

REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 19 JUNE 2017

REPORT ON: 2017/2018 INSURANCE PROGRAMME

REPORT BY: TREASURER

REPORT NO: TRB 10-2017

ITEM No: 9

1 PURPOSE OF REPORT

This report provides an overview of the insurance arrangements for the financial year 2017/2018.

2 RECOMMENDATIONS

It is recommended that the Board notes the details contained within this report.

3 FINANCIAL IMPLICATIONS

The financial implications of the 2017/2018 insurance programme, as detailed in Appendix A, are that the covers have been negotiated within the provision contained in the approved 2017/2018 Revenue Budget.

4 MAIN TEXT

All policies are negotiated by Dundee City Council's Risk and Resilience Manager under the Service Level Agreement with Corporate Services. All policies are arranged through the insurance brokers Marsh with the exception of Directors & Officers and Death in Service policies which are arranged directly with the insurers.

4.1 Property / Material Damage / Business Interruption:

Covers property damage to the bridge assets, buildings and contents, and increased cost of working following insured damage. The first loss limit for damage to the bridge is £13m.

4.2 Combined Liability Policies:

These policies cover the Board's legal liabilities to its employees and to members of the public.

4.3 Directors & Officers:

This policy is a traditional liability policy covering the individual and collective legal liabilities of Board Members and officers.

4.4 Fidelity Guarantee:

This policy relates to fraud / misappropriation of materials by Board employees.

4.5 Personal Accident:

This policy covers personal accident and travel exposures. Variable injury benefits cover lump sum payments for death, permanent disablement, and permanent disfigurement. The travel insurance is applicable for any travel undertaken primarily for business purposes and includes cover for medical expenses, personal belongings, business equipment, cash, travel documents, travel disruption, and personal liability.

- 4.6 Hired in Plant:
This policy responds to loss of or damage to small plant hired in by the Board.
- 4.7 Engineering Combined:
The principal cover afforded by this policy relates to inspection of gantries, associated infrastructure and other owned plant in compliance with statutory requirements.
- 4.8 Motor Fleet:
Covers any employee of the Board for vehicles that are the property of the Bridge Board and any that are on hire, loaned or leased to the Board. An excess of £100 is applicable on each claim.
- 4.9 Marine:
Provides cover for damage to Board owned vessels and any liabilities resulting from their use. This has reduced since 2015/2016 due to sale of Safety Boat.
- 4.10 Death in Service:
Provides additional life cover to employees over and above that provided by the Local Government Pension Scheme (LGPS). At present this is a contractual benefit for all current employees who were in post at 31 December 2011 but was closed to new employees after 31 December 2011 (see Report TRB26-2011 at Board Meeting on 12 December 2011). This will result in a gradual reduction in premiums as the number of employees covered reduces over time.

5 BACKGROUND

There are no significant insurance renewal issues to report on for the Board. All covers have been renewed with existing Insurers.

6 SUSTAINABILITY POLICY IMPLICATIONS

None.

7 EQUAL OPPORTUNITIES IMPLICATIONS

None.

8 CONSULTATIONS

The Clerk, Bridge Manager and the Engineer to the Board have been consulted in the preparation of this report and are in agreement with the contents.

GREGORY COLGAN
TREASURER

8 JUNE 2017

TAY ROAD BRIDGE JOINT BOARD**PREMIUM SUMMARY 2017/2018**

CLASS	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	£	£	£	£	£	£
Property	65,992	54,060	54,060	51,357	53,053	53,295
Combined Liability	18,804	16,960	17,120	17,120	18,234	18,487
Excess Public Liability	4,007	4,007	4,007	4,007	4,139	3,608
Directors & Officers	1,357	1,357	1,357	1,357	1,402	1,408
Fidelity	869	869	901	901	931	935
Personal Accident	943	943	943	943	974	930
Hired in Plant	819	819	819	820	847	851
Engineering Combined	15,166	13,148	12,621	11,989	12,452	11,688
Motor Fleet	3,628	3,700	3,940	4,801	5,202	5,697
Marine	7,078	10,000	10,407	1,502	1,314	1,320
Death in Service	4,346	4,305	4,305	4,361	4,361	2,952
TOTAL	123,009	110,168	110,480	99,158	102,909	101,171

Premiums include HM Government's Insurance Premium Tax (10% from 2017, previously 9.5% from 2016, and 6% from 2011).

LOCATIONS

STATIONING OF THE POINTS

HEIGHTS OF POINTS

STATION	POINT	HEIGHT	STATION	POINT	HEIGHT
1	100	100	1	100	100
2	100	100	2	100	100
3	100	100	3	100	100
4	100	100	4	100	100
5	100	100	5	100	100
6	100	100	6	100	100
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REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 19 JUNE 2017

REPORT ON: EXTERNAL AUDIT ANNUAL AUDIT PLAN 2016/2017

REPORT BY: TREASURER

REPORT NO: TRB 11-2017

ITEM No: 10

1 PURPOSE OF REPORT

To present to the Board the External Audit Annual Audit Plan, attached as an Appendix to this report.

2 RECOMMENDATIONS

It is recommended that the Board notes the content of the External Audit Annual Audit Plan for 2016/2017.

3 FINANCIAL IMPLICATIONS

The cost of External Audit Services is included in the approved 2017/2018 Revenue Budget.

4 MAIN TEXT

Introduction

- 4.1 The external audit of the Board for the financial year 2016/2017 will be carried out by Mr Bruce Crosbie, Senior Audit Manager, Audit Scotland. The Joint Board's External Auditors are appointed for a five year period and the financial year 2016/2017 marks the first year of Audit Scotland's appointment to the Board.

External Auditor's Annual Audit Plan

- 4.2 The External Auditor's annual audit plan summarises the key challenges and risks facing the Board and sets out the proposed audit work to be undertaken in 2016/2017. The plan reflects:
- Scope and purpose of the audit;
 - The risks and priorities facing the Board;
 - Current national risks relevant to local circumstances;
 - Reporting arrangements; and
 - External Audit's responsibilities under the Code of Practice as approved by the Auditor General and the Accounts Commission.

4.3 External Auditor's Responsibilities

External Audit's responsibilities as independent auditor, are established by the Local Government (Scotland) Act 1973 and the Code of Audit Practice, and guided by the auditing profession's ethical guidance.

In carrying out their audit, External Audit seek to gain assurance that the Board:

- has good corporate governance arrangements in place which reflect the three fundamental principles of openness, integrity and accountability;

- has systems of recording and processing transactions which provide a sound basis for the preparation of financial statements and the effective management of its assets and interests;
- prepares financial statements which give a true and fair view of the financial position at 31 March 2017 and the income and expenditure for the year then ended, in accordance with the Local Government (Scotland) Act 1973 and other applicable laws and regulations, including the 2016/2017 Accounting Code of Practice;
- has systems of internal control which provide an adequate means of preventing or detecting material misstatement, error, fraud or corruption;
- complies with established policies, procedures, laws and regulations; and
- has made proper arrangements for securing best value in its use of resources.

4.5 Reporting Arrangements

The relevant statutory provisions regarding the preparation of the Board's Accounts are contained in the Local Authority Accounts (Scotland) Amendment Regulations, where there is a requirement for unaudited financial statements to be presented to the Board and submitted to the appointed auditor within 3 months of the financial year end i.e. 30th June. The non-statutory target for audit completion is 30th September.

In addition to the report and audit opinion on the financial statements, an annual report to members and the Controller of Audit will be produced to summarise all significant matters arising from the audit. This will be presented to the Board at the meeting in September 2017.

5 **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues identified.

6 **CONSULTATIONS**

The Clerk, Bridge Manager and the Engineer to the Board have been consulted in the preparation of this report and are in agreement with the contents.

