, approval workflows, and invoice matching provides transparency and accountability throughout the procurement lifecycle, with additional scrutiny applied to higher-value expenditure. Ongoing monitoring of outstanding commitments and formal cancellation arrangements further strengthen financial control and budget management.

Summary key internal controls

- All ordering and commissioning activity must comply with the **Financial Standards** and **Contract Standing Orders (CSOs)**.
- Staff are required to confirm that appropriate quotation, tendering, or procurement methods have been followed before placing orders.
- Construction works are governed by legally binding contracts and a separate procurement procedure.
- **Line Managers** approve expenditure within delegated limits.

- **Directors and/or the Chief Executive** provide additional approval for expenditure exceeding £25,000.
- Automated approval workflows enforce authorisation thresholds.
- All orders must be placed using approved methods, primarily:
 - Sage Intacct Purchase Orders, or
 - KCPOS/Dynamics for merchandise stock, replicated in Sage Intacct.
- PO numbers are system-generated and sequential, preventing duplication or bypass.
- POs must be raised before commitments are made, with limited, formally defined exemptions.
- All POs require a valid budget code and transaction date.
- Orders without valid coding cannot progress through the system.
- Outstanding commitments remain visible against budgets until resolved.
- Mandatory PO content includes:
 - Description, quantities, unit prices, and total cost
 - VAT status
 - Department, cost centre, location, and project (where applicable)
 - Procurement method used, evidencing CSO compliance
- Invoices are centrally received by the Finance Team.
- All invoices are matched to approved electronic POs before payment.
- Automated routing ensures invoices are approved by the appropriate budget holder and line manager.
- This “three-way match” (PO, invoice, approval) reduces the risk of incorrect or unauthorised payments.
- Purchase Orders outstanding for more than two months are reported to Budget Managers for investigation.
- Budget Holders are responsible for monitoring unresolved commitments.
- Redundant or no-longer-required POs must be notified to Finance.
- Finance formally closes cancelled POs and removes associated commitments from the budget, ensuring accurate financial reporting.

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. FP3

**Income Collection and Sales Invoicing
Procedure**



1. Purpose

The purpose of the Income Collection and Sales Invoicing Procedure is to ensure that all income due to the Authority is identified, invoiced accurately, collected promptly, and recorded correctly within the financial system. The procedure supports effective financial stewardship by safeguarding public funds, ensuring compliance with statutory, contractual, and policy requirements, and maintaining a clear audit trail for all income transactions. It underpins sound cash-flow management and aligns with the Authority's Financial Regulations and internal control framework.

2. Scope

This procedure applies to all income-generating activities undertaken by the Authority, including the raising of sales invoices, fees and charges, grant income where invoicing is required, and miscellaneous income. It covers the end-to-end process from the identification and authorisation of income, through invoice generation and debtor management, to the receipt, allocation, and reconciliation of income. The procedure applies to all staff involved in income collection, sales invoicing, debt recovery, and financial recording, and includes income processed directly by the Authority or through approved third-party arrangements.

3. Sources of Income

Income due to the Authority is received through the following primary routes:

- a) **Cash receipts** – including income from car parks, visitor admissions, and similar transactions (refer to FP5 – Cash Handling Procedures).
- b) **Sales invoicing** – for goods and services such as timber sales, rental income, school visits, and other chargeable activities.

c) **Grant income** – received through the submission of claims in accordance with approved project grant agreements (refer to FP12 – Grant Applications and Claims).

The relevant Director and Heads of Service are responsible for ensuring all sums due to the Authority are invoiced promptly in accordance with the Authority's procedures.

Scales of charges for services and other income should be reviewed annually by the relevant Head of Service or Director and approved by the CEO or relevant Committee. Charges shall be subject to VAT where applicable.

4. Issuing Sales Invoices

1. Sales invoices must be raised directly on the finance system using the approved **sales order process**.
 2. The following teams are authorised to raise sales orders and invoices directly on the finance system:
 - Finance Team
 - Centres
 - Cilrhedyn Woodland Centre
 - Marketing and Communications Team (for advertising sales)
 3. Any other staff member may request the issuance of a sales invoice by completing a **Debtors Invoice Request Form** and submitting it to the Finance Team. Finance will then raise and issue the invoice on the finance system.
 4. Formal pre-approval is not required for the raising of sales invoices. All invoices are subject to review by the Finance Team to ensure:
 - Accuracy
 - Correct accounting codes
 - Appropriate VAT treatment
 5. All sales invoices are automatically assigned a **unique sequential invoice number** by the finance system.
-

5. Amendments and Cancellations

6. Any request to cancel, amend, or adjust an invoice must be supported by an **authorised email** or completed **Invoice Cancellation Form** submitted by the originator of the invoice.
-

6. Payment Terms and Statements

7. All sales invoices are payable within **14 days of the invoice date**, unless otherwise agreed in writing.
 8. **Customer statements** must be issued on a **monthly basis**.
-

7. Credit Control and Debt Management

9. Responsibility for credit control rests with a designated officer within the **Finance Team**.
 10. On a monthly basis, the responsible finance officer will review the **aged debtor listing** to identify overdue balances.
-

8. Management of Overdue Invoices

11. Overdue debts will be managed in accordance with the following escalation process:
 - a) A **first reminder**, in the form of a copy invoice, will be issued by post or email within **30 days of the payment due date**.
 - b) If payment remains outstanding after **60 days**, the debt should be followed up by telephone and/or email.
 - c) A **final reminder** must be issued once the debt reaches **90 days overdue**.
 - d) Where a debt remains unpaid after 90 days:
 - The account must be placed **on hold** within the finance system
 - A note must be added to the account using the **collaborate messaging** function indicating that the debt remains unpaid
 - e) The **Head of Finance & Fundraising** must be notified. Consideration will then be given to:

- Commencing recovery action, including Small Claims or County Court proceedings, or
 - Writing off the debt where recovery is unlikely (e.g. customer insolvency or bankruptcy)
-

9. Payment Arrangements

12. Specific payment arrangements for outstanding debts may be agreed on a **case-by-case basis**, subject to approval by the **Head of Finance & Fundraising**.
-

10. Monitoring and Review

13. The designated officer and **Head of Finance & Fundraising** will review the aged debtor listing on a **monthly basis**.
-

11. Write-Off of Debts

14. Debts may only be written off with the following authorisation:
- **Balances under £10,000** – Head of Finance & Fundraising
 - **Balances over £10,000** – Chief Executive Officer (CEO)
15. All debts written off with a value exceeding **£10,000** must be reported to the **Audit & Corporate Services Committee** as part of the regular budget monitoring report.
-

Assurance statement

The Sources of Income and Sales Invoicing arrangements provide **reasonable assurance** can be provided that effective controls are in place to ensure income due to the Authority is accurately identified, correctly invoiced, actively monitored, and recovered in a timely manner.

The procedure establishes clear routes for income generation, defines authorised roles for issuing and managing sales invoices, and applies structured credit control and debt recovery processes. System-based controls, including sequential invoice numbering and central finance oversight, support the completeness and accuracy of income recording and VAT treatment.

Regular review of aged debtors, formal escalation of overdue accounts, and clearly defined authorisation thresholds for write-offs provide further assurance that income risks are appropriately managed and that financial losses are minimised where recovery is not feasible.

Summary of Key Internal Controls

- Income is received through clearly defined routes:
 - Cash receipts (subject to separate Cash Handling Procedures),
 - Sales invoicing for goods and services,
 - Grant income, claimed in line with approved grant agreements.
- Each income stream is supported by a relevant approved financial procedure.
- All sales invoices are raised directly on the finance system using an approved sales order process.
- Authority to raise invoices is restricted to named teams, ensuring controlled system access.
- Requests from other staff must be submitted via a standard Debtors Invoice Request Form and processed by Finance.
- All invoices are system-generated with unique, sequential invoice numbers, preventing omission or duplication.
- Although formal pre-approval is not required, all invoices are subject to review by the Finance Team to ensure:
 - Accuracy of charges,
 - Correct accounting codes,
 - Proper VAT treatment and compliance.
- Any cancellation or amendment to an invoice must be supported by written authorisation.
- Changes can only be initiated by the original invoice originator and processed through Finance, providing a clear audit trail.
- Standard payment terms of 14 days apply unless formally agreed otherwise.
- Customer statements are issued monthly, supporting visibility of outstanding balances and customer awareness.
- Responsibility for credit control is assigned to a designated officer within the Finance Team.
- The aged debtor listing is reviewed monthly to identify overdue debts.
- The Head of Finance & Fundraising provides additional oversight through regular review of outstanding balances.
- A structured escalation process applies:
 - Reminder at 30 days,
 - Follow-up contact at 60 days,
 - Final reminder at 90 days.
- Debtors outstanding beyond 90 days are placed on hold within the finance system, with system notes recorded to evidence follow-up.

- Senior management is notified where debts remain unpaid after escalation.
- Exceptional or revised payment arrangements may be agreed on a case-by-case basis.
- All such arrangements require approval from the Head of Finance & Fundraising.
- Formal authorisation limits apply to debt write-offs:
 - Under £10,000 – Head of Finance & Fundraising,
 - Over £10,000 – Chief Executive Officer.
- All write-offs exceeding £10,000 are reported to the Audit & Corporate Services Committee, ensuring transparency and governance oversight.

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. FP4

Disposal of Surplus Assets Originally costing £500-£10,000



Policy on the Disposal of Surplus Assets

1. Purpose

This policy sets out the Authority's principles, responsibilities, and approval requirements for the identification and disposal of surplus assets, ensuring disposals are lawful, value-for-money, transparent, and properly accounted for.

2. Scope

This policy applies to all assets owned by the Authority, excluding land and buildings, and covers identification, approval, valuation, disposal, and accounting treatment. Separate statutory and constitutional controls apply to land and buildings.

3. Definitions

Asset

An item owned by the Authority other than land and buildings, originally costing more than £500, with a current value of less than £10,000. **Assets include equipment, materials, and merchandise.**

Consumable items are excluded where fully consumed and of no further use.

Surplus Asset

An asset that, following assessment, is no longer required for delivery of services by any part of the Authority.

4. Policy Principles

The Authority shall ensure that:

- Assets are only disposed of where there is no continuing operational need.
- Disposals achieve best consideration reasonably obtainable, unless formally approved otherwise.
- All disposals comply with financial regulations, legislation, and governance requirements.

- Records and accounts accurately reflect asset disposals.
 - Health, safety, and environmental obligations are met at all times.
-

5. Roles and Responsibilities

Team Leaders/Budget Holders

- Identify potential surplus assets and undertake initial assessment.
- Maintain and review equipment and scrap records.
- Ensure disposals are properly authorised and recorded (team equipment log).

Heads of Service

- Approve declarations of surplus assets within their service area.
- Determine, in consultation with officers, whether assets should be sold or scrapped.
- Ensure compliance with this policy.

Head of Finance & Fundraising

- Approve disposals at not-below-cost where exceptional circumstances apply.
- Maintain accurate accounting records for asset disposals.
- Advise on valuation, VAT, and accounting treatment.

Audit & Corporate Services Committee

- Approve disposals of assets with a net book value exceeding £25,000, unless disposed of as part-exchange.

Members of the Authority

- Approve all disposals of land and buildings.
-

6. Asset Value and Approval Thresholds

- Assets with a net book value **below £25,000** may be disposed of under delegated authority in accordance with this policy (see below)
- Assets with a net book value **above £25,000** require Audit & Corporate Services Committee approval, unless used in part-exchange.
- Disposal proceeds **exceeding £10,000** shall be treated as capital receipts.
- **Welsh Government** approval is required before disposal proceeds from assets valued **over £100,000** may be applied.

Delegated authority - Disposal of assets	Approval 1	Approval 2
Assets with a net book value of under £25,000.	Budget Holder	Head of service
Assets with a net book value of over £25,000.	Director/Chief Executive	Audit & Corporate Services Committee

7. Valuation

A reasonable valuation must be obtained prior to disposal to ensure assets are not disposed of at undervalue. Valuations may include market research, specialist advice, or comparable market evidence.

8. Methods of Disposal

Disposal methods may include:

- Internal or external advertisement
- Auction
- Sale to a supplier or third party
- Staff sale (subject to appropriate controls)

Assets should normally be disposed of at market value. Any exception requires approval from the Head of Finance & Fundraising.

9. Staff Purchases

Sales to staff must be conducted fairly and transparently. Where sealed bids are used, bids must be opened by at least two officers. Staff purchases must be properly recorded and authorised.

10. Scrap and Non-Usable Assets

Assets that are broken, unsafe, or beyond economic repair shall be scrapped and disposed of safely. Materials with no reuse or commercial value must be formally agreed as scrap prior to disposal.

Where scrap materials are provided to staff, this must be logged and authorised. Scrap materials must not be resold.

