
TAY ROAD BRIDGE JOINT BOARD

Clerk: Roger Mennie
Head of Democratic and Legal Services
Dundee City Council
5 City Square
Dundee

TO: ALL MEMBERS OF THE TAY
ROAD BRIDGE JOINT BOARD

Date 7th June, 2021

Dear Member

TAY ROAD BRIDGE JOINT BOARD

You are requested to attend a meeting of the **TAY ROAD BRIDGE JOINT BOARD** to be held remotely on Monday, 14th June, 2021 at 10.00 am.

The agenda and papers are enclosed.

Members of the Press or Public wishing to join the meeting should contact Committee Services on telephone (01382) 434818 or by email at committee.services@dundeecity.gov.uk by no later than 12 noon on Friday, 11th June, 2021.

Please submit any apologies for absence to Arlene Hay, Committee Services Officer on telephone (01382) 434818 or email arlene.hay@dundeecity.gov.uk.

Yours faithfully

ROGER MENNIE

Clerk to the Joint Board

AGENDA OF BUSINESS

1 DECLARATION OF INTEREST

Members are reminded that, in terms of The Councillors Code, it is their responsibility to make decisions about whether to declare an interest in any item on this agenda and whether to take part in any discussions or voting.

This will include all interests, whether or not entered on your Register of Interests, which would reasonably be regarded as so significant that they are likely to prejudice your discussion or decision-making.

2 MINUTE OF PREVIOUS MEETING - Page 1

The minute of meeting of the Tay Road Bridge Joint Board held on 1st March, 2021 is submitted for approval (copy attached).

3 OPERATIONAL RESTRICTIONS AND CLOSURES - Page 3

(Report No TRB14-2021 by the Bridge Manager, copy enclosed).

4 PROPOSED CHANGES TO OPERATIONAL WORKING AND STAFFING STRUCTURE AT THE TAY ROAD BRIDGE - Page 9

(Report No TRB11-2021 by the Bridge Manager, copy enclosed).

5 INTRODUCTION OF A SHARED COST AVC SCHEME - Page 15

(Report No TRB10-2021 by the Bridge Manager, copy enclosed).

6 TENDER REPORT – IMPROVEMENTS TO ADMINISTRATION OFFICE COMPOUND - Page 19

(Report No TRB12-2021 by the Bridge Manager, copy enclosed).

7 RESPONSE TO INTERNAL AUDITOR’S ANNUAL REPORT TO MEMBERS - Page 21

(Report No TRB9-2021 by the Bridge Manager, copy enclosed).

8 LOCAL CODE OF CORPORATE GOVERNANCE - Page 85

(Report No TRB5-2021 by the Treasurer, copy enclosed).

9 ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31ST MARCH, 2021 - Page 143

(Report No TRB6-2021 by the Treasurer, copy enclosed).

10 UNAUDITED ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2021 - Page 155

(Report No TRB7-2021 by the Treasurer, copy enclosed).

11 2021/2022 INSURANCE PROGRAMME - Page 221

(Report No TRB8-2021 by the Treasurer, copy enclosed).

12 LAUNCH OF REPLACEMENT TAY ROAD BRIDGE WEBSITE

Consideration of Principles B and E of the CIPFA Local Code of Corporate Governance Self-Assessment checklist provides the Board with an opportunity to improve stakeholder engagement and openness by delivering an improved Tay Road Bridge website. The new website has been developed following consultation with the public and has been shared with Board members for comment. All comments have now been acted upon and it is the Bridge Manager's intention to launch the new website on 1st July, 2021. The new website will still be accessed via the web address www.tayroadbridge.co.uk and is fully supported by Dundee City Council.

13 DATE OF NEXT MEETING

Monday, 13th September, 2021 at 10.00am via MS Teams (unless otherwise advised).

ITEM No ...2.....

At a MEETING of the **TAY ROAD BRIDGE JOINT BOARD** held remotely on 1st March, 2021.

Present:-

Dundee City Council

Councillor Lynne SHORT
Depute Lord Provost CAMPBELL
Councillor Stewart HUNTER
Councillor George McIRVINE
Councillor Margaret RICHARDSON
Baillie Fraser MACPHERSON

Fife Council

Councillor Jonny TEPP
Councillor Andy HEER

Also Present (Officers):-

Gary BRADY (Engineer)
Alan HUTCHISON (Bridge Manager)
Kenny McKAIG (for Clerk)
John MOIR (for Treasurer)
Bruce CROSBIE (Audit Scotland)
Andrew HERD (Transport Scotland)

Councillor Lynne SHORT, Chairperson, in the Chair.

Apologies for absence were submitted on behalf of Councillor Bill Connor.

I DECLARATION OF INTEREST

There were no declarations of interest.

II MINUTE OF PREVIOUS MEETING

The minute of meeting of the Tay Road Bridge Joint Board held on 7th December, 2020 was submitted and approved.

III APPOINTMENT OF TREASURER TO THE BOARD

It was noted that in terms of Section 5 of the Tay Road Bridge Order 1991, the Joint Board was required to appoint a Treasurer to the Joint Board. Reference was made to Article IV of the minute of meeting of the Tay Road Bridge Joint Board of 19th June, 2017, when the Board confirmed that the Executive Director of Corporate Services would serve as the Treasurer.

The Joint Board noted that, following his appointment to the post of Executive Director of Corporate Services, Robert Emmott would serve as Treasurer to the Joint Board.

IV OPERATIONAL RESTRICTIONS AND CLOSURES

There was submitted Report No TRB4-2021 by the Bridge Manager appraising the Joint Board of the number and nature of operational restrictions and closures applied between 1st November, 2020 and 31st January, 2021.

The Joint Board noted the content of the report as at 31st January, 2021. The Joint Board also welcomed the inclusion of passenger lift availability data as requested at the last Joint Board.

V EXTERNAL AUDIT ANNUAL AUDIT PLAN 2020/2021

There was submitted Report No TRB3-2021 by the Treasurer presenting to the Joint Board the External Audit Annual Audit Plan, which was attached as an Appendix to the report.

The Joint Board noted the content of the External Audit Annual Audit Plan for 2020/2021.

VI REVENUE MONITORING – 10 MONTHS TO 31ST JANUARY 2021

There was submitted Report No TRB1-2021 by the Treasurer appraising Joint Board Members of the latest position regarding the Joint Board's 2020/2021 Revenue Budget.

The Joint Board noted the content of the Revenue Monitoring Report as at 31st January, 2021.

VII CAPITAL MONITORING – 10 MONTHS TO 31ST JANUARY, 2021

There was submitted Report No TRB2-2021 by the Treasurer appraising Joint Board Members of the latest position regarding the Joint Board's 2020/2021 Capital Plan.

The Joint Board noted the content of the Capital Monitoring Report as at 31st January, 2021.

VIII PROPOSED ESTABLISHMENT OF ACTIVE TRAVEL SHORT LIFE WORKING GROUP

The Chair reported that following the last Joint Board meeting, Bailie Macpherson had contacted her suggesting the establishment of a Working Group in relation to Active Travel. Discussion had taken place with key officers and it was proposed that a Short Life Working Group be set up with the work to be completed by April 2022.

The following membership was agreed by the Joint Board:

- Councillor Short (Chair)
- Councillor Tepp
- Councillors from Dundee City Council and Fife Council
- Depute Bridge Manager
- Reps from Dundee Cycling Forum and North Fife Cycling
- Marianne Scott – Cycling Scotland
- Merry Smith – TACTRAN.

The group would be called the A to B Working Group.

The Bridge Manager reported that an operational officer group was being set up in relation to Mental Health and Wellbeing. The aim of the group would be to highlight the bridge as a community asset to boost public health and wellbeing. This group would meet monthly and would report back to the Joint Board.

The Joint Board noted the position.

IX DATE OF NEXT MEETING

Monday, 14th June, 2021 at 10.00am to be held remotely unless otherwise advised.

Councillor Lynne SHORT, Chairperson.

ITEM No ...3.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 14 JUNE 2021

REPORT ON: OPERATIONAL RESTRICTIONS AND CLOSURES

REPORT BY: BRIDGE MANAGER

REPORT NO: TRB 14-2021

1.0 PURPOSE OF REPORT

1.1 To appraise the Joint Board of the number and nature of operational restrictions and closures applied between 1 February and 30 April 2021.

2.0 RECOMMENDATIONS

2.1 The Joint Board are asked to note the contents of this Report as at 30 April 2021.

3.0 FINANCIAL IMPLICATIONS

3.1 There are no financial implications as a result of this report.

4.0 COMMENTARY ON RESTRICTIONS AND CLOSURES

4.1 Restrictions are applied to the traffic on the bridge for a number of reasons including recovering debris, breakdowns, high winds and other operational requirements, such as carriageway inspections. Miscellaneous incidents include escorting pedestrians from the carriageway.

A summary of the restrictions applied between 1 February and 30 April 2021 is given below:-

4.1.1 Single Carriageway Closure

Reason	Total Duration (Minutes)	Number of Occasions	Average Duration (Minutes)	Maximum Time Closed (Minutes)	Minimum Time Closed (Minutes)
Operational	400	135	11.11	9	1
Breakdown	23	5	4.6	10	2.5
Miscellaneous Incidents	57	10	5.7	30	1
Single Lane Closures for Maintenance	1041	14	74.36	145	20
Police Incidents	200	11	18.18	45	6

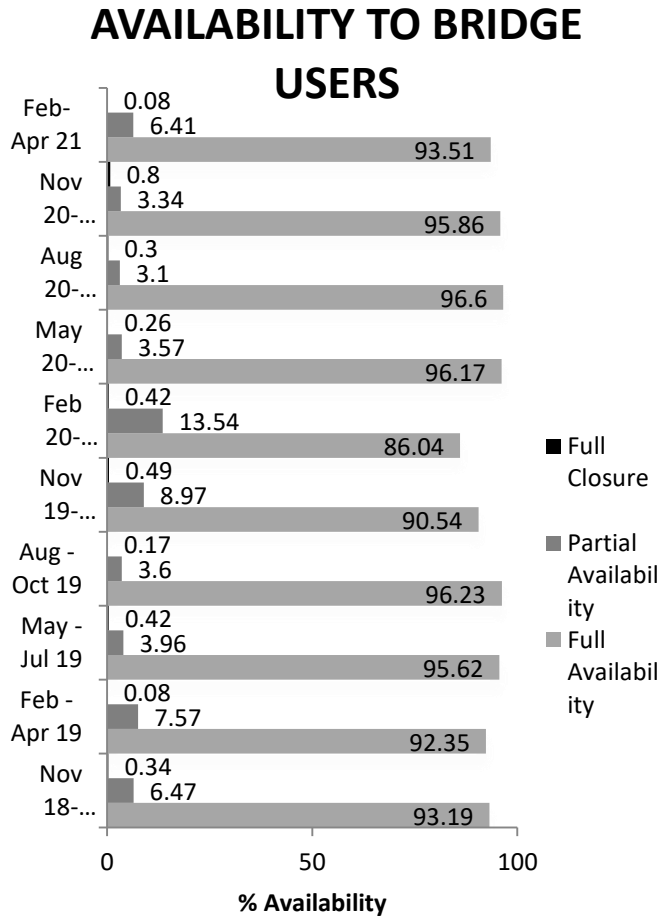
4.1.2 Full Bridge Closure

Reason	Total Duration (Minutes)	Number of Occasions	Average Duration (Minutes)	Maximum Time Closed (Minutes)	Minimum Time Closed (Minutes)
Operational (Night Closures)	0	0	0	0	0
Police Incidents	97	5	19.4	50	5
Wind	0	0	0	0	0

4.1.3 High Winds Restrictions

Traffic Restricted	Total Duration (Minutes)	Number of Occasions	Average Duration (Minutes)	Maximum Time Restricted (Minutes)	Minimum Time Restricted (Minutes)
Double Deck Buses	6103	16	381.44	1735	35
High Sided Vehicles	946	12	78.83	145	20
All Traffic	0	0	0	0	0

4.1.4 Availability of Bridge



	Feb-Apr 20	May-July 20	Aug-Oct 20	Nov 20-Jan 21	Feb-Apr 21
Full Availability	86.04	96.17	96.6	95.86	93.51
Partial Availability	13.54	3.57	3.10	3.34	6.41
Full Closure	0.42	0.26	0.30	0.80	0.08

4.1.5 Summary of Bridge availability 1 February to 30 April 2021

Full availability (No restrictions)	93.51%
Partial Availability (Some restrictions)	6.41%
No Availability (Full Closure)	0.08%

4.1.6 Passenger Lift Availability 1 February to 30 April 2021

Available for use	97.99%
Not available for use	2.01%

*includes closure for routine servicing once a month.

5.0 TRAFFIC COUNT DATA

5.1 Traffic Count Data from Dundee Ramps

AADT – (Annual Average Daily Total)

	1 st Quarter 2020 (Feb- Apr)	2 nd Quarter 2020 (May- Jul)	3 rd Quarter 2020 (Aug – *Oct)	4 th Quarter 2020 (Nov – Jan)	1 st Quarter 2021 (Feb- Apr)
Northbound to West	2376	3171	4504	3461	3478
Northbound to East	4728	4776	6901	4340	5128
Northbound Total	7104	7947	11405	7801	8606
Southbound from West	3864	3424	4854	3522	3726
Southbound From East	5244	5266	7567	5187	5722
Southbound Total	9108	8690	12421	8709	9448
AADT Traffic per Quarter	16212	16637	23826	16510	18054

*New counting loops were installed on 8 October 2020. Please note that some data was corrupted on the northbound exit slip road from this date. Traffic counts have been averaged using reliable data over the quarter to allow the traffic count to be reported.

A comparison of traffic levels between the fourth quarter of 2020 and the first quarter of 2021 shows an almost 10% increase in traffic levels. This is likely to be attributable to some easing of travel restrictions made by the Scottish Government in relation to the ongoing Coronavirus (Covid-19) pandemic.

5.2 Cyclist and Pedestrian Count on the Walkway

AADT – (Annual Average Daily Total) Northbound and Southbound

	1 st Quarter 2020		2 nd Quarter 2020		3 rd Quarter 2020		4 th Quarter 2020		1 st Quarter 2021
	(Feb - Apr)		(May - Jul)		(Aug- Oct)		(Nov- Jan)		(Feb – Apr)
Cyclists – Feb	139	Cyclists - May	330	Cyclists - Aug	216	Cyclists -Nov	93	Cyclists - Feb	81
Cyclists – Mar	129	Cyclists - Jun	269	Cyclists - Sep	194	Cyclists -Dec	67	Cyclists - Mar	189
Cyclists – Apr	214	Cyclists - Jul	250	Cyclists - Oct	127	Cyclists -Jan	69	Cyclists - Apr	183
AADT Cyclists per Quarter	161	AADT Cyclists per Quarter	283	AADT Cyclists per Quarter	179	AADT Cyclists per Quarter	77	AADT Cyclists per Quarter	151

A Pedestrian and Cycling Counter was installed on the bridge walkway in October 2019. Unfortunately, reliable pedestrian numbers are not yet available. The pedestrian counter issue will be further investigated.

6.0 POLICY IMPLICATIONS

6.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

7.0 CONSULTATIONS

7.1 The Treasurer, Clerk and Engineer to the Board have been consulted in the preparation of this report and are in agreement with the content.

8.0 BACKGROUND PAPERS

8.1 None.

ALAN HUTCHISON
BRIDGE MANAGER
2 JUNE 2021

ITEM No ...4.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 14 JUNE 2021

REPORT ON: PROPOSED CHANGES TO OPERATIONAL WORKING AND STAFFING STRUCTURE AT THE TAY ROAD BRIDGE

REPORT BY: BRIDGE MANAGER

REPORT NO: TRB 11-2021

1 PURPOSE OF REPORT

- 1.1 The purpose of the report is to seek Board approval of the Bridge Manager's proposals to reorganise the staffing structure at the Tay Road Bridge in order to improve business resilience and service delivery along with staff health and well-being.

2 RECOMMENDATION

- 2.1 It is recommended that approval is given to the Bridge Manager's proposals outlined in section 4.

3 FINANCIAL IMPLICATIONS

- 3.1 Recurring revenue costs in the order of £40,000 per annum will be incurred. These costs are anticipated to be offset by £25,000 per annum due to the anticipated reduction in overtime requirements.
- 3.2 One off £15,000 revenue cost anticipated for staff training.
- 3.3 The Treasurer advises that the above expenditure can be met within the Revenue Budget for 2021/22.

4 BACKGROUND

- 4.1 Service delivery is often hindered through short and long-term staff absenteeism. On many occasions, the Bridge Manager, Bridge Inspector and Transport Officer have covered the roles of Operations Supervisor and Operations Officer, and this is not a sustainable long-term solution.
- 4.2 The changes proposed in paragraph 4.3, and as illustrated by a proposed organisation structure, appendix 2, are expected to deliver an enhanced and more resilient staffing structure that will improve service delivery and protect business continuity. It aims to do this by broadening staff skill levels across the organisation and by improving the physical and mental wellbeing of staff members to help drive this efficiency. It also provides an excellent opportunity for staff advancement through delivery of training to help staff achieve new skills and qualifications.
- 4.3 The Bridge Manager recommends restructuring the existing staffing organisation (included at appendix 1) to the proposed staffing organisation (included at appendix 2), by:

- 4.3.1 Integrating the current Operations Officers and Maintenance Operatives by re-designating and re-grading these current posts to a new post of “Tay Road Bridge Operative”.
- 4.3.2 Enhancing the current Maintenance Operatives’ skills by training them as IPV drivers and moving them to a 12-hour working shift pattern from the standard working week.
- 4.3.3 Enhancing the current Operations Officers’ skills by training them as Inspection Gantry drivers and moving them to a 12-hour working shift pattern from an 8-hour working shift pattern.
- 4.3.4 Changing Operations Supervisors from an 8-hour working shift pattern to a 12-hour working shift pattern.
- 4.3.5 Enhancing the Administrations Officers skills and responsibilities and change the Administration Officers job title to Administration and Resources Officer.
- 4.3.6 Overtime rates will be paid at 1.5x basic salary Monday to Saturday, and x2 basic salary on Sunday’s and Bank Holidays.

5 POLICY IMPLICATIONS

- 5.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

6 CONSULTATIONS

- 6.1 The Treasurer and Clerk to the Board have been consulted on this report and are in agreement with the contents. The trade unions have also been consulted and have agreed to allow the Bridge Manager to present the proposals outlined to the Board.

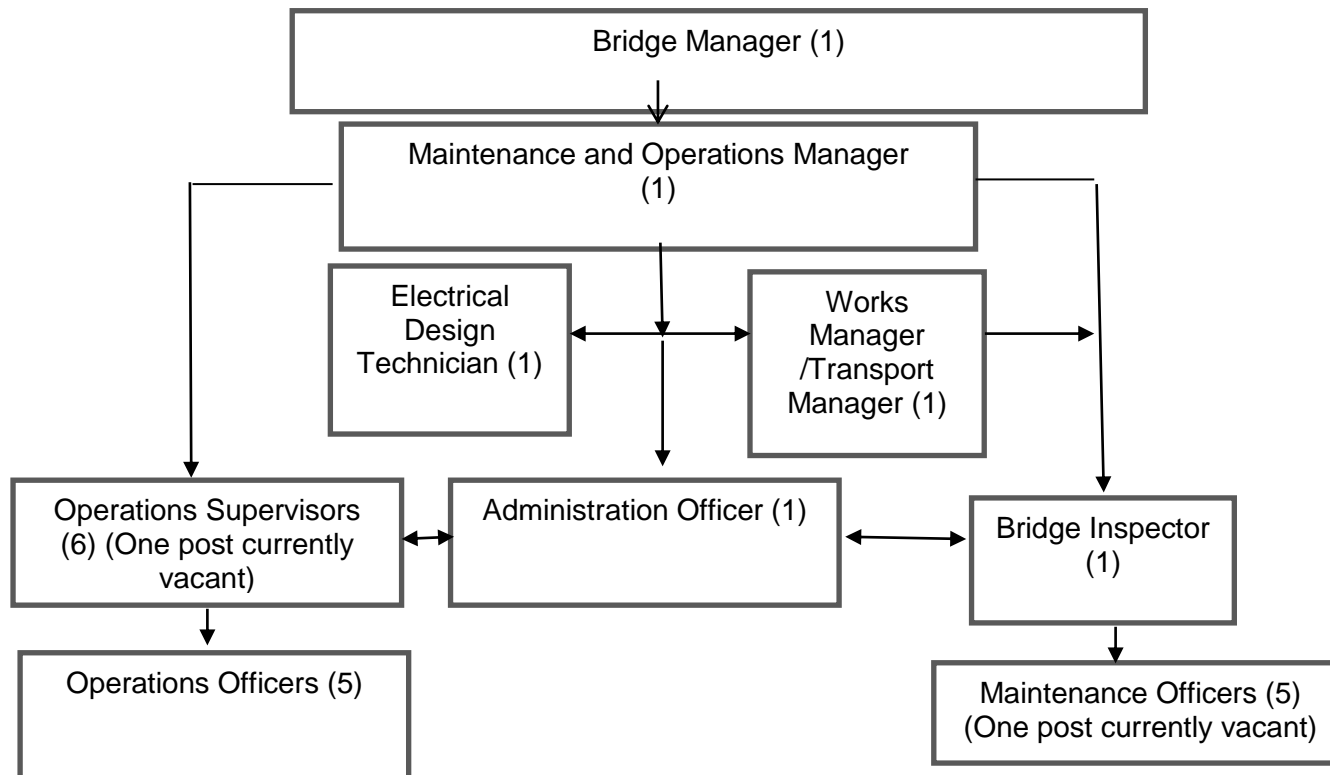
7 BACKGROUND PAPERS

- 7.1 None.