7 **BACKGROUND PAPERS**

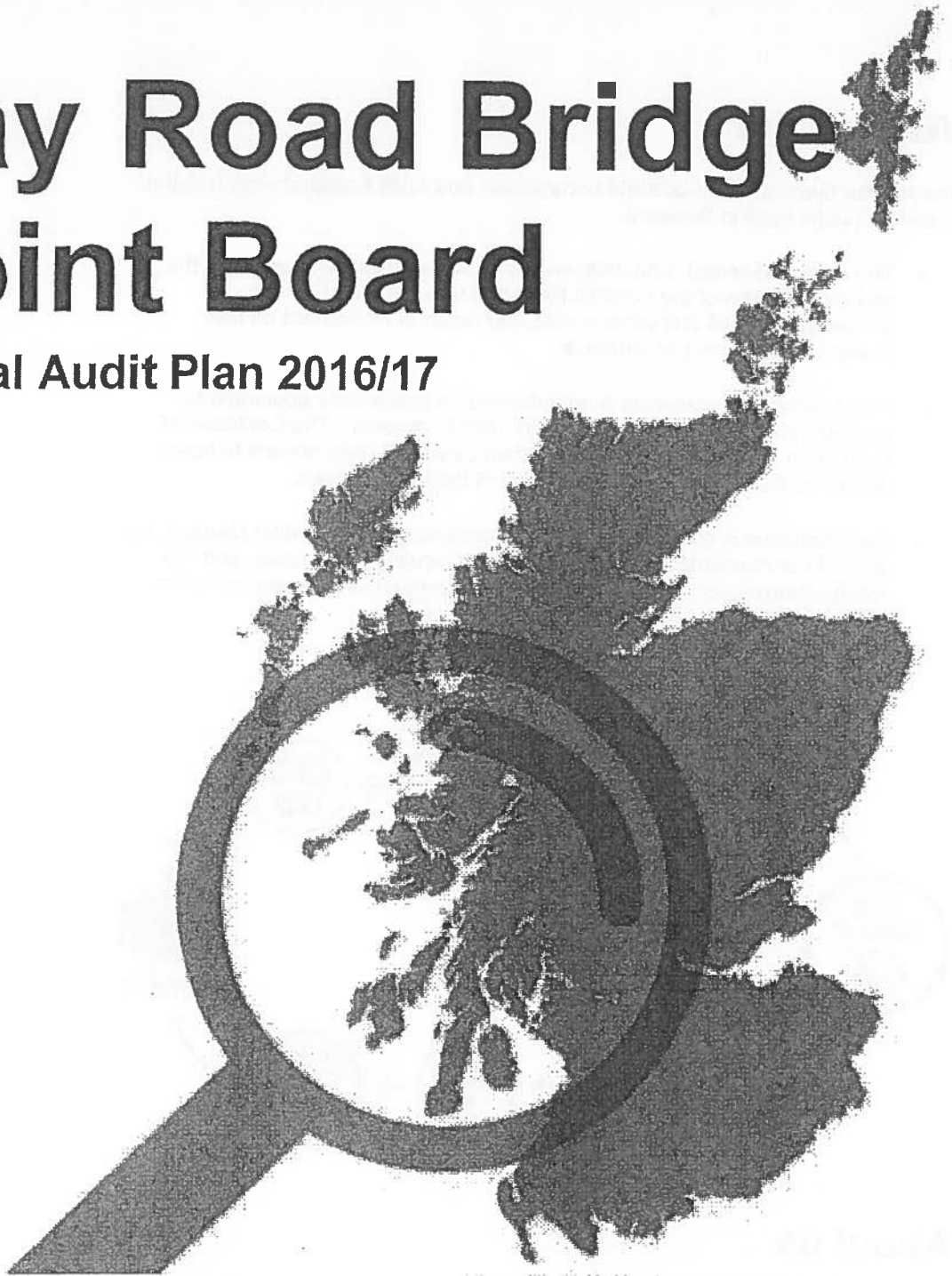
None

GREGORY COLGAN
TREASURER

8 JUNE 2017

Tay Road Bridge Joint Board

Annual Audit Plan 2016/17

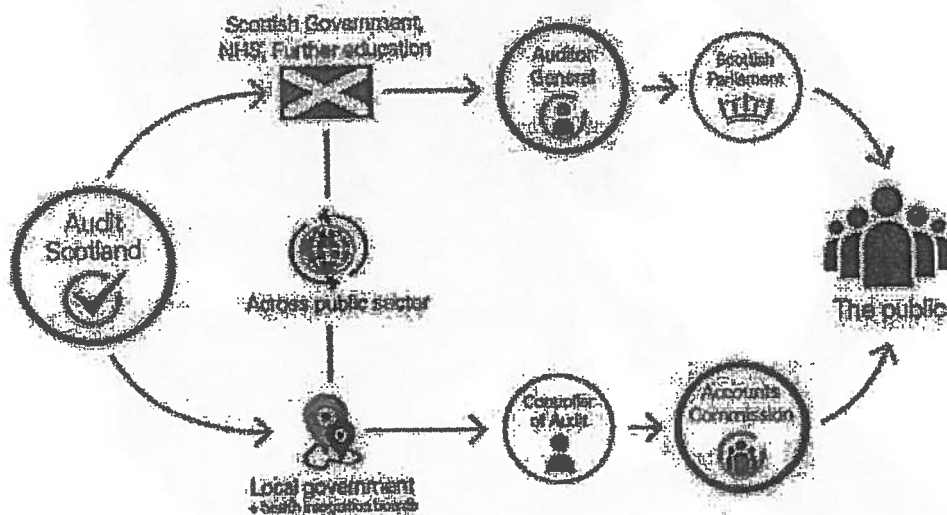


Prepared for Tay Road Bridge Joint Board
March 2017

Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- The Auditor General is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
- The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
- Audit Scotland is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.



About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money
- reporting our findings and conclusions in public
- identifying risks, making clear and relevant recommendations.

Contents

Risks and planned work	4
Introduction	4
Audit risks	4
Reporting arrangements	5
Audit fee	6
Responsibilities	6
Audit scope and timing	8
Financial statements	8
Internal audit	9
Audit dimensions	10
Independence and objectivity	10
Quality control	11

Risks and planned work

Introduction

1. This annual audit plan contains an overview of the planned scope and timing of our audit and is carried out in accordance with International Standards on Auditing (ISAs), the *Code of Audit Practice*, (the Code) and any other relevant guidance. The Code requires appointed auditors to give an opinion on the financial statements and report on other related matters. It also sets out further responsibilities for the wider scope of public audit in Scotland, as defined by the Code. The wider scope of public audit contributes to conclusions on the appropriateness, effectiveness and impact of corporate governance, performance management arrangements and financial sustainability.

2. Supplementary Guidance allows appointed auditors to use judgement to conclude that the full application of the wider scope is not appropriate based on the risks, nature and size of an audited body (a small audited body clause). In our judgement the small audited body clause applies to the Tay Road Bridge Joint Board (the Board).

3. This plan identifies our audit work to provide an opinion on the financial statements and related matters and meet the restricted wider scope requirements as a small audited body.

Audit risks

4. Based on our discussions with staff, attendance at meetings and a review of supporting information we have identified the following main risk areas for the board. We have categorised these risks into financial risks and wider dimension risks. The key audit risks, which require specific audit testing, are detailed in [Exhibit 1](#).

Exhibit 1

Audit Risk	Management assurance	Planned audit work
Financial statement risks		
<p>1 Risk of management override of controls</p> <p>ISA 240 also requires auditors to consider management's ability to manipulate accounting records and prepare fraudulent or biased financial statements by overriding controls that otherwise appear to be operating effectively.</p>	<ul style="list-style-type: none"> owing to the nature of this risk, assurances from management are not applicable. 	<ul style="list-style-type: none"> detailed testing of journal entries. review of accounting estimates for bias. evaluation of significant transactions that are outside the normal course of business.
<p>2 Risk of fraud over expenditure</p> <p>The Code of Audit Practice requires consideration of risk of fraud over expenditure. The</p>	<ul style="list-style-type: none"> budget monitoring by management. governance arrangements including Standing Orders, 	<ul style="list-style-type: none"> assessment of key financial controls over expenditure. detailed testing of transactions focusing on

Audit Risk	Management assurance	Planned audit work
board incurs significant expenditure which requires audit coverage.	Standing Financial Instructions and a Fraud Prevention & Detection Strategy. <ul style="list-style-type: none"> internal controls in financial systems to mitigate risks of error or manipulation. 	the areas of greatest risk.
3 Estimation and judgements There is a significant degree of subjectivity in the measurement and valuation of the material account areas of non current assets and pensions. This subjectivity represents an increased risk of misstatement in the financial statements.	<ul style="list-style-type: none"> actuarial valuation to provide pension figures for the financial statements. Officer review of actuary information to ensure data and assumptions used are reasonable. valuation and impairment review of non-current assets by a professional valuer. 	<ul style="list-style-type: none"> completion of 'review of the work of an expert' for the actuary and valuer. focused testing of non current asset and pension.
4 Revisions to the presentation of the financial statements The 2016/17 Code of Practice on Local Authority Accounting makes a number of changes in the presentation of the financial statements. These changes include revisions to the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, the Annual Governance Statement and the requirement for a new Expenditure and Funding Analysis. These changes present a risk of material misstatement in the financial statements if they are not properly actioned.	<ul style="list-style-type: none"> consideration of changes required through final accounts working group. 	<ul style="list-style-type: none"> focused testing on the financial statements to ensure that the changes have been properly actioned.
Wider dimension risks		
5 Members training The 2017 local government elections may result in changes in the board's membership. There is a risk that there is a loss of skills and experience amongst members.	<ul style="list-style-type: none"> induction training is planned for new members. This will take consideration of the Audit Scotland's 'How Councils Work' publication on the role of councillors. 	<ul style="list-style-type: none"> review of the board's induction and training arrangements for members.

Reporting arrangements

5. Audit reporting is the visible output for the annual audit. All annual audit plans and the outputs as detailed in [Exhibit 2](#), and any other outputs on matters of public interest will be published on our website: www.audit-scotland.gov.uk.