11. Merchandise

- Damaged, expired, or unsaleable merchandise may be withdrawn from sale by a Team Leader/Budget Holder.
 - Price reductions may be authorised to recover costs and shall represent market value. Such reductions must be authorised by a Centre manager/Budget holder.
 - Withdrawals and write-offs must be recorded, and hazardous items disposed of immediately and safely.
 - Written-off items may be offered to staff without liability to the Authority.
-

12. Legislative and Environmental Compliance

Disposals involving hazardous, toxic, or controlled substances must comply with all relevant health, safety, and environmental legislation.

13. Financial Recording and Accounting

- All disposal proceeds must be notified to Finance for correct accounting treatment and VAT handling.
 - The Head of Finance & Fundraising shall ensure asset registers and accounts are updated accordingly.
-

14. Monitoring and Review

Heads of Service and Budget Holders shall periodically review asset/inventory registers to ensure compliance.

This policy shall be reviewed in line with the Authority's governance framework or sooner if required by legislative or financial changes.

Assurance statement

The Policy on the Disposal of Surplus Assets is aligned with CIPFA guidance and good practice on asset management, financial governance, and stewardship of public resources. It provides reasonable assurance that surplus assets are identified, valued, approved, and disposed of in a lawful, transparent, and value-for-money manner.

The policy demonstrates compliance with CIPFA's principles by:

- Clearly defining accountability and responsibility for asset disposal decisions;
- Ensuring disposals are supported by appropriate valuation and approval arrangements;
- Applying proportional governance controls based on asset value and risk;

- Safeguarding public funds through proper accounting treatment and audit oversight; and
- Ensuring disposals are undertaken with due regard to health, safety, environmental, and legislative requirements.

When applied consistently, the policy supports effective asset stewardship, prevents unauthorised or undervalued disposals, and ensures asset registers and financial statements remain complete, accurate, and up to date.

Summary of Key Internal Controls

- Clear governance structure defining responsibilities for:
 - Identification (Team Leaders),
 - Approval (Heads of Service, Audit & Corporate Services Committee),
 - Financial oversight and accounting (Head of Finance & Fundraising),
 - Member approval for land and buildings (outside scope of this policy).
- Decision-making authority is proportionate to financial risk and asset value, in line with CIPFA's proportionality principle.
- Assets are formally assessed and declared surplus only where there is **no continuing operational need**.
- Team Leaders maintain equipment, scrap, and disposal logs to provide an audit trail.
- Heads of Service approve surplus declarations, ensuring service-level oversight.
- A reasonable valuation must be obtained prior to disposal using market evidence, specialist advice, or comparable pricing.
- Assets are normally disposed of at **market value**, supporting CIPFA's value-for-money and best consideration principles.
- Disposal at below cost is only permitted in exceptional circumstances with Head of Finance & Fundraising approval.
- Delegated authority applies to assets with a net book value below £10,000.
- Assets above £10,000 require Audit & Corporate Services Committee approval.
- Disposal proceeds exceeding £10,000 are treated as capital receipts.
- Welsh Government approval is required for application of proceeds from assets over £100,000.
- These thresholds ensure appropriate democratic and financial scrutiny.
- Approved disposal routes include auction, advertisement, third-party sale, supplier sale, and staff sales.
- Staff purchases are subject to enhanced transparency controls, including:
 - Fair access,
 - Sealed bids where applicable,
 - Bid opening by at least two officers.
- This reduces the risk of conflict of interest and ensures public confidence.
- Broken, unsafe, or uneconomic assets are formally designated as scrap prior to disposal.
- Scrap and withdrawn items are logged and authorised, preventing informal or unauthorised removal.
- Unsaleable or hazardous merchandise is withdrawn and disposed of safely in compliance with health and safety legislation.
- Written-off items offered to staff are recorded, with no liability to the Authority.

- Disposals involving hazardous, toxic, or controlled substances comply with all relevant legislation.
 - Environmental and safety risks are explicitly considered before disposal, supporting CIPFA's sustainability and risk management principles.
 - All disposal proceeds are notified to Finance for:
 - Correct accounting treatment,
 - Appropriate VAT handling,
 - Updating of asset registers.
 - The Head of Finance & Fundraising ensures financial records accurately reflect disposals, supporting the integrity of the financial statements.
 - Heads of Service and Budget Holders conduct periodic reviews of asset registers & disposal activity.
 - Policy compliance is subject to ongoing management oversight and formal review in line with the Authority's governance framework.
-

Surplus Asset Disposal Form Template

This form must be completed for all assets identified as surplus to requirements and retained for audit purposes in accordance with the Authority's Financial Regulations and Disposal of Surplus Assets Policy.

Section 1 – Asset Identification

Field	Details
Asset Description	
Asset Category	<input type="checkbox"/> Equipment <input type="checkbox"/> Vehicle <input type="checkbox"/> Tool <input type="checkbox"/> Material <input type="checkbox"/> Merchandise <input type="checkbox"/> Other
Make / Model / Serial No. (if applicable)	
Location / Site	
Asset Register Reference No.	
Original Purchase Cost (£)	
Date of Purchase (if known)	
Current Condition	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor <input type="checkbox"/> Broken / Unsafe

Section 2 – Declaration of Surplus

Field	Details
Reason asset is surplus	
Has ongoing need been assessed across all services?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Is the asset safely usable?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If No , reason	

Officer identifying surplus asset

Name	Job Title	Signature	Date

Section 3 – Valuation

A reasonable valuation is required to demonstrate that the asset is not disposed of at undervalue.

Field	Details
Estimated Market Value (£)	
Method of Valuation	<input type="checkbox"/> Internet research <input type="checkbox"/> Trade/specialist quote <input type="checkbox"/> Auction guide <input type="checkbox"/> Other
Valuation source/details	

Section 4 – Head of Service Decision

Disposal Method (tick one)

Sale

Scrap / Destroy

If Sale:

Sale Method Internal External Auction Supplier Staff sale

If Scrap:

| Reason | Unsafe Beyond repair No commercial value |

Declaration

I confirm that this asset is surplus to requirements and that the proposed method of disposal complies with the Disposal of Surplus Assets Policy and Financial Regulations.

Head of Service Name	Signature	Date
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Section 5 – Committee Approval (if required)

Complete this section **only if asset value exceeds delegated authority**.

Committee	Date Approved	Minute Reference
Audit & Corporate Services Committee		

Section 6 – Disposal Outcome

Field	Details
Actual Disposal Date	
Disposal Price (£)	
Purchaser (if applicable)	
Invoice / Receipt Reference	
VAT applicable?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Section 7 – Finance Use Only

Field	Details
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Field	Details
Asset Register Updated	<input type="checkbox"/> Yes
Capital Receipt / Revenue	<input type="checkbox"/> Capital <input type="checkbox"/> Revenue
General Ledger Code	
VAT Treatment Confirmed	<input type="checkbox"/> Yes
Processed by	Name / Date

Section 8 – Final Confirmation

Declaration		
I confirm that the disposal has been completed in accordance with policy and all records updated appropriately.		
Team Leader Name	Signature	Date

Retention and Audit Note

Completed forms must be submitted to Finance and retained in accordance with the Authority's document retention policy. All disposals are subject to internal and external audit.

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. FP5

Cash Handling 2026



Financial Procedure for Cash Handling

1. Purpose

This procedure sets out the responsibilities, controls, and key actions for services handling cash and cash-equivalent income on behalf of the Authority.

It ensures that cash is handled **securely, accurately, lawfully, and transparently**, in accordance with the Authority's Financial Standards, internal control framework, and CIPFA principles of good public financial management.

2. Scope

This procedure applies to all officers and services that receive, hold, transfer, or bank cash or cash equivalents, including:

- Notes and coins
- Cheques
- Cash floats and tills
- Cash collected at offices, sites, events, or service delivery locations

Electronic payments made directly to the Authority's bank accounts are excluded and covered under separate income procedures.

3. Governance and Responsibilities

3.1 Budget Holders and Managers

- The **Budget Holder** shall ensure that:
 - Cash handling arrangements are appropriate for the service
 - Staff handling cash are aware of their responsibilities
 - Staff are appropriately trained and supervised
 - Procedures are followed consistently
- Budget Holders are accountable for ensuring income is properly recorded, banked, and reconciled.

3.2 Employees Handling Cash

- Staff must take care to ensure that:

- The correct amount is received
 - The correct amount of change is given
- Employees are responsible for cash under their control until it is formally transferred or banked.

3.3 Finance Team

- Provides guidance on cash handling arrangements
 - Supplies banking books and supports VAT accounting
 - Ensures income is correctly recorded in the ledger
 - Supports reconciliation, audit, and assurance processes
-

4. General Cash Handling Principles

1. Cash handling should be **minimised wherever possible**, with electronic payments encouraged.
 2. Receipts shall be produced for **every transaction**, regardless of value, unless made via the retail (till) system where transactions are recorded in the back office. A till receipt can be provided to the customer if requested.
 3. Cash takings must not be used to make payments for expenditure but can be used to replenish a petty cash float when necessary and recorded on the weekly cash sheet.
 4. Personal funds must not be used to replace shortages or delay reporting discrepancies.
-

5. Segregation of Duties

Where practicable, duties should be separated between:

- Receiving cash
- Recording income
- Banking cash
- Reconciling records

Where full segregation is not possible, compensating controls (such as independent checks or management reviews) must be applied and documented.

6. Receipt, Recording, and VAT

1. All cash received must be recorded promptly and accurately.
2. Each transaction must be supported by a receipt, unless made via the retail/till where the sale is recorded in the back-office system.

3. Records must identify:
- Amount received
 - Date
 - Source and nature of income
 - VAT treatment, where applicable

VAT must be correctly accounted for, either through the till or inventory system or by the Finance Team.

7. Cash Tills – Specific Controls

Where cash tills are operated, the following controls **must** be applied:

- The till float shall be balanced at the **start and end of every day**
- VAT shall be correctly accounted for through the till or inventory system
- The till drawer shall not be left open. Drawer keys should be kept separate in a secure location.
- Till users must log off from the till when left unattended.
- Cash shall be transferred to a safe or secure facility at the end of the day once the site is closed to the public
- Where cash is transferred during the day, consideration should be given to using **two members of staff to minimise risk** (when the site is open to and accessible by the public). The manager/supervisor may use their discretion as to the assessment of risk.
- A daily reconciliation receipt (Z-total) shall be produced identifying all transactions
- Cash taken shall be verified against the Z-total and recorded on weekly cash sheets
- Cash shall be banked, as a minimum, once a week during peak season. The frequency may be reduced at the budget holder's discretion, taking into account insurance and safe thresholds.

8. Cash Handling Where Tills Are Not Operated

Where cash tills are not used, the following controls apply:

- Cash floats shall be balanced at the **start and end of every day**
- Receipts shall be provided for **every transaction**
- VAT will be accounted for by the Finance Team based on receipts.

- The person taking the cash shall maintain a log recording receipts issued against cash received. This must be accessible to finance for recording.
- Any internal transfer of cash (e.g. to Finance for banking) must be signed for by the receiving officer
- Cash shall be banked **at least once a week** or at the discretion of the budget holder where sums are small and there is a secure safe.

9. Security and Banking Arrangements

9.1 Security of Cash

- Cash must be stored securely in approved safes or secure facilities
- Access to safes must be restricted to authorised members of staff only e.g. managers & supervisors
- Keys, codes, and combinations must be controlled and stored securely
- No more than **£10,000** shall be held on premises during business hours (maximum insured limit), including tills. Up to **£72,000** can be stored in a locked safe during business hours. Out of business hours, the amount stored in a locked safe is reduced and guided by individual 'Safe' limits (noted below)
- No more than **£1,000** can be held in residences of members or employees (maximum insured limit). This is actively discouraged where possible.
- No more than **£8,000** can be in the custody of authorised personnel whilst on delivery or collection rounds (maximum insured limit)

Money in safes out of business hours (per insurance cover 26-27)

Safe	Location	Limit of cover
Burton Home Safe G1 Electronic	Carew Castle Office	£10,000
Royal Safe R-12	Castell Henllys	£1,000
Kaba Safe	Llanion, Finance	£4,000
Securikey Eurograde 3245 Comb	Llanion	£35,000
Sentry U510 Serial no 649322	Carew Castle Mill	£3,000
Phoenix Condour series 20	Oriel y Parc	£20,000
Securikey Eurograde 1055N	Carew Castle Shop	£10,000
SSTL 08892 Phoenix Fire Ranger	Castell Henllys Pantglas	£2,000
Omega Chubb Safe NR125916	Cilrhedyn	£3,000

9.2 Banking Arrangements

- Cash shall be banked, as a minimum, once a week during peak season. The frequency may be reduced or increased at the budget holder's discretion taking into account insurance and safe thresholds.
- Managers/supervisors should avoid banking sums exceeding **£8,000** in any one transaction (maximum insured limit)
- Banking books supplied by Finance must be completed fully and accurately
- Weekly cash takings sheets shall be forwarded to Finance without delay.
- Staff must comply with the Authority's document retention policy where relevant.