**ALAN HUTCHISON
BRIDGE MANAGER
2 JUNE 2021**

APPENDIX 1

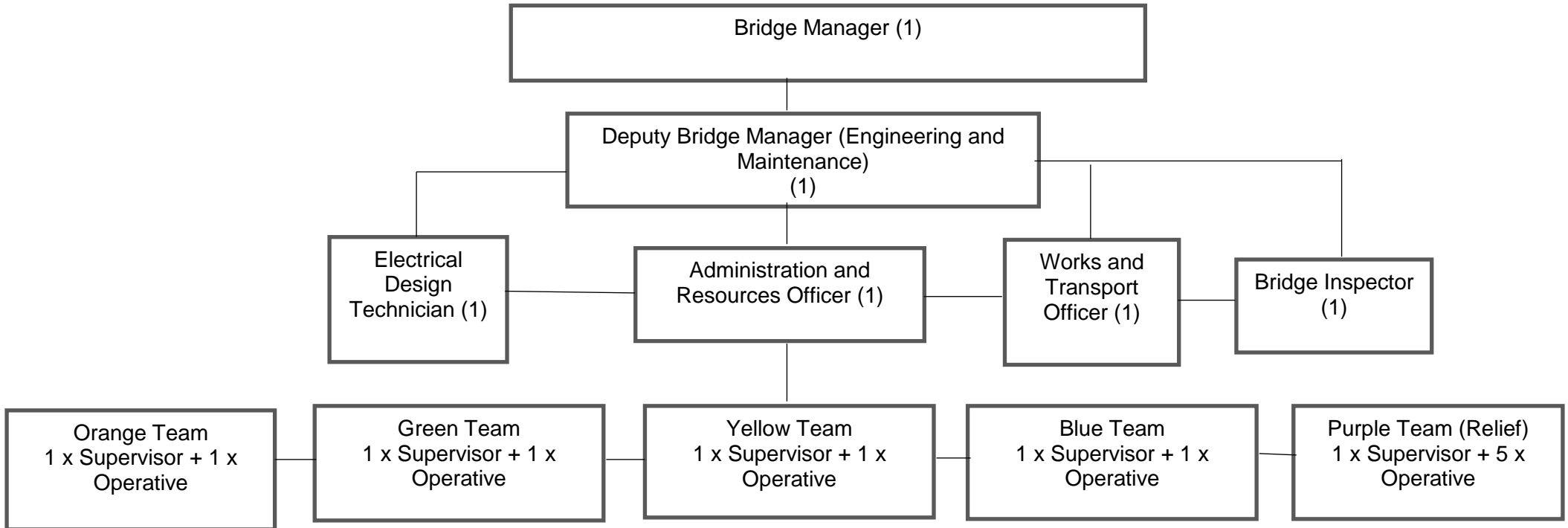
**TAY ROAD BRIDGE
EXISTING ORGANISATION STRUCTURE**



Total Number of Employees in this structure = 22 (Note: 2 posts are currently vacant)

APPENDIX 2

**TAY ROAD BRIDGE
PROPOSED ORGANISATION STRUCTURE FROM 1 JULY 2021**



Optimum Number of Employees in this structure = 20 (No reduction in current staffing level due to vacant posts in existing structure)

ITEM No ...5.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 14 JUNE 2021

REPORT ON: INTRODUCTION OF A SHARED COST AVC SCHEME

REPORT BY: BRIDGE MANAGER

REPORT NO: TRB 10-2021

1 PURPOSE OF REPORT

- 1.1 To seek approval for the proposed Shared Cost Additional Voluntary Contribution (SCAVC) Scheme for Local Government Pension Scheme members.

2 RECOMMENDATIONS

- 2.1 It is recommended that the Board approves the proposal to exercise its discretion under Regulation 17 of the Local Government Pension Scheme (Scotland) Regulations 2014, to approve the introduction of a Shared Cost AVC Scheme for Local Government Pension Scheme members. The scheme will initially be with Prudential and will be implemented through salary sacrifice via payroll.
- 2.2 Notes that any Salary Sacrifice Scheme is subject to HMRC approval and also that any changes in regulations in the future may directly impact on the scheme.

3 FINANCIAL IMPLICATIONS

- 3.1 If all employees currently paying regular AVCs (Additional Voluntary Contributions) to Prudential transferred to the Shared Cost arrangement (SCAVC) there would be minimal saving to the Tay Road Bridge Joint Board but increased benefits to each individual. An illustration of the savings for the employee and the employer is attached as Appendix 1.
- 3.2 The Board saving would increase if more employees joined because of the savings from this arrangement, or those currently contributing to Standard Life switched or transferred.

4 BACKGROUND

- 4.1 The Tay Road Bridge Joint Board are close partners with Dundee City Council (DCC) and share DCC's ambition to be a world class city and ensure positive outcomes for the people of Dundee, and also recognises that it is through our people that these ambitions will be realised. The Tay Road Bridge Joint Board also share DCC's aspiration to be an employer of choice will be achieved by reviewing our health and wellbeing policy to promote enhanced employee benefits.
- 4.2 AVCs are already an established employee benefit for the Tay Road Bridge Joint Board employees. AVCs are a tax efficient way to save for retirement because they attract tax relief. The LGPS have appointed the Prudential and Standard Life as their nominated AVC providers. Discussions have taken place with Prudential, and Prudential has confirmed its willingness to participate in a SCAVC scheme. The Prudential currently administer the SCAVC Scheme for Dundee City Council employees and it is therefore proposed that the Tay Road Bridge Joint Board also join this scheme.

- 4.3 A salary sacrifice scheme is a tax efficient vehicle that enables employees to purchase or lease assets, or enhance certain pension benefits, through an agreement between HMRC, the employer and a third-party provider. Employees can choose to “sacrifice” part of their annual pay in order to fund whatever benefit is included in the salary sacrifice scheme.
- 4.4 This sacrificed pay is deducted from the employee’s gross pay before the calculation of PAYE income tax and National Insurance Contributions (NIC), thereby generating savings for the employee. To comply with HMRC regulations, the employee’s contract of employment must be amended to reflect the new reduced rate of pay. The employee’s hourly rate of pay must not fall below the national minimum wage. All Tay Road Bridge Joint Board employees earn more than the national minimum wage.
- 4.5 As well as savings for the employee, the employer also benefits through a reduction in employer’s NICs payable on the sacrificed part of pay.
- 4.6 Under the current arrangements, the employee and the Tay Road Bridge Joint Board continue to pay NI contributions on the full salary. With recommended introduction of a SCAVC Scheme, the employee’s SCAVC payment will be paid direct to Prudential by the Tay Road Bridge Joint Board, and the employee’s gross salary will be reduced by the same amount, thus reducing the NI contributions made by both parties.
- 4.7 As there is a requirement for the cost of the SCAVC to be shared, the employee will also be required to contribute to the scheme, and so employees will be required to pay £1 per month into their SCAVC fund in addition to the contribution from the Tay Road Bridge Joint Board via the salary sacrifice arrangement.
- 4.8 The employee’s occupational pension will not be affected by the arrangement as the Tay Road Bridge Joint Board is permitted to treat the payment into the employee’s SCAVC fund as part of the pensionable pay.
- 4.9 In order to implement a SCAVC Scheme the Tay Road Bridge Joint Board must exercise its discretion under Regulation 17 of the Local Government Pension Scheme (Scotland) Regulations 2014.

5 POLICY IMPLICATIONS

- 5.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

6 CONSULTATION

- 6.1 The Treasurer and Clerk have been consulted in preparation of this report and are in agreement with the contents. The Trade Unions were also consulted.

7 BACKGROUND PAPERS

- 7.1 None

ALAN HUTCHISON
BRIDGE MANAGER
2 JUNE 2021

AVCs Savings Example**Savings for Employee:**

Anne's salary is £25,000 per year and she wishes to pay £3,000 in AVCs per year.

Normal AVCs

By choosing to pay the £3,000 by monthly deductions from her pay, she would get tax relief on the AVC payments of around £600 per year.

Shared Cost AVC Scheme

If she joins the Tay Road Bridge Joint Board's SCAVC Scheme, she would continue to benefit from the tax savings, but would also benefit from NICs savings of around £360 per year.

As part of the Shared Cost arrangement, she would be required to pay £1 a month in AVCs (£12 for the year).

Therefore, by participating in the Scheme, she would save around £948 per year (£600 + £360 - £12) compared to £600 per year under present arrangements.

Savings for Employer:

Employer National Insurance Contributions

13.8% of £3,000 = £414 per year

ITEM No ...6.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 14 JUNE 2021

REPORT ON: TENDER REPORT – IMPROVEMENTS TO ADMINISTRATION OFFICE COMPOUND

REPORT BY: BRIDGE MANAGER

REPORT NO: TRB 12-2021

1 PURPOSE OF REPORT

- 1.1 To authorise the appointment of Tayside Contracts to carry out asphaltting and gate improvement works to the Administration Office compound.

2 RECOMMENDATIONS

- 2.1 It is recommended that:

- The Clerk to the Board be instructed to accept the offer of £47,733.33 from Tayside Contracts, procured directly through the Dundee Roads Maintenance Partnership.
- The overall expenditure of £63,233.33 be authorised which includes an allowance of £9,500 for contingencies and £6,000 for professional fees associated with design, tender preparation and site supervision.

3 FINANCIAL IMPLICATIONS

- 3.1 The Treasurer advises that the above expenditure can be met from the allowance for resurfacing the Dundee compound within the Capital Budget for 2021/22.

4 BACKGROUND

- 4.1 The compound area to the south of the Administration Building is used to store materials required for operating and maintaining the bridge, including winter salt, de-icing fluids, bridge vehicles, etc.
- 4.2 The current asphalt surfacing is uneven and breaking up and is prone to water ponding and requires a high level of maintenance to keep the area serviceable.
- 4.3 The proposed works comprise the installation of a new asphalt surfacing in local areas of the compound that are heavily trafficked, along with the installation of a new sliding security gate to replace the current swing gate that is no longer fit for purpose.
- 4.4 It is anticipated that asphaltting of the compound will reduce the maintenance requirements of the area, and ensure that the surface is even, thus minimising water ponding and the risk of trips and falls for staff and reduced wear on vehicle tyres and suspension.
- 4.5 An offer of £47,733.33 has been received from Tayside Contracts through the Dundee Roads Maintenance Partnership to carry out the work as detailed above. The offer has been checked and is considered competitive and as such it is recommended that the offer be accepted. Allowance of £15,500 for professional fees and contingencies requires to be added. The Roads Maintenance Partnership is a

partnership delivered between Dundee City Council and Tayside Contracts and in accordance with Best Value, its performance is continually monitored in terms of project delivery, outcomes and costs in comparison to the external market.

5 POLICY IMPLICATIONS

- 5.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

6 CONSULTATIONS

- 6.1 The Clerk, Treasurer and Engineer have been consulted in the preparation of this report and are in agreement with the contents.

7.0 BACKGROUND PAPERS

- 7.1 None

ALAN HUTCHISON
BRIDGE MANAGER
2 JUNE 2021

ITEM No ...7.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 14 JUNE 2021

REPORT ON: RESPONSE TO INTERNAL AUDITOR'S ANNUAL REPORT TO MEMBERS

REPORT BY: BRIDGE MANAGER

REPORT NO: TRB 9-2021

1.0 PURPOSE OF REPORT

1.1 This report is in response to the Annual Report, ref 2021/06, prepared by the Board's Internal Auditor, Henderson Loggie, on Staff Recruitment and Retention/HR Policies, Capital Projects (Appendix 2), Procurement/Creditors Purchasing (Appendix 3) and previous Audit follow-up reviews (Appendix 4). A copy of the Internal Auditor's annual report is included as Appendix 1.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Board:

- i) Endorse this report as the formal response to the Internal Auditor's report.
- ii) Instruct the Bridge Manager to implement the Internal Auditor's recommendation as set out in paragraph 5.2.

3.0 FINANCIAL IMPLICATIONS

3.1 There are no financial implications associated with this report.

4.0 BACKGROUND

Introduction

4.1 The Board's Internal Audit Needs Assessment and Strategic Plan 2019 – 2022 (Henderson Loggie Report 2020/01 reported to December 2019 Board) is reviewed at least annually by Senior Management in conjunction with Henderson Loggie and external auditors, to take account of any changes in the Board's risk profile. The review in November 2020 resulted in an internal audit programme for 2020/21, detailed in Henderson Loggie Internal Audit Annual Plan 2021/01. This programme confirmed that Staff Recruitment and Retention/HR Policies, Capital Projects, Procurement/Creditors Purchasing and previous Audit follow-up follow up reviews were areas of risk to be reviewed in 2020/21.

5.0 REPORT

5.1 Internal Auditor's Annual Report (Appendix 1)

- i) The Internal Auditor's Annual Report, Ref 2021/06, describes the scope of the audit work undertaken, the specific objectives of the audit and the principal conclusions drawn from the review.
- ii) The report is based on the findings of the following individual reports:

2021/02	Staff Recruitment and Retention/HR Policies (presented to December 2020 Board)
2021/03	Capital Projects (included within Board papers appendix 2)
2021/04	Procurement/Creditors Purchasing (included within Board papers appendix 3)
2021/05	Follow-up Reviews (included within Board papers appendix 4)

Overall no significant issues identifying major internal control weaknesses were identified.

Action points identified are categorised as follows:

Priority 1 – Critical issues which require consideration by the Board
Number of Actions – Nil

Priority 2 – Significant matters which the Bridge Manager can resolve
Number of Actions – Nil

Priority 3 – Routine, less significant actions not requiring urgent action
Number of Actions – 5

5.2 Priority 3 Action Points

5.2.1 The following actions were agreed as a result of the recommendations of the 2021/02 Staff Recruitment and Retention/HR Policies Review:

- Steps should be taken to ensure that the staff appraisals process is re-established at the earliest opportunity, as the easing of COVID-19 restrictions allow, to prevent any further delay and potential disruption to staff development and training activity.

5.2.2 The following actions were agreed as a result of the recommendations of the 2021/03 Capital Projects Review (Appendix 2):

- Enhancing the format of the business case report to the Board
- Board reporting should ensure timelines around estimated delivery are documented and risks that are carried forward after project completion are documented and managed.

5.2.3 The following actions were agreed as a result of the recommendations of the 2021/05 Follow-up Reviews (Appendix 4):

- A checklist should be developed, which allows the Board to ensure that all documents required under the Construction Design Management (CDM) 2015 regulations have been received and to record where these documents are stored.
- Ensure that a formal programme of reporting of data protection issues is established which will allow the Joint Board to obtain reasonable assurance that an appropriate data protection compliance framework is in place and is operating.

6.0 POLICY IMPLICATIONS

6.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

7.0 CONSULTATION

7.1 The Clerk, Treasurer and the Engineer have been consulted in the preparation of this report and are in agreement with the content.

8.0 BACKGROUND PAPERS

8.1 None

**ALAN HUTCHISON
BRIDGE MANAGER
2 JUNE 2021**

Tay Road Bridge Joint Board

**Annual Report to the Joint Board and the Bridge
Manager on the Provision of Internal Audit
Services for 2020/21**

Internal Audit Report No: 2021/06

Draft issued: 29 April 2021

Final issued: 11 May 2021



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1. Annual Report and Opinion

Introduction

- 1.1 We were formally re-appointed in April 2019 as internal auditors of Tay Road Bridge Joint Board ('the Board') for the period 1 April 2019 to 31 March 2022. This report summarises the internal audit work performed during 2020/21.
- 1.2 An Audit Needs Assessment (ANA), based on the areas of risk that the Board is exposed to, was prepared as part of our internal audit programme for 2019/20 (internal audit report 2020/01, issued November 2019). The ANA was prepared following discussion with the Bridge Manager and senior Board officers and with reference to the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom. The ANA was prepared on the basis of the normal three-year internal audit cycle, covering the period 2019/20 to 2021/22. Work in the previous three-year cycle was used to update the key control environment. Following on from the ANA, a Strategic Plan was formulated covering the three-year cycle.
- 1.3 The Internal Audit Annual Plan 2020/21 reflected the allocation of days shown in Year 2 of the Audit Needs Assessment and Strategic Plan 2019 to 2022, with no changes made.
- 1.4 The work delivered in 2020/21 followed that set out in the Annual Plan for 2020/21. The reports submitted are listed in Section 2 of this report and a summary of results and conclusions from each finalised assignment is given at Section 3.
- 1.5 An analysis of time spent against budget is at Section 4.

Public Sector Internal Audit Standards (PSIAS) Reporting Requirements

- 1.6 The Board has responsibility for maintaining an effective internal audit activity. You have engaged us to provide an independent risk-based assurance and consultancy internal audit service. To help you assess that you are maintaining an effective internal audit activity we:
 - Confirm our independence;
 - Provide information about the year's activity and the work planned for next year in this report; and
 - Provide quality assurance through self-assessment and independent external review of our methodology and operating practices.

Internal Audit Annual Report 2020/21

- 1.7 Self-assessment is undertaken through:
- Our continuous improvement approach to our service. We will discuss any new developments with management throughout the year;
 - Ensuring compliance with best professional practice, in particular the PSIAS;
 - Annual confirmation from all staff that they comply with required ethical standards and remain independent of clients;
 - Internal review of each assignment to confirm application of our methodology which is summarised in our internal audit manual; and
 - Annual completion of a checklist to confirm PSIAS compliance. This is undertaken annually in April.
- 1.8 The results of our self-assessment are that we are able to confirm that our service is independent of the Board and complies with the PSIAS.
- 1.9 External assessment is built into our firm-wide quality assurance procedures. Annual quality reviews are conducted to confirm our continuing achievement of this quality. The latest independent review in March 2019 included our internal audit service. Overall, the review confirmed that the firm's policies and procedures relating to internal audit were compliant with the PSIAS in all material respects.

Significant Issues

- 1.10 There were no issues identifying major internal control weaknesses noted from the internal audit work carried out during the year. In general, procedures were operating well in the areas selected. However, a few areas for further strengthening of arrangements were identified and action plans have been agreed to address these issues. The agreed actions will be followed-up as part of our planned activity in 2021/22.
- 1.11 Our Follow-Up Reviews (Report 2021/05) reported that the Board had made little progress in fully implementing the two recommendations followed up as part of this review. There has been no opportunity to date to implement the recommendation raised in internal audit report 2020/03 – Management of Health & Safety, and the recommendation raised in internal audit report 2020/05 – Data Protection was expected to be completed when an annual summary of data protection issues is reported to the Joint Board in June 2021.
- 1.12 There were no instances of fraud identified during the course of the audit work carried out during the year.

Opinion

- 1.13 In our opinion, overall, the Board operates adequate internal control systems as defined in the Audit Needs Assessment. The audit and assurance work has not identified any significant gaps in the Board's control environment that would increase the risk of financial loss. This opinion has been arrived at taking into consideration the internal audit, risk management and other assurance work that has been undertaken during 2020/21 and in previous years since our original appointment in 2010.

2. Reports Submitted

Number	Title	Overall Grade	Recommendations	Priority 1	Priority 2	Priority 3
2021/01	Annual Plan	N/A	-	N/A	N/A	N/A
2021/02	Staff Recruitment and Retention / HR Policies	Good	1	-	-	1
2021/03	Capital Projects	Satisfactory	2	-	-	2
2021/04	Procurement and Creditors / Purchasing	Good	-	-	-	-
2021/05	Follow-Up Reviews	N/A	2 of 2 recommendations not yet implemented	-	-	2
2021/06	Annual Report	N/A	N/A	N/A	N/A	N/A

Overall gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

Action Grades

Priority 1	Issue subjecting the organisation to material risk and which requires to be brought to the attention of the Joint Board
Priority 2	Issue subjecting the organisation to significant risk and which should be addressed by the Bridge Manager.
Priority 3	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.



