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1. INTRODUCTION

1.1 General

1.1.1 This Financial Memorandum supplements the Management Statement for the Information Commissioner (the Commissioner). It sets out in greater detail the financial framework within which the Commissioner is required to operate. It must be read in conjunction with the Management Statement and subject to all relevant legislation.

1.2 Compliance with directions, instructions and guidance

1.2.1 The terms and conditions set out in this Financial Memorandum may only be supplemented by guidance or directions issued by the Department in respect of the exercise of any of the individual functions, powers and duties of the Commissioner, and in consultation with the Commissioner.

1.2.2 The Commissioner shall comply with:

- a) this Management Statement and Financial Memorandum;
- b) *Government Accounting*;
- c) the Resource Accounting Manual and associated guidance, to the extent agreed with the Department;
- d) *Non-Departmental Public Bodies - a Guide for Departments*, published by the Cabinet Office;
- e) the *Government Internal Audit Standards*;
- f) the Treasury's *Fees and Charges Guide*;
- g) the Treasury's guidance *Departmental Banking: A Manual for Government Departments*;
- h) *Executive NDPBs - Annual Reports and Accounts Guidance*, issued by the Treasury;
- i) relevant *Dear Accounting Officer* letters;
- j) the Treasury guidance document *Regularity and Propriety*;
- k) other relevant instructions and guidance issued by the central departments and the Department;
- l) recommendations made by the Public Accounts Committee or other Parliamentary authority, which have been accepted by the Government and which are relevant to the Commissioner.

1.3 Subsidiary companies

1.3.1 The Commissioner shall not establish any subsidiary company or organisation without the express approval of the Department. If such approval is given and a subsidiary is set up there will be a separate document prepared setting out the financial conditions that apply to it.

1.3.2 Any subsidiary company or organisation controlled or owned by the Commissioner should be consolidated with it for public expenditure accounts.

1.3.3 If the Commissioner sets up subsidiaries or engages in joint ventures that are treated in national accounts as part of the Commissioner, the income, expenditure and financing transactions of such bodies must be consolidated with the Commissioner's own income, expenditure and financing transactions. For the avoidance of doubt, "joint venture" does not include support funding of cases funded primarily under a conditional fee agreement.

1.4 Registration for Value Added Tax

1.4.1 If merited by its turnover of taxable supplies, the Commissioner will register for Value Added Tax (VAT), and will comply with relevant statutes and Treasury Directions.

2. FINANCIAL MANAGEMENT AND INTERNAL CONTROL

2.1 Financial Management

2.1.1 The Commissioner will operate a financial management system to the satisfaction of the Department, and will maintain an effective internal audit of its internal control system.

2.1.2 The Commissioner will comply with any relevant recommendations of the Committee of Public Accounts, or any other Parliamentary authority, which are accepted by the Government.

2.1.3 The Commissioner will comply with such administrative and financial practices applicable to the expenditure of public funds as are notified by the Department. In particular, it will comply with all relevant guidance in *Government Accounting*, and supply any information relating to its existing or proposed activities that the Department may request.

2.1.4 The Commissioner will retain financial records in accordance with the guidance set out in annex 12.2 of Chapter 12 of *Government Accounting*.

2.2 Fraud

2.2.1 The Commissioner will maintain an effective system for the prevention, detection and investigation of fraud. He will prepare, maintain and issue to staff a Fraud Policy Statement and a Public Interest Disclosure Act (PIDA) policy and will send a copy of each to the Department.

2.2.2 The Commissioner will record and subsequently monitor all discovered cases of fraud and suspected fraud (including attempted fraud), and will submit to the Department by the end of April for each financial year a report in the form specified in the paragraph 5.3.2 of Chapter 5 of *Government Accounting*.

2.2.3 The Commissioner will report to the Department immediately details of any novel or unusual frauds, as defined in paragraph 5.3.1 of *Government Accounting*. The Department will report such cases to the Treasury.

2.2.4 The Commissioner will maintain a register of all cases of fraud which exceed £10,000 in value and that contain valuable lessons for other Government bodies. This will be forwarded to the Department on request.