9.3 Staff Safety

- Staff visiting banks or using Post Office services must always remain vigilant. Where there is a higher-than-normal risk, or large sums, consideration should be given to using 2 members of staff for transferring cash. Managers/supervisors are allowed to use their discretion after assessing risk.
- The personal safety of staff shall take priority over the security of cash
- Staff are advised to carry personal attack alarms where appropriate

10. Reconciliation and Review

1. Budget Managers must review their **monthly budget reports** to monitor income and ensure reconciliation to site records.
2. Discrepancies must be investigated promptly and reported to Finance.
3. An overall reconciliation between site cash takings and the financial ledger shall be undertaken by finance on a weekly basis as part of the income recording process.

11. Discrepancies, Losses, and Irregularities

- All shortages, surpluses, or suspected losses must be reported immediately to the budget holder and investigated
- Weekly summary cash sheets should note discrepancies with explanations where relevant. These should be authorised by the budget holder so that finance can record the shortages/discrepancies/surplus.

- Till differences/cash overs/unders will be monitored by finance monthly.
 - Suspected theft or fraud must be reported in line with the Authority's Anti-Fraud Policy
-

12. Training, Audit, and Assurance

- Employees handling cash must receive appropriate training
 - Cash handling arrangements are subject to internal audit, spot checks, and management review
 - All records, cash holdings, and storage facilities must be made available for inspection
 - Failure to comply with this procedure may result in disciplinary action
-

13. Fraud and Compliance Statement

All employees are expected to act honestly and with integrity when dealing with cash. Submitting false returns is considered a serious breach of trust and may constitute fraud.

The Authority reserves the right to:

- Carry out checks and audits of cash & income returns.
- Report suspected fraudulent activity in accordance with the Authority's **Anti-Fraud Policy** and disciplinary procedures.

Failure to comply with this policy may result in disciplinary action and, where appropriate, referral to external authorities.

14. Whistle Blowing policy

The Authority maintains a "whistle-blowing" policy, for staff to report concerns about financial irregularities, possible fraud and other performance related issues.

15. Review of the Procedure

This procedure will be reviewed periodically to ensure continued compliance with Financial Standards, CIPFA guidance, and good practice.

End-to-End Car Park Cash Collection and Reconciliation Process

Purpose

To describe the complete sequential process for collecting, securing, recording, transferring, and reconciling cash from Pay & Display (P&D) machines through to independent third-party counting and banking by Loomis, including post-collection variance review by Finance.

Roles and Responsibilities (Summary)

- **Car Park Team**
Responsible for cash collection from machines, bagging, safe custody, and handover to Loomis.
 - **Loomis**
Responsible for secure transport, independent counting, processing, and reporting.
 - **Finance Team**
Responsible for reviewing Loomis reconciliation statements, querying variances, confirming completeness, and recording final income.
-

Detailed Sequential Process

Stage 1 – On-Site Cash Identification (Car Parks)

1. A Car Park Officer attends site and accesses the P&D machine.
2. A **machine print ticket** is produced to identify the expected contents of the cash box.

Control objective:

Independent machine-generated expected value established prior to removal.

Stage 2 – Cash Box Removal Decision

3. If the print ticket indicates the cash box contents are approaching **£500 or £1,000 thresholds**, the cash box is removed.
4. The full cash box is replaced immediately with an empty cash box.

Control objective:

Limit cash accumulation at source and reduce risk exposure.

Stage 3 – Return to Llanion and Bagging (Print Ticket < £500)

5. On return to Llanion, where the print ticket value is **less than £500**:
 - The contents of the individual cash box are **not counted**.
 - The cash and original print ticket are placed together into **one unique serial-numbered clear Loomis bag**.
6. The sealed Loomis bag is placed into the secure safe awaiting collection.

Control objective:

No handling or counting prior to secure bagging; audit trail maintained via print ticket.

Stage 4 – Return to Llanion and Bagging (Print Ticket ≥ £500)

7. Where the print ticket value is **over £500**:
 - Cash is passed through a counting machine.
 - £500 is placed into **Loomis Bag 1 of 2**.
 - The remaining cash is placed into **Loomis Bag 2 of 2**.
8. The P&D machine print ticket is placed into **Bag 1 of 2**.
9. A handwritten note is placed into **Bag 2 of 2**, stating:
 - The monetary content of Bag 2
 - Its relationship to Bag 1 of 2
10. Both bags are sealed, uniquely serial-numbered, clearly labelled, and placed in the secure safe.

Control objective:

Reduce insurance exposure and ensure traceability between split bags.

Stage 5 – Ongoing Storage Prior to Collection

11. Steps 1–4 are repeated daily pending Loomis's cyclical bulk collection.
12. At any point, up to **approximately 70 sealed Loomis bags** may be held in the Llanion safe.

Control objective:

Secure accumulation under insured limits and controlled environment.

Stage 6 – Loomis Collection and Joint Verification

13. Upon arrival at Llanion:

- Loomis staff and National Park staff jointly empty the safe.
- Together they record for each bag:
 - Unique serial number
 - Expected monetary contents

14. Loomis inputs this data into their handheld device.

15. Two identical hard-copy collection receipts are printed.

16. Both copies are signed by:

- Loomis representative
- National Park staff member

17. Each party retains one signed copy.

Control objective:

Dual verification and documented handover at point of custody transfer.

Stage 7 – Post-Collection Loomis Processing

18. Loomis processes the cash through its independent counting system.

19. This process typically takes **approximately one week**.

Control objective:

Independent third-party counting reduces internal handling risk.

Stage 8 – Loomis Reconciliation Statement to Finance

20. For each bulk collection, Loomis issues a weekly **reconciliation statement directly to Finance**.

21. The statement compares:

- Declared values at collection (Stage 6)

- Actual counted and banked amounts

22. Any **variances** are clearly identified.

Stage 9 – Finance Review and Variance Management (*New / Strengthened Control*)

23. Finance reviews every Loomis reconciliation statement.

24. Finance checks that:

- All Loomis bags listed on the signed collection receipt are included
- Bag references agree to expected values

25. Finance raises queries for any **material variances**, once agreed thresholds are applied.

26. Queries are referred to the Car Park Team via the team leader for investigation and explanation.

27. Trends are monitored over time to identify recurring issues or control weaknesses.

Control objective:

Independent review, completeness checking, and trend analysis.

Stage 10 – Receipt Retention and Audit Trail (*Strengthened Practice*)

28. Signed Loomis collection receipts are **proactively forwarded to Finance** by the Car Park Team.

29. Receipts are retained by Finance alongside Loomis reconciliation statements.

30. Documents are available for audit and inspection.

Control objective:

Strengthened audit trail and evidential completeness.

Notes on Risk and Proportionality

- There is acknowledged inherent risk between machine access and bag sealing.
- The decision **not to count cash prior to bagging** is based on proportionality:
 - Cost and staff time of counting vs likelihood of material fraud

- Risk mitigated through third-party counting, joint sign-off, insurance limits, and Finance reconciliation

Clarification of Responsibilities

- **Car Park Team:** stages 1–7
 - **Finance Team:** stages 8–10
 - **Crossover:** Finance raises queries; Car Park Team supports investigation
-

CIPFA Alignment Summary

This procedure supports CIPFA's principles through:

- Strong internal controls and segregation of duties
- Secure handling and safeguarding of public money
- Accurate accounting, VAT compliance, and reconciliation
- Transparency, auditability, and accountability

The Authority maintains robust internal controls over cash handling through clear accountability, segregation of duties, secure storage, regular reconciliation, prompt banking, and strong audit and fraud prevention arrangements.

Key Internal Controls Summary – Cash Handling

- Clear designation of Budget Holder responsibility for cash handling arrangements
- Defined roles for staff handling, recording, banking, and reconciling cash
- Mandatory staff training and awareness of cash handling duties
- Correct amount received and correct change given for every transaction
- Receipts issued for every transaction, regardless of value other than till transactions
- Daily recording of all cash receipts with source, date, amount, and VAT treatment
- Separation (where practicable) between:
 - Receiving cash
 - Recording income
 - Banking cash
 - Reconciling records
- Documented compensating controls where full segregation is not possible
- Till floats and non-till floats balanced at the start and end of each day
- Daily Z-total / reconciliation receipt produced for tills
- Cash verified against reconciliation and recorded on weekly cash sheets
- VAT correctly accounted for through till/inventory systems or Finance review
- Log put of tills when unattended.
- Till drawers not left open. Drawer keys kept separate in a secure location.
- Secure safes or approved secure facilities used at all times
- Restricted access to cash storage areas

- Controlled management of keys, codes, and combinations
 - Cash holding limits apply
 - Cash moved to safes at end of day or earlier if required
 - Transfers during the day completed by two staff members at budget holders discretion
 - Internal transfers (e.g. to Finance) signed for by receiving officer
 - Cash banked at least weekly, more frequently at peak times
 - Avoidance of banking sums exceeding £8,000 in a single transaction
 - Banking books completed fully and correctly
 - Supporting documentation sent to Finance without delay
 - Personal safety prioritised over security of cash
 - Staff advised to remain vigilant and carry personal attack alarms where appropriate
 - Monthly review of income through budget monitoring reports
 - Prompt investigation of discrepancies
 - Documented reconciliations retained for audit
 - Weekly reconciliation between site records and the general ledger
 - Immediate reporting of shortages, surpluses, or suspected theft
 - Prohibition on informal write-offs or replacement of cash
 - Escalation in line with the Anti-Fraud Policy & Whistle Blowing Policy
 - Full audit trail from receipt to banking and ledger posting
 - Internal audit access to cash holdings, records, and facilities
 - Periodic spot checks and management reviews
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Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE/STANDARD No. FP6

Payroll Procedures



1. Purpose

The purpose of this standard is to ensure that all payroll payments are accurate, authorised, timely, lawful, and appropriately recorded in the Authority's financial records. The Payroll function supports the Authority's obligation to remunerate employees and members in accordance with agreed terms and conditions of service, statutory requirements, and relevant national agreements.

This standard also ensures compliance with:

- HM Revenue & Customs (HMRC) requirements
- The Local Government Pension Scheme (LGPS) regulations
- CIPFA's *Statement on the Role of the Chief Financial Officer in the Public Sector* and *Code of Practice on Managing Public Money*
- The Authority's Financial Regulations, Standing Orders, and internal control framework

2. Scope

This standard applies to all payroll-related activity undertaken by, or on behalf of, the Authority, including processing undertaken in partnership with **Carmarthenshire County Council (CCC)** using the **ResourceLink payroll system**.

The Payroll Service covers:

- Payment of salaries, wages, member allowances, and other payments due to:
 - APT&C staff
 - Committee members and advisory members
 - Casual, part-time, and sessional staff
- Administration of travel and subsistence reimbursements
- Statutory and non-statutory payroll deductions, including:
 - PAYE and National Insurance
 - Pension contributions
 - Salary sacrifice schemes (electric car scheme, cycle to work scheme, Viv-Up purchases)
 - Trade union subscriptions and approved third-party deductions
- Payment of payroll-related amounts to third parties
- Monthly payroll reconciliation and balance sheet verification
- End-of-year processes including P11D processing
- Starters, leavers, and changes to employee records

3. Governance and Responsibilities

3.1 Payroll Officer

The Payroll officer is responsible for:

- Coordinating monthly payroll processing with Carmarthenshire County Council
- Ensuring all payroll inputs are complete, accurate, authorised, and submitted within agreed deadlines
- Reviewing and reconciling payroll reports, including:
 - Payroll Reconciliation Sheet
 - Payroll Schedule of Amounts (PSA)
 - Payroll Balance Sheet accounts
- Ensuring statutory compliance with HMRC, LGPS, and employment legislation
- Acting as the primary point of contact for payroll-related changes and queries
- Arranging payment to third parties such as Dyfed Pensions, HMRC, etc.

3.2 Human Resources

Human Resources are responsible for:

- Authorising all new starters, contract changes, and leavers
- Issuing employment contracts
- Maintaining accurate establishment records
- Communicating sickness, maternity, paternity, and adoption information to Payroll
- Maintaining absence records on the HR system (Cezanne)

3.3 Line Managers / Team Leaders

Line Managers and Team Leaders are responsible for:

- Authorising timesheets, additional hours, and allowances
- Approving travel and subsistence claims in line with policy
- Prompt notification of starters, leavers, and changes in working arrangements
- Ensuring compliance with Travel & Subsistence and Essential User policies

3.4 Employees

Employees are responsible for:

- Providing accurate personal, bank, and tax information
- Notifying Payroll promptly of changes to personal details
- Submitting timesheets and claims complete, accurate, and within deadlines

4. Internal Control Framework

4.1 Starters

A **Commencement of Employment Form** must be completed and authorised before an employee is added to the payroll. This ensures:

- Correct pay, hours, grade, and spinal point
- Compliance with PAYE and pension regulations
- Accurate calculation of statutory and occupational entitlements

Controls include:

- HR Manager authorisation
- Verification of PAYE documentation (P45 or Starter Checklist)
- Automatic pension enrolment in accordance with legislation, with opt-out managed directly with the Dyfed Pension Fund

4.2 Monthly Payroll Processing

Payroll is processed monthly with CCC. Inputs include:

- Authorised timesheets
- Approved claims and allowances
- Electronic tax code notifications received via EDI (employee-provided tax codes are not accepted)
- HR-authorized changes such as pay variations, increments, sickness, maternity, and unpaid leave

All payroll inputs must be supported by documented approval and be subject to review by the Payroll officer.