3. Summary of Results and Conclusions

2021/01 – Internal Audit Annual Plan 2020/21

Final Issued – November 2020

The purpose of this document was to present, for consideration by the Joint Board, the annual operating plan for the year ended 31 March 2021. The plan was based on the proposed allocation of audit days for 2020/21 set out in the ANA and Strategic Plan 2019 to 2022.

The detailed scope, objectives, and audit approach for each audit assignment to be undertaken, arrived at following discussion with the Bridge Manager, were set out in the report.

2021/02 – Staff Recruitment and Retention / HR Policies**Final Issued – November 2020**

The scope of this audit was to consider whether the Board is making best use of its staff and included a high-level review of workforce planning; training; and succession planning.

Strengths

- The Board provides a range of learning and development opportunities for staff.
- Staff have access to a suite of online training material which provides them with flexible opportunities for learning and development.
- The Board's approach to training is informed by an assessment of where there are skills / knowledge / performance gaps, with appropriate review and authorisation of training provision to ensure that it is appropriate.
- Training needs are assessed annually as part of the Employee Performance and Development Review and after completion of each individual element of training through the use of evaluation forms.
- The Board's Recruitment and Selection procedures are adequate and demonstrate that the Board has a clear and robust recruitment process, which meets the relevant requirements of employment and equalities legislation.

Weaknesses

- Issues relating to long-term staff sickness absences and the impact of COVID-19, has resulted in the staff annual appraisal process not operating in line with the Board's procedures during the last 12 months. The Board is currently liaising with a similar organisation to share good practice and understand how it has adapted its staff appraisal procedures during the pandemic and is aiming to re-establish the process for 2021/22.

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2021/02 – Staff Recruitment and Retention / HR Policies (continued)

Final Issued – November 2020

The table below notes each separate objective for this review and records the results:

Objective	Findings		
	1	2	3
The objectives of this audit were to obtain reasonable assurance that:			
1. The Board has a systematic approach for ensuring that its staff resources match identified need in order to deliver planned commitments. Where gaps are identified, timely action is taken to close these gaps.	Good	-	-
2. A systematic process is used for providing feedback to staff on performance and agreeing action to improve performance, where necessary.	Satisfactory	-	1
3. The Board's approach to training, including induction training, is clearly informed by an assessment of where there are skills / knowledge / performance gaps.	Good	-	-
4. The Board has a systematic approach to evaluating its training to ensure that it is achieving the desired impact.	Good	-	-
5. HR policies and related procedures for the recruitment and selection of staff comply with employment and equalities legislation.	Good	-	-
Overall Level of Assurance	Good	-	1

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2021/03 – Capital Projects

Final Issued – April 2021

The scope of this review was to review complete a Gateway review around the project management arrangements for the Refurbishment of the Control Tower project in relation to:

- Business Justification
- Delivery Strategy
- Investment Decisions
- Readiness for Service, and
- Operations Review and Benefits Realisation.

Strengths

- Reporting to the Board was transparent over the initial business case and tender process.
- Relative to the size of the organisation, the project plan was presented to the Board as part of discussions around the Board's 10-year Capital Plan.
- The project was managed through monthly Site Progress Meetings with the contractor and review of progress reports prepared by Willmott Dixon / Robertson Construction that also monitored key performance indicators.
- As part of the tender exercise, a construction plan and costing of works was provided. Project progress and costs were monitored by the Dundee City Council Contract Administrator and reported to progress on costs to TRBJB management.
- The project timeline and costs were impacted by the COVID-19 pandemic and national restrictions which resulted in the project slipping from a twenty-week project to the forty-one-week project, however, both the Board and Transport Scotland were kept informed of the project progress throughout. Reporting slippage in costs to the Board was transparent.
- A project risk register was in place, with a significant risk relating to the project added to the Board's risk register and monitored in line with good practice.

Opportunities

- To improve transparency over arrangements, the format of the business case should be enhanced in line with good practice to ensure it captures management review around contractor cost options, appraisal options, risks, benefit realisation and benefit monitoring, timelines, and key milestones (including timing of gateway reviews on costs), governance and reporting arrangements, and the process around lessons learned; and
- The project was completed at a time when national COVID-19 restrictions were being reintroduced by the Scottish Government in December 2020. A Project Completion Meeting between Board management and the Contractor was therefore not held prior to approving the practical completion of works. Management should ensure that the project's risk register and outstanding issues list are reviewed and updated. Completion meetings for future capital projects should be established to ensure that the project risk register is reviewed, risks are closed off, with any outstanding issues and their potential impacts on final delivery and costs reported to the Board.
- We noted that there were gaps in formally reporting adjusted project completion timelines to the Board as a result of delays, although management confirmed that these were discussed verbally during Board meetings. Going forward management are to provide the Board with an Engineering Report which will include updates on progress, proposed milestones, and any revised timeline for project deliveries for all capital projects.

Internal Audit Annual Report 2020/21

2021/03 – Capital Projects (continued)

Final Issued – April 2021

The table below notes each separate objective for this review and records the results:

Objective		Findings		
		1	2	3
The objectives of this audit were to obtain reasonable assurance that good practice was adopted in relation to:				
1. The project's business case, plans, and tender process together with other relevant project documentation.	Satisfactory		-	1
2. Progress monitoring reports and reports to the Joint Board.	Good	-	-	-
3. Progress with the project to date and assess reasonableness of completion targets.	Good	-	-	-
4. An examination of the estimated project costs against actual costs to date and review estimated costs to completion.	Satisfactory	-	-	1
Overall Level of Assurance	Satisfactory	-	-	2

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2021/04 – Procurement and Creditors / Purchasing

Final Issued – April 2021

This audit focused on the systems of internal control in place for the ordering of goods and services and the payment of invoices.

We also considered whether the procurement strategy followed and procedures in place support best value purchasing in relation to non-pay spend (other operating expenses plus equipment fixed asset additions).

No significant weaknesses were noted during this review.

The table below notes each separate objective for this review and records the results:

Objective	Findings		
	1	2	3
The objective of this audit was to obtain reasonable assurance that:			
	No. of Agreed Actions		
1. the Board's Procurement Policy, Strategy and procurement guidance are comprehensive, kept up-to-date and in line with the Procurement Reform (Scotland) Act 2014 ('the Act') and The Procurement (Scotland) Regulations 2016 ('the Regulations').	Good	-	-
2. procurement procedures ensure that: <ul style="list-style-type: none"> ▪ areas of high spend are monitored appropriately. ▪ opportunities for pooling of expenditure are identified in order to achieve best value; and ▪ collaborative procurements and frameworks available to the Board are utilised where appropriate. 	Good	-	-
3. purchase orders are completed for relevant purchases and are approved by members of staff with sufficient delegated authority prior to issue to suppliers, with the risk of unauthorised and excessive expenditure being minimised.	Good	-	-
4. the Board's procurement guidance on quotes and tenders and selection of contractors, together with the Act and Regulations, are being complied with.	Satisfactory	-	-
Overall Level of Assurance	Good	-	-
System meets control objectives.			

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2021/05 – Follow-Up Report**Final Issued – April 2021**

We carried out a follow up review of recommendations made in the following internal audit reports issued during 2019/20:

- 2020/03 – Management of Health & Safety; and
- 2020/05 – Data Protection.

Reports 2020/01, 2020/02, 2020/04, 2020/06 and 2019/07 did not contain an action plan and therefore no follow-up was required as part of this review.

The Board had made little progress in fully implementing the two recommendations followed up as part of this review. There had been no opportunity during the year to implement the action raised in internal audit report 2020/03 – Management of Health & Safety, and the recommendation raised in internal audit report 2020/05 – Data Protection is expected to be completed when an annual summary of data protection issues is reported to the Joint Board in June 2021.

Area	From Original Reports		From Follow-Up Work Performed		
	Rec'n Grades	Number Agreed	Fully Implemented	Partially Implemented	Little or No Progress Made
Management of Health & Safety	1	-	-	-	-
	2	-	-	-	-
	3	1	-	-	1
Total		1	-	-	1
Data Protection	1	-	-	-	-
	2	-	-	-	-
	3	1	-	-	1
Total		1	-	-	1
Overall Total		2	-	-	2

4. Time Spent – Actual v Budget

	Report number	Planned days	Actual days fee'd	Days to fee at April 2021	Days to spend / WIP	Variance
Staffing Issues						
Recruitment and Retention / HR Issues	2021/02	4	4	-	-	-
Estates and Facilities						
Capital Projects	2021/03	3	3	-	-	-
Financial Issues						
Procurement and Creditors / Purchasing	2021/04	4	-	4	-	-
Other Audit Activities						
Management and Planning)	2021/01	2	1	1	-	-
External audit)						
Attendance at Joint Board meetings)						
Follow-up reviews	2021/05	2	-	2	-	-
		_____	_____	_____	_____	_____
Total		15	8	7	-	-
		=====	=====	=====	=====	=====

5. Operational Plan for 2021/22

- 5.1 Following our appointment as internal auditors for the period from 1 April 2019 to 31 March 2022 we prepared an Audit Needs Assessment and Strategic Plan for 2019 to 2022 (internal audit report 2020/01, issued in November 2019).
- 5.2 The following is an extract from the Strategic Plan, in relation to 2021/22. This will be discussed with management and updated if appropriate before being finalised for next year.

Proposed Allocation of Audit Days 2021/22

Audit Area	Risk Register Ref.	Previous IA Coverage	Proposed 2021/22 Days
Staffing Issues			
Payroll	7, 9	2016/17	3
Estates and Facilities			
Asset Security / Management	4, 5, 6	2018/19	3
Organisational Issues			
Risk Management / Business Continuity Planning	All	2016/17	2
Corporate Governance	7	2018/19	3
Other Audit Activities			
Management & planning, attendance at Joint Board meetings & liaising with external audit			2
Follow-up			2
Total			15

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Tay Road Bridge Joint Board

Capital Projects

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LEVEL OF ASSURANCE

Satisfactory

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Level of Assurance

In addition to the grading of individual recommendations in the action plan, audit findings are assessed and graded on an overall basis to denote the level of assurance that can be taken from the report. Risk and materiality levels are considered in the assessment and grading process as well as the general quality of the procedures in place.

Gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

Action Grades

Priority 1	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Joint Board.
Priority 2	Issue subjecting the organisation to significant risk and which should be addressed by the Bridge Manager.
Priority 3	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.

Management Summary

Overall Level of Assurance

Satisfactory	System meets control objectives with some weaknesses present.
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Risk Assessment

This review focused on the controls in place to mitigate the following risks on the Tay Road Bridge Joint Board's ('the Board') Risk Register:

8 - Failure to deliver projects to time and/or cost (risk rating: low).

Background

As part of our 2020/21 Internal Audit annual plan, a Gateway style review was completed to assess whether capital projects over the 2020/21 financial year were being managed and delivered on time and within budget and have achieved the stated benefits set out in the initial business case. This included a review of the project's governance arrangements in place at the Board.

The Board secures its Capital funding by year-on-year with the Scottish Government Capital Grant through the conduit of Transport Scotland. The Joint Board's 2020/2021 Capital Expenditure Programme of £1,475,000 was approved by the Board on 2 December 2019.

In March 2019, the Board gave approval for the Refurbishment of the Tay Road Bridge Control Tower to be tendered and in December 2019 the Board gave approval for a direct Award to Willmott Dixon, with works to be completed by Robertson Construction. The award was made through the Procurement Hub framework agreement between Dundee City Council and Willmott Dixon with the contract signed on 4 April 2020.

A preconstruction order was approved by the Board to allow works on site to commence in January 2020. However, the project was suspended on 24 March 2020 due to the first COVID-19 pandemic national lockdown. At that point, approximately 40% of the roof works, 95% of the temporary control room, and 95% of the new mess room had been completed.

The works resumed in July 2020, with the contract extended to November 2020. Practical completion was consequently approved by management on 23 December 2020 for the Control Room and 29 January 2021 for the complete works. At the time of our audit, discussions between Dundee City Council and Wilmot Dixon in relation to the final COVID-19 cost of the project were ongoing.

With future capital projects planned, it is essential that the Board adopts good project management practices and adopt effective controls to ensure that works are delivered to the right cost, time, and expectations.

Capital Projects

Scope, Objectives and Overall Findings

The scope of this review was to review complete a Gateway review around the project management arrangements for the Refurbishment of the Control Tower project in relation to:

- Business Justification
- Delivery Strategy
- Investment Decisions
- Readiness for Service, and
- Operations Review and Benefits Realisation.

The table below notes the objectives for this review and records the results:

Objective	Findings			
	1	2	3	
The objectives of this audit were to obtain reasonable assurance that good practice was adopted in relation to:				
1. The project's business case, plans, and tender process together with other relevant project documentation.	Satisfactory	0	0	1
2. Progress monitoring reports and reports to the Joint Board.	Good	0	0	0
3. Progress with the project to date and assess reasonableness of completion targets.	Good	0	0	0
4. An examination of the estimated project costs against actual costs to date and review estimated costs to completion.	Satisfactory	0	0	1
Overall Level of Assurance	Satisfactory	0	0	2
		System meets control objectives with some weaknesses present		

Audit Approach

We completed a review of specific project plans, tender documentation, budgets, other reports used to monitor contractor performance and project outcomes by management. We also reviewed the governance and reporting arrangements to the Board and Transport Scotland.

Summary of Main Findings

Strengths

- Reporting to the Board was transparent over the initial business case and tender process.
- Relative to the size of the organisation, the project plan was presented to the Board as part of discussions around the Board's 10-year Capital Plan.
- The project was managed through monthly Site Progress Meetings with the contractor and review of progress reports prepared by Willmott Dixon / Robertson Construction that also monitored key performance indicators.
- As part of the tender exercise, a construction plan and costing of works was provided. Project progress and costs were monitored by the Dundee City Council Contract Administrator and reported to progress on costs to TRBJB management.
- The project timeline and costs were impacted by the COVID-19 pandemic and national restrictions which resulted in the project slipping from a twenty-week project to the forty-one-week project, however, both the Board and Transport Scotland were kept informed of the project progress throughout. Reporting slippage in costs to the Board was transparent.
- A project risk register was in place, with a significant risk relating to the project added to the Board's risk register and monitored in line with good practice.

Opportunities

- To improve transparency over arrangements, the format of the business case should be enhanced in line with good practice to ensure it captures management review around contractor cost options, appraisal options, risks, benefit realisation and benefit monitoring, timelines, and key milestones (including timing of gateway reviews on costs), governance and reporting arrangements, and the process around lessons learned; and
- The project was completed at a time when national COVID-19 restrictions were being reintroduced by the Scottish Government in December 2020. A Project Completion Meeting between Board management and the Contractor was therefore not held prior to approving the practical completion of works. Management should ensure that the project's risk register and outstanding issues list are reviewed and updated. Completion meetings for future capital projects should be established to ensure that the project risk register is reviewed, risks are closed off, with any outstanding issues and their potential impacts on final delivery and costs reported to the Board.
- We noted that there were gaps in formally reporting adjusted project completion timelines to the Board as a result of delays, although management confirmed that these were discussed verbally during Board meetings. Going forward management are to provide the Board with an Engineering Report which will include updates on progress, proposed milestones, and any revised timeline for project deliveries for all capital projects.

Acknowledgements

We would like to take this opportunity to thank the staff at the Board who helped us during our audit.

Main Findings and Action Plan

Objective 1: To obtain reasonable assurance that good practice was adopted in relation to the project's business case plans and tender process together with other relevant project documentation.

In 2015, a survey was completed on the TRBB's offices which identified water damage and thermal inefficiency. A business case to refurbish the Control Tower and staff mess facility was then developed to aid control room supervisors deliver their day-to-day duties.

Our review of reporting to the Board noted there was transparency over the initial business case and tender process, as follows:

- March 2019 - a proposal for the Repairs to Tay Road Bridge Administration Office was reported and approved by the Board. At this point the purpose, recommendation, financial implications, background, and consultations were presented and the proposal to tender approved by the Board. At this point, Dundee City Council (DCC) Architectural Services, who act as the Professional Consultancy Services to assist the Board, had costed the work at £300,000 including professional consultancy fees that management noted would be met from the Board's 2019/20 Capital Budget.
- October 2019 - further costings were provided to the Board as part of the tendering process and a tender bid of £399,931 was received from Robertson Construction Ltd.
- December 2019 – the Board approved that DCC award the contract to Willmott Dixon/ Robertson Construction through the Procurement Hub framework. Information supplied included the priced bills of quantities and preliminary project plan, roles, and responsibilities. The Board approved:
 - expenditure of £505,895 inclusive of an allowance of £105,964 associated with professional fees, contingencies, and non-contract allowances,
 - £130,000 of specialist equipment upgrades (message sign controls, passenger lift management system, and a new fire alarm), and
 - £50,000 for replacement windows.
 The total cost of the works amounted to approximately £686,000.
- January 2020 – the award letter was provided to Willmott Dixon / Robertson Construction and the preconstruction order was signed between the Board and Willmott Dixon / Robertson Construction.
- March 2020 – the Board noted the contract to Willmott Dixon/ Robertson Construction.

Clarification of Willmott Dixon, parent company of Robertson Construction, on the contract to the March 2020 Board impacted on the timing of works commencing to that originally estimated to occur between January 2020 and June 2020. The contract was signed by the Board and Willmott Dixon on the 4 April 2020 and contract appendixes detailed the breakdown of project costs and timeline, roles, and responsibilities by the contractor, as well as costs per day if the project ran late.

Capital Projects

Objective 1: To obtain reasonable assurance that good practice was adopted in relation to the project’s business case plans and tender process together with other relevant project documentation. (continued)

Observation	Risks	Recommendation	Management Response		
<p>While the information provided to the Board included a business justification, the format of the initial business case report did not fully reflect Scottish Public Finance Manual good practice to provide the Board full transparency over the following:</p> <ul style="list-style-type: none"> • appraisal options that were considered before the preferred contractor was chosen. A direct award to Willmott Dixon/ Robertson Construction was made from the DDC Procurement Hub framework. Good practice would present assessment of top four suppliers to demonstrate how best value for money was achieved. • expected benefits and how management will measure those benefits to ensure there is return on investment. • risk assessment around the success of the project and any scenario planning. • timeline and milestones that would highlight gateway points and review of progress. • information around the governance arrangements for the review and monitoring of proposed work completed – including details of the Senior Responsible Officer (SRO); and • the method around the assessment of lessons learned. At the time of our audit, we noted that this had still to be completed, despite work completing in January 2021. <p>As the project’s business case was approved pre-COVID-19, it therefore did not account for scenarios involving contractor restrictions. Management worked closely with contractors and DDC and reporting to Board was transparent as issues arose such as national restrictions brought about by COVID-19.</p>	<p>The impact of not having a formal business case format was not significant for the size and scale of the Control Room Refurbishment project. However, larger, more complex capital projects may not be delivered in line with the expected quality, cost, and timeline.</p>	<p>R1 Management should have a formal business case established that provides transparency over the following arrangements:</p> <ul style="list-style-type: none"> • the appraisal options that were considered before the preferred contractor was chosen, • the expected benefits and the process on how management will measure those benefits to ensure there is return on investment. We noted that there were gaps in formally reporting progress to the Board of key project milestones timelines of proposed versus actual in the Control Tower Refurbishment is being mitigated with an Engineering Report for all Capital Projects that will detail proposed milestones and any revised timeline for project delivery. • risks around the success of the propose project, • proposed timeline and delivery milestones summary, • governance arrangements including details of the SRO, and • how management will assess lessons learned. <p>Management should consider building in COVID-19 restriction needs into reviews of capital project business cases and seek advice from Transport Scotland around any contingency requirement brought by Government restrictions.</p>	<p>Agreed. Bridge Manager to ensure that a formal business case process is established for all major capital projects.</p> <p>To be actioned by: Bridge Manager</p> <p>No later than: 31 March 2022</p> <table border="1" data-bbox="1758 1241 2157 1385"> <tr> <td data-bbox="1758 1241 1966 1385">Grade</td> <td data-bbox="1966 1241 2157 1385">3</td> </tr> </table>	Grade	3
Grade	3				

Capital Projects

Objective 2: To obtain reasonable assurance that good practice was adopted in relation to the progress monitoring reports and reports to the Joint Board.

While governance arrangements were not documented within the business case, they were noted to be operating in practice. Progress updates and costs were reported at each Board meeting as part of discussions on the Board's Capital Plan with project cost breakdowns reviewed in reports provided. In June 2020, the Board was provided with a descriptive report detailing progress and reasons around delays due to the first period of the COVID-19 lockdown from March 2020. A timeline for completion, however, was not in place at that time. In September 2020, a low risk around delivery of the refurbishment project was added to the Board's Operational Risk Register (Reference 8 - Failure to deliver projects to time and/or cost at the Board).

There was also a reporting framework established with Transport Scotland with monthly liaison meetings held between the Board and Transport Scotland. The September 2020 Board minutes detailed discussion around the progression of work in June 2020 and the implications of restrictions due to COVID-19 on delivery, including costs and timeline.