3. FINANCIAL CONTROLS AND AUTHORITIES

3.1 Data Protection functions

3.1.1 Expenditure

3.1.1.1 Fee income from notifications made under the Data Protection Act 1998 shall be retained by the Commissioner solely for expenditure on Data Protection functions. Para. 3.8.2 shall not apply to this type of income.

3.1.1.2 Fee income from notifications will be banked in a separate account (the Information Commissioners Registration Account) set up for the sole purpose of banking fee receipts under the Data Protection Act 1998, and cleared funds will be transferred weekly to the Information Commissioner's Administration bank account.

3.1.1.3 A record of the amounts of cleared funds transferred will be retained and provided to the Department.

3.1.2 Carry forward of cash balances

3.1.2.1 A maximum carryover, equivalent to 3% of the total spend on Data Protection activities in any one financial year, may be carried over to the next Financial Year.

3.1.2.2 Any amount carried over from one financial year must be spent in the following financial year.

3.1.2.3 Any cleared funds in excess of the maximum annual carry over, or not spent in accordance with 3.1.2.2 must be surrendered to the Department at the end of each Financial Year.

3.2 Freedom of Information

3.2.1 Expenditure

3.2.1.1 Expenditure on Freedom of Information functions will be met from grant-in-aid provided by the Department for that purpose.

3.2.1.2 Provisions attached to the grant-in-aid are set out in Section 4 of this Financial Memorandum. Paragraphs 4.3 to 4.11 shall also apply to the expenditure of Data Protection cleared funds.

3.3 Virement and Variations from the budget

3.3.1 Virement may take place only from the Freedom of Information grant-in-aid to the Data Protection cleared funds, and only up to an amount of £100,000. Amounts in excess of £100,000 will require the Department's approval, given with the consent of the Treasury.

3.3.2 The Commissioner will notify the Department immediately if at any time and for any reason it becomes apparent that an overspend may occur or that an underspend of 5% or more may be developing in the grant-in-aid.

3.4 Novel, contentious or repercussive proposals

3.4.1 The Commissioner must obtain the approval of the Department, given as appropriate with the consent of the Treasury, before:

a) incurring any expenditure for any purpose which is or might be considered novel or contentious (e.g. staff benefits), or which has or could have, significant future cost implications;

b) making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the Department.

3.4.2 The Commissioner shall have regard for the wider financial implications (e.g. because it might prove repercussive among other public sector bodies) or which may significantly affect the future level of resources required, when making any change of policy or practice.

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3.5 Build up and draw-down of deposits (cash reserves)

3.5.1 The Commissioner must comply with the rule that:

- a) any expenditure financed by draw-down of deposits counts within the Delegated Expenditure Limit;
- b) the build-up of deposits represents a saving to the Delegated Expenditure Limit; and
- c) this scoring applies apart from any agreed working balances disregard.

3.5.2 The Commissioner must therefore ensure that he has the necessary Delegated Expenditure Limit provision for any expenditure financed by draw-down of deposits.

3.6 Cash management

3.6.1 The Commissioner should ensure that cash balances accumulated during the course of the year from the grant-in-aid or receipts should be kept at the minimum level consistent with efficient operation.

3.6.2 Any cash surpluses must be placed on deposit until they can be used. Any interest earned on these deposits shall be treated as a receipt from an Exchequer source and, the Commissioner shall surrender it to the Department.

3.7 In-year receipts

3.7.1 Unless otherwise agreed in accordance with sub Paragraph 9 of Schedule 5 to the Data Protection Act 1998, all miscellaneous receipts shall be remitted to the Secretary of State at the Department for Constitutional Affairs.

3.8 Fees and charges

3.8.1 The Secretary of State under section 26 of the Data Protection Act 1998 shall prescribe fees and charges, after consultation with the Commissioner and with the approval of the Treasury.

3.8.2 Unless otherwise agreed in accordance with Paragraph 9 of Schedule 5 to the Data Protection Act 1998, all fees received by the Commissioner in the exercise of his functions shall be remitted to the Secretary of State.

3.9 Risk management and insurance

3.9.1 The Commissioner shall develop and maintain an adequate risk management strategy to assess the value of, and threat to, key assets at risk, and how risks may be countered or minimised.