4.3 Reconciliations and Review

Key controls include:

- Monthly reconciliation of payroll payments to the master sheet and PSA provided by CCC
- Review of mileage and subsistence claims against PSA data
- Payroll balance sheet review to ensure correct coding and accurate cost allocation
- Investigation and resolution of discrepancies prior to ledger closure

4.4 Travel and Subsistence

Travel and subsistence claims are:

- Approved by line managers
- Checked by Finance prior to submission to CCC
- Processed in accordance with NJC rates and the Authority's Travel & Subsistence procedure

4.5 Sickness and Absence

- Line Managers record absences on Cezanne
- HR provides verified sickness reports to Payroll
- Payroll ensures accurate calculation of OSP and SSP
- Long-term sickness cases are monitored to ensure statutory compliance and prevent overpayment

4.6 Leavers

A **Termination of Employment Form** must be completed and authorised for all leavers. Controls include:

- Timely notification by Line Managers and HR
- Accurate calculation of final pay, leave, and deductions
- Issuing of P45 and notification to HMRC via EDI
- Notification to the Dyfed Pension Fund and issue of statutory pension correspondence

5. Data Integrity and Security

Payroll data is processed in accordance with GDPR and data protection requirements. Access to payroll systems is restricted to authorised personnel, and data exchanges with Carmarthenshire County Council are governed by agreed protocols.

6. CIPFA Compliance

This Payroll Standard supports CIPFA principles by ensuring:

- **Strong internal control** through segregation of duties, authorisation, and reconciliation
- **Transparency and accountability** via documented processes and audit trails
- **Financial sustainability and stewardship** by preventing error, fraud, and overpayment
- **Statutory compliance** with taxation, pensions, and employment legislation

This standard forms part of the Authority's wider framework of financial governance and contributes to the effective discharge of the Chief Finance Officer's statutory responsibilities.



Quotations – Purchase of Goods and Services

(Aligned with the Procurement Act 2023)

1. Purpose

This procedure sets out the Authority's arrangements for the procurement of goods and services **below £25,000 (net of VAT)** and ensures compliance with the Authority's Financial Regulations and the **Procurement Act 2023 (PA23)**, where applicable.

2. Legislative and Governance Context

This procedure shall be read in conjunction with:

- the Authority's Financial Regulations and Contract Standing Orders;
- the Procurement Act 2023 and associated secondary legislation;
- Welsh Government procurement guidance; and
- the Authority's Sustainable Procurement Policy.

Where thresholds or requirements under PA23 apply, statutory obligations shall take precedence.

3. Application and Thresholds

3.1 Below-Threshold Procurement

Procurement of goods and services **below the PA23 regulated procurement thresholds** is classified as *below-threshold procurement*. Although not subject to the full regulated procurement regime, the Authority must continue to demonstrate:

- value for money;
- fair and proportionate competition;
- transparency; and
- sound governance.

3.2 Regulated Procurement

Procurement with an estimated value **at or above the PA23 thresholds** constitutes *regulated procurement* and must be conducted in full compliance with the

Procurement Act 2023, including the use of appropriate competitive tendering procedures and statutory publication requirements.

3.3 Contract Standing Orders

Procurements exceeding **£25,000 net (£30,000 gross)** fall under the Authority's Contract Standing Orders and may additionally constitute regulated procurement under PA23, depending on value and contract type.

4. Procurement Routes by Estimated Contract Value

Estimated Contract Value (incl. VAT)	Procurement Route	Minimum Requirement	Contractual Form
Up to £1,200	Direct Purchase	Evidence of value for money to be retained where available	Order or Contract
£1,201 – £12,000	Request for Quotation (RFQ)	At least one written quotation	Order or Contract
£12,001 – £30,000	Request for Quotation (RFQ)	At least three written quotations requested	Order or Contract
Above £30,000 and below PA23 thresholds	Competitive Tender	At least three tenders invited, via a compliant framework or advertised on Sell2Wales	Written Contract
At or above PA23 thresholds	Regulated Procurement	PA23-compliant competitive tendering process	Written Contract
Any value	Existing Framework Agreement	Framework must be legally compliant and called-off in accordance with its rules	Written Contract

5. Obtaining Quotations

1. Quotations may be obtained using proportionate and appropriate methods, including written requests by email, compliant supplier catalogues, framework agreements, or competitive tendering processes.
2. Where fewer than three suitable suppliers exist, or where fewer than three quotations can reasonably be obtained, approval to proceed must be obtained from the relevant Head of Service, with reasons recorded.
3. The lead officer responsible for the procurement must:
 - document the rationale for supplier selection; and
 - retain evidence of the evaluation methodology and outcome. This information must be attached to the Purchase Order within the finance system.

4. Where catalogues or online price lists are used (including GCAT or similar platforms), records must include catalogue reference, issue or access date, and quoted price.
 5. Invitations to quote should clearly specify the Authority's requirements, including specifications, scope of works, timescales, and evaluation criteria. Where appropriate, a Fixed-Price Quotation Form may be issued.
 6. A clear closing date and time must be stated. Late submissions shall not normally be considered, unless there is clear evidence of delay outside the supplier's control or submissions have not been opened.
-

6. Evaluation and Award

7. Quotations shall be opened and evaluated by the budget holder or nominated officer, who is responsible for determining the **most advantageous quotation**, having regard to price, quality, sustainability, and other relevant factors, in accordance with the Authority's Sustainable Procurement Policy.
 8. The appointment of the preferred supplier must be authorised by the relevant Head of Service through the automated Purchase Order approval process.
 9. All suppliers shall be informed of the procurement outcome in a timely and proportionate manner.
 10. Following approval, orders must be placed in accordance with the Authority's Financial Regulations, supported by a formally raised Purchase Order containing all relevant contractual and performance information.
-

7. Use of Framework Agreements

11. Where an existing framework agreement is used:
 - the framework must be fully compliant with applicable legislation (including PA23 where relevant);
 - call-off procedures must be followed correctly; and
 - value for money must be demonstrable.
-

8. Transparency and Record-Keeping

12. All procurement decisions must be supported by a clear audit trail sufficient to demonstrate compliance with this procedure, Financial Regulations, and—where applicable—the Procurement Act 2023.
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9. Non-Compliance and Disclosure

13. Any breach of this procedure or the Authority's Financial Regulations must be reported immediately to the **Head of Finance & Fundraising**, who shall ensure that the matter is recorded and reported to the **Audit & Corporate Services Committee**, in line with governance requirements.

Assurance Statement

The controls above provide **reasonable assurance** that procurement below £30,000 is conducted in compliance with statutory requirements, Financial Regulations, and CIPFA principles of good governance, value for money, transparency, and proportionate control, that appropriate internal controls are in place to mitigate financial, legal, and reputational risk, in line with CIPFA's framework for effective governance and internal control.

Key internal controls

- Explicit linkage to Financial Regulations and Contract Standing Orders (Sections 1, 2, 3)
- Defined approval authority via budget holder and Head of Service authorisation (Section 6)
- Use of automated Purchase Order workflow for formal approval and audit trail
- Clear differentiation between below-threshold and regulated procurement
- Explicit alignment with the Procurement Act 2023 (PA23) (Sections 1–3)
- Clear threshold-based routing between RFQs, tenders and regulated procurement
- Explicit statement that statutory obligations take precedence over local rules
- Use of Sell2Wales and compliant frameworks where required
- Contract value thresholds
- Minimum quotation requirements
- Framework compliance checks
- Retained quotations & evaluation records
- Recorded justification for fewer than 3 quotes
- Authorisation and segregation of duties
- Mandatory Purchase Orders before commitment
- PO approval embedded in the finance system
- Controlled thresholds preventing informal contracting
- Alignment with Sustainable Procurement Policy (value, quality, and social value)

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. FP9

Invoice Payments Procedure & authorisation



Invoice Payment and Authorisation

1. Purpose

The purpose of the Invoice Payment and Authorisation Procedure is to ensure that all supplier invoices and payment requests are properly verified, authorised, and paid accurately, promptly, and in accordance with agreed terms. The procedure is designed to maintain strong financial control, prevent error, fraud, or duplicate payment, and ensure that expenditure is lawful, necessary, and correctly recorded in the Authority's accounting records, in line with Financial Standards and delegated authority limits.

2. Scope

This procedure applies to all invoice processing and payment activities undertaken by the Authority, including supplier invoices, credit notes, employee reimbursements, and other payable claims. It covers the end-to-end process from receipt of an invoice, through validation, matching, and authorisation, to final payment and accounting entry. The procedure applies to all staff involved in ordering, certifying, approving, and processing payments, and includes both electronic and manual payment arrangements, whether processed internally or via approved shared service.

3. Invoice Receipt and Recording

All supplier invoices must be submitted directly to the Finance Team via invoices@pembrokeshirecoast.org.uk. Invoices must clearly reference a valid and approved purchase order (PO) number. Upon creation of a PO, a financial commitment is automatically recorded in the finance system to support budgetary control and audit reporting.

4. Purchase Order Matching and Validation

4.1 Invoices are subject to a three-way matching process (purchase order, invoice, and receipt) conducted within the finance system. This process is automated wherever possible to ensure consistency and reduce the risk of error or fraud.

Periodic (including annual) matching reviews may also be undertaken as part of control assurance.

4.2 Invoices not supported by a PO are classified as non-PO invoices and are routed through a defined approval workflow, with enhanced scrutiny applied in accordance with the Financial Standards.

5. Authorisation and Segregation of Duties

All invoices recorded on the finance system are subject to an automated approval process aligned to departmental structures. A **dual authorisation control** is in place to ensure appropriate segregation of duties:

- The **first approver** (normally the budget holder) verifies receipt, accuracy, and eligibility for payment.
- The **second approver** (normally the line manager or senior officer) confirms correct coding, budget availability, and compliance with Financial Standards.

Invoices with a value exceeding **£25,000** require additional authorisation in line with the Authority's Financial Standards. Approval thresholds, roles, and delegated authorities are formally documented and subject to periodic review.

6. Receipt of Goods and Stock Control

Centres are responsible for maintaining accurate stock and inventory records within the retail system. The receiving officer must ensure that goods received are promptly and accurately recorded, creating a verifiable audit trail linking receipt to the associated purchase order and invoice.

7. Certification Responsibilities and Control Assurance

Officers involved in invoice certification and authorisation have a formal responsibility to exercise due care and professional judgement. Specifically:

- Certification confirms that goods or services have been received, are satisfactory, priced correctly, correspond to the approved PO, and are payable.
 - Secondary authorisation confirms that the invoice has been correctly coded, expenditure is within approved budget limits, and all required controls have been applied.
 - The Finance Team maintains an up-to-date register of authorised budget holders and signatories, supporting accountability and audit verification.
-

8. Timeliness and Statutory Compliance

Invoices must be submitted and approved without undue delay. Failure to do so may result in late payment. Where delays occur without a valid and documented reason, this may negatively impact the Authority's statutory performance indicators for supplier payments and will be subject to audit review.

9. Supplier Statement Reconciliation

The Finance Team performs a sample of monthly reconciliations between supplier statements and the finance system to ensure completeness and accuracy of recorded liabilities. Where discrepancies are identified, copy invoices are requested from suppliers as supporting evidence. Payments are made strictly against valid invoices and not on the basis of supplier statements alone.

10. Financial Posting and Audit Trail

Upon approval and processing, invoice values are automatically posted to the finance system, converting the original commitment into an actual cost against the relevant budget. All stages of invoice processing, approval, and posting are retained within the system, providing a complete and auditable record in support of internal and external audit requirements.

11. Invoice payment

11.1 The Authority has an objective to pay all suppliers within 30 days of receipt.

11.2 Payment will be made by BACS. Any deviation from this must be approved by the Head of Finance & Fundraising.

11.3 Manual payment requests must be raised for non-invoice payments such as grant awards. These must be supported by authorised documentation before payment can be made.

12. Compliance with CIPFA Standards

This procedure demonstrates compliance with CIPFA standards by:

- Establishing a clear and documented internal control framework
 - Ensuring segregation of duties and delegated authority
 - Embedding budgetary control throughout the procurement-to-payment cycle
 - Providing a complete and auditable transaction trail
 - Supporting statutory performance reporting and financial governance
-

Key controls:

- Formal requirement for invoices to be submitted centrally to the Finance Team
- Mandatory PO references

- Defined approval thresholds and delegated authorities
- Maintenance of authorised signatory and budget holder lists
- Automated PO matching and approval workflows
- Three-way matching (PO, receipt, invoice)
- System-generated audit trails
- Reconciliation of supplier statements
- Conversion of commitments to actuals within the finance system
- Dual authorisation for invoices
- Separation between receiving officer, budget holder, and secondary approver
- Enhanced scrutiny for non-PO invoices
- Recording of financial commitments on PO creation
- Budget availability checks at approval stage
- Secondary authorisation confirming expenditure is within budget
- Automatic posting of actual costs
- Mandatory approval thresholds
- Additional approval for invoices over £25,000
- Enhanced controls for non-PO invoices
- Monthly supplier reconciliations
- System-retained approval history
- Clear documentation of approval roles and responsibilities
- Reconciliation processes
- Explicit responsibility for timely invoice approval
- Monitoring and management of payment timeliness
- Recognition of impact on statutory payment performance indicators

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. 10

Staff Subsistence & Expenses Allowances



Subsistence and Expenses Allowances Procedure

(HMRC-Aligned)

1. Purpose of the Scheme

This policy sets out the circumstances in which Authority staff may claim reimbursement for subsistence and other reasonable expenses **necessarily and exclusively incurred** in the performance of official duties, in line with **HM Revenue & Customs (HMRC) travel and subsistence guidance**.