As noted under Objective 1, there was operational review of the progress of the project through Site Meetings held with the Board's management and construction management. Contractor performance reports and key performance indicators were reviewed together with the project's risk register, produced by Willmott Dixon / Robertson Construction. No issues were noted from this review.

Capital Projects

Objective 3: To obtain reasonable assurance that good practice was adopted in relation to the reporting on the progress of the project to date and assess reasonableness of completion targets.

As part of the tender exercise, a construction plan and costing of works was provided. The review of the proposed timeline and achievement of milestones was aligned to the financial progress reporting and monitoring by the DCC Contract Administrator. As noted above, progress was reported to the Board and Transport Scotland and review of project documentation noted these updates were accurate.

In September 2020, a revised programme of works was presented to account for social distancing between different contractors within the small control room. The project had slipped from a 20-week contract to a 41-week contract. A revised completion date was estimated for the end of November 2020. The total expenditure at that time was reported as £686,000, which was in line with the original budget approved by the Board in December 2019.

In practice, the practical completion of the Control Tower refurbishment was completed on 30 November 2020. The Practical Completion of All Works was formally issued on 4 February 2021 that recorded the building warrant, electrical certificate, and building control certification had all been obtained.

At the time of finalisation of our audit report discussions around final costs between DCC and Contractors remained ongoing (see Objective 4).

Review of Board papers during 2020 noted that although the Board was updated on the progress of the refurbishment project and costs, it was noted that revisions to the original timelines of key milestones were not formally documented in the reports to the Board. Discussions with management noted normally updates would be included in the Engineering report to the Board but did not on this occasion, and this will be the format for all capital projects moving forward.

Capital Projects

Objective 4: To obtain reasonable assurance that good practice was adopted in relation an examination of the estimated project costs against actual costs to date and review estimated costs to completion.

Project budget monitoring was administered by Dundee City Council (DCC) Architectural Services on behalf of the Board. DCC monitored variations and any additional works by the Contractor, as well as any changes in fees. A summary of expenditure was supplied to the Board management for review and reported to each Board meeting. The review of costs reported to the Board against DCC workings noted no variances.

The project costs, however, were impacted by restrictions brought about by the COVID-19 pandemic. The following statement was reported to the Board in March 2021:

“The original 2020/2021 budget was £200,000. The Tender report for the programmed works (Report TRB 33-2019) anticipated total expenditure of £686,000. Expenditure in 2019/2020 was £263,000 resulting in a revised budget for 2020/2021 of £423,000. The slippage of works from 2019/2020 was due to delays in starting the contract and the COVID-19 lockdown period. The revised budget for 2020/2021 is anticipated to be £482,000. This consists of an additional £50,000 as the programme slipped by 20 weeks to cope with social distancing measures and timings for different sub-contractors. There was also £9,000 of additional works added to the programme relating to Surge Protection.”

The costs have remained unchanged to that reported to the Board in September 2020, however discussions regarding final costs remained ongoing between DCC and the contractor in relation to additional COVID-19 costs at the time of our audit.

Capital Projects

Objective 4: To obtain reasonable assurance that good practice was adopted in relation an examination of the estimated project costs against actual costs to date and review estimated costs to completion (continued)

Observation	Risks	Recommendation	Management Response		
<p>The repair to the office was complicated by COVID-19 restrictions extending the project’s timeline and the furlough of the DCC Contract Administrator. The COVID-19 extenuating circumstances impacted on a final project “Wash Up Meeting” not being held prior to completion of works, in line with good practice.</p> <p>Our review of the project’s risk register (30 November 2020) and a separate list of outstanding issues (12 December 2020) noted items that had not been updated at the time of our audit despite practical completion of works being concluded.</p> <p>We acknowledge that most projects will have an outstanding list to be carried forward post completion; however, outstanding actions did not adopt SMART (smart, measurable, attainable, realistic, timely) good practice. Therefore, it is not clear when the outstanding issues were likely to be resolved, the owners assigned to each action, and any costs aligned to outstanding work.</p>	<p>Assurance around final timelines and costs to delivery of the project.</p>	<p>R2 In line with good project management requirements, the project completion process should ensure that risks identified on the risk register and outstanding issues relating to works are reviewed prior to final completion.</p> <p>The format of the Outstanding List should also be reviewed, such as using an excel spreadsheet. Actions should adopt SMART good practice and include details around when they were raised, target dates, estimated and actual costs, and their owners.</p> <p>Management should review the project risk register and outstanding issue list to ensure work and mitigating actions are completed. Outstanding work and costs should be reported to the Board.</p>	<p>Agreed. Bridge Manager will review the project risk register and outstanding issue list to ensure work and mitigating actions are completed. Any outstanding work and costs will be reported to the Board.</p> <p>To be actioned by: Bridge Manager.</p> <p>No later than: 31 December 2021</p> <table border="1" data-bbox="1639 1198 2101 1300"> <tr> <td data-bbox="1639 1198 1892 1300">Grade</td> <td data-bbox="1892 1198 2101 1300">3</td> </tr> </table>	Grade	3
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Tay Road Bridge Joint Board

Procurement and Creditors / Purchasing

Internal Audit Report No: 2021/04

Draft issued: 30 April 2021

2nd draft issued: 10 May 2021

Final issued: 11 May 2021

LEVEL OF ASSURANCE

Good

Contents

	Page No.
Section 1	Management Summary
	<ul style="list-style-type: none"> • Overall Level of Assurance 1 • Risk Assessment 1 • Background 1 • Scope, Objectives and Overall Findings 2 • Audit Approach 3 • Summary of Main Findings 3 • Acknowledgements 3
Section 2	Main Findings and Action Plan 4 - 8

Level of Assurance

In addition to the grading of individual recommendations in the action plan, audit findings are assessed and graded on an overall basis to denote the level of assurance that can be taken from the report. Risk and materiality levels are considered in the assessment and grading process as well as the general quality of the procedures in place.

Gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

Action Grades

Priority 1	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Joint Board.
Priority 2	Issue subjecting the organisation to significant risk and which should be addressed by the Bridge Manager.
Priority 3	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.

Management Summary

Overall Level of Assurance

Good	System meets control objectives.
-------------	----------------------------------

Risk Assessment

This review focused on the controls in place to mitigate the following risks on the Joint Board's ('the Board') Risk Register:

2 – Legislative changes, e.g., Health & Safety, Environmental, Procurement, etc. (risk rating: medium)

Background

As part of the Internal Audit programme at the Board for 2020/21 we carried out a review of the Board's procurement processes and systems. The Audit Needs Assessment, issued in November 2019, identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Joint Board and the Bridge Manager that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

Ensuring that there are robust procurement rules and procedures is important to ensure that the Board is purchasing goods and services that represent best value while ensuring compliance with the Procurement Reform (Scotland) Act and related regulations.

Expenditure should have a Purchase Order (PO) raised and authorised prior to placing orders with suppliers. All POs must be authorised in line with the authority limits detailed in the Board's Financial Regulations and Tender Procedures. POs are matched to invoices prior to being processed through the finance system and passed for payment.

Procurement and Creditors / Purchasing

Scope, Objectives and Overall Findings

This audit will focus on the systems of internal control in place for the ordering of goods and services and the payment of invoices.

We will also consider whether the procurement strategy followed and procedures in place support best value purchasing in relation to non-pay spend (other operating expenses plus equipment fixed asset additions).

The table below notes each separate objective for this review and records the results:

Objective	Findings			
	1	2	3	
The specific objectives of the audit were to ensure that:				
1. The Board's Procurement Policy, Strategy and procurement guidance are comprehensive, kept up-to-date and in line with the Procurement Reform (Scotland) Act 2014 ('the Act') and The Procurement (Scotland) Regulations 2016 ('the Regulations').	Good	0	0	0
2. Procurement procedures ensure that: <ul style="list-style-type: none"> • areas of high spend are monitored appropriately. • opportunities for pooling of expenditure are identified to achieve best value; and • collaborative procurements and frameworks available to the Board are utilised where appropriate. 	Good	0	0	0
3. Purchase orders are completed for relevant purchases and are approved by members of staff with sufficient delegated authority prior to issue to suppliers, with the risk of unauthorised and excessive expenditure being minimised.	Good	0	0	0
4. The Board's procurement guidance on quotes and tenders, together with the Act and Regulations, are being complied with.	Satisfactory	0	0	0
Overall Level of Assurance	Good	0	0	0
		System meets control objectives		

Audit Approach

From discussions with the Bridge Manager and other relevant staff, we established what procurement strategies, procedures and monitoring arrangements are in place. These were then evaluated to establish if they follow recognised good practice.

Specifically, we established whether the procurement procedures ensure that areas of high spend are monitored appropriately, identifying opportunities for pooling of expenditure to achieve best value, and ensuring that joint purchasing arrangements are utilised where appropriate.

A sample of items of expenditure were selected from the financial ledger and tested to ensure compliance with the Board's Financial Regulations and Procedures. This included a review of the tender process and selection of successful contractors for capital works awarded in the year.

Summary of Main Findings

Strengths

- The Board has procurement procedures which provide sufficient detail for staff to follow when carrying out procurement exercises.
- The Board has procurement procedures that are up-to-date and in line with the applicable requirements of the Procurement Reform (Scotland) Act 2014 ('the Act') and The Procurement (Scotland) Regulations 2016 ('the Regulations').
- The Board has procurement procedures that ensure areas of high spend are monitored appropriately, opportunities for pooling expenditure are identified to achieve best value and collaborative procurements and frameworks available to the Board are utilised where appropriate.
- For a sample of 15 items of expenditure we confirmed that the value recorded on the finance system agreed to the original invoice.
- For the sample of 15 items of expenditure tested we found that in all cases, the Board's procurement procedures had been followed, including, where applicable, obtaining the required number of quotes, conducting a tender exercise where the appropriate threshold had been reached, publishing contract opportunities on the Public Contracts Scotland procurement portal and undertaking mini-competitions or selecting suppliers from national framework agreements.

Weaknesses

- No significant issues were identified during our review.

Acknowledgements

We would like to take this opportunity to thank the staff at the Board who helped us during our audit.

Main Findings and Action Plan

Objective 1: The Board's Procurement Policy, Strategy and procurement guidance are comprehensive, kept up-to-date and in line with the Procurement Reform (Scotland) Act 2014 ('the Act') and The Procurement (Scotland) Regulations 2016 ('the Regulations').

The Board does not have a distinct procurement policy. Instead, procurement guidance and procedures are included in the Board's Tender Procedures which include details of authority and authorisation thresholds. Some basic guidance is also contained in the Financial regulations which refer to detailed guidance contained within the Tender Procedures. Both documents were reviewed and updated in March 2018. Discussion with staff showed there have been no significant changes to the Board's procurement processes or staff responsibilities requiring the procedures to be updated and so this would appear appropriate in terms of the context given below.

The Procurement Reform (Scotland) Act 2014 ('the Act') was enacted on 18 April 2016 and created new public procurement rules aimed at improving public sector purchasing of goods, works and services in Scotland. All procurement for services and supplies above £50,000 in value and all works above £2 million have now become 'regulated contracts'. The Act also requires larger spending contracting authorities with significant procurement spend (where the total value of regulated contracts in a year exceed £5 million) to produce a Procurement Strategy before the start of any given financial year, setting out how it intends to carry out its regulated procurements (or to review its Procurement Strategy for the current financial year and make such revisions to it as the authority considers appropriate). The Board's regulated contracts for 2020/21 are below £5m and so the Board is not required to produce a Procurement Strategy or Annual Procurement Report.

Under current legislation, public bodies that are required to prepare a Procurement Strategy are also required to publish a two year forward plan outlining upcoming procurement activity. The Board is not required to produce a two year forward plan.

The Board's Tender Procedures outlines the Board's procurement principles, which all staff are expected to follow. The Procedures include guidance for staff on the selection of approved suppliers, and detailed procedures for varying procurement levels based on the anticipated value of goods or services. All staff are expected to adhere to the Policy and procedures to achieve best value.

Procurement and Creditors / Purchasing

Objective 2: Procurement procedures ensure that:

- ◆ areas of high spend are monitored appropriately;
- ◆ opportunities for pooling of expenditure are identified to achieve best value; and
- ◆ collaborative procurements and frameworks available to the Board are utilised where appropriate.

As noted under objective 1 above, the Board is not required to produce a formal Procurement Strategy; however tender and office procedures have been developed to ensure best value is achieved when purchasing goods / services. A Tender Procedure Waiver Request Form has recently been introduced for circumstances where it is deemed appropriate to waive typical procurement procedures, for example in the procurement of specialist goods and services where there is a single or a limited number of suppliers. This should be completed by Board staff and authorised by the Bridge Manager, Dundee City Council's Procurement Manager, and the Clerk to the Board. The Board no longer maintain their own suppliers list and now make use of the approved suppliers list managed by Dundee City Council. In addition to this there are also a small number of specialist suppliers as the nature of the Bridge operations means there may only be one supplier able to provide an appropriate good or service. By using Dundee City Council's approved suppliers, the Board can obtain the same level of discounts for goods / services as the Council.

A framework agreement is a purchasing agreement that sets out the price, quality, and quantity under which supply contracts can be made over a defined period. The main advantage of such agreements is that the Board would not be required to go through a full tendering process where goods or services can be procured under an existing framework agreement, which can result in resource savings.

There are several existing frameworks available to the Board, including Scotland Excel (the Centre of Procurement Expertise for the local government sector in Scotland) through Dundee City Council's procurement team. Where relevant opportunities exist the Board also makes use of Tayside Procurement Consortium contracts, which can give the Board access to goods / services at a lower procurement cost by removing the need to conduct a separate tender exercise.

The Board has previously made limited use of national framework agreements. However, from discussion with the Bridge Manager we understand that the Board is aware of existing frameworks and these are reviewed prior to incurring significant spend to identify any suitable frameworks which would provide opportunities for reducing costs and obtaining best value. Many of the areas of high spend are specialist in nature due to the uniqueness of the Tay Road Bridge and therefore there are limited opportunities for accessing frameworks due to the limited number of suppliers, particularly for specialist repair work.

Procurement and Creditors / Purchasing

Objective 3: Purchase orders are completed for relevant purchases and are approved by members of staff with sufficient delegated authority prior to issue to suppliers, with the risk of unauthorised and excessive expenditure being minimised.

Purchase Orders (POs) are a key control to ensure that purchases are authorised before they are ordered. POs are authorised by the appropriate budget holder and, where required by the financial procedures, a second signatory, prior to the order being sent to suppliers. Invoices received are matched to the corresponding POs and, where applicable, Goods Received Notes (GRNs) before payment is passed.

Operations and maintenance staff do not authorise POs and this is done by the Bridge Manager, or the delegated to a member of the management team in his absence. The Administration Officer can authorise small orders up to £500.

A sample of 15 items of expenditure were selected from the financial ledger and tested to ensure compliance with the Board's Financial Regulations and Procedures. From 15 purchases selected for testing we found that a PO had been raised on 11 occasions. The remaining four purchases related to the safety boat service and engineering maintenance work undertaken by Dundee City Council under the Service Level Agreement and a large project relating to the refurbishment of the bridge control room, all of which had previously been subject to a competitive tender or applied a Framework agreement and therefore no PO was required to be raised. In all 15 cases we confirmed that the POs and corresponding invoices were appropriately authorised, description of the goods ordered matched those invoiced, and the value recorded on the finance system agreed to the original invoice.

In all cases tested we found that, where applicable, POs had been appropriately authorised in line with the Board's procedures. As non-essential Board staff were working remotely during COVID-10 restrictions it was not possible for management to physically evidence authorisation of invoices and all invoices received were approved electronically by the Bridge Manager, or a member of the management team in his absence.

Budget monitoring is a key control to ensure that expenditure is not excessive. The Bridge Manager reviews budget reports produced by the Dundee City Council Finance team to ensure that sufficient budget exists before placing orders.

All invoices are stamped when uploaded into the Dundee City Council portal where finance staff then post into the finance system. The system flags up any duplicate invoices or invoices with the same value that have been posted to the same supplier. Such controls help to prevent invoices being paid twice in error.

Monthly management reports, issued by the Council to the Board's management team, highlight for each revenue budget head the monthly and cumulative actual spend; full year budget; balance available; and percentage spent. These reports allow the management team to identify actual and potential budget overspends. The Departmental Accountant at Dundee City Council and the Bridge Manager also meet, at least quarterly, to discuss the Board's current and projected revenue and capital expenditure. In addition, quarterly revenue and capital monitoring reports are issued to the Joint Board.

Procurement and Creditors / Purchasing

Objective 4: The Board's procurement guidance on quotes and tenders, together with the Act and Regulations, are being complied with.

For the sample of 15 items of expenditure tested we found that in all 15 cases the Board's procurement procedures had been followed, including, where applicable, obtaining the required number of quotes, conducting a tender exercise where thresholds had been reached, publishing contract opportunities on the Public Contracts Scotland procurement portal and undertaking mini-competitions or selecting suppliers from national framework agreements.

Included within our sample were two purchases relating to capital works with a contract value in excess of £50,000. We found that in one instance a tender had been undertaken as required by the Board's Tender Procedures. The other item was part of a wider capital project relating to the refurbishment of the Bridge control room. In this case a Framework supplier was used. Each instance was reported to the Joint Board for approval in accordance with the Board's Tender Procedures.

Included in our sample was one item of expenditure valued between £25,000 and £50,000. Per the Board's procurement documentation, purchases at this level should be completed with a tender or use of a compliant framework. The item related to professional fees associated with the above-mentioned refurbishment of the Bridge control room. These professional services were undertaken by Dundee City Council, falling under the under the Engineering Services - Service Level Agreement in place with Dundee City Council and as such, a tender was not required.

Included within our sample were three purchases valued between £10,000 and £25,000. Per the Board's procurement documentation, purchases at this level should be completed with a tender or use of a compliant framework and in addition to this should be authorised by the Board or Clerk. For the first item, a full tender had been undertaken in 2019 with a total of 7 quotes received in line with requirements. This was also approved by the Board. The second item related to Engineer to the Board charges and was undertaken by Dundee City Council. This falls within the charges agreed as part of the delivery of the Service Level Agreement with Dundee City Council and therefore no quotes were required to be obtained or tender or tender exercise undertaken. The third item was for specialist repairs to the carriageway of the bridge. Discussions with the Bridge Manager noted that due to the specialist nature of the purchase, there was only one supplier in place to perform the required repair and as such, no tender was undertaken. Although a tender was not conducted in accordance with the Board's procedures our review found that the Bridge Manager had notified the Clerk to the Board of the contract award. This purchase was undertaken prior to the introduction of the Tender Procedure Waiver Request Form and as such was the accepted procedure at the time of purchase.

Six purchases within our sample were valued between £1,000 and £10,000. Per the Board's procurement documentation, purchases at this level require three competitive quotes but a full tender is not required. In all instances we found a purchase order had been raised. One of these six items tested related to repairs to joints on the bridge. We found that only one quote had been obtained as the specialist nature of the goods / service meant that only one supplier was available to undertake the work. For two items, a framework was used and for a further two, tender exercises were undertaken. For the final item, no tender was undertaken, or quotes obtained, however for this item, which related to the routine check of a Board's vehicle, a service agreement was taken out with the vehicle supplier and all checks of the vehicle were covered by the agreement therefore no further procurement exercise was required.

Objective 4: The Board's procurement guidance on quotes and tenders, together with the Act and Regulations, are being complied with (continued).

The remaining three purchases in our sample were valued at under £1,000, with one valued at under £500. No quotes are required for items under £500 as long as an approved supplier is used. For items above £500 but below £1,000 three quotes should be sought. For the item under £500, an approved supplier was used in line with procurement requirements. For the remaining two items, these related to larger purchases where competitive tenders were carried out in line with the Board's procedures.

Included within our sample were three purchases relating to capital works each with a contract value of more than £50,000. We found that in one instance a tender had been undertaken in accordance with the Board's procedures, and one further instance where the Board had utilised a national procurement framework. Each instance was reported to the Joint Board for approval in accordance with the Board's tender procedures. Our sample also included one purchase valued between £25,000 and £50,000 and this related to professional fees associated with the above mentioned refurbishment of the Bridge control room. These professional services were undertaken by Dundee City Council, falling under the under the Engineering Services - Service Level Agreement in place with Dundee City Council and as such, a tender was not required.

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Tay Road Bridge Joint Board

Follow-Up Reviews

2020/21

Internal Audit Report No: 2021/05

Draft issued: 30 April 2021

Final issued: 11 May 2021



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1. Management Summary

Introduction and Background

We have been appointed as Internal Auditors to the Tay Road Bridge Joint Board ('the Board') for the period 1 April 2019 to 31 March 2022. The Internal Audit Plan for 2020/21 includes time for follow-up work on the recommendations made in our Internal Audit reports issued during 2019/20. These were:

- 2020/03 – Management of Health & Safety
- 2020/05 – Data Protection

Reports 2020/01, 2020/02, 2020/04, 2020/06 and 2020/07 did not contain an action plan and therefore no follow-up was required as part of this review.