3.9.2 The Commissioner shall not take out any insurance, other than third party insurance required by the Road Traffic Acts and any other insurance which is a statutory obligation, without the prior approval of the Department given with the consent of the Treasury.

3.9.3 Where an uninsured loss occurs or a third party claim is made and it is decided that the loss or claim should be met, the presumption is that the Commissioner will meet the cost from his existing allocation. Where the cost exceeds 5% of the Commissioner's total grant-in-aid, the Department will consider in consultation with the Treasury whether to make any additional funds available to the Commissioner.

3.10 Financial investments

3.10.1 The Commissioner shall not invest money speculatively.

3.10.2 The Commissioner shall not make any financial investments without the prior written approval of the Department, nor shall he aim to build up cash balances or reserves.

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3.11 Borrowing

3.11.1 The Commissioner shall not borrow money. For the avoidance of doubt, borrowing includes temporary borrowing, such as through prearranged overdraft facilities.

3.12 Lending, guarantees, indemnities and contingent liabilities (including letters of comfort)

3.12.1 The Commissioner shall not, without the Department's prior written consent, lend money, charge any asset or security, give any guarantee or indemnity or letter of comfort, nor incur any other contingent liability (as defined in chapter 26 of *Government Accounting*) whether or not in a legally binding form.

3.12.2 Any financial guarantees and indemnities given by the Commissioner must be adequately covered against undrawn resources.

3.13 Gifts and bequests

3.13.1 Any monetary gifts, bequests or similar donations received by the Commissioner will be treated as receipts in accordance with paragraph 3.6.1 above.

Gifts to staff are subject to DAO (GEN) 13/01.

3.13.2 Proposals for making gifts, including transactions which are virtually indistinguishable from gifts, such as permanent loans, indefinite loans or loans for the expected useful life of the asset, outside the Commissioner's delegated limits must have the prior approval of the Department.

3.13.3 Gifts by the Commissioner of an unusual nature, or those, whose value exceeds £250, must be approved by the Department.

3.13.4 The Commissioner will keep a written register of gifts, bequests and donations given and received, and of their estimated value and whether they are disposed of or retained, and send the Department a copy of the register at the end of each financial year when requested.

3.14 Claims, write-offs, losses and other special payments

3.14.1 The Commissioner will maintain claims register recording all sums due to the Commissioner, and will follow up all outstanding amounts at regular and frequent intervals.

3.14.2 The Commissioner will follow the guidance on the treatment of losses and special payments set out in Chapter 18 of *Government Accounting*.

3.14.3 The Commissioner has delegated authority to write-off losses and make special payments as specified in Appendix A. Proposals for writing off losses or making special payments outside the Commissioner's delegated limits must have the prior approval of the Department given as appropriate with the consent of the Treasury.

3.14.4 The Commissioner shall keep a record of all losses, whether within delegated limits or not, of cash, equipment, stores, abandoned claims, etc., and shall ensure that losses sustained are suitably recorded in the Statement of Accounts for each financial year.

4. THE GRANT-IN-AID provided for Freedom of Information and non Data Protection functions

4.1 General

4.1.1 Under Paragraph 8 of Schedule 5 to the Data Protection Act 1998 the Secretary of State may make payments to the Commissioner out of money provided by Parliament.

4.1.2 The Department will pay to the Commissioner such sums as the Department may determine as appropriate for the administrative costs of the Commissioner and the exercise by the Commissioner of functions in relation to the non Data Protection functions (the grant-in-aid).