6. Matters arising from our audit will be reported on a timely basis and will include agreed action plans. Draft management reports will be issued to the relevant officer(s) to confirm factual accuracy.

7. We will provide an independent auditor's report to the board, and the Accounts Commission that the audit of the financial statements has been completed in accordance with applicable statutory requirements. We will provide the Treasurer and Controller of Audit with an annual report on the audit containing observations and recommendations on significant matters which have arisen in the course of the audit.

Exhibit 2

2016/17 Audit outputs

Audit Output	Target date	Board Date
Annual Audit Report including ISA 260 requirements	1 September *	11 September
Signed Independent Auditor's Report	12 September	N/A

* This date is the date the proposed Annual Audit Report will be presented for those charged with governance. To allow for potential subsequent post balance sheet events, the formal Annual Audit Report cannot be presented until after the date of certification of the annual accounts on 12 September.

Audit fee

8. The proposed audit fee for the 2016/17 audit of the board is £11,840 (2015/16 £12,030, a reduction of 1.6%). In determining the audit fee we have taken account of the risk exposure of the board, the planned management assurances in place and the level of reliance we plan to take from the work of internal audit. Our audit approach assumes receipt of the unaudited financial statements, with a complete working papers package, by 30 June 2017.

9. Where our audit cannot proceed as planned through, for example, late receipt of unaudited financial statements or being unable to take planned reliance from the work of internal audit, a supplementary fee may be levied. An additional fee may also be required in relation to any work or other significant exercises outwith our planned audit activity.

Responsibilities

Board and Treasurer

10. Audited bodies have the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enable them to successfully deliver their objectives.

11. The audit of the financial statements does not relieve management or the Board, as those charged with governance, of their responsibilities.

Appointed auditor

12. Our responsibilities as independent auditor are established by the Local Government (Scotland) Act 1973, and the Code of Audit Practice, and guided by the auditing profession's ethical guidance.

13. Auditors in the public sector give an independent opinion on the financial statements. We also review and report on the arrangements within the audited

body to manage its performance, regularity and use of resources. In doing this, we aim to support improvement and accountability.

Audit scope and timing

Area	Icon	Description
Governance		The audit will cover the governance arrangements in place at the end of the reporting period, including the effectiveness of internal controls and risk management systems.
Financial		The audit will cover the financial statements for the reporting period, including the accuracy and completeness of the information presented.
Operational		The audit will cover the operational performance of the organization, including the efficiency and effectiveness of its processes and systems.
Compliance		The audit will cover the organization's compliance with applicable laws, regulations and standards, including the effectiveness of its compliance framework.
Environmental		The audit will cover the organization's environmental performance, including its compliance with environmental laws and regulations, and its contribution to sustainable development.
Social		The audit will cover the organization's social performance, including its compliance with labor laws and regulations, and its contribution to the well-being of its employees and the community.

Audit scope and timing

Financial statements

14. The statutory financial statements audit will be the foundation and source for the majority of the audit work necessary to support our judgements and conclusions. We also consider the wider environment and challenges facing the public sector. Our audit approach includes:

- understanding the business of the Board and the associated risks which could impact on the financial statements
- assessing the key systems of internal control, and establishing how weaknesses in these systems could impact on the financial statements
- identifying major transaction streams, balances and areas of estimation and understanding how the Board will include these in the financial statements
- assessing the risks of material misstatement in the financial statements
- determining the nature, timing and extent of audit procedures necessary to provide us with sufficient audit evidence as to whether the financial statements are free of material misstatement.

15. We will give an opinion on the financial statements as to: whether they:

- give a true and fair view in accordance with applicable law and the Code of the state of affairs of the Board and of their income and expenditure for the year
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the Code
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Materiality

16. Materiality defines the maximum error that we are prepared to accept and still conclude that that our audit objective has been achieved. It helps assist our planning of the audit and allows us to assess the impact of any audit adjustments on the financial statements. We calculate materiality at different levels as described below. The calculated materiality values for the Board are set out in [Exhibit 3](#).

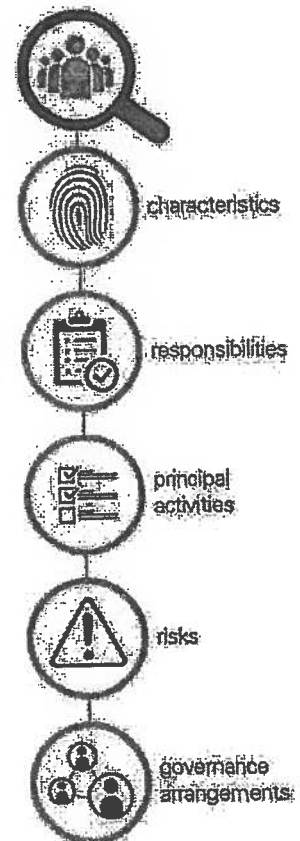


Exhibit 3

Materiality values

Materiality level	Amount
Planning materiality - This is the calculated figure we use in assessing the overall impact of audit adjustments on the financial statements. It has been set at 0.5% of net assets for the year ended 31 March 2016, based on the latest audited accounts.	£364,000
Performance materiality - This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality this would indicate that further audit procedures should be considered. Using our professional judgement we have calculated performance materiality at 75% of planning materiality.	£273,000
Lower level performance materiality - This is a separate trigger point for errors identified in the comprehensive income and expenditure statement.	£27,000
Reporting threshold - We are required to report to those charged with governance on all unadjusted misstatements in excess of the 'reporting threshold' amount. This has been calculated at 5% of planning materiality.	£18,000



17. We review and report on other information published with the financial statements including the management commentary, annual governance statement and the remuneration report. Any issue identified will be reported to the Board.

Timetable

18. To support the efficient use of resources it is critical that a financial statements timetable is agreed with us for the production of the unaudited accounts. An agreed timetable is included at [Exhibit 4](#) which takes account of submission requirements and planned quarterly Board meetings.

Exhibit 4

Financial statements timetable

 Key stage	 Date
Consideration of unaudited financial statements by those charged with governance	19 June
Latest submission date of unaudited financial statements with complete working papers package	30 June
Latest date for final clearance meeting with Treasurer	25 August
Agreement of audited unsigned financial statements; Issue of Annual Audit Report including ISA 260 report to those charged with governance	1 September
Independent auditor's report signed	12 September

Internal audit

19. Auditing standards require internal and external auditors to work closely together to make best use of available audit resources. We seek to rely on the work of internal audit wherever possible and as part of our planning process we

carry out an assessment of the internal audit function. The Board re-appointed Henderson Loggie as internal auditors in June 2016 for three years to 2018/19.

20. Overall, we conclude that the internal audit service generally operates in accordance with Public Sector Internal Audit Standards (PSIAS) and has sound documentation standards and reporting practices in place.

21. To support our opinion on the financial statements we plan to place formal reliance on the internal audit review of payroll. In respect of our wider dimension audit responsibilities we also plan to consider other areas of internal audit work including:

- capital projects
- risk management/business continuity planning.

Audit dimensions

22. As noted at paragraph 2, in our opinion the full application of the wider scope is not appropriate for the Board. However, as a minimum, the Code requires annual audit work on financial sustainability and the appropriateness of the disclosures in the governance statement. As a result our wider dimension work will be restricted to financial sustainability and governance and transparency arrangements.

Financial sustainability

23. As auditors we consider the appropriateness of the use of the going concern basis of accounting as part of the annual audit. We will also comment on the body's financial sustainability in the longer term. We define this as medium term (two to five years) and longer term (longer than five years) sustainability. We will carry out work and conclude on:

- the effectiveness of financial planning in identifying and addressing risks to financial sustainability in the short, medium and long term
- the appropriateness and effectiveness of arrangements in place to address any identified funding gaps

Governance and transparency

24. Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision-making and transparent reporting of financial and performance information. We will review, conclude and report on:

- whether the Board can demonstrate that the governance arrangements in place are appropriate and operating effectively
- whether there is effective scrutiny, challenge and transparency on the decision-making and finance and performance reports
- the quality and timeliness of financial and performance reporting.

Independence and objectivity

25. Auditors appointed by Audit Scotland must comply with the Code of Audit Practice. When auditing the financial statements auditors must also comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors. Audit Scotland has in place robust arrangements to ensure compliance with these standards including an annual "fit and proper" declaration for all members of staff. The arrangements are overseen by the Assistant Auditor General, who serves as Audit Scotland's Ethics Partner.

26. The engagement lead for the Board is Bruce Crosbie, Senior Audit Manager. We are required to communicate any relationships that may affect the independence and objectivity of audit staff. In significant cases we would change the audit team, however where there are potential issues that are not fundamental to the delivery of the audit, we advise officer of the circumstances and of the steps we have taken to manage this. We are not aware of any such relationships pertaining to the audit of the Board.

Quality control

27. International Standard on Quality Control (UK and Ireland) 1 (ISQC1) requires that a system of quality control is established, as part of financial audit procedures, to provide reasonable assurance that professional standards and regulatory and legal requirements are being complied with and that the independent auditor's report or opinion is appropriate in the circumstances.