Subsistence and expenses include meals and refreshments, accommodation, car parking, tolls, public transport, taxi fares, and other incidental costs that arise due to business travel and are considered the responsibility of the Authority rather than the employee. [\[gov.uk\]](#)

Reimbursement is subject to compliance with this policy, prior approval where required, and adherence to guide maximum allowances. Expenses are intended to be **non-taxable** where HMRC conditions are met. [\[gov.uk\]](#)

2. Eligibility and Application of the Scheme

The scheme applies where an employee:

- Is required to travel on official Authority business **outside their normal workplace**.
- Undertakes non-routine duties within Pembrokeshire that require additional travel.
- Incurs unavoidable additional costs (e.g. parking, tolls, public transport) in the course of Authority business.

In accordance with HMRC guidance, subsistence costs must represent **additional expenditure incurred because of business travel**, and not ordinary everyday living expenses. [\[gov.uk\]](#) Regular shift patterns (e.g., night shifts, permanent early starts) do not qualify for these allowances. Client entertainment is not a reimbursable expense under this policy e.g. meals with clients, tickets & hospitality.

3. Approved Subsistence Allowances

(Aligned with HMRC benchmark scale rates)

3.1 Daily Subsistence Allowances

Item	Operative Condition	Guide Maximum Allowance
Breakfast	The employee must leave home before 6:00 am and buy breakfast away from home. Not for regular early starters.	£6.00
One meal rate	The employee must be away from home/work for at least five hours and incur a cost on a meal.	£5.00
Two meal rate	The employee must be away for at least ten hours and incur a cost on two meals.	£10.00
Late evening meal rate	The employee must work later than usual, finish after 8:00 pm, and buy a meal that they would normally have at home. Not for regular late shifts.	£15.00
Refreshments	Beverages outside meal periods	£5.00
Overnight allowance for incidental personal expenses	Overnight stay away from home in the UK	£5.00
Hotel / B&B	Approved in advance	Actual cost, subject to prior approval of Head of Service or Director

These limits are consistent with HMRC's benchmark scale rates regarded as "reasonable" subsistence payments. These incidental expense limits are VAT-inclusive.

Benchmark scale rate payments must be limited to 3 meal rates on one day or 24-hour period. A meal is defined as a combination of food and drink and would take a normal dictionary meaning. Where employees are required to start early or finish late on a regular basis, the over 5-hour and 10-hour rate, whichever is applicable, can be paid provided that all the other qualifying rules are satisfied.

For travel to major cities or outside the UK, guide allowances may be increased (up to double) to reflect higher costs, subject to prior approval and HMRC reasonableness requirements. Major cities are listed, but not limited, below:

Birmingham	London	Leeds	Liverpool	Derry	Belfast
Manchester	Sheffield	Bristol	Newcastle upon Tyne	Aberdeen	Newport
Nottingham	Edinburgh	Glasgow	Swansea	Cardiff	

4. Other Approved Expenses

Expense Type	Operative Condition	Approval
Meals included within accommodation	Duration of stay	Head of Service discretion – prior approval
Public transport, taxis, parking, tolls	Approved Authority business	Budget holder or Head of Service approval
Exceptional or non-standard expenses	As necessary	Head of Service or Chief Executive or Head of Finance & Fundraising

For the purposes of this policy, “**working**” includes periods spent travelling or staying overnight on Authority business, as recognised under HMRC guidance. [\[gov.uk\]](http://gov.uk)

5. Conditions for Reimbursement

1. All claims must comply with this policy and HMRC rules on travel and subsistence.
2. Overnight stays must be approved in advance by the relevant Head of Service.
3. Alcoholic beverage claims will not be reimbursed.
4. Original receipts must be obtained where possible. Claims without receipts will only be reimbursed with written authorisation from the Head of Service or Director.
5. Claims exceeding guide allowances or incurred outside operative conditions require the written approval of the Head of Service or Director or Chief Executive or Head of Finance & Fundraising. Reimbursement will be limited

to the daily subsistence allowance unless they are exceptional or non-standard as detailed above.

6. Claims must be submitted to the Finance Team monthly, preferably by the **5th of the month following** the month in which the expense was incurred using the appropriate expense claim form. Any late submission in excess of 3 months may be declined and will require additional approval of a Director or Chief Executive.
7. All claims must be approved by the budget holder and any other approver if required in line with this guidance.
8. Claims under £25, supported by receipts, may be reimbursed via petty cash at the discretion of the Head of Finance & Fundraising.

6. Tax and HMRC Compliance

Subsistence and expense reimbursements will only be treated as **non-taxable** where all HMRC criteria are met, including:

- Travel away from the employee's normal workplace.
- Costs incurred are additional, reasonable, and related to business activity.
- Expenses do not represent personal or ordinary daily living costs. [\[gov.uk\]](https://www.gov.uk),

In the event a claim does not meet HMRC requirements, the Authority reserves the right to refuse such claims. In the event such a claim is authorised, the payment will be treated as taxable and reported to HMRC accordingly, in which case the entire amount becomes taxable.

7. Fraud and Compliance Statement

All employees are expected to act honestly and with integrity when claiming subsistence and expenses. Submitting false, exaggerated, or misleading claims is considered a serious breach of trust and may constitute fraud.

The Authority reserves the right to:

- Carry out checks and audits of expense claims.
- Withhold or recover payments where claims are found to be incorrect or unsupported.
- Report suspected fraudulent activity in accordance with the Authority's **Anti-Fraud Policy** and disciplinary procedures.

Failure to comply with this policy may result in disciplinary action and, where appropriate, referral to external authorities.

8. Further Information

For advice or clarification regarding this policy or HMRC requirements, employees should contact the **Finance Team**.

Assurance Statement

The Subsistence & Expenses Allowances Policy demonstrates strong alignment with CIPFA Principle F by embedding robust internal controls, segregation of duties, budget discipline, fraud prevention, and regulatory compliance.

These arrangements support effective public financial management and provide reasonable assurance over the propriety, accuracy, and value for money of subsistence expenditure.

Key controls:

- Clear rules defining eligible and ineligible expenditure
- Guide maximum allowances aligned with HMRC benchmark rates
- Mandatory pre-approval for overnight stays and exceptional expenses
- Explicit approval thresholds and escalation routes
- Employee submits claim
- Budget holder approves validity and necessity
- Finance Team verifies compliance and processes payment
- Senior management approval required for exceptions
- Expenses reimbursed only where additional costs arise from official duties
- Claims subject to review against established limits
- Oversight by Budget Holders and the Head of Finance & Fundraising
- Petty cash payments capped and tightly controlled
- Fraud and compliance statement embedded in the policy
- Requirement for original receipts and supporting evidence
- Explicit powers to recover incorrect payments
- Referral of suspected fraud through the Anti-Fraud Policy
- Explicit alignment with HMRC travel and subsistence rules
- Clear distinction between taxable and non-taxable expenses
- Authority reserves right to reclassify non-compliant claims
- Defined claim submission deadlines
- Standardised claim forms
- Finance Team validation and recording
- Full documentation and receipt retention
- Explicit audit rights
- Management review and approval embedded in the process

Sources

HMRC, *Expenses and benefits: travel and subsistence* (GOV.UK) [[gov.uk](https://www.gov.uk)]

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. FP12

Grant Applications & Claims Procedure 2026



1. Introduction

The purpose of this procedure is to ensure that all grant funding is identified, recorded, monitored, and claimed accurately and in a timely manner, in line with funder requirements and internal financial controls.

This procedure supports effective financial management and audit assurance by establishing clear responsibilities and consistent processes for grant funding.

2. General Principles

All grant funding and external funding must be managed in accordance with these Financial Regulations to ensure lawful, prudent, and effective financial stewardship.

Grant funding shall be:

- properly authorised,
- accurately recorded,
- monitored throughout its lifecycle, and
- claimed in compliance with funder conditions.

Failure to comply with funder requirements may result in clawback of funds or reputational risk and must be reported immediately to the Head of Finance & Fundraising.

This procedure aims to:

- Maintain a **central register of all grant funding and funding bodies.**
- Ensure staff are aware of **current funded projects.**
- Ensure all grant applications are **properly approved, complete, and recorded.**
- Ensure grant claims are **accurate, fully evidenced, and submitted on time.**
- Support effective **monitoring and reporting** of grant funding.
- Ensure **appropriate records are retained** for audit and compliance purposes.

3. Scope

3.1 This procedure applies to:

- all employees involved in grant applications and activity,
- all budgets, projects, and funding streams associated with grants & funding,
- all systems used to record or manage financial transactions.

3.2 Overall responsibility for the financial management of grant funding rests with the **Chief Executive Officer**, supported by the **Head of Finance & Fundraising**.

3.3 Individual grant-funded projects shall be managed by a **designated Responsible Officer** who is accountable for:

- operational delivery,
- compliance with grant conditions, and
- timely submission of claims.

4. Roles and Responsibilities

4.1 Budget Holders

- Ensure expenditure is lawful, budgeted, and compliant with this procedure.
- Maintain supporting documentation.
- Review and authorise submissions where required.

4.2 Responsible Officers

- Prepare requests, claims, or documentation accurately and on time.
- Ensure compliance with conditions and deadlines.
- Liaise with Finance as required.

4.3 Finance Team

- Maintain financial records and systems.
- Provide advice on compliance and accounting treatment.
- Reconcile, monitor, and report financial information.
- Maintain audit trails.
- Monitoring grant income, and
- Provide assurance to senior management.

4.4 Senior Management

- Provide oversight and challenge.
- Authorise transactions in line with the scheme of delegation.
- Manage risk and escalate issues where necessary.

5. Procedure for Grant Applications and Claim Submissions

5.1 All applications for grant funding must be:

- consistent with organisational priorities and budgets, and
- approved in line with the **Scheme of Delegation** prior to submission.

5.2 No grant application may be submitted without confirmation from Finance that:

- appropriate financial capacity exists, and
- ongoing or match-funding commitments are identified.

5.3 Copies of all grant applications and supporting documentation must be provided to the Fundraising team.

5.4 Notification of Grants

1. All staff who:

- apply for grant funding, or
- receive notification of a successful grant award.

must notify the **Finance Department** promptly, either via email or by completing a **Grant Notification Form**.

2. Copies of the successful **grant application, offer letter**, and any related documentation must be provided to Finance.

5.5 Acceptance of Grant Funding

3. All formal offers of grant funding must be **authorised and signed by the Chief Executive Officer (CEO), Director, or Head of Service** prior to acceptance as per the scheme of delegation.
4. Any specific accounting requirements must be notified to the finance team e.g. department/project set up, salary allocation etc.
5. Grant offers must be reviewed prior to acceptance to confirm:
 - financial conditions,
 - reporting requirements,
 - clawback risks, and
 - resource implications.
6. Once accepted, all grant funding must be recorded in the **Grant Funding Register**, maintained by Finance.

5.6 Financial Recording and Controls

7. All grant income and expenditure must be recorded through the organisation's financial management system.
8. Dedicated cost centres or project codes must be established where required to ensure:
 - accurate tracking of expenditure,
 - compliance with grant conditions, and
 - transparency for audit purposes.
9. Grant funding must not be used to support ineligible expenditure or activities outside the approved scope of the grant.

5.7 Submission of Grant Claims

10. Grant claims must be:
 - Prepared and Submitted by the **officer responsible**.
 - Submitted **in line with funder requirements**.
 - Prepared to the **required format**
 - Submitted **by the specified deadlines**
11. Each grant claim must be **reconciled to the general ledger** to ensure completeness, accuracy and that all eligible expenditure is included and correctly recorded.
12. Any omissions or corrections identified must, where permitted by the funder, be included within the **next eligible claim period**.

13. Grant records must be capable of demonstrating a **clear audit trail** from income received to expenditure incurred.

5.8 Authorisation and Record Keeping

14. Each grant claim must be reviewed and authorised by an appropriate senior officer, such as:

- Head of Service
- Head of Finance and Fundraising
- Chief Executive Officer

15. Copies of all submitted claims must be provided to the **Finance Department** to ensure a complete audit trail is maintained. Finance will update the Grant Funding Register to reflect all claims submitted.

16. Records must be retained in line with funder requirements, statutory retention periods and/or internal retention policies.

17. Financial records must be reconciled regularly to:

- budgets,
- supporting documentation, and
- external statements where applicable.
- Errors must be corrected promptly and transparently.