- 4.1.3. The Department may determine the manner in which and times at which the grant-in-aid is to be paid to the Commissioner and may impose conditions on the payment of the grant-in-aid.
- 4.1.4 The Commissioner must satisfy the agreed conditions and requirements set out in this Memorandum and in the Management Statement, together with such other conditions as the Department may from time to time impose, in order to continue to be entitled to the grant-in-aid.
- 4.1.5 Provision for the grant-in-aid will be made by the Department in its annual Supply Estimate.
- 4.2 Draw-down
- 4.2.1 Before the start of each financial year, the Commissioner must send to the Department a schedule setting out the dates on which it proposes that grant-in-aid payments should be paid to the Commissioner and the amounts it expects to draw down on each date in respect of current and capital provision. These payments shall, save in exceptional circumstances and by prior agreement with the Department, be no more frequent than twice a month. The Commissioner will update the draw-down profiles for the grant-in-aid quarterly.
- 4.2.2 The Department will make grant-in-aid payments quarterly to the Commissioner on the basis of a written application. The Commissioner's application must be signed by the Commissioner's Finance Director, or by a person notified by him to the Department as authorised to sign on the Finance Director's behalf.
- 4.2.3 The application must certify that the conditions applying to the use of the grant-in-aid have been observed to date and that further funding is now required for purposes appropriate to the Commissioner's functions. The amount requested should not exceed the amount needed to meet anticipated liabilities within the period.
- 4.2.4. Applications for payments that take the cumulative draw-down 5% or more above profiled expenditure for the grant-in-aid must be countersigned by another designated officer authorised by the Department. This profiled expenditure would need to be accompanied by a detailed explanation of the specific cause for the variance, it should also be accompanied by a detailed explanation as to how the Commissioner intends to bring expenditure back into line, although it is accepted that the Commissioner may not be able to bring expenditure back into line and thus an increase to that year's grant-in-aid will be considered.
- 4.2.5 The Commissioner may, subject to Departmental approval, carry forward unspent grant-in-aid held at the end of the financial year up to a maximum of 2% of annual provision. Such approval must be sought in writing from the Department by 1st February. Any sums in excess of this amount shall be repaid to the Department. Such sums, and any grant-in-aid not paid by the Department to the Commission by the end of the financial year will be surrendered to the Consolidated Fund (unless the Treasury agrees that it may be transferred to another subhead).

Paragraphs 4.3 to 4.11 shall also apply to the expenditure of Data Protection cleared funds, as well as the Grant-in-aid provided for non-Data Protection functions.

- 4.3 Grant-in-aid expenditure
- 4.3.1 The Commissioner shall not, without prior written Departmental approval, enter into any undertaking to incur any expenditure, not directly related to the key work objectives (section 4 of the Framework document refers) from the grant-in-aid or Data Protection cleared funds unless agreed between the Department and the Commissioner.

4.4 Capital provision and expenditure

4.4.1 The Commissioner shall have authority to spend up to £750,000 on any individual capital project or acquisition. Beyond that limit, the Department's prior approval shall be obtained before expenditure is incurred. Once approved, regular reports on the progress of such projects should be submitted to the Department. Capital expenditure is defined as expenditure on new construction, land, extensions or alterations to existing buildings and the purchase of any other fixed assets (e.g. machinery and plant) including vehicles with an expected working life of more than one year.

4.4.2 The Commissioner shall inform the Department in writing of any spend, more than £750,000 on individual capital items or projects (including IT capital assets). Regular reports on the progress of such projects should be submitted to the Department.

4.5 Efficiency

4.5.1 The Commissioner shall be required to make annual efficiency savings on its administrative expenditure.

4.6 Staff pay

4.6.1 The Commissioner will operate a pay and performance management system that is consistent with Government policy for the Civil Service and NDPBs.

4.6.2 The annual aggregate pay budget and remit for pay negotiations must be approved by the Department and must be contained within the running costs limit set by the Department.

4.7 Staff numbers

4.7.1 The Commissioner is responsible for the appointment of and dismissal of his staff. Subject to any direction made by the Department under Schedule 5 paragraph 4 sub para. 5 of the Data Protection Act 1998, the Commissioner may appoint such employees below the level of Deputy Commissioner as he thinks fit.

4.7.2 Subject to his delegated levels of authority the Commissioner shall ensure that the creation of any additional posts is maintained within its allocation of grant-in-aid and Data Protection cleared funds.

4.7.3 The Commissioner may create and regrade posts up to, but not including, the level equivalent to the Senior Civil Service/Cluster 8. This delegated authority may be only exercised when it is clear that the grant-in-aid will be able to meet the cost of any new appointments or regrading.

4.7.4 The Commissioner and the Department will agree the maximum number of posts at the level of the Senior Civil Service/Cluster 8. The prior approval of the Department in writing is required for new posts or regraded posts which bring the number of posts at grades at the level of the Senior Civil Service above the agreed maximum

4.7.5 The Commissioner will submit to the Department on a monthly basis staff returns showing the numbers of permanent, casual, and fee-paid staff and consultants.