28. The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the Code of Audit Practice issued by Audit Scotland and approved by the Auditor General for Scotland. To ensure that we achieve the required quality standards Audit Scotland conducts peer reviews, internal quality reviews and is currently reviewing the arrangements for external quality reviews.

29. As part of our commitment to quality and continuous improvement, Audit Scotland will periodically seek your views on the quality of our service provision. We welcome feedback at any time and this may be directed to the engagement lead.

Tay Road Bridge Joint Board

Annual Audit Plan 2016/17

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REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 19 JUNE 2017

REPORT ON: LOCAL CODE OF CORPORATE GOVERNANCE

REPORT BY: TREASURER

REPORT NO: TRB 12-2017

ITEM No: 11

1 PURPOSE OF REPORT

To review and update the Board's Local Code of Corporate Governance.

2 RECOMMENDATIONS

It is recommended that the Board:-

- i) Approves the Review and updated Local Code of Corporate Governance as detailed in Appendix 1.
- ii) Approves the implementation of the improvements listed in Appendix 2.

3 FINANCIAL IMPLICATIONS

None.

4 BACKGROUND

- 4.1 The Code of Corporate Governance was developed by CIPFA/SOLACE in 2008. The Board strives to meet the highest standards of corporate governance so that it achieves its objectives and minimises risks. The annual review seeks to maintain a high standard and continue to improve. An annual governance statement is included in the Board's Annual Report and Accounts.
- 4.2 Previous reviews suggested a high level of compliance with the guidelines although areas of improvement were identified and acted upon. All Internal Audit and External Audit reviews are also reported to the Board.
- 4.3 In 2016, CIPFA extensively revised the Code in its publication "Delivering Good Governance in Local Government: Framework and the accompanying Guidance notes for Scottish Authorities, 2016 edition. The contents of the attached arise as a result of consideration of this document.

5 CURRENT COMPLIANCE REVIEW

- 5.1 The current review was carried out by senior officers who reviewed the existing guidance to consider Corporate Governance issues and their implications for the Board.
- 5.2 The scoring mechanism assesses the detailed extent of the Board's compliance with the guidelines as presented in the Appendix. The scoring mechanism suggests that the Board has a high level of compliance with the guidelines, which given their wide scope is considered very good.
- 5.3 The scoring mechanism was used to assist and prepare the Improvement Agenda in Appendix 2 whereby senior officers identified areas where compliance with the code could be improved during the year.

6 POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues identified.

7 CONSULTATIONS

The Clerk, Bridge Manager and Engineer to the Board have been consulted in the preparation of this report and are in agreement with the contents.

8 BACKGROUND PAPERS

CIPFA's Delivering Good Governance in Local Government: Framework (2016); and CIPFA's Delivering Good Governance in Local Government: Guidance Notes for Scottish Authorities (2016).

GREGORY COLGAN
TREASURER

8 JUNE 2017



Tay Road Bridge

LOCAL CODE OF CORPORATE GOVERNANCE

JUNE 2017

TAY ROAD BRIDGE JOINT BOARD

LOCAL CODE OF CORPORATE GOVERNANCE (2017)

FOREWORD

Tay Road Bridge Joint Board strives to meet the highest standards of corporate governance to help ensure that it meets its objectives. The Board is determined to ensure that it delivers the best possible service to bridge users. It has developed a modern and effective service that responds quickly and flexibly, delivering high quality services.

The Board is committed to effective decision-making that is transparent and open to genuine scrutiny. It therefore provides on its website (www.tayroadbridge.co.uk) details of its plans, procedures and performance.

DEFINITION

Corporate governance is the system by which Tay Road Bridge Joint Board directs and controls its functions and relates to its users. A Corporate Governance Assurance Statement is included in the Board's Annual Report and Accounts each year.

THE CODE

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

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

1) BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES AND RESPECTING THE RULE OF LAW

The Board has a range of systems and procedures in place to ensure that members and employees of the authority are not influenced by prejudice or conflicts of interest in dealing with its stakeholders. Registers of Members' Interests are held by their constituent councils and are continuously updated and are available for inspection by members of the public.

The Board has a Members' Code of Conduct and an Employees' Officers Code of Conduct in addition to Financial Regulations, Standing Orders, Fraud Guidelines, and Disciplinary Procedures. The Board has a Whistle-blowing policy in place to provide for the direct reporting of problems to senior managers without fear of recrimination and a Complaints Procedure to allow bridge users to bring issues to the attention of senior management.

The National Code of Conduct, the Disciplinary Procedures and the Local Code on Corporate Governance are also applicable in general terms to any external organisations to which elected members and/or officers are appointed.

The Board is committed to equal opportunities including both the elimination of discrimination and the use of positive action measures to ensure that employment opportunities, service provision and access to civic life are bias free and made equally and easily available to people from target groups.

2) ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

The Board ensures that Board Minutes, Board Documents, Annual Accounts, etc. are published and freely available on its website (www.tayroadbridge.co.uk). Information relating to Operational Restrictions and Closures as well as results of Tenders for Contracts on the bridge are reported to the Board and published on the website. The Board also has a Freedom of Information Policy. The Board's Standing Orders include Tender Procedures to ensure that the decisions of Senior Officers are guided by the requirements of the latest Public Contracts (Scotland) Regulations.

The Board has a Communications Strategy in place to ensure that it effectively engages with stakeholders.

As with Local Authority Meetings, all meetings of the Board are open to the public and full minutes of the meetings are recorded.

3) DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL AND ENVIRONMENTAL BENEFITS

The Board's structure, functions and powers are prescribed in the Tay Road Bridge Order Confirmation Act 1991.

The Board's Communications Strategy includes details regarding press releases to ensure that changes impacting service users are communicated effectively.

Regular reporting to the Board ensures that the defined outcomes are delivered on a sustainable basis within the resources available. Medium-term Budgets are updated and reported annually and there is a Business Continuity Plan and a Risk Management Strategic Plan in place.

4) DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES

The Board's Budget compared to actual expenditure is closely scrutinised and overspends and underspends are reported to the Board on a regular basis in order that members are kept fully and timeously aware of any significant departures from the budgeted position.

In the course of the year, any departures from the budgeted position can be ameliorated by the movement of resources from one budget heading to another in order to smooth out overall annual spend. Variances between budget spend and actual spend are subject to discussion between senior officers on a regular basis for further analysis.

The Board has a Service Level Agreement in place for various services from Dundee City Council to ensure that the Board is protected against changes to legislation with regard to general Legal requirements, and also covering issues in Procurement, Human Resources, Financial, Insurance and Risk Management, Engineering, IT, etc.

Regular Risk Management / Contract Meetings are held during Work Contracts on the bridge to ensure that contracts are progressing as scheduled and that arrangements are flexible so that the intended outcomes are achievable and can be adapted to changing circumstances.

The Annual Governance Statement process ensures that the capacity exists to generate the information required to review service quality and governance issues on a regular basis.

5) DEVELOP THE ENTITY'S CAPACITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT

Regular meetings are held between the Bridge Manager and the Engineer to the Board to monitor and manage resources to ensure compliance with the board's Asset Management Plan and national and published structural inspection requirements.

New employees are required to complete an induction programme designed to provide background information on Tay Road Bridge Joint Board's activities and operational requirements as well as keeping the individual up-to-date with current issues of interest with which the Board is involved.

The Board plans to provide induction training for new members designed to provide background information on the Board's core activities as well as their scrutiny and governance responsibilities.

Job descriptions and person specifications are available for all posts advertised. The employee appraisal process links to employee objectives and to job competence and health and safety requirements to ensure that training needs are planned and met.

The Annual Governance Statement Continuous Improvement Agenda ensures that the Board's capacity for personal, organisational and system wide development exists and allows for shared learning from external agencies such as Internal and External Audit with regards governance weaknesses.

6) MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

The Board has a developed Risk Management Strategic Plan & Strategic Risk Register. This states that "Tay Road Bridge Joint Board is committed to the management of risk in order to:-

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

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

Professional consultants are appointed to advise the Board on projects / maintenance requirements in order to gain independent specialist advice.

Resources aimed at improving internal control within the Board are allocated according to priorities determined by the Annual Audit Plan, reflecting the changing risks and priorities of the Board. The Board also responds to findings and reviews of Audit Scotland, other statutory inspectors and its own Internal Audit Section.

The Board's accounts include a corporate governance statement.

7) IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY, REPORTING AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY

The Board is committed to the transparency and scrutiny of its services and processes including decision-making. To that end Board Minutes and Board Documents are published on the Board's website.

The roles and responsibilities of Members and Officers are clearly defined in the Standing Orders of the Board, the Scheme of Delegation of Powers to Officers, the Scheme of Tender Procedures and the Scheme of Financial Regulations.

The Board has a Recruitment and Selection policy with the aim of ensuring that all officers involved are appropriately trained for their roles.