Report 2020/06, Follow-Up Review 2019/20, did not include any outstanding actions that required to be followed up again this year.

Audit Scope and Objectives

The objective of our follow-up review is to assess whether recommendations made in internal audit reports from 2019/20, and previous years, have been appropriately implemented and to ensure that, where little or no progress has been made towards implementation, that plans are in place to progress them.

Audit Approach

The audit approach taken was as follows:

- to request from responsible officers for each report listed above an update on the status of implementation of the recommendations made;
- to ascertain by review of supporting documentation, for any significant recommendations within the reports listed above, whether action undertaken has been adequate; and
- preparation of a summary of the current status of the recommendations for the Board.

Follow-Up Review 2020/21

Overall Conclusion

The Board has made little progress in fully implementing the two recommendations followed up as part of this review. There has been no opportunity to date to implement the action raised in internal audit report 2020/03 – Management of Health & Safety, and the recommendation raised in internal audit report 2020/05 – Data Protection is expected to be completed when an annual summary of data protection issues is reported to the Joint Board in June 2021.

Area	From Original Reports		From Follow-Up Work Performed		
	Rec'n Grades	Number Agreed	Fully Implemented	Partially Implemented	Little or No Progress Made
Management of Health & Safety	1	-	-	-	-
	2	-	-	-	-
	3	1	-	-	1
Total		1	-	-	1
Data Protection	1	-	-	-	-
	2	-	-	-	-
	3	1	-	-	1
Total		1	-	-	1
Overall Total		2	-	-	2

The grades, as detailed below, denote the level of importance as they relate to each individual recommendation:

Priority 1	Issues which require the consideration of the Joint Board.
Priority 2	Significant matters which the Bridge Manager can resolve.
Priority 3	Less significant matters, which do not require urgent attention, but which should be followed up within a reasonable timescale.

Acknowledgments

We would like to take this opportunity to thank the staff at the Board who assisted us during our review.



Appendix I - Updated Action Plan: Internal Audit Report 2020/03 – Management of Health & Safety

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at April 2021
<p>R1 A checklist should be developed, which allows the Board to ensure that all documents required under the CDM 2015 regulations have been received and to record where these documents are stored. This should include:</p> <ul style="list-style-type: none"> • Confirmation that a principal designer and principal contractors have been appointed; 	3	<p>Agreed. A project file will be created for each new project at the following location in the secure management T drive:</p> <p>T:\TRB-Management\H&S - Controlled Documentation\CDM</p> <p>Check list to be created by September 2020.</p>	Yes	Bridge Manager	30 September 2020	<p>This is still outstanding. The Bridge Manager has agreed to make sure that this is in place prior to September 2021 or earlier should a suitable project be undertaken.</p> <p><i>Little or no Progress Made</i></p> <p>Revised Date of Completion: 31 December 2021</p>

Follow-Up Review 2020/21

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at April 2021
<p>R1 (Continued)</p> <ul style="list-style-type: none"> • That a Pre-construction Information form has been completed which identifies that project specific hazards have been identified and correctly referenced to Risk Assessment Method Statements (RAMS); • Where applicable, confirmation that projects have been notified to the HSE; • Construction phase plans have been received; • Confirmation that all RAMS have been provided; • Where applicable, confirmation that the principal designer has notified the HSE; and <p>On completion of the contract that the contractor has provided a H&S file.</p>						



Appendix II - Updated Action Plan: Internal Audit Report 2020/05 – Data Protection

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at April 2021
R1 Ensure that a formal programme of reporting of data protection issues is established which will allow the Joint Board to obtain reasonable assurance that an appropriate data protection compliance framework is in place and is operating.	3	Agreed. This can be added to the TRBJB Board agenda. The Bridge Manager to agree with Board Officers when and format for how this will be reported prior to September 2020 Board.	Yes	DCC Committee Services Officer / Bridge Manager	September 2020 Board meeting	<p>The Bridge Manager will liaise with the DCC Committee Services Officer to make sure this is added to the Agenda for the June 2021 Joint Board Meeting.</p> <p>Little or no Progress Made</p> <p>Revised Date of Completion: June 2021 Board meeting</p>

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ITEM No ...8.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 14 JUNE 2021

REPORT ON: LOCAL CODE OF CORPORATE GOVERNANCE

REPORT BY: TREASURER

REPORT NO: TRB 5-2021

1 PURPOSE OF REPORT

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

2 RECOMMENDATIONS

It is recommended that the Joint Board:-

- i) Approves the compliance review and updated Local Code of Corporate Governance as detailed in Appendix A.
- ii) Notes the progress against the 2020/2021 improvement action plan in Appendix 1.
- iii) Approves the implementation of the improvements listed in Appendix 2 for 2021/2022.

3 FINANCIAL IMPLICATIONS

None.

4 BACKGROUND

4.1 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 the Code including the requirement to improve accountability to the public and stakeholders by explaining how the Board has resolved any governance issues raised in the previous year's statement. An Annual Governance Statement is included in the Board's Annual Accounts and is also reported separately to the Joint Board.

4.2 The annual review seeks to maintain a high standard of corporate governance and to ensure continuous improvement. Previous compliance reviews suggested a high level of compliance with the guidelines although areas of improvement were identified and acted upon. These included revision of the Joint Board's Standing Orders. All Internal Audit and External Audit reviews are also reported to the Joint Board.

5 CURRENT COMPLIANCE REVIEW

5.1 The current compliance review was carried out by senior officers who reviewed the existing guidance to consider Corporate Governance issues and their implications for the Joint Board.

5.2 Consistent use of the same scoring mechanism supports year on year monitoring of improvement and allows the Board to assess the extent of its compliance with the guidelines as presented in the Appendix 3. The scoring mechanism suggests that the Joint 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. This will also help inform the overall Improvement Agenda in the Joint Board's Annual Governance Statement.
- 5.4 In addition, as part of the Annual Governance Statement the Bridge Manager completes a self-assessment checklist, of the Board's own governance, risk management and internal control arrangements. This involved the completion of a 55-point checklist covering seven key governance areas of Service Planning and Performance Management; Internal Control Environment; Fraud Prevention and Detection; Budgeting, Accounting and Financial Control; Risk Management and Business Continuity; Asset Management; and Partnerships. This again indicated a high level of compliance.
- 5.5 The UK Government announced a lockdown on 23 March 2020 in response to the Covid 19 pandemic. This has had a major impact on the management and operations of the bridge. Management took immediate action to safeguard employees and bridge users. These actions were taken to maintain resilience and ensured bridge availability and the continued safety of employees and bridge users during this challenging and unprecedented time. Business Continuity Planning / Incident Response meetings were held between key personnel and guidance issued to all staff on a regular basis.
- 5.6 The Local Code of Corporate Governance assesses governance in place during 2020/2021 so the majority of the year was affected by coronavirus. The conclusion on whether or not governance is fit for purpose should reflect the normal operations. However, coronavirus has impacted on governance since March 2020 and this report has to reflect the circumstances at the time of publication and the impact on governance.
- The impact on governance affected the Board, for example changes to decision making arrangements whereby the following procedures were implemented for Board business from 23 March 2020 until the resumption of normal Board meetings in September 2020:
- All non-essential Board business was deferred to ensure that all Board Members and all Officers can concentrate the maximum possible time and effort on supporting the Board through the Coronavirus period;
 - Referring to the Board's existing [Scheme of Delegation](#) of Powers to Officers in order to ensure that Officers acted in accordance with the powers which the Board has already delegated; and
 - All essential Board business which was not covered by the Scheme of Delegation of Powers to Officers was dealt with as urgent matters arising between meetings (i.e. by the Clerk, in consultation with the Chair and Vice-Chair of the Tay Road Bridge Joint Board).

6 POLICY IMPLICATIONS

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

7 CONSULTATIONS

The Clerk, Bridge Manager and Engineer to the Joint 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).

**ROBERT EMMOTT
TREASURER**

1 JUNE 2021



Tay Road Bridge

LOCAL CODE OF CORPORATE GOVERNANCE

JUNE 2021

TAY ROAD BRIDGE JOINT BOARD

LOCAL CODE OF CORPORATE GOVERNANCE (2020/2021)

FOREWORD

Tay Road Bridge Joint Board strives to meet the highest standards of corporate governance to help ensure that it meets its objectives. The Joint 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.

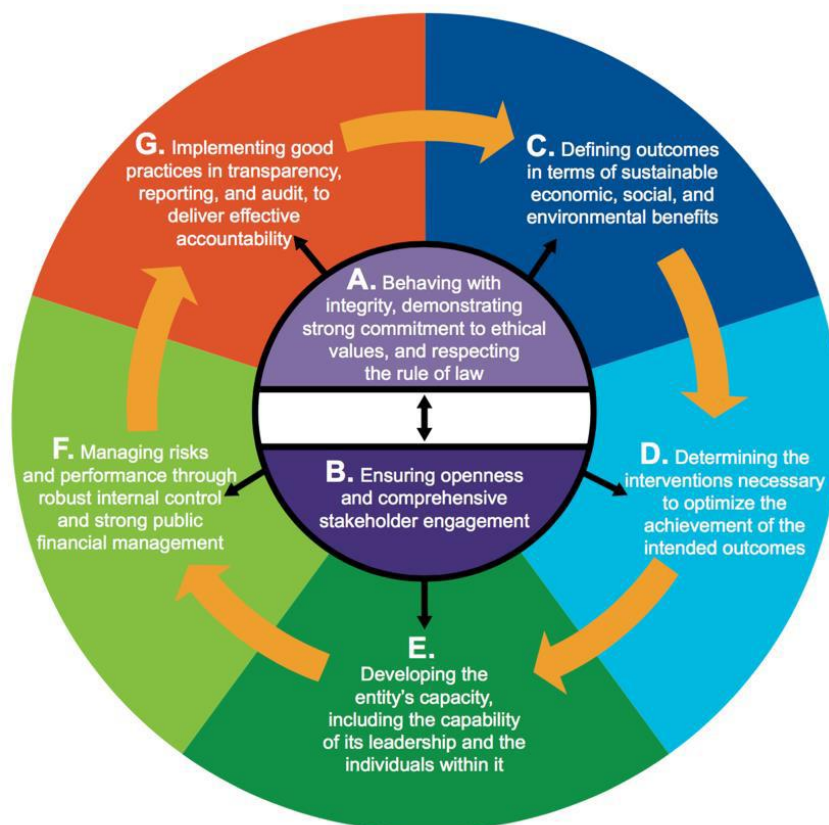
The Joint Board is committed to effective decision-making that is transparent and open to genuine scrutiny. It therefore provides on its website (www.tayroadbridge.co.uk) details of its plans, procedures and performance.

DEFINITION

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

THE CODE

The Local Code of Corporate Governance for the Joint Board consists of seven main principles of good governance derived from CIPFA's Delivering Good Governance in Local Government: Framework (2016):-



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

The Joint 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 Joint Board has a [Members' Code of Conduct](#) and an Officers Code of Conduct in addition to the [Standing Orders of the Board](#), [Financial Regulations](#), [Tender Procedures](#), and [Delegation of Powers](#) as well as [Fraud Guidelines](#) and Disciplinary Procedures. The Joint 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 Joint 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.

B. ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

The Joint Board has implemented a [Strategic Plan 2019 - 2024](#) that shows a clear link between the Board's strategic objectives, performance measures, and financial resources.

The Joint 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 Joint Board and published on the website. The Joint Board also has a [Freedom of Information Policy](#). The Joint 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 Joint Board has a Communications Strategy in place to ensure that it effectively engages with stakeholders.

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

C. DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL AND ENVIRONMENTAL BENEFITS

The Joint Board's structure, functions and powers are prescribed in the [Tay Road Bridge Order Confirmation Act 1991](#).

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

The Joint Board's [Strategic Plan 2019 - 2024](#) shows a clear link between the Board's strategic objectives and its performance measures. Regular reporting to the Joint Board also 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 and Strategic Risk Register in place.

D. DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES

The Joint Board's Budget compared to actual expenditure is closely scrutinised and overspends and underspends are reported to the Joint 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 mitigated 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 Joint Board has a Service Level Agreement in place for various services from Dundee City Council to ensure that the Joint 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, Communications, 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.

E. 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 Joint Board to monitor and manage resources to ensure compliance with the Joint 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 Joint Board is involved.

The Joint Board provides induction training for new members designed to provide background information on the Joint 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 Joint 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.

F. MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

The Joint Board has a developed Risk Management Strategic Plan and 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 Joint Board employees or members of the public
- Protect Joint 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 Joint Board's ability to deliver services. The Joint Board has a high level Business Continuity Plan which sets out the arrangements by which the Joint 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. The actions detailed in the Business Continuity Plan have been implemented during the current Covid19 crisis and it will continue to be updated to reflect changing circumstances.

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

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

The Joint Board's accounts include an annual corporate governance statement.

G. IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY, REPORTING AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY

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

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

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

The Joint 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 Joint 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 Joint 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 BOARDIMPROVEMENT AGENDA FOR 2020/2021 WITH PROGRESS UPDATES

ORIGINAL IMPROVEMENT AGENDA						PROGRESS UPDATE	
	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
1	Training for Bridge Management to avoid unconscious bias recruitment.	Local Code of Corporate Governance 2018/2019 (Principle A: Integrity & Ethics).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020	17/09/2020	Course was delivered online "Skills to Mitigate Bias and Inclusive Recruitment" by Equate Scotland.
2	Update Data Protection procedures to ensure compliance with GDPR: Develop Records Management Plan.	Local Code of Corporate Governance 2018/2019 (Principle A: Integrity & Ethics and F: Managing Risks & Performance).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020		Meeting to review current GDPR procedures with DCC Compliance Officer was cancelled in March 2020 due to Covid. This will be rearranged. Existing policy "Guidance on Information Record Management to be reviewed at compliance meeting. Ongoing to ensure continuing compliance. Carried forward with new target date by December 2021. *
3	Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements.	Local Code of Corporate Governance 2018/2019 (Principle B: Openness and E: Developing the Entity).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020		In progress. New website has been developed following consultation with service users. Test or Draft website has been shared with TRBJB members. To be rolled out after comments received and acted upon. Carried forward with new target date by December 2021. *
4	Update Bridge Byelaws.	Local Code of Corporate Governance 2019/2020 (Principle A: Integrity & Ethics) & Internal Audit Report (2019/2) Compliance with Legislation.	Carried forward from 2019/2020. In progress.	Clerk / Bridge Manager	31/12/2020		In progress. The Byelaws must be made available in hard copy to the public. This is challenging given Covid-19 restrictions and lockdown. To be made available as soon as Scottish Government reduce restrictions on movement and access to public buildings.

							Carried forward with new target date by December 2021. *
5	Revise Whistle-Blowing Policy.	Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020		Bridge Manager to liaise with DCC HR and take to Board meeting in 2021. Carried forward with new target date by December 2021. *
6	Hold monthly Management Meetings instead of quarterly to improve control given number of capital and inspection surveys due from 2020.	Local Code of Corporate Governance 2019/2020 (Principle D: Achieving Intended Outcomes).	New for 2020/2021.	Bridge Manager	31/12/2020		In progress. Current IT equipment does not support MS Teams or other video sharing platforms. An IT bid was made on 28 September 2020 to secure appropriate hardware to allow access for staff. Pressures on IT hardware are unprecedented and this will be delivered when resources allow. Carried forward with new target date by December 2021. *
7	Review structure and shift patterns of Operations team to improve staff welfare and service to users.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	New for 2020/2021.	Bridge Manager	31/03/2021		In progress. Union consultation ongoing. Staff Consultation issued 13 January 2021. Carried forward with new target Implementation date of 31 December 2021. *
8	Bridge manager development and performance review to be re-established.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	New for 2020/2021.	Engineer	31/03/2021		To be implemented 2021 after key appointment of Deputy Manager in March 2021. Carried forward with new target date by December 2021. *
9	Introduce procedure that allows DCC procurement to approve / challenge bridge officer decisions to waiver tender procedures in order to provide a third party check and balance.	Local Code of Corporate Governance 2019/2020 (Principle F: Managing Risks & Performance).	New for 2020/2021.	Treasurer	31/12/2020	26/03/2021	New Tender Procedure Waiver form was finalised and approved. Implementation date was 26 March 2021.
10	Develop checklist to assist in collation and recording of all evidence required to demonstrate compliance with CDM 2015 Regulations.	Internal Audit Report 2020/03 Management of Health & Safety.	New for 2020/2021.	Bridge Manager	31/12/2020		No projects planned, so delayed due to competing priorities. Carried forward with new target date by December 2021. *
11	Ensure that a formal programme of reporting of data protection issues to the	Internal Audit Report 2020/05 Data Protection.	New for 2020/2021.	Clerk / Bridge Manager	31/12/2020		Bridge manager will liaise with Committee Clerk. Carried forward with new target date

	Joint Board.						by December 2021. *
12	Transport and Works Manager and Administration Officer to attend training course on Recruitment and Interviewing to enable the Board to recruit more effectively at all levels.	Annual Governance Self-Assessment Checklist.	New for 2020/2021.	Bridge Manager	31/03/2021		This training must also be given to the new Deputy Manager appointed March 2021. Carried forward with new target date by December 2021. *
13	Review the Board's response to the Covid 19 crisis.		New for 2020/2021.	Bridge Manager	31/03/2021		Ongoing. Risk assessments in place. Bridge Manager reviews latest government guidance online and looks out for changes to Scottish Government advice. Carried forward with new target date by December 2021. *

* Carried forward items have been included in Appendix 2 with new target completion dates.

TAY ROAD BRIDGE JOINT BOARD

IMPROVEMENT AGENDA FOR 2021/2022

	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Details
1	Update Data Protection procedures to ensure compliance with GDPR: Develop Records Management Plan.	Local Code of Corporate Governance 2018/2019 (Principle A: Integrity & Ethics and F: Managing Risks & Performance).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
2	Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements.	Local Code of Corporate Governance 2018/2019 (Principle B: Openness and E: Developing the Entity).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
3	Update Bridge Byelaws.	Local Code of Corporate Governance 2019/2020 (Principle A: Integrity & Ethics) & Internal Audit Report (2019/2) Compliance with Legislation.	Carried forward from 2019/2020. In progress.	Clerk / Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
4	Revise Whistle-Blowing Policy.	Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
5	Hold monthly Management Meetings instead of quarterly to improve control given number of capital and inspection surveys due from 2020.	Local Code of Corporate Governance 2019/2020 (Principle D: Achieving Intended Outcomes).	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
6	Review structure and shift patterns of Operations team to improve staff welfare and service to users.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
7	Bridge manager development and performance review to be re-established.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	Carried forward from 2020/2021.	Engineer	31/12/2021	Carried forward from 2020/2021. In progress.
8	Develop checklist to assist in collation and recording of all evidence required to demonstrate	Internal Audit Report 2020/03 Management of Health & Safety.	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.

	compliance with CDM 2015 Regulations.					
9	Ensure that a formal programme of reporting of data protection issues to the Joint Board.	Internal Audit Report 2020/05 Data Protection.	Carried forward from 2020/2021.	Clerk / Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
10	Transport and Works Manager and Administration Officer to attend training course on Recruitment and Interviewing to enable the Board to recruit more effectively at all levels.	Annual Governance Self-Assessment Checklist.	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
11	Review the Board's response to the Covid 19 crisis.		Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
12	Develop a TRB Team Charter to help convey core service values/ standards to managers and employees.	Local Code of Corporate Governance 2020/2021 (Principle A: Integrity & Ethics & B: Openness).	New for 2021/2022.	Bridge Manager	31/03/2022	Source: Local Code of Corporate Governance checklist.
13	Revise Communications Policy.	Local Code of Corporate Governance 2020/2021 (Principle B: Openness).	New for 2021/2022.	Bridge Manager	31/03/2022	Source: Local Code of Corporate Governance checklist.
14	Establish a formal business case process for all major capital projects.	Internal Audit Report 2021/03 Capital Projects.	New for 2021/2022.	Bridge Manager	31/03/2022	Source: Internal Audit Report 2021/03 Capital Projects.



Local Code of Corporate Governance 2020/2021 - 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 Board.