18. Financial performance must be monitored throughout the year.

- Variances, risks, or delays must be reported to Finance and management.
- Management reports will be produced in accordance with reporting timetables.

5.9 Receipt and Monitoring of Grant Income

19. The officer responsible for the grant will monitor receipt of grant income and code accurately to the correct cost centre or project

20. Any anticipated or actual delays in receipt of funds must be:

- Reported promptly to Finance
- Actively followed up with the funding body
- Resolved collaboratively to ensure outstanding claims are addressed.

21. The Finance Team will monitor grant income received against:

- approved claims, and
- expected payment schedules.

21. Material risks relating to grant income should be escalated to senior management.

6. Risks and Assurance

Key risks mitigated by this procedure include:

- financial misstatement,
- non-compliance with conditions or regulations,
- fraud or error,
- loss of audit assurance.
- To provide additional assurance and mitigate risks, grant-funded activity will be subject to internal and external audit and officers must provide access to records upon request.

7. Non-Compliance

Failure to comply with this procedure may:

- result in disciplinary action,
- lead to financial loss or clawback,
- be reported to senior management or the Audit Committee.

8. Review and Update

This procedure will be reviewed:

- at least every **5 years**, or
- sooner where there are material changes to legislation, regulation, or organisational structure.

Assurance statement

The grant application and claims Financial Procedure is aligned with the CIPFA Code of Practice. It supports strong internal control, accurate financial reporting, effective stewardship of resources, and compliance with CIPFA good practice and audit requirements. It ensures that appropriate arrangements are in place to support the proper management, application for, and claiming of grant funding.

Key Internal Controls (CIPFA-Aligned)

The following key controls support compliance with CIPFA standards and provide assurance over grant funding:

Governance and Authorisation

- Formal approval of grant applications and acceptances in accordance with delegated authority.
- Segregation of duties between:
 - grant preparation,
 - claim submission,
 - authorisation, and
 - financial recording.

Financial Control and Accounting

- Central **Grant Funding Register** maintained by Finance.
- All grant expenditure recorded through the general ledger using dedicated cost centres or project codes.
- Claims reconciled to accounting records before submission.
- Regular review of grant balances and commitments.

Monitoring and Reporting

- Ongoing monitoring of income receipt against claims.
- Escalation of delays or risks to Finance and senior management.
- Regular reporting of grant performance and compliance, where required.

Audit and Assurance

- Full retention of supporting documentation in line with funder and statutory requirements.
- Clear audit trail from claim to underlying expenditure.
- Compliance with internal financial regulations and external audit expectations.
- External audit assurance

Delegated Financial Limits – Grant Funding

Activity	Authorised Officer	Financial Limit	Conditions / Notes
Submission of grant applications	Head of Service	Up to £25,000	Must be within approved budget and organisational objectives
Submission of grant applications	Director	Up to £50,000	Must be within approved budget and organisational objectives
Submission of grant applications	Chief Executive Officer	Up to £250,000	Finance consultation mandatory
Submission of grant applications	Chief Executive Officer	Over £250,000	Material strategic or financial impact - Board notification required
Acceptance of grant funding	Head of Service	Up to £25,000	Subject to review of terms and conditions
Acceptance of grant funding	Director	Up to £50,000	Must not create unfunded commitments
Acceptance of grant funding	Chief Executive Officer	Up to £250,000	Finance consultation mandatory
Acceptance of grant funding	Chief Executive Officer	Over £250,000	Material strategic or financial impact - Board notification required
Authorisation of grant claims	Head of Service	Up to £25,000	Evidence and reconciliation required
Authorisation of grant claims	Director	Up to £50,000	Evidence and reconciliation required
Authorisation of grant claims	Chief Executive Officer	Up to and over £250,000	Evidence and reconciliation required

The Board or Audit Committee may review delegated limits periodically.

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. 10

Inventory management

Inventory Management Financial Procedure

1. Purpose

This procedure sets out the arrangements for the financial control, recording, safeguarding, valuation, and management of inventory. It ensures that inventory is managed efficiently, accurately accounted for, and protected against loss, misuse, or financial misstatement.

2. Scope

This procedure applies to all inventory held by the Authority, including but not limited to:

- Retail stock
- Consumables and supplies
- Materials held for operational use
- Items held for resale

It applies to all locations, centres, and services holding inventory.

3. Definitions

Inventory refers to assets:

- Held for sale in the ordinary course of operations; or
 - In the process of production for sale; or
 - In the form of materials or supplies to be consumed in service delivery.
-

4. Roles and Responsibilities

4.1 Budget Holders

- Accountable for inventory levels, usage, and budgetary control
- Ensure inventory purchases are authorised and necessary
- Review inventory reports and variances where available e.g. retail system

4.2 Responsible Officers/Administrators

- Maintain accurate inventory records
- Ensure stock is stored securely and appropriately
- Carry out stock counts and reconcile physical stock count to inventory system (where relevant e.g. centres)

4.3 Finance Team

- Provide financial oversight and guidance

- Ensure appropriate accounting treatment and valuation
 - Reconcile inventory balances for financial reporting and audit.
-

5. Procurement and Ordering

1. Inventory purchases must be made through approved procurement processes and within delegated authority limits.
 2. All inventory orders must be supported by an approved purchase order.
 3. Budget availability must be confirmed prior to ordering via budget holder/line manager
-

6. Receipt of Inventory

1. All inventory received must be checked against delivery notes and purchase orders.
 2. Discrepancies (shortages, damage, incorrect items) must be reported promptly to budget holders/line managers & suppliers as appropriate.
 3. Inventory received must be recorded promptly and accurately in inventory records or retail management system.
 4. Receipt and recording of inventory should be undertaken by different officers where practicable to support segregation of duties.
-

7. Inventory Records and Systems

1. Inventory records must be maintained for all stock items and include:
 - Item description and reference
 - Quantity held
 - Location
 - Unit cost or valuation basis
 2. Inventory systems must be kept up to date and reconciled periodically to accounting records.
 3. Adjustments to inventory records must be authorised and supported by appropriate documentation. Authorised by budget holder & line manager.
-

8. Storage, Security, and Safeguarding

1. Inventory must be stored securely to prevent loss, damage, or unauthorised access.
 2. Access to inventory storage areas should be restricted to authorised personnel where possible and not accessible by the public.
 3. High-value or sensitive items must be subject to enhanced security controls.
-

9. Inventory Issues and Usage

1. Inventory must be issued only for authorised operational purposes.
 2. Issues of inventory must be recorded promptly to ensure records remain accurate.
 3. Consumption of inventory must be monitored to identify unusual usage patterns or potential losses.
-

10. Stocktaking and Verification

1. Physical stock counts must be carried out at regular intervals and at a minimum, annually.
 2. Stock counts must be planned, documented, and reviewed and authorised by line manager, Head of Service or Director.
 3. Differences between physical stock and recorded inventory must be investigated and resolved.
 4. Adjustments arising from stocktakes must be authorised by the line manager, Head of Service or Director dependent on proportionality. e.g. annual stock counts authorised by Head of Service, small one off stock checks by budget holder or line manager
-

11. Valuation and Accounting Treatment

1. Inventory is valued in accordance with the Authority's accounting policies and relevant accounting standards.
 2. Inventory is normally valued at the lower of cost and net realisable value.
 3. Obsolete, slow-moving, or damaged inventory must be identified and written down where appropriate.
 4. Inventory balances are reviewed at year-end to support the Statement of Accounts.
-

12. Losses, Write-offs, and Obsolescence

1. Losses, damage, theft, or obsolescence of inventory must be reported immediately to the budget holder or line manager.
 2. All inventory write-offs must be authorised by the budget holder and line manager. Any write offs more than £500 must be authorised by a Head of service or director. Lower amounts must be authorised by the line manager.
 3. Suspected fraud or misuse must be reported in line with the Authority's Anti-Fraud Policy.
-

13. Monitoring and Reporting

1. Inventory levels, usage, and valuation must be monitored regularly by budget holders & line managers.
 2. Reports may include:
 - Stock value reports
 - Stock turnover and usage analysis
 - Obsolescence and write-off reports
 3. Significant variances or risks must be escalated to management.
-

14. Audit and Assurance

1. Inventory management arrangements are subject to internal and external audit.
2. Inventory records, stocktake results, and adjustments must be retained by each department in accordance with finance retention schedules. These may be retained in electronic format e.g. scanned documents.

3. Management must provide assurance on the effectiveness of inventory controls when required.
-

15. Review and Compliance

1. This procedure will be reviewed periodically to ensure continued compliance with Financial Standards, accounting requirements, and good practice.
 2. Failure to comply with this procedure may result in corrective action (investigation to identify and eliminate cause of the issue, implement procedures to prevent it from recurring) or escalation through governance arrangements. e.g. report to members.
-

Audit Assurance Statement

The Inventory Management Financial Procedure is aligned with IAS 2 (Inventories) as adopted by the CIPFA/LASAAC Code of Practice. It supports strong internal control, accurate financial reporting, effective stewardship of resources, and compliance with CIPFA good practice and audit requirements. It ensures appropriate recognition, valuation, expense treatment, safeguarding, and disclosure of inventory, supported by robust internal controls and audit trails.

Key internal controls:

- Inventory is defined as items held for resale, consumption, or service delivery.
- Scope includes retail stock, consumables, and operational supplies.
- Applies across all locations and services.
- Inventory is recognised on receipt and recorded promptly in inventory systems.
- Receipt is verified against purchase orders and delivery documentation.
- Budget approval and authorisation underpin inventory acquisition.
- Inventory records include unit cost or valuation basis.
- Purchases must be made through authorised procurement processes.
- Costs are recorded through approved financial systems.
- Inventory is valued at the lower of cost and NRV.
- Obsolete, damaged, or slow-moving inventory is reviewed and written down where appropriate and authorised.
- Retail and resale inventory is assessed for saleability.
- Inventory records require a consistent valuation basis.
- Retail and inventory systems support systematic cost allocation.
- Cost formulas are applied consistently across periods.
- Inventory issues are recorded promptly.
- Consumption is monitored and charged to relevant budgets.
- Usage records support expense recognition in the correct accounting period.
- Obsolete, damaged, or slow-moving inventory is identified and reviewed.
- Write-offs require formal authorisation.
- Losses and theft are reported in line with fraud and incident procedures.

- Physical stocktakes conducted regularly and at least annually.
- Differences investigated and resolved.
- Finance Team reviews inventory balances at year-end.
- Inventory records support disclosure in the Statement of Accounts.
- Documentation retained for audit evidence.
- Inventory estimates reviewed regularly.
- Adjustments follow authorised finance procedures.
- Procedure subject to periodic review.

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. 14

Fixed assets procedures

Fixed Assets Procedures

1. Purpose

This procedure sets out the arrangements for the identification, recognition, recording, control, depreciation, and disposal of fixed assets. It ensures that assets are managed effectively, safeguarded appropriately, and accounted for in accordance with the Authority's Financial Standards, accounting policies and relevant accounting requirements.

2. Scope

This procedure applies to all tangible and intangible fixed assets owned or controlled by the Authority, including:

- Land and buildings
 - Plant, vehicles, and equipment
 - IT hardware and infrastructure
 - Other assets with a useful life of more than one financial year
 - Leased assets as defined by IAS 16.
-

3. Definitions

A fixed asset is a resource:

- Held for use in the delivery of services or for administrative purposes; and
 - Expected to be used for more than one financial year; and
 - Having a value above the Authority's capitalisation threshold.
-

4. Capitalisation Thresholds

1. Assets are capitalised where their cost exceeds the Authority's approved capitalisation threshold, as defined in the Financial Standards. (£10,000 net vat).
 2. Assets below the threshold are charged to revenue unless otherwise approved.
 3. Assets acquired as part of a project are assessed collectively where appropriate.
 4. Expenditure on buildings purchase/enhancement exceeding £10,000 and on land purchase shall be treated as capital expenditure. An enhancement extends the useful life, increases open market value, or substantially increases the use that the Authority can put the property to.
-

5. Roles and Responsibilities

5.1 Budget Holders

- Ensure assets are required, properly authorised, and within approved budgets
- Confirm receipt and operational use of assets
- Notify the Finance Team of asset acquisitions, transfers, impairments, or disposals
- Notify the Head of Finance & Fundraising of any assets acquired under finance leases

5.2 Finance Team

- Maintain a Fixed Asset Register for all categories of assets valued over the capitalisation threshold
- Ensure correct accounting treatment and depreciation
- Perform periodic reconciliations and reviews
- Provide information for statutory accounts and audit

5.3 Asset Users and Managers

- Safeguard assets under their control
- Report loss, damage, or obsolescence promptly to line managers
- Each team to retain a schedule of all assets held regardless of value for insurance purposes, preferably with a unique reference/asset number allocated to each asset.