The Board's Annual Governance Statement ensures that robust arrangements for assessing the extent to which the principles contained in CIPFA's Delivering Good Governance: Framework (2016) have been applied and the results are published, including an action plan for improvement.

The Bridge Manager, Treasurer, Clerk, and Engineer to the Board are responsible for ensuring that agreed procedures are followed and that all applicable statutes, regulations and statements of good practice are complied with.

The Treasurer is responsible for ensuring appropriate advice is given to the Board on all financial matters, keeping proper financial records and accounts and maintaining an effective system of internal financial control under the terms of the Financial Regulations.

TAY ROAD BRIDGE JOINT BOARD

IMPROVEMENT AGENDA FOR 2017/2018

Improvement	Principle	Code Reference	Responsible Officer	Completion Date
1 Induction Training for new Members	1 5	1.1; 2.4 – 2.4b	Senior Officers	31/3/18
2 Update the Standing Orders, including the Scheme of Delegation, Tender Procedures, & Financial Regulations.	1 5 6	1.1, 1.3, 1.4, 2.2 – 2.4; 2.2; 2.5	Clerk	30/9/17
3 Update the Local Code of Corporate Governance to reflect updated CIPFA Guidance.	1 5 7	1.2 – 1.4; 2.4c, 3.4; 2.3	Bridge Manager & Treasurer	30/9/17
4 Declaration of Interest to be added as a Standing Item on the Board's meeting agenda	1	1.4	Clerk	30/9/17
5 Produce an up-to-date Register of Interests for employees	1	1.4	Bridge Manager	31/3/18
6 Produce a Register of Members Interests specific to the Board	1	1.4	Clerk	31/3/18
7 Equalities and Human Rights training for all employees	1	2.2	Bridge Manager	31/3/18



Annual Governance Statement 2016/2017 - Self Assessment Checklist

As part of the assurance gathering process surrounding the preparation of the Annual Governance Statement (AGS), this self-assessment checklist has been designed to obtain assurances directly from the Bridge Manager regarding how effective the internal control, and wider corporate governance, environment is within the Council.

The scoring system to be used when completing this checklist is detailed in the table below:

EVALUATION	DEFINITION
4	Fully Compliant
3	Mostly Compliant (Minor areas for improvement)
2	Partially Compliant (More significant areas for improvement)
1	Not Compliant (Material areas for improvement)
N/A	Not applicable

Whilst the approach to completion of the checklist ultimately rests with the Bridge Manager it is important that the Joint Board's submission provides a comprehensive assessment of the current position and is supported by appropriate evidence. This exercise may result in the identification of areas for improvement. These should be detailed, where appropriate, in the checklist and taken forward within the continuous improvement framework.

The self assessment should be certified by the Bridge Manager

Organisation	Date 18 April 2017				
Name and Designation	Tay Road Bridge Joint Board					
	Alan Hutchison, Bridge Manager					
<p><i>As a result of completion of this exercise I confirm that I am satisfied with the overall governance arrangements within Tay Road Bridge Joint Board and that there is a satisfactory evidence base to support this opinion. In addition, I confirm that I will take appropriate steps during the 2017/2018 financial year to further enhance the Board's governance arrangements in the areas identified for improvement.</i></p>						
If no, please provide details		<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: center;">Yes <input checked="" type="checkbox"/></td> </tr> <tr> <td></td> <td style="text-align: center;">No <input type="checkbox"/></td> </tr> </table>		Yes <input checked="" type="checkbox"/>		No <input type="checkbox"/>
	Yes <input checked="" type="checkbox"/>					
	No <input type="checkbox"/>					

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE
Acting in the public interest requires a commitment to and effective arrangements for:

PRINCIPLE	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
1	Behaving with integrity	<p>1.1 Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.</p> <p>1.2 Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles).</p> <p>1.3 Leading by example and using these standard operating principles or values</p>	<ul style="list-style-type: none"> Members Code of Conduct <u>Councillors Code of Conduct</u> <u>Fraud Guidelines</u> <u>Fraud Guidelines</u> <u>Annual Governance Statement</u> <u>Local Code of Corporate Governance</u> <u>Local Code of Corporate Governance</u> <u>Employee Appraisals</u>. <u>Standing Orders</u>, including <u>Scheme of Delegation</u>, <u>Tender Procedures</u> & <u>Financial Regulations</u> <u>Standing Orders</u> <u>Scheme of Delegation</u> <u>Tender Procedures</u> <u>Financial Regulations</u> 	<ul style="list-style-type: none"> Induction training planned for new members. Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations requires to be updated. 	3	<ul style="list-style-type: none"> Local Code of Corporate Governance to be updated to reflect the new guidance

		<p>as a framework for decision making and other actions.</p>	<ul style="list-style-type: none"> • <u>Local Code of Corporate Governance</u> • <u>Code of Corporate Governance</u> • <u>Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations</u> • <u>Standing Orders Scheme of Delegation, Tender Procedures & Financial Regulations</u> 		<p>be updated to reflect the new guidance</p> <ul style="list-style-type: none"> • <u>Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations</u> requires to be updated.
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 1 (continued)	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
Sub-Principle	1.4	<p>Demonstrating, and communicating the standard and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.</p>	<ul style="list-style-type: none"> Members Code of Conduct <u>Councillors Code of Conduct</u> Fraud Guidelines <u>Fraud Guidelines</u> Local Code of Corporate Governance <u>Local Code of Corporate Governance</u> Whistle Blowing Policy. Complaints Procedure <u>Complaints Procedure</u> Bridge Bye Laws <u>Bye Laws</u> Register of Interests for Members held by their Constituent Councils. Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations <u>Standing Orders Scheme of Delegation Tender Procedures Financial Regulations</u> 	3	<ul style="list-style-type: none"> Declaration of Interest to be added as a standing item on Board Meeting Agenda Produce an up-to-date Register of Interests for Staff Produce a Register of Members Interests specific to the Bridge Board Local Code of Corporate Governance to be updated to reflect the new guidance Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations requires to be updated.

2	Demonstrating strong commitment to ethical values	2.1	Seeking to establish, monitor and maintain the organisation's ethical standards and performance.	<ul style="list-style-type: none"> • Annual Mainstreaming Equality Report • <u>Mainstreaming Equality Report 2013-2017</u> • Scottish Living Wage Accreditation. 	4	
		2.2	Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation.	<ul style="list-style-type: none"> • Employee Appraisal process. • Employee Code of Conduct. • Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations • <u>Standing Orders Scheme of Delegation Tender Procedures Financial Regulations</u> • Equalities and Human Right's training through Dundee City Council for all staff to be rolled out in 2017. Previous training undertaken by all staff in 2014 included e-learning course on Equality and Diversity. 	3	<ul style="list-style-type: none"> • Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations requires to be updated. • Equalities & Human Rights training for all employees.

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 1 (continued)		Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Sub-Principle	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
	2.3	Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values.	3	<ul style="list-style-type: none"> Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations requires to be updated.
	2.4	Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation.	3	<ul style="list-style-type: none"> Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations Scottish Living Wage Accreditation. Ethical values feature in OJEU Tenders issued by TRBJB.
3	3.1	Respecting the Rule of Law Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations.	4	<ul style="list-style-type: none"> The Board's structure, functions and powers are prescribed in the Tay Road Bridge Order Confirmation Act 1991. <u>TRB Order Confirmation Act 1991</u>
	3.2	Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance	4	<ul style="list-style-type: none"> The Board's structure, functions and powers are prescribed in the Tay Road Bridge Order Confirmation Act 1991. <u>TRB Order Confirmation Act 1991</u> Job descriptions.

		with legislative and regulatory requirements.	<ul style="list-style-type: none"> Compliance with CIPFA's statement on the Role of the Chief Financial Officer. 		
	3.3	Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders.	<ul style="list-style-type: none"> SLA with Dundee City Council for Legal Services. 	4	
	3.4	Dealing with breaches of legal and regulatory provisions effectively.	<ul style="list-style-type: none"> SLA with Dundee City Council for Legal Services. 	4	
	3.5	Ensuring corruption and misuse of power are dealt with effectively.	<ul style="list-style-type: none"> Members Code of Conduct <u>Code of Conduct</u> <u>Fraud Guidelines</u> <u>Fraud Guidelines</u> <u>Whistle Blowing Policy</u> <u>Complaints Procedure</u> <u>Complaints Procedure</u> 	4	

Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	n/a	1	2	3	4	TOTAL
Summary of Number of Evaluations				7	6	13

Have there been any significant /critical events relating to Principle 1 during the financial year? If yes, please provide details.

Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.

- Scottish Living Wage Accreditation.