4.7.6 The Department reserves the right to review staff grading and numbers.

4.8 Pensions, redundancy and compensation for loss of office

4.8.1 The Commissioner will make arrangements for pensions, allowances or gratuities for such of his staff as he determines with the approval of the Department. The Commissioner is responsible for the payment of contributions to the PCSPS from his grant in aid and Data Protection cleared funds.

4.8.2 Staff are free to take out personal pensions but the employer's contribution will normally be limited to the National Insurance rebate level.

4.8.2 Any proposal by the Commissioner to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office outside general arrangements for such payments agreed between the Department and the Commissioner, requires the approval of the Treasury.

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4.8.3 Any proposal to vary the level of the employer's contribution to the Commissioner's staff pensions schemes requires the prior written approval of the Department.

4.9 Travel and subsistence

4.9.1 A copy of the travel and subsistence rates payable to the Commissioner's staff will be supplied to the Department.

4.10 Competition

4.10.1 Wherever practicable the Commissioner shall expose activities undertaken by his own employees to outside competition and arrange for them to be contracted out where this would provide improved value for money.

4.11 Timeliness in paying bills

4.11.1 The Commissioner will collect receipts and pay all matured and properly authorised invoices in accordance with the terms of contracts or within 30 days, as provided for in Annex 16.2 of *Government Accounting*.

5. **PROCUREMENT**

5.1 Value for money

5.1.1 The Commissioner shall ensure that procurement of works, equipment, goods and services is based on value for money, i.e. quality (in terms of fitness for purpose) and delivery against price. Where appropriate, a full option appraisal should be carried out before procurement decisions are taken.

5.2 Competition

5.2.1 The Commissioner shall ensure that contracts relating to its administrative functions are placed on a competitive basis. The Commissioner shall inform the Department in writing of any proposal to let a single tender contract valued at over £10,000.

5.2.2 The Commissioner shall ensure that all contracts with an estimated total aggregated value of or exceeding the EC GATT threshold for supplies and services are let in accordance with the *EC Supplies and Services Directive*.

5.2.3 The Commissioner shall send to the Department, when requested, an exception report for the preceding financial year, with reasons, listing those cases with a cost of under the EC GATT threshold for supplies and services but above £10,000 in which competitive tendering was not employed or in which the lowest tender was not accepted.

5.3 Prudence

5.3.1 The Commissioner shall take all reasonable steps to appraise the financial standing of any firm or other body with which he intends to enter into a contract relating to his administrative functions, and shall consider whether there are special reasons for entering into a contract for administrative functions which would account for more than 30% of a firm or body's annual turnover.

5.4 Consultancy

5.4.1 If requested the Commissioner will, supply to the Department details of consultancy services, which it has procured for any given period.

5.5 IT projects

5.5.1 The Commissioner shall have authority to spend up to £750,000 on any individual IT project. Beyond that limit, the Department's prior approval shall be obtained before expenditure is incurred. Once approved, regular reports on the progress of such projects should be submitted to the Department. The Commissioner shall inform in writing of any expenditure more than £750,000.

5.6 Acquisition and Disposal of Land or Buildings

- 5.6.1 The Commissioner will obtain the written approval of the Department before entering into contracts to acquire or dispose of land (including leasehold interests in land).
- 5.6.2 In acquiring and administering an interest in property, the Commissioner must follow standard property investment appraisal techniques, consulting the Property Advisers to the Civil Estate (PACE) on best practice and checking with PACE the availability of property on the Civil Estate before acquiring space elsewhere.

5.7 Public/Private Partnerships

- 5.7.1 The Commissioner shall, seek opportunities to enter into Public/Private Partnerships where this would be more cost effective than conventional procurement, where he can and where the environment in which he operates allows. Where cash flow projections may result in delegated spending authority being breached, the Commissioner should consult the Department.
- 5.7.2 The Commissioner will manage procurements involving Public/Private Partnerships and the Private Finance Initiative in a manner consistent with Treasury guidance and, as far as appropriate, the Department's policy statement *New Investment: Use of Public-Private Partnerships and the Private Finance Initiative*. In particular, the Commissioner will carry out formal post-implementation reviews and will provide the Department with information for reporting purposes.
- 5.7.3 Any partnership controlled by the Commissioner should be treated as part of the Commissioner and consolidated with it (see section 1.3 above).