5.4 Estates Manager

- Maintains a list of all properties owned, leased and licensed to the Authority to include acquisition date, location, purpose and any other relevant aspects of ownership
- Ensures custody of all title deeds in a secure location/method.
- Advises on and implements asset planning initiatives

6. Acquisition of Fixed Assets

1. All fixed asset purchases must be approved in advance in accordance with procurement and delegated authority arrangements including the asset management policy and strategy.
2. Assets must be acquired through authorised procurement processes.
3. Upon acquisition, assets must be recorded in the Fixed Asset Register with the following minimum information:
 - Description and category
 - Location and responsible officer
 - Purchase cost and acquisition date
 - Useful life and depreciation method

7. Fixed Asset Register

1. Fixed Asset Registers are maintained by the Finance Team and forms the primary record of the Authority's asset holdings over £10,000 net vat.
2. The registers must be accurate, complete, and regularly reviewed.
3. Changes to asset status (e.g. transfers, impairments, disposals) must be supported by appropriate documentation and the Head of Finance & Fundraising advised.

8. Valuation and Depreciation

1. Fixed assets are valued and depreciated in line with applicable accounting standards and the Authority's accounting policies.
2. Depreciation is charged systematically over the asset's estimated useful life. Depreciation will not be charged in the year of purchase, but will be charged fully in each subsequent year, including the year of disposal.
3. An annual capital charge reflecting depreciation charges on capital assets employed by the service will be applied to all service budgets as relevant.
4. Land is not depreciated.
5. Useful lives and depreciation methods are reviewed periodically and updated where necessary.
6. Where parts of an asset have materially different useful lives, they must be accounted for as separate components.
7. Land & buildings are revalued annually every 5 years on a rolling programme basis, in line with accounting policies and CIPFA guidance.
8. The Finance Team maintains oversight of valuation and review processes in conjunction with the Estates Manager.
9. Revaluation and impairment adjustments are recorded annually where required.
10. Accounting estimates must be reviewed regularly and any material errors corrected retrospectively where required. Corrections/adjustments should be processed through authorised finance procedures.
11. Leased assets must be assessed under IAS16 to consider whether they need to be capitalised as right of use assets.

9. Verification and Physical Checks

1. Periodic physical asset checks are carried out to confirm the existence and condition of assets.
2. Asset verification results are documented and reviewed by management.
3. Discrepancies must be investigated and resolved promptly.

10. Asset Transfers

1. Transfers of assets between services or locations must be authorised and communicated to the Finance Team.
2. The Fixed Asset Register must be updated to reflect ownership and responsibility changes.

11. Disposal of Fixed Assets

1. Assets may be disposed of where they are obsolete, surplus, damaged, or no longer required.
2. All disposals must be approved in accordance with delegated authority limits.
3. Disposal methods may include sale, trade-in, transfer, or write-off.
4. Disposal proceeds must be recorded in the finance system and accounted for appropriately.
5. The Fixed Asset Register is updated promptly following disposal.
6. Detailed procedures are noted in FP04- Disposal of Surplus Assets.

Delegated authority:

Disposal of assets	Approval 1	Approval 2
Assets with a net book value of under £25,000.	Budget Holder	Head of service/Director
Assets with a net book value of over £25,000.	Chief Executive	Audit & Corporate Services Committee

12. Loss, Theft, and Impairment

1. Any loss, theft, or significant damage to a fixed asset must be reported immediately to budget holders or senior management in accordance with the Authority's incident and fraud reporting procedures.
2. The Finance Team will assess whether impairment or write-off is required.
3. All write-offs must be authorised in line with FP04.

13. Accounting and Audit

1. Fixed asset balances must be reconciled annually between the Fixed Asset Register and the general ledger.
2. Supporting documentation must be retained in accordance with records management requirements.
3. All asset activity is subject to internal and external audit.

14. Review and Compliance

1. This procedure is reviewed periodically to ensure compliance with accounting standards, Financial Standards, and best practice.
2. Non-compliance may result in corrective action or escalation in line with governance procedures.

Audit Assurance Statement

This Fixed Assets Procedure supports strong governance, effective asset management, accurate financial reporting, and compliance with CIPFA and statutory accounting requirements, including recognition, measurement, valuation, depreciation, impairment, and disposal requirements under IAS 16 and related standards.

It provides a robust framework for asset stewardship, financial control, risk management, and audit assurance, supporting accurate financial reporting and effective use of public resources.

Key controls:

- Clear definition of what constitutes a fixed asset
- Approved capitalisation thresholds defined in Financial Standards
- Delegated authority controls for acquisition, disposal, and write-off
- Formal reporting of loss, theft, and impairment
- Transparent asset recording within the Fixed Asset Register
- Clear assignment of responsibility to budget holders and asset managers
- Documented procedures available to officers involved in asset management
- Assets held for operational service delivery purposes
- Periodic review of asset condition, usefulness, and continued need
- Disposal of obsolete or surplus assets
- Formal approval and control of asset transfers, impairments, and disposals
- Physical verification and investigation of discrepancies
- Management review of asset performance and condition
- Defined roles for Finance Team, budget holders, and asset users
- Reporting mechanisms for damage, loss, or obsolescence
- Fraud and incident reporting requirements linked to asset losses
- Mandatory recording of assets in the Fixed Asset Register
- Capital versus revenue distinction through capitalisation thresholds
- Depreciation charged systematically over useful lives
- Regular reconciliation between Fixed Asset Register and general ledger
- Maintenance of a complete and accurate Fixed Asset Register
- Retention of acquisition, valuation, and disposal documentation
- Regular audit access to asset records and reconciliations
- Periodic review of the procedure and asset controls

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. 15

Financial Procedures for Awarding Grants & Management Agreements

Financial Procedure for Awarding Grants & Management Agreements

1. Purpose

This procedure sets out the financial controls and governance arrangements for awarding, monitoring, and accounting for grants & management agreements. It ensures that grant funding is awarded fairly, transparently, and in accordance with the Authority's Financial Standards, budgetary approvals, and statutory obligations.

2. Scope

This procedure applies to all grant awards made by the Authority, including:

- Revenue and capital grants
- Discretionary and scheme-based grants
- One-off and recurring grants
- Management agreements

It covers the full grant lifecycle from application to final payment and closure.

Reference should be made to the '**Welsh Language Awarding Grants Policy**' in the design, issue and awarding of grants.

3. Governance and Responsibilities

3.1 Officers

- **Grant-delivery department:** Responsible for scheme design, eligibility criteria, assessment, grants awards and monitoring delivery of outcomes.
- **Budget Holder:** Accountable for ensuring grant expenditure is within approved budget limits.

- **Finance Team:** Provides financial oversight, ensures compliance with Financial Standards, maintains accounting records, and supports audit requirements.
- **Authorising Officers:** Approve grant awards in line with delegated authority levels.

3.2 Delegated Authorities

Approval limits for grant awards are defined within the Authority’s Financial Standards and restated below. Grants must be approved by the appropriate senior officers, grant committee, or NPA in accordance with the delegated authority below. Specific grant funds may have their own terms of reference for awarding grants including the use of a designated grants committee. However, the delegated authority must comply with the financial standards as a minimum.

Delegated Authority Limits for grant awards

Total Value of Grant, Sponsorship Awards or Management Agreement (per agreement)*	Authorising Officer / Body Approval
Certain grants as defined by Terms of Reference – all values	Grants committee as defined in TOR
Where no grant committee in existence:	
Up to £10,000	Budget Holder
	Head of Service
Between 10,001 up to £50,000	Head Of Service
	Director/Chief Executive
Over £50,001	Chief Executive
	NPA / Committee

Grants assessed as **high risk or novel**, must be referred for **member approval**.

*The value limit applies to a single grant offer/agreement only, even if this covers multiple years.

4. Budget Approval and Availability

1. All grant schemes must be supported by an approved budget.
2. Budget provision must be confirmed by the Finance Team before any grants are awarded.
3. The commitment is recorded on a separate log retained by the department delivering the grant.

5. Grant Application and Assessment

1. All grants must be awarded following a documented application process unless explicitly exempted under approved Financial Standards.
2. Eligibility criteria, assessment methodology, and scoring must be clearly defined in advance.
3. Applications must be assessed objectively and consistently, with decisions supported by documentary evidence. Decisions must be evidence-based and demonstrate fairness, proportionality, and Value for Money.
4. Given multiple grant award schemes, every attempt must be made to identify the possibility of multiple grant awards being made to the same applicant. In the event this occurs, documentation must record the justification and confirm there is no 'double funding' of projects.
5. Officers involved in assessment **must declare any conflicts of interest** in accordance with the Authority's Code of Conduct.

6. Approval of Grant Awards

1. No grant may be awarded or paid without formal **approval in line with delegated authority**.
2. Approval documentation must include:
 - Applicant details
 - Purpose of the grant
 - Amount awarded
 - Conditions attached to the grant
 - Payment profile
3. Grant **approvals are subject to segregation of duties, with assessment and approval undertaken by different officers where practicable**.

7. Grant Agreements and Conditions

1. All grant awards must be issued with written terms and conditions, proportionate to the level of funding and risk.
2. Grant agreements must specify:
 - Purpose and permitted use of funds
 - Monitoring and reporting requirements
 - Payment conditions and milestones
 - Rights of inspection and audit
 - Clawback provisions for misuse or non-delivery

3. The Authority reserves the right to withhold or recover funding where conditions are not met.
 4. The grant awarding department must record any relevant EU or related state funding details and forward to finance. Documents must be retained in accordance with the Authority's requirements and policies related to document retention.
-

8. Payment of Grants

1. Grant payments are processed through the finance system upon receipt of appropriate documentation and confirmation that conditions have been met.
 2. Payments may be made:
 - In advance
 - In arrears
 - In staged instalments, subject to performance or evidence
 3. All payments require certification by the responsible officer and authorisation by the budget holder and designated approver (in line with the payment of invoices delegated authority).
 4. Supporting documents must be attached to the transaction in the finance system.
-

9. Monitoring and Performance

1. Grant-funded activity must be monitored in line with the conditions of the award.
 2. Monitoring may include:
 - Progress reports
 - Financial returns
 - Evidence of outcomes achieved
 3. Non-compliance or underperformance must be investigated promptly, with remedial action taken where appropriate.
-

10. Financial Accounting and Audit Trail

1. Grant expenditure is recorded against the appropriate cost centre and budget.
 2. All documentation relating to grant awards, payments, and monitoring must be retained in accordance with the Authority's retention policy.
 3. The finance system must maintain a full audit trail to support internal and external audit.
-

11. Risk Management and Fraud Prevention

1. Grant schemes are subject to risk assessment, with controls proportionate to the level of funding and complexity.
 2. Anti-fraud checks may be applied, including verification of applicant details and use of funds.
 3. Suspected fraud, error, or misuse of grant funding must be reported immediately in accordance with the Authority's Anti-Fraud Policy.
-

12. Review and Assurance

1. Grant schemes and awards are subject to periodic review by management and internal audit.
2. This procedure will be reviewed regularly to ensure continued compliance with Financial Standards and best practice.

Summary

The Financial Procedure for Awarding Grants is fully aligned with CIPFA's Delivering Good Governance principles by demonstrating:

- Clear leadership and accountability
- Strong financial control and stewardship of public funds
- Transparent and ethical decision-making
- Proportionate risk management and internal control
- Robust monitoring, audit, and assurance arrangements

Collectively, these arrangements support lawful, efficient, and effective use of public resources across the full grant lifecycle.

Key Controls – Grant Awarding & Management

- Approved grant schemes align to the Authority's objectives and public value outcomes
- Clear purpose defined for every grant award
- Mandatory declaration and management of conflicts of interest
- Compliance with Code of Conduct, Financial Standards, and legislative duties
- Grants only awarded where an **approved budget exists**
- Finance Team confirmation of budget availability before award
- Grant commitments recorded and monitored against budgets
- Budget Holder accountability for financial sustainability
- Clearly defined officer roles and responsibilities

- Formal delegated authority limits for grant approval
 - Escalation to senior officers or members for high-value or high-risk awards
 - Segregation of duties between assessment, approval, and payment
 - Documented and transparent application process
 - Pre-defined eligibility criteria and scoring methodology
 - Consistent and evidence-based assessment of applications
 - Retention of assessment records to support scrutiny
 - No award without formally recorded approval
 - Standardised approval documentation capturing purpose, value, conditions, and payment profile
 - Independent review where practicable prior to approval
 - Value for Money considerations explicitly assessed
 - Written grant agreements in place for all awards
 - Conditions proportionate to funding value and risk
 - Clear specification of permitted use of funds
 - Defined rights of access, inspection, audit, and clawback
 - Payments processed only through the finance system
 - Certification that conditions or milestones have been met prior to payment
 - Authorisation by budget holder and designated approver
 - Use of staged or arrears payments for higher-risk grants
 - Monitoring requirements defined at award stage
 - Regular progress and financial reporting for material grants
 - Evidence required to demonstrate delivery of outcomes
 - Escalation procedures for non-delivery or non-compliance
 - Accurate coding of grant expenditure to cost centre and budget
 - Maintenance of grant registers and supporting records
 - Reconciliation of payments to approvals and agreements
 - Compliance with retention policies and accounting standards
 - Risk assessment undertaken at scheme and award level
 - Proportionate controls based on value, complexity, and delivery risk
 - Enhanced monitoring for high-risk or novel grants
 - Review and adjustment of controls where risk profile changes
 - Verification of applicant identity and governance arrangements where appropriate
 - Anti-fraud checks applied proportionately
 - Clear reporting routes for suspected fraud or misuse
 - Investigation and recovery action supported by clawback provisions
 - Full audit trail maintained from application to closure
 - Internal Audit access to all records and systems
 - Periodic management and audit reviews of grant activity
 - Reporting to senior management and/or members to support transparency
-

Pembrokeshire Coast National Park Authority

FINANCIAL PROCEDURE No. FP16

Awards to Strategic Partnerships

Financial Procedure: Strategic Partnership Awards

1. Purpose

This procedure defines the financial governance, approval, and control requirements for **Strategic Partnership Awards** made by the Authority. It ensures that all awards are lawful, affordable, compliant with statutory duties, and represent value for money, in line with the **Local Government Act 1972**, **Local Government Act 1999 (Best Value Duty)**, the **CIPFA Financial Management Code**, and the Authority's **Financial Regulations and Scheme of Delegation**.