Links to relevant Tay Road Bridge Policies, Procedures and Guidelines:

Further Guidance:

The Role of the Chief Financial Officer in Local Government (CIPFA, 2016)
 Commissioner for Ethical Standards in Public Life in Scotland

The Standards Commission for Scotland
Councillors' Code of Conduct
Code of Ethics for Public Service Managers - Consultation (Solace, 2015)
Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)
Code of Practice on the Duty to Promote Race Equality in Scotland (2002): CoP Promote Race Equality in Scotland
Disability Rights Commission's The Employment of Disabled People in the Public Sector (2004): Employing Disabled People in Public Sector
Equality Act 2010 -- Fact Sheet: Equality Act 2010 - Factsheet
Equality Act 2010 -- Easy Read Version: Equality Act 2010 - Easy Read Version
Equality Act 2010 -- Explanatory Notes: Equality Act 2010 - Explanatory Notes
Equality Legislation -- Summary: Equality Legislation - Summary

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 2		Ensuring openness and comprehensive stakeholder engagement		Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders such as individual citizens and service users, as well as institutional stakeholders.		
1	Openness	Sub-Principle	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
		1.1	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness.	<ul style="list-style-type: none"> Annual Accounts 2015/2016 Audited Accounts Board Minutes Board Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk Freedom of Information Policy Fol Policy 	4	
		1.2	Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided.	<ul style="list-style-type: none"> Board Minutes Board Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk Freedom of Information Policy Fol Policy Tendering Procedures Tendering Procedures 	4	
		1.3	Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear.	<ul style="list-style-type: none"> Board Minutes Board Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk Pre-Agenda meetings held to discuss reports and issues that will be reported to Board meeting. Tendering Procedures Tendering Procedures Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. 	4	

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 2 (Continued)		Ensuring openness and comprehensive stakeholder engagement			Areas Requiring Improvement
Sub-Principle	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance.	Evaluation Level (1-4)	Areas Requiring Improvement	
	1.4 Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action.	<ul style="list-style-type: none"> • Bridge closures reported in Annual Accounts. • Operational Restrictions and Closures reported to the Board on a quarterly basis and published on the website Board Minutes Website www.tayroadbridge.co.uk • Social Media communications TRB Twitter • TRBJB Bridge Manager is part of a Tolls Tunnels and Bridges best practice information sharing working group alongside all the major bridges across the UK. This group meets once a quarter. • TRBJB Bridge Manager is part of a suicide prevention working group to share best practice. 	4		
2	Engaging comprehensively with institutional stakeholders	<p>2.1 Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.</p> <p>2.2 Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.</p> <p>2.3 Ensuring that partnerships are based on: <ul style="list-style-type: none"> o trust o a shared commitment to </p>	4		
		<ul style="list-style-type: none"> • SLA with Dundee City Council for a Communications Strategy. 	4		
		<ul style="list-style-type: none"> • TRBJB Bridge Manager is part of a Tolls Tunnels and Bridges best practice information sharing working group alongside all the major bridges across the UK. This group meets once a quarter. 	4		
		<ul style="list-style-type: none"> • Service Level Agreements with Dundee City Council for services provision, and annual review meeting to assess success needs for both parties. 	4		

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 2 (continued)		Ensuring openness and comprehensive stakeholder engagement			Areas Requiring Improvement
Sub-Principle	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)		
3 Engaging effectively, individual citizens and service users	3.1 Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.	<ul style="list-style-type: none"> Communications Policy. 	4		
		<ul style="list-style-type: none"> Communications Policy. Website www.tayroadbridge.co.uk Social Media communications TRB Twitter 	4		
		<ul style="list-style-type: none"> Communications Policy. Website www.tayroadbridge.co.uk Social Media communications TRB Twitter Feedback forms are provided to members of the public who break down on the bridge as a means to monitor performance and aid continuous improvement. Record of enquiries from the public and responses are kept and a five day turnaround in responding is achieved. 	4		
	3.2 Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement.	<ul style="list-style-type: none"> Communications Policy. Website www.tayroadbridge.co.uk Social Media communications TRB Twitter Record of enquiries from the public and responses are kept and a five day turnaround in responding is achieved. 	4		
	3.3 Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs.	<ul style="list-style-type: none"> Communications Policy. Website www.tayroadbridge.co.uk Social Media communications TRB Twitter Feedback forms are provided to members of the public who break down on the bridge as a means to monitor performance and aid continuous improvement. Record of enquiries from the public and responses are kept and a five day turnaround in responding is achieved. 	4		
	3.4 Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account.	<ul style="list-style-type: none"> Communications Policy. Feedback information to TRB JB Board at quarterly meeting of elected community councillors. 	4		
3.5 Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.	<ul style="list-style-type: none"> Feedback information to TRB JB Board at quarterly meeting of elected community councillors. 	4			
3.6 Taking account of the interests	<ul style="list-style-type: none"> Engineer and Bridge Manager Reports to the 	4			

		of future generations of tax payers and service users.	Board every quarter detailing structural condition and inspection process as appropriate / Quarterly Closure statistics reported to the TRB/JB.		
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Ensuring openness and comprehensive stakeholder engagement	1	2	3	4	TOTAL
Summary of Number of Evaluations	n/a			13	13

Have there been any significant / critical events relating to Principle 2 during the financial year? If yes, please provide details.

TRB celebrated 50 years since opening in August 2016. A community event was held in Dundee and engaged successfully with local people demonstrated by attendance at event day and through social media and press engagement.

Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.

Links to relevant Tay Road Bridge Policies, Procedures and Guidelines:

- Further Guidance:**
Model Publication Scheme Monitoring Report 2016 (Scottish Information Commissioner, 2016)
Good Governance Principles for Partnership Working (Audit Scotland, 2011)
Community Planning Toolkit (Community Places, 2014)

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance in local government also requires effective arrangements for:

PRINCIPLE 3	Defining outcomes in terms of sustainable economic, social, and environmental benefits. The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
1	Sub-Principle Defining Outcomes	1.1 Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions.	<ul style="list-style-type: none"> The Board's structure, functions and powers are prescribed in the Tay Road Bridge Order Confirmation Act 1991. <u>TRB Order Confirmation Act 1991</u> Management Arrangements of Scottish Government. 	4	
		1.2 Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer.	<ul style="list-style-type: none"> Sharing 20 year capital plan with Scottish Government through liaison with Transport Scotland Officials. Communications strategy will include press releases for changes impacting service users. 	4	
		1.3 Delivering defined outcomes on a sustainable basis within the resources that will be available.	<ul style="list-style-type: none"> Reports to the quarterly TRBJB meetings. 	4	
		1.4 Identifying and managing risks to the achievement of outcomes.	<ul style="list-style-type: none"> Business Continuity Plan. Risk Management Strategic Plan Risk Plan Risk Management Strategic Plan 	4	

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 3 (continued)	Defining outcomes in terms of sustainable economic, social and environmental benefits	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
2 Sustainable economic, social and environmental benefits	Sub-Principle	1.5 Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available.	<ul style="list-style-type: none"> Through Board member engagement with their constituents. 	4	
	2.1	Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision.	<ul style="list-style-type: none"> Sharing 20 year capital plan with Scottish Government through liaison with Transport Scotland Officials. 	4	
	2.2	Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints.	<ul style="list-style-type: none"> Three yearly Revenue and Capital Budgets are updated and reported to Board annually. Twenty Year Capital Plan is produced and discussed with Transport Scotland. Business Continuity Plan. Risk Management Strategic Plan <u>Risk Management Strategic Plan</u> 	4	
	2.3	Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs.	<ul style="list-style-type: none"> Liaison meetings with Scottish Government through Transport Scotland to agree spend profiles. 	4	
2.4	Ensuring fair access to services.	<ul style="list-style-type: none"> N/A 	N/A		

Defining outcomes in terms of sustainable economic, social, and environmental benefits	n/a	1	2	3	4	TOTAL
Summary of Number of Evaluations	1				8	9

Have there been any significant / critical events relating to Principle 3 during the financial year? If yes, please provide details.

Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.

Links to relevant Tay Road Bridge Policies, Procedures and Guidelines:

Further Guidance:

Building Partnerships: Insights from the Devolution Summit (CIPFA/Grant Thornton, 2015)
 Continuing Professional Development website: [CPD - Key Elements of a Project Risk Register Template](#)

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 4	Determining the interventions necessary to optimise the achievement of the intended outcomes		Local government achieves its intended outcomes by providing a mixture of legal, regulatory and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
1	Sub-Principle	Determining interventions	1.1 Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided.	<ul style="list-style-type: none"> Pre-Agenda meetings held to discuss reports and issues that will be reported to Board meeting. Tendering Procedures Procedures outline the requirements of when to report to Board. Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. Service Level Agreement with Dundee City Council Procurement Team for procuring services and protect the board against changes to procurement legislation. 	4		
		1.2	Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts.	N/A	N/A		

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 4 (continued)		Determining the interventions necessary to optimise the achievement of the intended outcomes			
2	Sub-Principle	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
Planning interventions					
2.1	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets.	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered.	<ul style="list-style-type: none"> Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. 	4	
2.2	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered.		<ul style="list-style-type: none"> Communications Strategy. 	4	
2.3	Considering and monitoring risks facing each partner when working collaboratively including shared risks.		<ul style="list-style-type: none"> Regular risk management / contract meetings are held during works contracts on the bridge. 	4	
2.4	Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances.		<ul style="list-style-type: none"> Regular risk management / contract meetings are held during works contracts on the bridge. 	4	
2.5	Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured.		<ul style="list-style-type: none"> Feedback forms are provided to members of the public who break down on the bridge as a means to monitor performance and aid continuous improvement. Record of enquiries from the public and responses are kept and a five day turnaround in responding is achieved. 	4	
2.6	Ensuring capacity exists to generate the information required to review service quality regularly.		<ul style="list-style-type: none"> Annual Governance Statement. Management Meetings with Bridge Management Staff are formally recorded. 	4	