6. ASSET MANAGEMENT

6.1 Register of assets

- 6.1.1 The Commissioner shall maintain an accurate and up-to-date register of his assets giving sufficiently detailed information in respect of the stores and equipment held by the Commissioner, which will be made available for inspection by the Department on request.

6.2 Purchase of assets

- 6.2.1 The Commissioner shall keep a record of all acquisitions above his capitalisation policy and disposals of fixed assets having a realisable individual value of £500 or more.

6.3 Leasing

- 6.3.1 Before entering into any lease, the Commissioner must demonstrate in a business case that the lease offers value for money.
- 6.3.2 The Commissioner shall not purchase for a premium of more than £2000 for the life of the lease (as defined in *Accounting Standard SSAP21*) a leasehold interest in any asset without the prior approval in writing of the Department.

6.4 Disposal of assets

- 6.4.1 The Commissioner shall at all times use his assets in the most cost efficient manner, and dispose of those assets, which are surplus to his requirements. Assets shall wherever practicable be sold by auction or competitive tender unless otherwise agreed by the Department.
- 6.4.2 Unless otherwise agreed, proceeds from the disposed assets shall be paid to the Secretary of State in accordance with Section 9.5 of Government Accounting.
- 6.4.3 The Commissioner shall not dispose of assets (including leasehold interests) having a realisable value in excess of £20,000 without the prior approval in writing of the Department.

7. BANKING

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7.1 Banking arrangements

- 7.1.1 The Department's Accounting Officer is responsible for ensuring that the Commissioner's banking arrangements safeguard public funds.
- 7.1.2 As Accounting Officer, the Commissioner is responsible for ensuring that the Commissioner's banking arrangements are in accordance with the requirements of *Government Accounting* and are carried out efficiently, economically and effectively.

He or she should ensure that:

- a) the arrangements are suitably structured and represent value-for-money;
- b) the arrangements are reviewed at least every two years to take account of the changes in the Commissioner's circumstances, and in the services available from banks, with a comprehensive review, usually leading to competitive tendering, at least every three to five years;
- c) sufficient information about banking arrangements when requested is supplied to the Department's Accounting Officer to enable the latter to satisfy his/her own responsibilities;
- d) payments from the Commissioner's bank account are authorised by the signature of a designated member of the Commissioner's staff. Wherever possible, and in all cases where the payment exceeds £20,000, payments should be authorised by the signature of two designated members of staff. For this purpose there should be a panel of signatories of not less than three persons including the Commissioner; and
- e) the Commissioner's banking arrangements are kept separate and distinct from those of any other person, body or organisation.

8. MONITORING ARRANGEMENTS

8.1 Consolidated monthly financial and performance report

- 8.1.1 The Commissioner will send to the Department, quarterly financial and performance reports setting out the financial and statistical information relating to expenditure, commitment and outturn specified in writing by the Department in consultation with the Commissioner. The Commissioner shall quarterly inform the Department of the progress towards meeting his output and performance objectives and targets and review milestones.
- 8.1.2 The Commissioner will report how any marked divergence from profile will be expected to be handled over the rest of the year.
- 8.1.3 The Commissioner will maintain a strict level of control and supervision over the receipt of Data Protection notification fees. All Data Protection fee income will be deposited in a Bank Account, set-up for the sole purpose of receiving Data Protection fees and will be used for no other purpose than expenditure on Data Protection functions as set out in this Financial Memorandum.

8.2 Other information

- 8.2.1 The Commissioner will provide the Department with such other financial, statistical and management information as is specified in writing by the Department in consultation with the Commissioner.

9. ACCOUNTING ARRANGEMENTS

- 9.1 The Commissioner will keep proper accounts and other records in relation to the accounts, and will prepare a Statement of Accounts for each financial year. The accounts will be kept, and the Statement of Accounts will be prepared, in a form directed by the Department with the approval of the Treasury.
- 9.2 The Accounts Direction will require the Commissioner to keep accounts in respect of the grant-in-aid for freedom of information and income from Data Protection cleared funds..