2. Scope

This procedure applies to:

- All Strategic Partnership Awards involving financial or resource commitments by the Authority
- All directorates, services, and officers involved in proposing, approving, or managing partnerships
- Revenue and capital funding, including ring-fenced and externally funded grants

It applies from proposal stage through to final payment and post-award evaluation.

3. Definition of a Strategic Partnership Award

A **Strategic Partnership Award** is a formal commitment by the Authority to provide funding, assets, or financial support to an external body to deliver outcomes that contribute materially to the Authority's strategic priorities and statutory responsibilities. This may include voluntary sector organisations, public sector bodies, social enterprises, or private sector partners.

4. Legislative and Regulatory Framework

Strategic Partnership Awards must comply with:

- Local Government Act 1972
- Local Government Act 1999 (Best Value Duty)
- Subsidy Control Act 2022 (where applicable)
- Public Contract Regulations 2015 (or successor legislation, where applicable)
- Authority's Financial Regulations and Contract Standing Orders
- Authority's Constitution and Scheme of Delegation

Officers must seek advice from Finance, Legal, and Procurement as appropriate.

5. Roles and Responsibilities

5.1 Directors

- Identifies the strategic requirement and intended outcomes
- Prepares the business case and partnership proposal
- Manages delivery and performance post-award
- Retains evidence of delivery and expenditure

5.2 Senior Responsible Officer/Budget holder (SRO)

- Accountable owner of the partnership
- Confirms strategic alignment, affordability, and value for money
- Authorises payments once conditions are met
- Escalates risks and issues in line with governance arrangements

5.3 Head of Finance & Fundraising

- Confirms budget availability and affordability
- Reviews financial implications and risks
- Ensures appropriate accounting treatment
- Advises on compliance with Financial Standards

5.4 Legal Services

- Advises on subsidy control, contractual form, and legal compliance
- Reviews and approves partnership agreements

5.5 Procurement / Commercial Team

- Confirms whether the award constitutes a procurement or grant
- Advises on compliance with Contract Standing Orders

5.6 Section 151 Officer

- Has overall responsibility for sound financial administration
 - May require additional controls or assurance for high-risk awards
-

6. Approval and Decision-Making

6.1 Authority to Approve

Strategic Partnership Awards must be approved in accordance with:

- The Authority's Scheme of Delegation
- Financial thresholds set out in the Constitution

Where required, approval must be obtained from:

- Chief Executive Officer
- NPA
- Statutory officers (including Section 151 and Monitoring Officer)

No commitment may be made prior to formal approval.

6.2 Business Case Requirements

A proportionate business case must be produced and include:

- Strategic alignment with Authority Plan and statutory duties
- Rationale for partnership approach
- Total cost over the life of the award
- Funding source and budget provision
- Value for money assessment
- Risk assessment (including financial and delivery risks)
- Exit and clawback arrangements

Finance sign-off is mandatory before approval.

7. Budget Management

- Funding must be identified within approved budgets or via an approved budget variation.
 - Multi-year awards require confirmation of future funding or explicit approval to commit future budgets.
 - Awards must not create unfunded liabilities for the Authority.
-

8. Award Documentation

All Strategic Partnership Awards must be supported by:

- A written and signed partnership agreement or grant agreement
- Clear payment schedules and conditions
- Defined outputs, milestones, and performance measures
- Provisions for monitoring, audit access, clawback, suspension, and termination

Agreements must be reviewed and approved by Legal and Finance prior to signature.

9. Payments and Financial Controls

9.1 Payment Conditions

- Payments must only be made when conditions and milestones are met.
- Evidence of delivery must be reviewed and approved by the SRO.
- Advance payments are exceptional and require Director and Finance approval.

9.2 Accounting Treatment

- Expenditure must be coded correctly and recorded in the financial system.
 - Commitments, accruals, and prepayments must be recognised in accordance with proper accounting practices.
 - Any assets or liabilities arising from the partnership must be identified and recorded.
-

10. Monitoring and Reporting

- Financial and performance monitoring must take place at least quarterly.
 - Actual expenditure must be compared against budget and forecast.
 - Material variances, risks, or under-performance must be escalated promptly.
 - High-value or high-risk partnerships may be reported to senior management or members.
-

11. Risk, Audit, and Assurance

- Financial and operational risks must be reviewed regularly.
 - The Authority reserves the right to audit partner records relating to the award.
 - Internal Audit may review Strategic Partnership Awards as part of the audit plan.
-

12. Variations and Extensions

- Any change to scope, value, or duration must be formally approved in line with delegated authority.
 - Finance and Legal must review all proposed variations.
 - Extensions require evidence of satisfactory performance and continued value for money.
-

13. End of Award and Exit

- A final financial reconciliation must be completed.
 - Unspent or ineligible funds must be recovered where applicable.
 - A lessons-learned or post-award review should be completed for significant awards.
 - Records must be retained in accordance with the Authority's retention schedule.
-

14. Compliance and Review

Non-compliance with this procedure may constitute a breach of Financial Standards.

This procedure will be reviewed periodically by Finance to ensure continued compliance with legislation, proper practices, and Authority policy.

Assurance Statement

The control framework for Strategic Partnership Awards contributes directly to the Authority's system of internal control and governance, as required by:

- CIPFA / SOLACE Framework for Delivering Good Governance in Local Government

- CIPFA Statement on the Role of the Chief Financial Officer in Local Government
 - Annual Governance Statement (AGS) requirements
-

Summary of Key Internal Controls

The Authority operates a framework of preventative and detective controls to ensure Strategic Partnership Awards are lawful, affordable, and deliver value for money.

1. Governance and Authorisation Controls

- Clear alignment to the **Scheme of Delegation**, ensuring awards are approved only by authorised officers or Members.
- Lifetime value used to determine approval level, preventing circumvention of delegated limits.
- Mandatory involvement of the **Section 151 Officer (or nominee)** prior to commitment.

2. Financial Control and Budgetary Assurance

- Awards permitted only where **approved budget provision exists**.
- Explicit controls over multi-year commitments to prevent unfunded liabilities.
- Finance sign-off required on affordability, accounting treatment, and risk.

3. Business Case and Value for Money

- Requirement for a proportionate business case demonstrating:
 - strategic alignment,
 - affordability,
 - value for money (Best Value Duty),
 - financial and delivery risk assessment.
- Independent Finance review prior to approval.

4. Legal, Procurement, and Compliance Controls

- Classification controls to determine grant vs contract treatment.
- Mandatory Legal review of agreements.
- Alignment with Contract Standing Orders and subsidy control requirements where applicable.

5. Payments and Accounting Controls

- Payments released only on evidence of delivery against agreed conditions.
- Separation of duties between approval, certification, and payment processing.
- Correct recording of commitments, accruals, and expenditure in financial systems.

6. Monitoring, Reporting, and Variations

- Ongoing financial and performance monitoring through routine budget processes.
- Formal approval required for any variations, extensions, or scope changes.
- Escalation of material variances in accordance with Financial Regulations.

7. Audit and Assurance Controls

- Explicit audit and access rights built into partnership agreements.
- Inclusion within Internal Audit's risk-based audit planning where appropriate.
- Controls for recovery of unspent or ineligible expenditure.



Pembrokeshire Coast National Park Authority

Claiming Mileage Operational Procedure

Area of Operation: Across Authority

Version	Active Date	Document Owner
1	01/04/2026	Head of Finance and Fundraising

Please note:

- Operational Procedure Control Sheet is at the end of the document.
 - Operational Procedures should provide step by step instructions or checklist for implementing policies and standards. They are action orientated.
-

Does this Procedure relate to me:

- Staff making a mileage claim through Payroll (Finance)
-

Quick Reference – Purpose of this Procedure:

- Outlines what can be claimed and procedure for making a mileage claim through Payroll (Finance)
-

Contents

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Procedure

1. Mileage Claims

- 1.1 Mileage claims may only be submitted for journeys undertaken wholly for business purposes and in accordance with the organisation’s Travel Policy. The total mileage for each journey must be recorded on the Travel Claim Form.
- 1.2 Where business travel using a personal vehicle starts and/or finishes at the employee’s home, the employee must deduct their normal home-to-work commuting distance (either one-way or return, as appropriate), unless there is agreed justification not to do so. The remaining mileage is referred to as Net Mileage, which is the amount eligible for reimbursement. Note: This deduction does not apply to out-of-hours travel.
- 1.3 If the actual business mileage travelled is less than the normal commuting distance, no mileage may be claimed.
- 1.4 All business mileage must be recorded in full on the Travel Claim Form; however, only the mileage recorded in the “Net Mileage” column will be reimbursed.
- 1.5 Where an employee visits multiple sites during a single day, mileage may be claimed for each business journey. However, the normal home-to-work commuting distance (either one-way or return, as appropriate) must be deducted from at least one journey per day.

2. Mileage Rates (Personal Vehicles)

- 2.1 Employees will be reimbursed:

- 45 pence per mile for the first 10,000 business miles claimed in a tax year
 - 25 pence per mile for any business miles claimed thereafter
- 2.2 Where a business journey exceeds 100 net miles, the mileage rate for that journey will be 25 pence per mile for the entire distance travelled, unless the employee can demonstrate to the Chief Executive that:
- the transport hierarchy was followed; and
 - no suitable alternative (e.g. public transport, hire car, or pool car) was available at the time of booking
- 2.3 The reduced rate does not apply to multiple separate journeys undertaken within the county on the same day. These will continue to be reimbursed at the standard mileage rate, subject to annual mileage thresholds.
- 2.4 These mileage rates apply only to journeys undertaken in a personal vehicle and do not apply to mileage claimed when using a company car.

3. Supporting Documentation and Approvals

- 3.1 All claims for travel in petrol, diesel, or hybrid cars that are less than 3 months old must:
- be accompanied by an appropriate VAT receipt; and
 - be approved by the employee's line manager before submission to Payroll
 - Claims for travel in electric vehicles do not require a VAT receipt.
- 3.2 All claims for travel in petrol, diesel, or hybrid cars that are more than 3 months old must:
- be accompanied by an appropriate VAT receipt; and
 - be approved by both the employee's line manager and the Chief Executive before submission to Payroll

Claims for travel in electric vehicles do not require a VAT receipt.

4. Submission Deadlines and Process

- 4.1 The deadline for submitting travel claims to Payroll is 12:00pm on the 2nd working day of each month.
- 4.2 Travel claims should be submitted via email using the appropriate form to payroll@pembrokeshirecoast.org.uk alongside email approval and an appropriate VAT receipt (if applicable). Any Travel Claim Form that is not fully completed or an incorrect form is used will be returned and will not be processed until all required information has been provided.

5. Additional Requirements

- 5.1 For the purpose of claiming mileage, employees must provide details of their vehicle to enable reporting on organisational carbon impact.
- 5.2 Any Travel Claim Form that is not fully completed will be returned and will not be processed until all required information has been provided.

Related Policies, Templates and Guidance

- Travel Policy
- [Mileage Travel Claims Form](#)

Procedure Control Sheet

Consultation

Group	Date
N/A	

Assessments

Assessment – If Applicable	Date
Integrated Assessment – Full	N/A
Integrated Assessment – Policy/ Procedure Review	N/A
Data Protection Impact Assessment	N/A
Risk Assessment	N/A

Approval

Approved by	Name	Date
Head of Finance and Fundraising	Catrin Evans	17/03/2026

Version History

Version	Active Date	Summary of Changes
1	01/04/2026	Updated information reflecting changes to Mileage Claimable and Travel Policy

Review

Version	Active Date	Document Owner	Review Date Trigger
1	01/04/2026	Head of Finance and Fundraising	Annual Check – Q4. Changes to Travel Policy.

Publication

Procedures must be co-ordinated through the Performance and Compliance Team, for compliance, auditing, and control purposes. Please send all new or reviewed procedures once approved to mairt@pembrokeshirecoast.org.uk for formal publication of procedure to staff.

Publication	Date
Published on Sharepoint Corporate Procedure Hub	19/03/26