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 4 (continued)		Determining the interventions necessary to ensure the achievement of the intended outcomes		Evaluation Level (1-4)	Areas Requiring Improvement
Sub-Principle	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance			
3	Optimising achievement of intended outcomes	2.7	Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan.	4	<ul style="list-style-type: none"> Three yearly Revenue and Capital Budgets are updated and reported to Board annually. Twenty Year Capital Plan is produced and discussed with Scottish Government through Transport Scotland.
		2.8	Informing medium and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.	4	<ul style="list-style-type: none"> Three yearly Revenue and Capital Budgets are updated and reported to Board annually. Twenty Year Capital Plan is produced and discussed with Transport Scotland.
3	Optimising achievement of intended outcomes	3.1	Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints.	4	<ul style="list-style-type: none"> Three yearly Revenue and Capital Budgets are updated and reported to Board annually.
		3.2	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term.	4	<ul style="list-style-type: none"> Three yearly Revenue and Capital Budgets are updated and reported to Board annually. Twenty Year Capital Plan is produced and discussed with Transport Scotland.

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 4 (continued)	Determining the interventions necessary to optimise the achievement of the intended outcomes				
Sub-Principle	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement	
3.3	Ensuring the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage.	<ul style="list-style-type: none"> • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. • Twenty Year Capital Plan is produced and discussed with Transport Scotland. • Senior management receive regular financial reports to enable financial management. • Regular meetings are held to support the Revenue and Capital Monitoring and reporting process. • Regular Revenue and Capital Monitoring Reports are reported to the Board and published on the website <u>Board Minutes</u> 	4		
3.4	Ensuring the achievement of 'social value' through service planning and commissioning.	<ul style="list-style-type: none"> • Engineer and Bridge Manager Reports to the Board every quarter detailing structural condition and inspection process as appropriate / Quarterly Closure statistics reported to the TRBJB. 	4		

Determining the interventions necessary to optimise the achievement of the intended outcomes	n/a	1	2	3	4	TOTAL
Summary of Number of Evaluations	1				13	14

Have there been any significant / critical events relating to Principle 4 during the financial year? If yes, please provide details.

Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLES	Developing the entity's capacity, including the capability of its leadership and the individuals within it Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance.	Evaluation Level (1 - 4)	Areas Requiring Improvement
1	Sub-Principle Developing the entity's capacity	1.1 Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness.	<ul style="list-style-type: none"> Quarterly review meetings between Bridge Manager and Engineer to the Board to monitor and manage resources to ensure compliance with TRBJB Asset Management Plan and national and published structural inspection requirements. 	4	
		1.2 Improving resource use through application of appropriate techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently.	<ul style="list-style-type: none"> The Board's Financial Regulations require that all contracts entered into shall, where practicable, comply with the organisation's Tendering Procedures. These state 'the underlying spirit of the procedures is to provide openness, accountability and Best Value in the Board's procurement of goods, services and works. 	4	
		1.3 Recognising the benefits of partnerships and collaborative working where added value can be achieved.	<ul style="list-style-type: none"> Service Level Agreements with Dundee City Council for services provision, and annual review meeting to assess success needs for both parties. 	4	
		1.4 Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.	<ul style="list-style-type: none"> A structural bridge inspection plan is in-place and monitored by the Bridge's Maintenance Manager. 	4	

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 5 (Continued)	Developing the entity's capacity, including the capability of its leaders, into the entity's plans within	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
2	Developing the capability of the entity's leadership and other individuals	<p>2.1 Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained.</p> <p>2.2 Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body.</p> <p>2.3 Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure, whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority.</p>	<ul style="list-style-type: none"> Standing Orders, including Scheme of Delegation, <u>Standing Orders</u> <u>Scheme of Delegation</u> 	4	
			<ul style="list-style-type: none"> Standing Orders, Tender Procedures & Financial Regulations <u>Standing Orders</u> <u>Scheme of Delegation</u> <u>Tender Procedures</u> <u>Financial Regulations</u> 	3	<ul style="list-style-type: none"> Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations requires to be updated.
			<ul style="list-style-type: none"> N/A 	N/A	

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 5 (Continued)	Developing the capability of the leadership and the individuals within it			
Sub-Principle	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
2.4	Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:	<ul style="list-style-type: none"> Continuous Professional Development for Bridge Manager and his staff. 	3	<ul style="list-style-type: none"> Induction training planned for new members.
2.4 a)	ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.	<ul style="list-style-type: none"> Staff Training Plan. Employee Appraisal process. Training Matrix that links to job competence and H&S requirements for all roles is monitored by Bridge Management and monies set aside in revenue budget every year to ensure this is an ongoing process. Review of staff training undertaken at management meetings. 	3	<ul style="list-style-type: none"> Induction training planned for new members.
2.4 b)	ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis.	<ul style="list-style-type: none"> Staff Training Plan. Employee Appraisal process. 	3	<ul style="list-style-type: none"> Induction training planned for new members.

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 5 (Continued)	Developing the entity's capacity, including the capability of its leaders, and the individuals within it	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
Sub-Principle		2.4 ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from both internal and external governance weaknesses.	<ul style="list-style-type: none"> Annual Governance Statement's Continuous Improvement Agenda. Local Code of Corporate Governance <u>Local Code of Corporate Governance</u> Recommendations from Internal and External Audit reviews are acted upon. 	3	<ul style="list-style-type: none"> Local Code of Corporate Governance to be updated to reflect the new guidance
		2.5 Ensuring that there are structures in place to encourage public participation.	<ul style="list-style-type: none"> Members of the public can contact the bridge with any queries through www.tayroadbridge.co.uk or through elected members, whether represented on the board or otherwise. 	4	
		2.6 Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections.	<ul style="list-style-type: none"> The Engineer to the Board undertakes a development and performance review with the bridge manager biannually. 	4	
		2.7 Holding staff to account through regular performance reviews which take account of training or development needs.	<ul style="list-style-type: none"> Employee Appraisal process. Staff Training Plan. 	4	
		2.8 Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.	<ul style="list-style-type: none"> SLA with People Asset Management (PAM) Occupational Health Provider. 	4	

Developing the entity's capacity, including the capability of its leadership and the individuals within it	n/a	1	2	3	4	TOTAL
Summary of Number of Evaluations	1			5	9	15

Have there been any significant / critical events relating to Principle 5 during the financial year? If yes, please provide details.

Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.

Links to relevant Tav Road Bridge Policies, Procedures and Guidelines:

Further Guidance:

- Commissioner for Ethical Standards in Public Life in Scotland
- The Standards Commission for Scotland
- Councillors' Code of Conduct
- Code of Ethics for Public Service Managers - Consultation (Solace, 2015)

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 6	Managing risks and performance through robust internal control and strong public financial management		
	<p>Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.</p> <p>A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.</p> <p>It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically; it requires repeated public commitment from those in authority.</p>		
	<p>Behaviours and actions that demonstrate good governance in practice</p>		
Sub-Principle	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
1	<p>Managing Risk</p>		
	<p>1.1 Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making.</p>	4	<ul style="list-style-type: none"> Risk Management Strategic Plan & Strategic Risk Register Risk Management Strategic Plan & Strategic Risk Register
	<p>1.2 Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.</p>	4	<ul style="list-style-type: none"> Risk Management Strategic Plan & Strategic Risk Register
	<p>1.3 Ensuring that responsibilities for managing individual risks are clearly allocated.</p>	4	<ul style="list-style-type: none"> Risk Management Strategic Plan & Strategic Risk Register
2	<p>Managing Performance</p>		<ul style="list-style-type: none"> Contract spreadsheet has a column for the responsible officer to make comment on performance. On larger contracts meetings are held annually with service providers to discuss needs for both parties.