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- 9.3 In general, the requirements of the Accounts Direction shall take precedence over other guidance. Any conflict in requirements will be resolved in accordance with guidance given by the Department. The accounts shall be produced in accordance with, as far as appropriate:
- a) generally accepted accounting practice in the United Kingdom (*UK GAAP*) (i.e. the requirements of the Companies Act and on the accounting standards issued or adopted by the Accounting Standards Board);
 - b) the disclosure and accounting requirements in the *Fees and Charges Guide*;
 - c) the accounting and disclosure requirements given in *Government Accounting* and in *Executive NDPBs: Reports and Accounts Guidance*.
- 9.5 A copy of the Annual Report and Account will be forwarded to the Department after the accounts have been laid before the Parliament.

LOSSES AND SPECIAL PAYMENTS

General

1. Losses should only be written off or special payments authorised after a careful appraisal of the facts. The Commissioner should satisfy himself that there is no feasible alternative, for example in the case of losses that all reasonable action has been taken to effect recovery.

Losses

2. Subject to paragraphs 3 and 4 below, in the following cases the Commissioner may, without reference to the Department, write off claims for monies due to the Commissioner not exceeding £5,000 in any one instance:
 - a) where the debtor has left his or her last recorded address and cannot be traced;
 - b) where the expense of pursuing attempts to recover the sum would not be justified;
 - c) where, on account of the poor circumstances of the debtor, a court order for payment is unlikely to be obtained;
 - d) where the debtor has died and it is unlikely that the sum can be recovered from his or her estate;
 - e) where it is proposed to accept compromise offers to extinguish outstanding balances of contributions and/or costs;
 - f) where the debtor has been to court and the Judge has refused to make an order;
 - g) where the debtor is abroad and the order is unenforceable in the country of residence.
3. All claims of a value exceeding £5,000 should be referred to the Department with a supporting case and the Commissioner's recommendations.
4. All cases of a novel, unusual, contentious or fraudulent nature, whatever their value, should be referred to the Department with a supporting case and the Commissioner's recommendations. The Department will consult the Treasury before giving the Commissioner authority to write off such losses.

Special payments

5. Provided the amount to be paid in respect of any case does not exceed £1,000, amount, the Commissioner may make special payments without reference to the Department.. Special payments include extra contractual, ex gratia and compensation payments, which will in general fall upon the grant-in-aid or Data Protection cleared funds. Claims of a value exceeding £1,000 should be referred to the Department with the Commissioner's recommendations.

TIMETABLE FOR PLANNING AND PROVISION OF INFORMATION

| Due date | Returns |
|-----------------------------|--|
| By end December | The Commissioner to submit draft Corporate Plan covering the three financial years ahead. Department to provide any comments within 2 months. The Commissioner to submit draft Business Plan covering the financial year ahead. Department to provide any comments within 3 months. |
| By end of February | Department to notify the Commissioner of its formal allocation. |
| By end February | The Commissioner to publish the Corporate Plan and Business Plan. |
| By end March | The Commissioner to submit profiles of expected quarterly draw-down over the coming financial year for each of the grant-in-aid. |
| By 31 August | The Commissioner to submit audited details of the outturn of receipts and payments for the previous financial year in detailed categories as agreed between the Department and the Commissioner. |
| Before summer recess | The Commissioner to submit the signed annual Statement of Accounts to the Comptroller and Auditor General and a copy for the Department. The Commissioner to submit the Annual Report to Parliament and copies to the Department. The Commissioner to publish Annual Report and Accounts |
| Quarterly | The Commissioner to submit MIS data as agreed between the Department and the Commissioner. |
| Quarterly | Two days before each draw-down date, Commissioner to submit updated draw-down profiles. Submit the quarterly financial and performance report, accounts, fee income update and staffing numbers. |
| Weekly | The Commissioner to submit an advice of the transfer of Data Protection cleared fees to the Department. |
| Monthly | The Commissioner to provide a summary of the bank account into which the Data Protection fees are banked. |