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	Tay Road Bridge Joint Board	Date	...01/04/2021.....	
Name and Designation	Alan Hutchison Bridge Manager			
<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 2021/2022 financial year to further enhance the Board's governance arrangements in the areas identified for improvement.</i>			Yes	<input checked="" type="checkbox"/>
			No	<input type="checkbox"/>
<i>If no, please provide details</i>				

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 A		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.				
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	Behaving with integrity	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>Examples from CIPFA's Delivering Good Governance in LG Guidance Notes 2016 (in Grey):</p> <ul style="list-style-type: none"> • <i>Codes of conduct</i> • <i>Individual sign off with regard to compliance with code</i> • <i>Induction for new members and staff on standard of behaviour expected</i> • <i>Performance appraisals</i> <ul style="list-style-type: none"> • Members Code of Conduct Councillors Code of Conduct • Fraud Guidelines • Anti-Bribery Policy • Annual Governance Statement. • Local Code of Corporate Governance • Employee Appraisals. • Standing Orders Scheme of Delegation Tender Procedures Financial Regulations • Induction training for new members. 	4	
		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	<ul style="list-style-type: none"> • <i>Communicating shared values with members, staff, the community and partners</i> • Members Code of Conduct Councillors Code of Conduct • Fraud Guidelines 	4	

		build on the Seven Principles of Public Life (the Nolan Principles).	<ul style="list-style-type: none"> • Anti-Bribery Policy • Annual Governance Statement • Local Code of Corporate Governance • Strategic Plan 2019-2024 		
	1.3	Leading by example and using these standard operating principles or values as a framework for decision making and other actions.	<ul style="list-style-type: none"> • <i>Decision making practices</i> • <i>Declarations of interests made at meetings</i> • <i>Conduct at meetings</i> • <i>Shared values guide decision making</i> • <i>Develop and maintain an effective standards committee</i> • Members Code of Conduct Councillors Code of Conduct • Fraud Guidelines • Anti-Bribery Policy • Annual Governance Statement • Local Code of Corporate Governance • Standing Orders Scheme of Delegation • Tender Procedures Financial Regulations • Strategic Plan 2019-2024 	4	

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

PRINCIPLE A (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
		1.4 Demonstrating, communicating 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.	<ul style="list-style-type: none"> • <i>Anti-fraud and corruption policies are working effectively</i> • <i>Up-to-date register of interests (members and staff)</i> • <i>Up-to-date register of gifts and hospitality</i> • <i>Whistleblowing policies are in place and protect individuals raising concerns</i> • <i>Whistleblowing policy has been made available to members of the public, employees, partners and contractors</i> • <i>Complaints policy and examples of responding to complaints about behaviour</i> • <i>Changes/improvements as a result of complaints received and acted upon</i> • <i>Members' and officers' code of conduct refers to a requirement to declare interests</i> • <i>Minutes show declarations of interest were sought and appropriate declarations made</i> • Members Code of Conduct Councillors Code of Conduct • Fraud Guidelines • Anti-Bribery Policy • Annual Governance Statement • Local Code of Corporate Governance • Whistle Blowing Policy. • Complaints Procedure • Bridge Bye Laws • Register of Interests for Members held by their Constituent Councils. • Register of Interests for Members specific to the Bridge Board. • Register of Interests for Senior Staff who have input into and responsibility for decision 	3	Bridge Byelaws require to be updated.

				<ul style="list-style-type: none"> making and awarding contracts. Standing Orders Scheme of Delegation Tender Procedures Financial Regulations Declaration of Interest is a standing item on Board meeting agenda. 		
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"> <i>Scrutiny of ethical decision making</i> <i>Championing ethical compliance at governing body level</i> Mainstreaming Equality Report 2019-2021 Scottish Living Wage Accreditation. Integrated Impact Assessments. Training Course on Skills to Mitigate Bias and Inclusive Recruitment included in training programme. 	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"> <i>Provision of ethical awareness training</i> Employee Appraisal process. Employee Code of Conduct. Standing Orders Scheme of Delegation Tender Procedures Financial Regulations Previous training undertaken by all staff in 2014 included e-learning course on Equality and Diversity. Equality and Human Rights Training delivered by DCC undertaken by all staff in 2019. Training Course on Skills to Mitigate Bias and Inclusive Recruitment included in training programme. Issue of Anti-Bribery Policy to all staff in March 2020. 	3	<p>The Bridge Manager will develop a TRB Team Charter to help convey core service values/ standards to managers and employees.</p> <p>Staff Appraisals/ Reviews will be used to ensure all staff are aware of key responsibilities. Staff Reviews have been delivered inconsistently. 2021 staff reviews to recommence following key managerial appointment.</p>

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

PRINCIPLE A (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.	<ul style="list-style-type: none"> • <i>Appraisal processes take account of values and ethical behaviour</i> • <i>Staff appointments policy</i> • <i>Procurement policy</i> • Employee Appraisal process. • Recruitment and Selection Policy. • Scottish Living Wage Accreditation. • Employee Handbook / Code of Conduct. • Computer and Internet Guidelines / Social Media Guidelines. • Standing Orders Scheme of Delegation Tender Procedures Financial Regulations • Equal Opportunities Employer. • Personal Harassment Policy. • Anti-Bribery Policy 	3	<p>The Bridge Manager will develop a TRB Team Charter to help convey core service values/ standards to managers and employees.</p> <p>Staff Appraisals/ Reviews will be used to ensure all staff are aware of key responsibilities. Staff Reviews have been delivered inconsistently. 2021 staff reviews to recommence following key managerial appointment.</p>
		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.	<ul style="list-style-type: none"> • <i>Agreed values in partnership working:</i> <ul style="list-style-type: none"> ○ <i>Statement of business ethics communicates commitment to ethical values to external suppliers</i> ○ <i>Ethical values feature in contracts with external service providers</i> • <i>Protocols for partnership working</i> • Standing Orders Scheme of Delegation Tender Procedures Financial Regulations 	4	

				<ul style="list-style-type: none"> • Scottish Living Wage Accreditation. • Ethical values feature in OJEU Tenders issued by TRBJB. TRBJB use Dundee City Council Procurement Services as part of the Corporate Services Service Level Agreement to advise and assist with procurement and tenders. 		
3	Respecting the Rule of Law	3.1	Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations.	<ul style="list-style-type: none"> • <i>Statutory provisions</i> • <i>Statutory guidance is followed</i> • <i>Constitution</i> • The Board's structure, functions and powers are prescribed in the Tay Road Bridge TRB Order Confirmation Act 1991 • Checking of staff driving licenses to make sure they are legal to drive work vans. 	4	
		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 with legislative and regulatory requirements.	<ul style="list-style-type: none"> • <i>Job description/specifications</i> <ul style="list-style-type: none"> • <i>Compliance with CIPFA's Statement on the The Role of the Chief Financial Officer in Local Government (CIPFA, 2016)</i> • <i>Terms of reference</i> • <i>Committee support</i> • The Board's structure, functions and powers are prescribed in the Tay Road Bridge TRB Order Confirmation Act 1991 • Job descriptions. • Compliance with CIPFA's statement on the Role of the Chief Financial Officer. 	4	
		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"> • <i>Record of legal advice provided by officers</i> • SLA with Dundee City Council for Legal Services. 	4	

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

PRINCIPLE A (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
		3.4	Dealing with breaches of legal and regulatory provisions effectively.	<ul style="list-style-type: none"> • <i>Monitoring officer provisions</i> • <i>Record of legal advice provided by officers</i> • <i>Statutory provisions</i> • SLA with Dundee City Council for Legal Services. • SAR Procedures, Data Breach Flow Chart, and Data Breach Procedures have been developed and are available on TRBJB website. • A CCTV Privacy Statement and Policy, and a Privacy Statement for the TRBJB website has also been introduced, along with a Cookie Policy. 	3	Further review required with DCC Information Governance Manager. Existing Guidance on Information Record Management to be reviewed at compliance meeting.	
		3.5	Ensuring corruption and misuse of power are dealt with effectively.	<ul style="list-style-type: none"> • <i>Effective anti-fraud and corruption policies and procedures</i> • <i>Local test of assurance (where appropriate)</i> • Members Code of Conduct Councillors Code of Conduct • Fraud Guidelines • Anti-Bribery Policy • Whistle Blowing Policy. • Complaints Procedure 	3		

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				5	8	13

<p>Have there been any significant / critical events relating to Principle 1 during the financial year? If yes, please provide details.</p>	
<p>Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.</p>	<ul style="list-style-type: none"> • 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 Services Senior Managers](#) (Solace)
[Code of Practice on Managing the Risk of Fraud and Corruption](#) (CIPFA, 2014)
[Equality and Human Rights Commission's Public Sector Advice and Guidance](#)
 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 B		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.				
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	Openness	1.1	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness.	<ul style="list-style-type: none"> • <i>Annual report</i> • <i>Freedom of Information Act publication scheme</i> • <i>Online council tax information</i> • <i>Authority's goals and values</i> • <i>Authority website</i> • Annual Accounts 2019-2020 Audited Accounts • Board Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk • Freedom of Information Policy 	3	The Bridge Manager will develop a TRB Team Charter to help convey core service values/ standards to managers and employees.
		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"> • <i>Record of decision making and supporting materials</i> • Board Minutes Board Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk • Freedom of Information Policy • Tender 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	<ul style="list-style-type: none"> • <i>Decision-making protocols</i> • <i>Report pro-formas</i> • <i>Record of professional advice in reaching decisions</i> • <i>Meeting reports show details of advice given</i> • <i>Discussion between members and officers</i> 	4	

			<p>course, ensuring that the impact and consequences of those decisions are clear.</p>	<p><i>on the information needs of members to support decision making</i></p> <ul style="list-style-type: none"> • <i>Agreement on the information that will be provided and timescales</i> • <i>Calendar of dates for submitting, publishing and distributing timely reports is adhered to</i> • 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. • Tender Procedures • Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. 		
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE B (Continued)		Ensuring openness and comprehensive stakeholder engagement					
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"> • <i>Community strategy</i> • <i>Use of consultation feedback</i> • <i>Citizen survey</i> • Bridge closures/ cycle statistics 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. 	4		

				<ul style="list-style-type: none"> • TRBJB Bridge Manager is part of a suicide prevention working group to share best practice. • TRBJB Bridge manager attends or sends representatives to Road Authority and Utility Company meetings locally that is also a forum to share best practice and covers accidents/near misses within other organisations. Relevant matters are shared by TRBJB Bridge Manager with staff. 		
2	Engaging comprehensively with institutional stakeholders	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.	<ul style="list-style-type: none"> • <i>Communication strategy</i> • SLA with Dundee City Council for a Communications Strategy. • Strategic Plan 2019-2024 	3	Deliver new website that effectively shares information for all user groups. In progress.
		2.2	Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.	<ul style="list-style-type: none"> • <i>Database of stakeholders with whom the authority should engage and for what purpose and a record of an assessment of the effectiveness of any changes</i> • 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. • Bridge Manager attends quarterly SCOTS Bridges Group meetings. • SLA with the Roads Maintenance Partnership to provide TRBJB with additional resources to cover staff absences/emergency support on bridge. 	3	Liaise more closely with Dundee City Council Roads Team to improve communication between DCC and TRBJB given juxtaposition of bridge to city. Consider SLA to share information. Also looking to create an SLA with DCC Transportation team to help with statutory noticing of road works.
		2.3	Ensuring that partnerships are based on:	<ul style="list-style-type: none"> • <i>Partnership framework</i> • <i>Partnership protocols</i> 	4	

			<ul style="list-style-type: none"> ○ trust ○ a shared commitment to change ○ a culture that promotes and accepts challenge among partners <p>and that the added value of partnership working is explicit.</p>	<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. 		
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE B (continued)		Ensuring openness and comprehensive stakeholder engagement				
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	Engaging stakeholders effectively, including 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"> • <i>Record of public consultations</i> • <i>Partnership framework</i> • Communications Policy. 	3	Deliver new website that effectively shares information for all user groups. In progress.
		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"> • <i>Communications strategy</i> • Communications Policy. • Website www.tayroadbridge.co.uk • Social Media communications TRB Twitter 	3	Communications strategy needs updating, mainly from an Internal Comms point of view, where we are developing a Team Charter to communicate values and employee/ manager expectations, but external use of social media also to be addressed with Communications professionals.
		3.3	Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including	<ul style="list-style-type: none"> • <i>Communications strategy</i> • <i>Joint strategic needs assessment</i> • Communications Policy. • Website www.tayroadbridge.co.uk 	3	Communications strategy needs updating, mainly from an Internal Comms point of view, where we

			reference to future needs.	<ul style="list-style-type: none"> • 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. • Strategic Plan 2019-2024 • A public questionnaire was issued on social media during 2020 with the aim of gathering information to help improve the website. 		are developing a Team Charter to communicate values and employee/manager expectations, but external use of social media also to be addressed with Communications professionals.
		3.4	Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account.	<ul style="list-style-type: none"> • <i>Communications strategy</i> • Communications Policy. • Feedback information to TRBJB Board at quarterly meeting of elected community councillors. 	3	Communications strategy needs updating, mainly from an Internal Comms point of view, where we are developing a Team Charter to communicate values and employee/manager expectations, but external use of social media also to be addressed with Communications professionals.
		3.5	Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.	<ul style="list-style-type: none"> • <i>Processes for dealing with competing demands within the community, for example a consultation</i> • Feedback information to TRBJB Board at quarterly meeting of elected community councillors. • Engaging in an Active Travel working group with elected officials and community groups. 	4	

				<ul style="list-style-type: none"> Working with other stakeholder professionals in a Wellbeing Steering group. 		
		3.6	Taking account of the interests of future generations of tax payers and service users.	<ul style="list-style-type: none"> <i>Reports</i> <i>Joint strategic needs assessment</i> Engineer and Bridge Manager Reports to the Board detailing structural condition and inspection process as appropriate / Quarterly Closure statistics reported to the TRBJB. 	4	

Ensuring openness and comprehensive stakeholder engagement	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 2 during the financial year? If yes, please provide details.	
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Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.	
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Further Guidance:

[Model Publication Scheme Monitoring Report 2018](#) (Scottish Information Commissioner, 2018)

[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 C		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.				
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	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"> • <i>Vision used as a basis for corporate and service planning</i> • The Board's structure, functions and powers are prescribed in the Tay Road Bridge TRB Order Confirmation Act 1991 • Management Arrangements of Scottish Government. • Strategic Plan 2019-2024 	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"> • <i>Community engagement and involvement</i> • <i>Corporate and service plans</i> • <i>Community strategy</i> • Sharing long-term capital plan with Scottish Government through liaison with Transport Scotland Officials. • Communications strategy will include press releases for changes impacting service users. • Strategic Plan 2019-2024 • Integrated Impact Assessments. 	4	
		1.3	Delivering defined outcomes on a sustainable basis within the resources that will be available.	<ul style="list-style-type: none"> • <i>Regular reports on progress</i> • Reports to the quarterly TRBJB meetings. 	4	

		1.4	Identifying and managing risks to the achievement of outcomes.	<ul style="list-style-type: none"> • <i>Performance trends are established and reported upon</i> • <i>Risk management protocols</i> • Business Continuity Plan. • Risk Management Strategic Plan and Strategic Risk Register 	4	
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE C (continued)		Defining outcomes in terms of sustainable economic, social, and environmental benefits				
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
		1.5	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"> • <i>An agreed set of quality standard measures for each service element are included in service plans</i> • <i>Processes for dealing with competing demands within the community</i> • Through Board member engagement with their constituents. 	4	
2	Sustainable economic, social and environmental benefits	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"> • <i>Capital investment is structured to achieve appropriate life spans and adaptability for future use so that resources are spent on optimising social, economic and environmental wellbeing:</i> • <i>Capital programme</i> • <i>Capital investment strategy</i> • Sharing long-term 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	<ul style="list-style-type: none"> • <i>Discussion between members and officers on the information needs of members to support decision making</i> • <i>Record of decision making and supporting materials</i> 	4	

		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. • Long-term Capital Plan is produced and discussed with Transport Scotland. • Business Continuity Plan. • Risk Management Strategic Plan and Strategic Risk Register • Strategic Plan 2019-2024 		
	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"> • <i>Record of decision making and supporting materials</i> • <i>Protocols for consultation</i> • 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"> • <i>Protocols ensure fair access and statutory guidance is followed</i> • Lift and ramp allow access to bridge's central walkway. 	4	

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

Have there been any significant / critical events relating to Principle 3 during the financial year? If yes, please provide details.	
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Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.	
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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 D		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.				
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	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"> • <i>Discussion between members and officers on the information needs of members to support decision making</i> • <i>Decision making protocols</i> • <i>Option appraisals</i> • <i>Agreement of information that will be provided and timescales</i> • Pre-Agenda meetings held to discuss reports and issues that will be reported to Board meeting. • Tender 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	<ul style="list-style-type: none"> • <i>Financial strategy</i> • Service users were asked via public questionnaire improvements that could be made to improve user experience. • Working with Fife Council and SUstrans to deliver Park and Choose facility at Fife side of the bridge with the aim of supporting the 	3	Deliver new website that effectively shares information for all user groups. In progress.

			including people, skills, land and assets and bearing in mind future impacts.	<p>reduction of carbon emissions, to improve sustainability and comply with Road Scotland Act 2019.</p> <ul style="list-style-type: none"> • TRB management are engaging in an Active Travel working group with elected officials and community groups. 		Help deliver Park and Choose scheme in Fife.
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE D (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
2	Planning interventions	2.1	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets.	<ul style="list-style-type: none"> • <i>Calendar of dates for developing and submitting plans and reports that are adhered to</i> • 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"> • <i>Communication strategy</i> • Communications Strategy. 	3	Communications strategy needs updating, mainly from an Internal Comms point of view, where we are developing a Team Charter to communicate values and employee/ manager expectations, but external use of social media also to be addressed with Communications professionals.

		2.3	Considering and monitoring risks facing each partner when working collaboratively including shared risks.	<ul style="list-style-type: none"> Partnership framework Risk management protocol 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"> Planning protocols 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"> KPIs have been established and approved for each service element and included in the service plan and are reported upon regularly Record of enquiries from the public and responses are kept and a five day turnaround in responding is achieved. Strategic Plan 2019-2024 defines how KPI's are collected. 	4	
		2.6	Ensuring capacity exists to generate the information required to review service quality regularly.	<ul style="list-style-type: none"> Reports include detailed performance results and highlight areas where corrective action is necessary Annual Governance Statement. Local Code of Corporate Governance Management Meetings with Bridge Management Staff are formally recorded. Strategic Plan 2019-2024 	4	

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

PRINCIPLE D (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	

		2.7	Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan.	<ul style="list-style-type: none"> • <i>Evidence that budgets, plans and objectives are aligned</i> • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. • Long-term Capital Plan is produced and discussed with Scottish Government through Transport Scotland. • Strategic Plan 2019-2024 	4	
		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.	<ul style="list-style-type: none"> • <i>Budget guidance and protocols</i> • <i>Medium-term financial plan</i> • <i>Corporate plans</i> • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. • Long-term Capital Plan is produced and discussed with Transport Scotland. • Strategic Plan 2019-2024 	4	
3	Optimising achievement of intended outcomes	3.1	Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints.	<ul style="list-style-type: none"> • <i>Feedback surveys and exit/decommissioning strategies</i> • <i>Changes as a result</i> • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. 	4	
		3.2	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term.	<ul style="list-style-type: none"> • <i>Budgeting guidance and protocols</i> • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. • Long-term Capital Plan is produced and discussed with Transport Scotland. 	4	

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

PRINCIPLE D (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"> • <i>Financial strategy</i> • 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 Board Minutes • Bridge manager discusses finances at quarterly management meetings with his key staff. 	3	Hold monthly Management meetings instead of quarterly to improve control given number of capital and inspection surveys due from 2020. <i>Working from home directives in 2020 delayed implementation of formal monthly meetings given IT limitations. Return to work will allow regular meetings to resume.</i>
		3.4	Ensuring the achievement of 'social value' through service planning and commissioning.	<ul style="list-style-type: none"> • <i>Service plans demonstrate consideration of 'social value'</i> • <i>Achievement of 'social value' is monitored and reported upon</i> • 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. • Strategic Plan 2019-2024 	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				3	11	14

Have there been any significant / critical events relating to Principle 4 during the financial year? If yes, please provide details.	
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Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.	
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Links to relevant Tay Road Bridge Policies, Procedures and Guidelines:

Further Guidance:

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

PRINCIPLE E		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 mind-set, 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.				
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	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"> Regular reviews of activities, outputs and planned outcomes 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. 	3	Operations could be improved by reviewing staff structure and shift patterns for welfare of staff and subsequently users. Staff and Union Consultation ongoing following issue of Consultation Report to staff and unions in January 2021.
		1.2	Improving resource use through appropriate application of 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"> Utilisation of research and benchmarking exercises 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, 	4	

				services and works.		
		1.3	Recognising the benefits of partnerships and collaborative working where added value can be achieved.	<ul style="list-style-type: none"> • <i>Effective operation of partnerships which deliver agreed outcomes</i> • Service Level Agreements with Dundee City Council for services provision, and annual review meeting to assess success needs for both parties. 	3	Annual Service Reviews have been inconsistent due to Covid-19 IT issues. This will be resolved in 2021 as all SLA's are reviewed by Bridge Manager and Deputy Bridge Manager.
		1.4	Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.	<ul style="list-style-type: none"> • <i>Workforce plan</i> • <i>Organisational development plan</i> • A structural bridge inspection plan is in-place and monitored by the Deputy Bridge Manager. • Strategic Plan 2019-2024 	3	A new routine maintenance work plan is being delivered in 2021 to drive efficiency in staff and resource utilisation.