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 6 (Continued)	Managing risk and performance through robust internal control and strong public financial management	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
Sub-Principle	2.2	Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook.	<ul style="list-style-type: none"> Board Minutes Board Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. Appointing professional Consultants to advise on projects/ maintenance requirements to gain independent advice. 	4	
	2.3	Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible.	<ul style="list-style-type: none"> External Audit reports are reported to the Board and recommendations are acted upon. Internal Auditors comply with Public Sector Internal Audit Standards. Internal Audit reviews are reported to the Board and recommendations are acted upon. Internal Audit Follow Up reports on progress against recommendations are reported to the Board. 	4	
	2.4	(OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making. Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.	<ul style="list-style-type: none"> Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. Regular reports Board Minutes submitted to the Board include Revenue & Capital Monitoring, Engineer's report, Operational Restrictions & Closures. 	4	

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 6 (Continued)		Managing risks and performance through robust internal control and strong public financial management		
Sub-Principle	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
3	2.5	<p>Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (eg financial statements).</p>	4	<ul style="list-style-type: none"> Standing Orders, including Scheme of Delegation, Tender Procedures & Financial Regulations <u>Standing Orders Scheme of Delegation Tender Procedures Financial Regulations</u> Revenue and Capital Budgets, Revenue and Capital Monitoring, and Annual Accounts have consistency in how they are presented. Major Capital projects are reported against budget within Engineer's reports.
	3.1	<p>Aligning the risk management strategy and policies on internal control with achieving objectives.</p>	4	<ul style="list-style-type: none"> Risk Management Strategic Plan & Strategic Risk Register <u>Risk Management Strategic Plan & Strategic Risk Register</u> External Auditor's Annual Audit Plan reported to Board and any recommendations are acted upon. Internal Audit produce an Audit Needs Assessment & Strategic Plan at the start of their three yearly contract and update their Audit Plan annually. Internal Audit reviews are reported to the Board and recommendations are acted upon. Internal Audit Follow Up reports on progress against recommendations are reported to the Board.
	3.2	<p>Evaluating and monitoring risk management and internal control on a regular basis.</p>	4	<ul style="list-style-type: none"> Risk Management Strategic Plan & Strategic Risk Register <u>Risk Management Strategic Plan & Strategic Risk Register</u> Bridge Manager meets annually with Risk Manager for Dundee City Council to review Risk Management Register.
	3.3	<p>Ensuring effective counter fraud and anti-corruption</p>	4	

	<p>arrangements are in place.</p>	<p>3.4</p>	<p>Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.</p>	<p>• <u>Fraud Guidelines</u> • <u>Fraud Guidelines</u> • Annual Governance Statement. • Local Code of Corporate Governance • Code of Corporate Governance • Internal Audit provision is outsourced, via a tender process, to a private sector audit firm.</p>	<p>3</p>	<p>• Local Code of Corporate Governance to be updated to reflect the new guidance.</p>
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 6 (Continued)		Managing risks and performance through robust internal control and strong public financial management		Areas Requiring Improvement
Sub-Principle	Behaviours and actions that demonstrate good governance in practice:	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	
	3.5 Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> o provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment. o that its recommendations are listened to and acted upon. 	<ul style="list-style-type: none"> • N/A due to size or organisation. 	N/A	
4 Managing Data	4.1 Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data.	<ul style="list-style-type: none"> • Data Protection Policy <u>DP Policy</u> • Freedom of Information Policy <u>FoI Policy</u> • Data Protection & CCTV Procedures <u>DP & CCTV Procedures</u> • SLA with Dundee City Council IT Services to include all up to date safeguards with respect to data security. Individual work drives secured requiring login and all personal data is locked for senior management access only. 	4	
	4.2 Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.	<ul style="list-style-type: none"> • Data Protection Policy <u>DP Policy</u> • Freedom of Information Policy <u>FoI Policy</u> • Data Protection & CCTV Procedures <u>DP & CCTV Procedures</u> 	4	

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 6 (Continued)		Managing risks and performance through robust internal control and strong public financial management		
Sub-Principle	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
	4.3 Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.	<ul style="list-style-type: none"> Annual Accounts process subject to External Audit. A programme of Internal Audit reviews covering a wide range of systems and processes. 	4	
5	Strong Public Financial Management	<ul style="list-style-type: none"> Senior management receive regular financial reports to enable financial management. Regular meetings are held to support the Revenue and Capital Monitoring and reporting process. 	4	
	5.2 Ensuring financial management is integrated at all levels of planning and control, including management of financial risks and controls.	<ul style="list-style-type: none"> Regular Revenue and Capital Monitoring Reports are reported to the Board and published on the website <u>Board Minutes</u> 	4	

Managing risks and performance through robust internal control and strong public financial management	1	2	3	4	TOTAL
Summary of Number of Evaluations	n/a				
	1		1	16	18

Have there been any significant / critical events relating to Principle 6 during the financial year? If yes, please provide details.

Are there any examples of best practice (of exceeding best practice) in the Board? If yes, please provide

details.

Links to relevant Tax Road Bridge Policies, Procedures and Guidelines:

Further Guidance:

National Fraud Initiative: National Fraud Initiative From Bolt-on to Built-in: Managing Risk as an Integral Part of Managing an Organization (IFAC, 2015)
 Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)
 Whole System Approach to Public Financial Management (CIPFA, 2012)
 Statement on the Role of the Head of Internal Audit (CIPFA, 2010)
 Following the Public Pound (Audit Scotland, 2004)
 Information Commissioner's Office (ICO): <https://ico.org.uk/>
 ICO Guide to Data Protection: <https://ico.org.uk/for-organisations/guide-to-data-protection/>
 Scottish Information Commissioner: <http://www.itpublicknowledge.info/home/ScottishInformationCommissioner.aspx>
 Records Retention Schedules from Scottish Council on Archives: <http://www.scottisharchives.org.uk/scarrs/schedules>
 Freedom of Information Act: <http://www.dundeecity.gov.uk/foisa>
 Data Protection Act: <https://www.dundeecity.gov.uk/supportservs/dataprotection/>

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 7	Implementing good practices in transparency	Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.	Areas Requiring Improvement
1	Sub-Principle Implementing Good Practice in Transparency	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance
1	1.1	Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate.	<ul style="list-style-type: none"> Board Minutes <u>Board Minutes</u> and relevant documents <u>Board Documents</u> are published on the <u>Board's website: www.tayroadbridge.co.uk</u> <u>Annual Accounts 2015/2016 Audited</u> Accounts includes the <u>Bridge Manager's report</u> which provides an outline of the Board's activities.
2	1.2	Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.	<ul style="list-style-type: none"> <u>Annual Accounts 2015/2016 Audited</u>
2	2.1	Reporting at least annually on performance, value for money and the stewardship of its resources.	<ul style="list-style-type: none"> <u>Annual Accounts 2015/2016 Audited</u> <u>Annual Report by Internal Audit.</u> <u>Regular reports Board Minutes</u> submitted to the <u>Board</u> include <u>Revenue & Capital Monitoring, Engineer's report, Operational Restrictions & Closures.</u>
2	2.2	Ensuring members and senior management own the results.	<ul style="list-style-type: none"> <u>Reports to the Board</u> are submitted for approval from <u>Board Members</u> <u>Board Minutes</u>

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 7 (Continued)	Implementing good practices in transparency reporting and audit to deliver effective accountability	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	Areas Requiring Improvement
Sub-Principle	2.3	Ensuring arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement).	<ul style="list-style-type: none"> Annual Governance Statement reported to Board and published on website <u>Board Minutes</u> Local Code of Corporate Governance <u>Local Code of Corporate Governance</u> 	3	<ul style="list-style-type: none"> Local Code of Corporate Governance to be updated to reflect the new guidance.
	2.4	Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate.	<ul style="list-style-type: none"> N/A. 	N/A	
	2.5	Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations.	<ul style="list-style-type: none"> Annual Accounts are published in accordance with statutory regulations. 	4	

Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE 7 (Continued)		Implementing good practices in transparency reporting, and audit to deliver effective accountability		Areas Requiring Improvement	
3	Sub-Principle	Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1-4)	
3	Assurance and Accountability	Effective	<p>3.1 Ensuring recommendations for corrective action made by external audit are acted upon.</p>	<ul style="list-style-type: none"> External Audit reports are reported to the Board and recommendations are acted upon. 	4
			<p>3.2 Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon.</p>	<ul style="list-style-type: none"> Internal Auditors comply with Public Sector Internal Audit Standards. Internal Audit reviews are reported to the Board and recommendations are acted upon. Internal Audit Follow Up reports on progress against recommendations are reported to the Board. 	4
			<p>3.3 Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.</p>	<ul style="list-style-type: none"> External Auditors are appointed. 	4
			<p>3.4 Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.</p>	<ul style="list-style-type: none"> N/A. 	N/A
			<p>3.5 Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met.</p>	<ul style="list-style-type: none"> N/A. 	N/A

Implementing good practices in transparency, reporting, and audit to deliver effective accountability	n/a	1	2	3	4	TOTAL
Summary of Number of Evaluations	3			1	8	12

Have there been any significant/critical events relating to Principle 7 during the financial year? If yes, please provide details.

Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.

Links to relevant Tay Road Bridge Policies, Procedures and Guidelines:

Further Guidance:

- Statement on the Role of the Head of Internal Audit (CIPFA, 2010)
- Following the Public Pound (Audit Scotland, 2004)
- Building Partnerships: Insights from the Devolution Summit (CIPFA/Grant Thornton, 2015)
- Whole System Approach to Public Financial Management (CIPFA, 2012)
- Good Governance Principles for Partnership Working (Audit Scotland, 2011)
- Arm's-length External Organisations (ALEOs): Are you getting it right? (Audit Scotland, 2011)