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

PRINCIPLE E (Continued)		Developing the entity's capacity, including the capability of its 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	Developing the capability of the entity's leadership and other individuals	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.	<ul style="list-style-type: none"> • <i>Job descriptions</i> • <i>Chief executive and leader pairings have considered how best to establish and maintain effective communication</i> • Standing Orders Scheme of Delegation 	4	
		2.2	Publishing a statement that specifies the types of	<ul style="list-style-type: none"> • <i>Scheme of delegation reviewed at least annually in the light of legal and</i> 	4	

			decisions that are delegated and those reserved for the collective decision making of the governing body.	<ul style="list-style-type: none"> <i>organisational changes</i> <i>Standing orders and financial regulations which are reviewed on a regular basis</i> Standing Orders Scheme of Delegation Tender Procedures Financial Regulations 		
		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.	<ul style="list-style-type: none"> <i>Clear statement of respective roles and responsibilities and how they will be put into practice</i> TRBJB does not have these distinct roles within its structure due to the size and function of the organisation. 	N/A	

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

PRINCIPLE E (Continued)		Developing the entity's capacity, including the capability of its 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"> <i>Access to courses/information briefings on new legislation</i> Continuous Professional Development for Bridge Manager and his staff. Induction training for new members. Equalities and Human Rights Training delivered to all staff 2019. Maintaining SLA's with DCC Legal. 		4	
		2.4 a)	ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and	<ul style="list-style-type: none"> <i>Induction programme</i> <i>Personal development plans for members and officers</i> 		3	A new staff review/ appraisal form is being developed

			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. • Induction training for new members. • Equalities and Human Rights Training delivered to all staff 2019. 		for implementation in 2021. The existing H&S matrix is being streamlined for ease of reference.
	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"> • <i>For example, for members this may include the ability to:</i> <ul style="list-style-type: none"> ○ <i>scrutinise and challenge</i> ○ <i>recognise when outside expert advice is required</i> ○ <i>promote trust</i> ○ <i>work in partnership</i> ○ <i>lead the organisation</i> ○ <i>act as a community leader</i> • <i>Efficient systems and technology used for effective support</i> • Staff Training Plan. • Employee Appraisal process. • Induction training for new members. • Equalities and Human Rights Training delivered to all staff 2019. 	3	<p>A new staff review/ appraisal form is being developed for implementation in 2021.</p> <p>A TRB Team Charter is being developed to promote trust and internal communication within TRB.</p>

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

PRINCIPLE E (Continued)		Developing the entity’s capacity, including the capability of its 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 c)		ensuring personal, organisational and system-wide development through	<ul style="list-style-type: none"> • <i>Arrangements for succession planning</i> • Annual Governance Statement’s Continuous 	4		

		shared learning, including lessons learnt from both internal and external governance weaknesses.	<ul style="list-style-type: none"> Improvement Agenda. Local Code of Corporate Governance Recommendations from Internal and External Audit reviews are acted upon. 		
	2.5	Ensuring that there are structures in place to encourage public participation.	<ul style="list-style-type: none"> <i>Residents' panels</i> <i>Stakeholder forum terms of reference</i> <i>Strategic partnership frameworks</i> 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. A public questionnaire was issued on social media during 2020 with the aim of gathering information to help improve the website. 	3	Deliver new website that effectively shares information for all user groups. In progress.
	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"> <i>Reviewing individual member performance on a regular basis taking account of their attendance and considering any training or development needs</i> <i>Peer reviews</i> 	3	Bridge manager development reviews need to be re-established following change of Engineer to the Board.
	2.7	Holding staff to account through regular performance reviews which take account of training or development needs.	<ul style="list-style-type: none"> <i>Training and development plan</i> <i>Staff development plans linked to appraisals</i> <i>Implementing appropriate human resource policies and ensuring that they are working effectively</i> Employee Appraisal process. Staff Training Plan. 	3	Staff Reviews have been delivered inconsistently. 2021 staff reviews to recommence following key managerial appointment.
	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"> <i>Human resource policies</i> SLA with People Asset Management (PAM) Occupational Health Provider. Mindfulness and Stress Management Courses were introduced in 2018/2019 and 	3	Further courses are planned for 2021 to cover Recognising Stress and Staff Resilience.

				will form part of the regular staff training programme.		
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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			9	5	15

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

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

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

Further Guidance:

[The Standards Commission for Scotland](#)

[Councillors' Code of Conduct](#)

[Code of Ethics for Public Services Senior Managers](#) (Solace)

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

PRINCIPLE F		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>				
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	Managing Risk	1.1	Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making.	<ul style="list-style-type: none"> <i>Risk management protocol</i> Risk Management Strategic Plan and Strategic Risk Register 	4	
		1.2	Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.	<ul style="list-style-type: none"> <i>Risk management strategy/ policy formally approved, adopted, reviewed and updated on a regular basis</i> Risk Management Strategic Plan and Strategic Risk Register 	4	
		1.3	Ensuring that responsibilities for managing individual risks are clearly allocated.	<ul style="list-style-type: none"> <i>Risk management protocol</i> Risk Management Strategic Plan and Strategic Risk Register 	4	
2	Managing Performance	2.1	Monitoring service delivery effectively including planning, specification, execution and independent post-implementation review.	<ul style="list-style-type: none"> <i>Performance map showing all key activities have performance measures</i> <i>Benchmarking information</i> <i>Cost performance (using inputs and outputs)</i> <i>Calendar of dates for submitting, publishing and distributing timely reports that are adhered to</i> 	4	

				<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. Strategic Plan 2019-2024 		
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE F (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
		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"> <i>Discussion between members and officers on the information needs of members to support decision making</i> <i>Publication of agendas and minutes of meetings</i> <i>Agreement on the information that will be needed and timescales</i> 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	<ul style="list-style-type: none"> <i>The role and responsibility for scrutiny has been established and is clear</i> <i>Agenda and minutes of scrutiny meetings</i> <i>Evidence of improvements as a result of scrutiny</i> <i>Terms of reference</i> <i>Training for members</i> <i>Membership</i> 		4	

		<p>for which it is responsible.</p> <p>(OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making.</p>	<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. 		
	2.4	<p>Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.</p>	<ul style="list-style-type: none"> • <i>Calendar of dates for submitting, publishing and distributing timely reports that are adhered to</i> • 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 and Capital Monitoring, Engineer's report, Operational Restrictions and Closures. • Strategic Plan 2019-2024 	4	

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

PRINCIPLE F (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
		2.5	Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements).	<ul style="list-style-type: none"> • <i>Financial standards, guidance</i> • <i>Financial regulations and standing orders</i> • Standing Orders Scheme of Delegation Tender Procedures Financial Regulations • 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. 	4	
3	Robust Internal Control	3.1	Aligning the risk management strategy and policies on internal control with achieving objectives.	<ul style="list-style-type: none"> • <i>Risk management strategy</i> • <i>Audit plan</i> • <i>Audit reports</i> • Risk Management Strategic Plan and Strategic Risk Register • External Auditor's Annual Audit Plan reported to Board and any recommendations are acted upon. • Internal Audit produce an Audit Needs Assessment and 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. 	4	
		3.2	Evaluating and monitoring risk management and internal control on a regular basis.	<ul style="list-style-type: none"> • <i>Risk management strategy/ policy has been formally approved and adopted and is reviewed and updated on a regular basis</i> • Risk Management Strategic Plan and 	4	

				<ul style="list-style-type: none"> • Strategic Risk Register • Bridge Manager meets annually with Risk Manager for Dundee City Council to review Risk Management Register. 		
		3.3	Ensuring effective counter fraud and anti-corruption arrangements are in place.	<ul style="list-style-type: none"> • <i>Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)</i> • Fraud Guidelines • Anti-Bribery Policy 	4	
		3.4	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.	<ul style="list-style-type: none"> • <i>Annual governance statement</i> • <i>Effective internal audit service is resourced and maintained</i> • Annual Governance Statement. • Local Code of Corporate Governance • Internal Audit provision is outsourced, via a tender process, to a private sector audit firm. 	4	

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

PRINCIPLE F (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
		3.5	<p>Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body:</p> <ul style="list-style-type: none"> ○ provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment. ○ that its recommendations 	<ul style="list-style-type: none"> • <i>Audit committee complies with best practice – see Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013) (Cost £175)</i> • <i>Terms of reference</i> • <i>Membership</i> • <i>Training</i> • TRBJB does not have a separate audit committee or equivalent group due to size and function of the organisation. The Board fulfils this role. 	N/A		

			are listened to and acted upon.			
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"> • <i>Data management framework and procedures</i> • <i>Designated data protection officer</i> • <i>Data protection policies and procedures</i> • Data Protection Policy • Freedom of Information Policy • Data Protection and CCTV Procedures • 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. • Guidance for Information, Records Management and Preservation of Archival Records • SAR Procedures, Data Breach Flow Chart, and Data Breach Procedures have been developed and are available on TRBJB website. • A CCTV Privacy Statement and Policy, and a Privacy Statement for the TRBJB website has also been introduced, along with a Cookie Policy. 	3	Further review required with DCC Information Governance Manager. Existing Guidance on Information Record Management to be reviewed at compliance meeting.
		4.2	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.	<ul style="list-style-type: none"> • <i>Data sharing agreement</i> • <i>Data sharing register</i> • <i>Data processing agreements</i> • Data Protection Policy • Freedom of Information Policy • Data Protection and CCTV Procedures 	3	Further review required with DCC Information Governance Manager. Existing Guidance on Information Record Management to be reviewed at compliance meeting.

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

PRINCIPLE F (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"> • <i>Data quality procedures and reports</i> • <i>Data validation procedures</i> • 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	5.1	Ensuring financial management supports both long-term achievement of outcomes and short-term financial and operational performance.	<ul style="list-style-type: none"> • <i>Financial management supports the delivery of services and transformational change as well as securing good stewardship</i> • Senior management receive regular financial reports to enable financial management. • Regular meetings are held to support the Revenue and Capital Monitoring and reporting process. • Tender Procedure Waiver form implemented. This allows DCC procurement to approve / challenge decisions to waiver tender procedures to provide a third party check and balance on TRBJB. 	4	
		5.2	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.	<ul style="list-style-type: none"> • <i>Budget monitoring reports</i> • Regular Revenue and Capital Monitoring Reports are reported to the Board and published on the website Board Minutes 	4	

Managing risks and performance through robust internal control and strong public financial management	n/a	1	2	3	4	TOTAL
Summary of Number of Evaluations	1			2	15	18

Have there been any significant / critical events relating to Principle 6 during the financial year? If yes, please provide details.	
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Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.	
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Links to relevant Tay 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)

[The Role of the Head of Internal Audit in Public Service Organisations](#) (CIPFA, 2019)

[Following the Public Pound](#) (Audit Scotland, 2004)

[Safeguarding Public Money: Are you getting it right?](#) (Audit Scotland, 2019)

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.itspublicknowledge.info/home/ScottishInformationCommissioner.aspx>

Records Retention Schedules from Scottish Council on Archives: <https://www.scottisharchives.org.uk/resources/scars/>

Freedom of Information Act: <http://www.dundecity.gov.uk/foisa>

Data Protection Act: <https://www.dundecity.gov.uk/supportservs/dataprotection/>

General Data Protection Regulation: <https://onedundee.dundecity.gov.uk/news/gdpr-employee-handbook>

[Spotting the Signs of Serious Organised Crime](#) (Police Scotland, 2019)

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

PRINCIPLE G		Implementing good practices in transparency, reporting, and audit to deliver effective accountability				
		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.				
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	Implementing Good Practice in Transparency	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"> Website Board Minutes and relevant documents Board Documents are published on the Board's website: http://www.tayroadbridge.co.uk/ Annual Accounts 2019-2020 Audited Accounts includes the Bridge Manager's report which provides an outline of the Board's activities. 	4	
		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"> Annual Report Annual Accounts 2019-2020 Audited Accounts 	4	
2	Implementing Good Practices in Reporting	2.1	Reporting at least annually on performance, value for money and the stewardship of its resources.	<ul style="list-style-type: none"> Formal annual report which includes key points raised by external scrutineers and service users' feedback on service delivery Annual financial statements Annual Accounts 2019-2020 Audited Accounts Annual Report by Internal Audit. Regular reports Board Minutes submitted to the Board include Revenue and Capital Monitoring, Engineer's report, Operational 	4	

			Restrictions and Closures.			
		2.2	Ensuring members and senior management own the results.	<ul style="list-style-type: none"> • <i>Appropriate approvals</i> • Reports to the Board are submitted for approval from Board Members Board Minutes 	4	

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

PRINCIPLE G (Continued)		Implementing good practices in transparency, reporting, and audit to deliver effective accountability				
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	Ensuring robust 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"> • <i>Annual governance statement</i> • Annual Governance Statement reported to Board and published on website Board Minutes • Local Code of Corporate Governance 	4	
		2.4	Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate.	<ul style="list-style-type: none"> • <i>Annual governance statement</i> • 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"> • <i>Format follows best practice</i> • Annual Accounts are published in accordance with statutory regulations. 	4	

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

PRINCIPLE G (Continued)		Implementing good practices in transparency, reporting, and audit to deliver effective accountability				
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	Assurance and Effective Accountability	3.1	Ensuring that recommendations for corrective action made by external audit are acted upon.	<ul style="list-style-type: none"> • <i>Recommendations have informed positive improvement</i> • External Audit reports are reported to the Board and recommendations are acted upon. 	4	
		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.	<ul style="list-style-type: none"> • <i>Compliance with CIPFA's Statement on the Role of the Head of Internal Audit (2019)</i> • <i>Compliance with Public Sector Internal Audit Standards</i> • 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	
		3.3	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.	<ul style="list-style-type: none"> • <i>Recommendations have informed positive improvement</i> • External Auditors are appointed. 	4	
		3.4	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.	<ul style="list-style-type: none"> • <i>Annual governance statement</i> • N/A. 	N/A	
		3.5	Ensuring that when working in partnership, arrangements for	<ul style="list-style-type: none"> • <i>Community strategy</i> 	N/A	

		accountability are clear and that the need for wider public accountability has been recognised and met.	<ul style="list-style-type: none"> N/A. 		
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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				9	12

Have there been any significant / critical events relating to Principle 7 during the financial year? If yes, please provide details.	
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Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.	
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Links to relevant Tay Road Bridge Policies, Procedures and Guidelines:

Further Guidance:

- [The Role of the Head of Internal Audit in Public Service Organisations](#) (CIPFA, 2019)
- [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)
- [Safeguarding Public Money: Are you getting it right?](#) (Audit Scotland, 2019)

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 14 JUNE 2021

REPORT ON: ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31 MARCH 2021

REPORT BY: TREASURER

REPORT NO: TRB 6-2021

1 PURPOSE OF REPORT

To present to the Joint Board the Annual Governance Statement for approval and inclusion in the unaudited Annual Accounts for the year ended 31 March 2021 which is also being submitted to the Joint Board.

2 RECOMMENDATIONS

It is recommended that the Joint Board:

- i notes the contents of this covering report;
- ii approves the Annual Governance Statement which is included as an Appendix to this report; and
- iii instructs the Treasurer to include the Annual Governance Statement in the Annual Accounts for the year to 31 March 2021.

3 FINANCIAL IMPLICATIONS

None.

4 BACKGROUND

- 4.1 The relevant statutory provisions regarding the preparation of the Joint Board's Accounts are contained in the Local Authority Accounts (Scotland) Amendment Regulations 2014. Section 5 of these regulations require that "...the local authority must conduct a review at least once in each financial year of the effectiveness of its system of internal control. The findings of the review... must be considered at a meeting of the local authority... (and) following consideration of the findings of the review... that authority must approve an annual governance statement." There is no requirement to have separate meetings for the consideration of the findings and then the approval of the annual governance statement. Both may be undertaken at the same meeting.
- 4.2 As in previous years the Annual Accounts (including the Annual Governance Statement) have been prepared in accordance with the Code of Practice on Local Authority Accounting (the Code) which stipulates that the following information should be included in the Annual Governance Statement:
 - i. An acknowledgement of responsibility for ensuring there is a sound system of governance;
 - ii. An indication of the level of assurance that the systems and processes that comprise the Joint Board's governance arrangements can provide;
 - iii. A brief description of the key elements of the governance framework;

- iv. A brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements, including some comment on the role of the Joint Board, internal audit and other explicit reviews/assurance mechanisms;
- v. An outline of the actions taken, or proposed, to deal with significant governance issues, including an agreed action plan; and
- vi. A specific statement on whether the Joint Board's financial management arrangements conform with the governance requirements of the CIPFA (Chartered Institute of Public Finance & Accountancy) *Statement on the Role of the Chief Financial Officer in Local Government (2016)* as set out in the CIPFA's *Delivering Good Governance in Local Government: Framework (2016)*; and where they do not, an explanation of how they deliver the same impact.

4.3 The Annual Governance Statement for the year ended 31 March 2021 is included on Appendix A.

5 **POLICY IMPLICATIONS**

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

6 **CONSULTATIONS**

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

7 **BACKGROUND PAPERS**

CIPFA: Code of Practice on Local Authority Accounting in the UK 2020/2021;
 The Local Authority Accounts (Scotland) Regulations 2014;
 CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016); and
 CIPFA's Delivering Good Governance in Local Government: Framework (2016).

ROBERT EMMOTT
TREASURER

1 JUNE 2021

**TAY ROAD BRIDGE JOINT BOARD
ANNUAL GOVERNANCE STATEMENT**

Scope of Responsibility

Tay Road Bridge Joint Board is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards. This is to ensure that public funds and assets at its disposal are safeguarded, properly accounted for and used economically, efficiently, effectively, and ethically. The Joint Board also has a duty to make arrangements to secure continuous improvement in the way its functions are carried out.

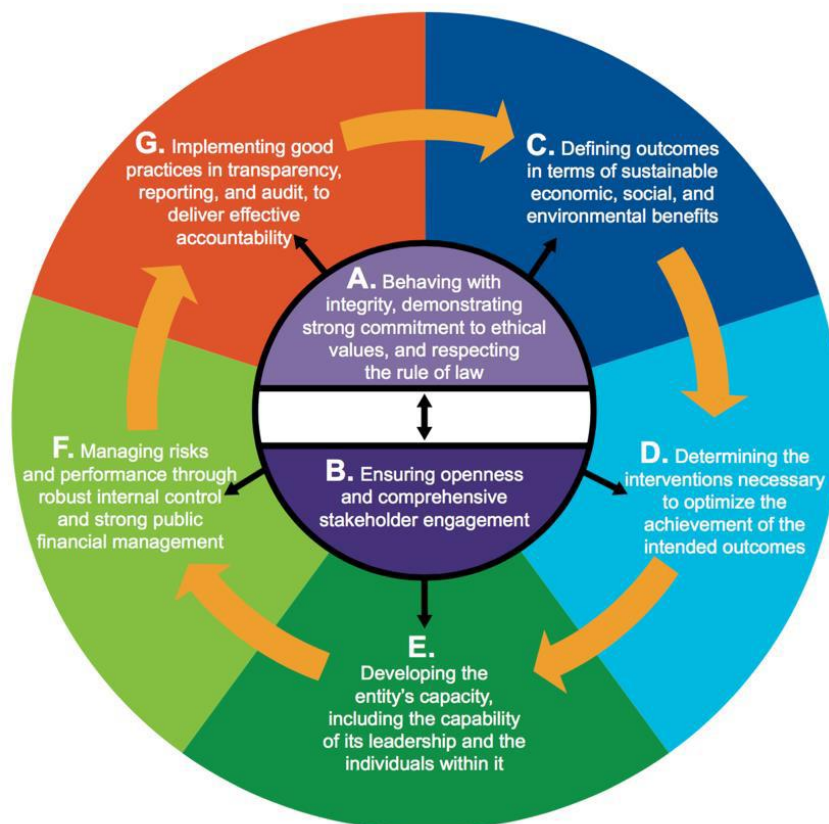
In discharging these responsibilities elected members and senior officers are responsible for implementing effective arrangements for governing the Joint Board's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

To this end the Joint Board will be asked to approve and adopt an updated Local Code of Corporate Governance that is consistent with the principles of the CIPFA/SOLACE (Chartered Institute of Public Finance & Accountancy / Society of Local Authority Chief Executives) framework *Delivering Good Governance in Local Government (2016)*. This statement explains how Tay Road Bridge Joint Board delivers good governance and reviews the effectiveness of these arrangements.

The Joint Board's Governance Framework

The governance framework comprises the systems, processes, cultures and values by which the Joint Board is directed and controlled. It also describes the way it engages with and accounts to stakeholders. It enables the Joint Board to monitor the achievement of its strategic objectives and consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The framework reflects the arrangements in place to meet the seven supporting principles of effective corporate governance. These are as follows:



Within the overall control arrangements the system of internal financial control is intended to ensure that assets are safeguarded, transactions are authorised and properly recorded, and material errors or irregularities are either prevented or would be detected within a timely period. It is based on a framework

of regular management information, financial regulations, administrative procedures and management supervision.

The overall control arrangements include:

- Reporting financial and operating information regularly to Joint Board meetings;
- Clearly defined Standing Orders and Schemes of Administration covering Financial Regulations, Tender Procedures and Delegation of Powers;
- Approved Fraud Guidelines which include anti-fraud and corruption strategies, and "whistle-blowing" arrangements under the Public Interest Disclosure Act 1998;
- Approved Anti-Bribery Policy;
- Setting targets to measure financial and service performance;
- Formal revenue and capital budgetary control systems and procedures; and
- The assurances provided by Internal Audit through their independent review work of the Joint Board's internal control systems.

Additionally, in order to support Chief Financial Officers in the fulfilment of their duties and to ensure that local authority organisations have access to effective financial advice of the highest level, CIPFA's *Role of the Chief Financial Officer (2016)* has introduced a "comply or explain" requirement in the Annual Accounts.

The Treasurer complies with the principles set out in CIPFA's *Role of the Chief Financial Officer (2016)*.

Review of Effectiveness

Members and officers of the Joint Board are committed to the concept of sound governance and the effective delivery of Joint Board services and take into account comments made by internal and external auditors and prepare action plans as appropriate. The effectiveness of the governance framework is reviewed annually by senior officers. Their review of the Local Code of Corporate Governance, includes the completion of a self-assessment of their own arrangements. This involved the completion of a 94-point checklist covering the seven supporting principles defined in CIPFA/SOLACE's *Delivering Good Governance in Local Government (2016)*. This indicated a high level of compliance.

In addition, as part of the Annual Governance Statement process the Bridge Manager completes a self-assessment checklist of the Board's own governance, risk management and internal control arrangements. This involved the completion of a 55-point checklist covering seven key governance areas of Service Planning and Performance Management; Internal Control Environment; Fraud Prevention and Detection; Budgeting, Accounting and Financial Control; Risk Management and Business Continuity; Asset Management; and Partnerships. This again indicated a high level of compliance.

The Joint Board's Internal Audit provider conforms with Public Sector Internal Audit Standards and reports to the Joint Board. Internal Audit undertakes an annual programme of work, which is reported to the Joint Board. The Internal Auditor provides an independent opinion on the adequacy and effectiveness of the system of internal control. In the opinion of the Joint Board's Internal Auditor, overall the Board operates adequate internal control systems as defined in the Audit Needs Assessment. The audit and assurance work has not identified any significant gaps in the Board's control environment that would increase the risk of financial loss. This opinion was arrived at by taking into consideration the internal audit, risk management and other assurance work that has been undertaken during 2020/2021 and in previous years since the internal auditor's original appointment in 2010.

Impact of Coronavirus Pandemic on Corporate Governance

The UK Government announced a lockdown on 23 March 2020 in response to the Covid 19 pandemic. This has had a major impact on the management and operations of the bridge. Management took immediate action to safeguard employees and bridge users. These actions were taken to maintain resilience and ensured bridge availability and the continued safety of employees and bridge users during this challenging and unprecedented time. Business Continuity Planning / Incident Response meetings were held between key personnel and guidance issued to all staff on a regular basis.

The Annual Governance Statement assesses governance in place during 2020/2021 so the majority of the year was affected by coronavirus. The conclusion on whether or not governance is fit for purpose should reflect the normal operations. However, coronavirus has impacted on governance since March 2020 and the Annual Governance Statement has to reflect the circumstances at the time of publication and the impact on governance.

The impact on governance affected the Board, for example changes to decision making arrangements whereby the following procedures were implemented for Board business from 23 March 2020 until the resumption of normal Board meetings in September 2020:

- All non-essential Board business was deferred to ensure that all Board Members and all Officers were able to concentrate the maximum possible time and effort on supporting the Board through the Coronavirus period;
- Referring to the Board's existing [Scheme of Delegation](#) of Powers to Officers in order to ensure that Officers acted in accordance with the powers which the Board has already delegated; and
- All essential Board business which was not covered by the Scheme of Delegation of Powers to Officers was dealt with as urgent matters arising between meetings (i.e. by the Clerk, in consultation with the Chair and Vice-Chair of the Tay Road Bridge Joint Board).

Continuous Improvement Agenda

The Joint Board's progress against the Continuous Improvement Agenda items for 2020/2021 are detailed in Appendix 1. Several items are still in progress and have been carried forward to be actioned in 2021/2022. Additional areas for improvement have also been identified by Joint Board officers and these are included on Appendix 2 and form the Continuous Improvement Action Plan for 2021/2022. These were identified in the self-assessment checklists that were completed as part of the Joint Board's assurance gathering process and also from Internal Audit reviews.

It is proposed that during 2021/2022 steps are taken to address the outstanding items identified in the Continuous Improvement Agenda to further enhance the Joint Board's governance arrangements.

The annual review demonstrates sufficient evidence that the code's principles of delivering good governance in local government operated effectively and the Joint Board complies with the Local Code of Corporate Governance in all significant respects.

Councillor Lynne Short
Chair
Tay Road Bridge Joint Board
13 September 2021

Alan Hutchison
Bridge Manager
Tay Road Bridge Joint Board
13 September 2021

TAY ROAD BRIDGE JOINT BOARD**IMPROVEMENT AGENDA FOR 2020/2021 WITH PROGRESS UPDATES**

ORIGINAL IMPROVEMENT AGENDA						PROGRESS UPDATE	
	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
1	Training for Bridge Management to avoid unconscious bias recruitment.	Local Code of Corporate Governance 2018/2019 (Principle A: Integrity & Ethics).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020	17/09/2020	Course was delivered online "Skills to Mitigate Bias and Inclusive Recruitment" by Equate Scotland.
2	Update Data Protection procedures to ensure compliance with GDPR: Develop Records Management Plan.	Local Code of Corporate Governance 2018/2019 (Principle A: Integrity & Ethics and F: Managing Risks & Performance).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020		Meeting to review current GDPR procedures with DCC Compliance Officer was cancelled in March 2020 due to Covid. This will be rearranged. Existing policy "Guidance on Information Record Management to be reviewed at compliance meeting. Ongoing to ensure continuing compliance. Carried forward with new target date by December 2021. *
3	Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements.	Local Code of Corporate Governance 2018/2019 (Principle B: Openness and E: Developing the Entity).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020		In progress. New website has been developed following consultation with service users. Test or Draft website has been shared with TRBJB members. To be rolled out after comments received and acted upon. Carried forward with new target date by December 2021. *
4	Update Bridge Byelaws.	Local Code of Corporate Governance 2019/2020 (Principle A: Integrity & Ethics) & Internal Audit Report (2019/2) Compliance with Legislation.	Carried forward from 2019/2020. In progress.	Clerk / Bridge Manager	31/12/2020		In progress. The Byelaws must be made available in hard copy to the public. This is challenging given Covid-19 restrictions and lockdown. To be made available as soon as Scottish Government reduce restrictions on movement and access to

							public buildings. Carried forward with new target date by December 2021. *
5	Revise Whistle-Blowing Policy.	Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020		Bridge Manager to liaise with DCC HR and take to Board meeting in 2021. Carried forward with new target date by December 2021. *
6	Hold monthly Management Meetings instead of quarterly to improve control given number of capital and inspection surveys due from 2020.	Local Code of Corporate Governance 2019/2020 (Principle D: Achieving Intended Outcomes).	New for 2020/2021.	Bridge Manager	31/12/2020		In progress. Current IT equipment does not support MS Teams or other video sharing platforms. An IT bid was made on 28 September 2020 to secure appropriate hardware to allow access for staff. Pressures on IT hardware are unprecedented and this will be delivered when resources allow. Carried forward with new target date by December 2021. *
7	Review structure and shift patterns of Operations team to improve staff welfare and service to users.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	New for 2020/2021.	Bridge Manager	31/03/2021		In progress. Union consultation ongoing. Staff Consultation issued 13 January 2021. Carried forward with new target Implementation date of 31 December 2021. *
8	Bridge manager development and performance review to be re-established.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	New for 2020/2021.	Engineer	31/03/2021		To be implemented 2021 after key appointment of Deputy Manager in March 2021. Carried forward with new target date by December 2021. *
9	Introduce procedure that allows DCC procurement to approve / challenge bridge officer decisions to waiver tender procedures in order to provide a third party check and balance.	Local Code of Corporate Governance 2019/2020 (Principle F: Managing Risks & Performance).	New for 2020/2021.	Treasurer	31/12/2020	26/03/2021	New Tender Procedure Waiver form was finalised and approved. Implementation date was 26 March 2021.
10	Develop checklist to assist in collation and recording of all evidence required to demonstrate compliance	Internal Audit Report 2020/03 Management of Health & Safety.	New for 2020/2021.	Bridge Manager	31/12/2020		No projects planned, so delayed due to competing priorities. Carried forward with new target date by December 2021. *

	with CDM 2015 Regulations.						
11	Ensure that a formal programme of reporting of data protection issues to the Joint Board.	Internal Audit Report 2020/05 Data Protection.	New for 2020/2021.	Clerk / Bridge Manager	31/12/2020		Bridge manager will liaise with Committee Clerk. Carried forward with new target date by December 2021. *
12	Transport and Works Manager and Administration Officer to attend training course on Recruitment and Interviewing to enable the Board to recruit more effectively at all levels.	Annual Governance Self-Assessment Checklist.	New for 2020/2021.	Bridge Manager	31/03/2021		This training must also be given to the new Deputy Manager appointed March 2021. Carried forward with new target date by December 2021. *
13	Review the Board's response to the Covid 19 crisis.		New for 2020/2021.	Bridge Manager	31/03/2021		Ongoing. Risk assessments in place. Bridge Manager reviews latest government guidance online and looks out for changes to Scottish Government advice. Carried forward with new target date by December 2021. *

* Carried forward items have been included in Appendix 2 with new target completion dates.

TAY ROAD BRIDGE JOINT BOARD**IMPROVEMENT AGENDA FOR 2021/2022**

	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Details
1	Update Data Protection procedures to ensure compliance with GDPR: Develop Records Management Plan.	Local Code of Corporate Governance 2018/2019 (Principle A: Integrity & Ethics and F: Managing Risks & Performance).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
2	Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements.	Local Code of Corporate Governance 2018/2019 (Principle B: Openness and E: Developing the Entity).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
3	Update Bridge Byelaws.	Local Code of Corporate Governance 2019/2020 (Principle A: Integrity & Ethics) & Internal Audit Report (2019/2) Compliance with Legislation.	Carried forward from 2019/2020. In progress.	Clerk / Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
4	Revise Whistle-Blowing Policy.	Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
5	Hold monthly Management Meetings instead of quarterly to improve control given number of capital and inspection surveys due from 2020.	Local Code of Corporate Governance 2019/2020 (Principle D: Achieving Intended Outcomes).	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
6	Review structure and shift patterns of Operations team to improve staff welfare and service to users.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
7	Bridge manager development and performance review to be re-established.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	Carried forward from 2020/2021.	Engineer	31/12/2021	Carried forward from 2020/2021. In progress.

8	Develop checklist to assist in collation and recording of all evidence required to demonstrate compliance with CDM 2015 Regulations.	Internal Audit Report 2020/03 Management of Health & Safety.	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
9	Ensure that a formal programme of reporting of data protection issues to the Joint Board.	Internal Audit Report 2020/05 Data Protection.	Carried forward from 2020/2021.	Clerk / Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
10	Transport and Works Manager and Administration Officer to attend training course on Recruitment and Interviewing to enable the Board to recruit more effectively at all levels.	Annual Governance Self-Assessment Checklist.	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
11	Review the Board's response to the Covid 19 crisis.		Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
12	Develop a TRB Team Charter to help convey core service values/ standards to managers and employees.	Local Code of Corporate Governance 2020/2021 (Principle A: Integrity & Ethics & B: Openness).	New for 2021/2022.	Bridge Manager	31/03/2022	Source: Local Code of Corporate Governance checklist.
13	Revise Communications Policy.	Local Code of Corporate Governance 2020/2021 (Principle B: Openness).	New for 2021/2022.	Bridge Manager	31/03/2022	Source: Local Code of Corporate Governance checklist.
14	Establish a formal business case process for all major capital projects.	Internal Audit Report 2021/03 Capital Projects.	New for 2021/2022.	Bridge Manager	31/03/2022	Source: Internal Audit Report 2021/03 Capital Projects.

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 14 JUNE 2021

REPORT ON: UNAUDITED ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

REPORT BY: TREASURER

REPORT NO: TRB 7-2021

1 PURPOSE OF REPORT

To provide some additional commentary on the unaudited Annual Accounts for the year ended 31 March 2021 which is being submitted to the Tay Road Bridge Joint Board along with this report.

2 RECOMMENDATIONS

It is recommended that the Joint Board:

- i notes the contents of this covering report;
- ii notes the unaudited Annual Accounts which have been submitted along with report;
- iii instructs the Treasurer to submit the Annual Accounts to the Controller of Audit, Accounts Commission for Scotland; and
- iv notes that the key assumptions underpinning the independent actuaries' calculation of the Board's IAS 19 liability have been reviewed and accepted by Dundee City Council as administering authority for the Pension Fund.

3 FINANCIAL IMPLICATIONS

The Joint Board's 2020/2021 Movement in Reserves Statement shows that there was a break-even position during the year after the required accounting adjustments. This gives a total General Reserve Balance of £1,160,591 as at 31 March 2021.

4 BACKGROUND

- 4.1 The relevant statutory provisions regarding the preparation of the Joint Board's Accounts are contained in the Local Authority Accounts (Scotland) Amendment Regulations 2014. Section 8 of these regulations requires that "... all the accounts of the local authority are made up and balanced as soon as practicable after the year end of each financial year and that sufficient copies of an abstract of the said accounts for each financial year are prepared ... and submitted to the authority and submitted to the appointed Auditor not later than 30 June in the next financial year...".
- 4.2 As in previous years the Annual Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting (the Code). There are no significant changes included within the 2020/2021 Code, that impact upon the Joint Board's Accounts.
- 4.3 The Annual Accounts already include a detailed commentary on the figures contained therein and it is not intended to repeat this in this covering report. It is however, worth reiterating a few of the more salient points.

- 4.4 During the financial year the Joint Board received quarterly revenue monitoring reports to keep the members fully apprised as to actual spend-to-date and the projected revenue outturn position. The Joint Board's 2020/2021 Movement in Reserves Statement shows that there was a balanced budget during the year. The main variances were as follows:

	£000
Administration underspend	(3)
Operations underspend	(18)
Plant and Equipment underspend	(16)
Bridge Maintenance underspend	(52)
Other Operating Income and Expenditure underspend	(12)
Financing and Investment Income and Expenditure underspend	(4)
Non-Specific Grant Income unapplied	119
Other accounting adjustments underspend	(14)
TOTAL	<u><u>-</u></u>

Further details of the other areas of under and overspend together with reasons for these variances are included on page 12 of the Annual Accounts. The overall effect of the above resulted in a closing General Reserve Balance of £1,160,591 as at 31 March 2021.

- 4.5 On 2 December 2019, the Joint Board approved a 2020/2021 Capital Expenditure Programme (Report TRB 29-2019) for various works on the bridge and other miscellaneous capital purchases totalling £1,475,000 which would be funded by capital grant from the Scottish Government. The Joint Board received quarterly capital monitoring reports to keep members fully apprised as to the actual spend-to-date and the projected capital expenditure outturn position. The last projected outturn on the capital programme of £881,000 was reported to the Joint Board on 1 March 2021, (report TRB 2-2021 refers).

During the financial year 2020/2021, the Joint Board incurred capital expenditure of £815,000, i.e. an underspend of £660,000 against the approved capital budget. The variance against the original budget relates to net budget increases during the year of £129,000 and slippage to 2021/2022 of £789,000.

- 4.6 Copies of the enclosed Accounts will now be sent to the Controller of Audit at the Accounts Commission for Scotland. He will then instruct the Joint Board's appointed external auditor (Richard Smith, Senior Audit Manager, Audit Scotland) to commence his audit of the Accounts. The outcome of the audit will be reported back to the Joint Board in due course.

5 **POLICY IMPLICATIONS**

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

6 CONSULTATIONS

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

7 BACKGROUND PAPERS

None.

**ROBERT EMMOTT
TREASURER**

1 JUNE 2021



Tay Road Bridge



TAY ROAD BRIDGE JOINT BOARD

**ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

UNAUDITED



JUNE 2021

**TAY ROAD BRIDGE JOINT BOARD
ANNUAL ACCOUNTS 2020/2021
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TAY ROAD BRIDGE JOINT BOARD MEMBERS AND OFFICIALS

Tay Road Bridge Joint Board ("the Board") comprises 12 elected members who are appointed by the three constituent local authorities to serve on the Board. Dundee City Council nominates 6 members, Angus Council has 1 member and Fife Council nominates the remaining 5 members. Following the Scottish Local Government Elections that were held in May 2017 it was agreed by the Board that Dundee City Council would continue to act as lead authority to the Board, and consequently, the Council are required to appoint officers to serve as officials of the Board. At the end of financial year 2020/2021, the Members and Officials of the Board were:

Representing Dundee City Council

Councillor Stewart Hunter
Councillor Bill Campbell
Councillor Fraser Macpherson
Councillor Lynne Short (Chair)
Councillor Margaret Richardson
Councillor George McIrvine



Representing Angus Council

Councillor Craig Fotheringham



Representing Fife Council

Councillor Jonny Tepp (Vice-Chair)
Councillor Brian Thomson
Councillor Bill Connor
Councillor Andy Heer
Councillor John Docherty



Bridge Manager

Mr Alan Hutchison BEng (Hons), MSc, CEng, FICE, MCIHT.

Engineer

Mr Gary Brady, BEng (Hons), PGDip, CEng, FICE, MCIHT, Dundee City Council.

Clerk

Mr Roger Mennie LLB (Hons), DipLP, Dundee City Council.

Treasurer

Mr Robert Emmott, BSc, CPFA, Dundee City Council.

Contact Details:

Tay Road Bridge Joint Board website: www.tayroadbridge.co.uk

Bridge Manager	Engineer	Clerk	Treasurer
Bridge Office	c/o Dundee City Council	c/o Dundee City Council	c/o Dundee City Council
Marine Parade	City Development	Corporate Services	Corporate Services
Dundee	50 North Lindsay Street	21 City Square	50 North Lindsay Street
DD1 3JB	Dundee	Dundee	Dundee
01382 433044	01382 433711	01382 434202	01382 433633
alan.hutchison@ tayroadbridge.co.uk	gary.brady@ dundeecity.gov.uk	roger.mennie@ dundeecity.gov.uk	robert.emmott@ dundeecity.gov.uk

TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

INTRODUCTION

We are pleased to present the Annual Accounts for Tay Road Bridge Joint Board ("the Board") for the year ended 31st March 2021. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2020/2021 ("the Code"). This Management Commentary provides a context for the annual accounts and an analysis of the financial performance during the year. The principal risks and uncertainties facing the Board are identified, together with the potential impact and actions being taken.

The Board was established by the Tay Road Bridge Order Confirmation Act 1962 to construct and maintain the Tay Road Bridge. This Order was superseded by the Tay Road Bridge Order Confirmation Act 1991 ("the 1991 Act"). The Board's Business Model has been set up to meet the requirements of the 1991 Act.

ORGANISATIONAL CHANGES

Tay Road Bridge Joint Board has an organisational make-up of twenty-two staff members, comprising eleven shift workers (Operations staff), eight Maintenance members of staff and three members of staff dealing with all administrative duties.

The Maintenance and Operations Manager, Bill Angus, retired in January 2021 after an association with the Tay Road Bridge since 1985. The Board agreed at the December 2020 Board meeting to change the post title to Deputy Bridge Manager to make sure that the post was attractive to suitably qualified engineers. David Robertson was welcomed as Deputy Bridge Manager for the team in March 2021.

The Covid-19 pandemic has significantly impacted the ability of the team to undertake training in 2020/21, but I am pleased that where possible and with adherence to all Scottish Government advice to remain Covid-19 safe, we have managed to deliver the following training to help staff maintain confidence and competence in their individual roles:

- HGV Refresher Training
- Avoiding Unconscious Bias in Recruitment (Management Team)

MANAGEMENT ARRANGEMENTS WITH SCOTTISH GOVERNMENT

During this period, the main point of contact with the Scottish Government continued to be the Trunk Road and Bus Operations Team of Transport Scotland. Virtual meetings to remain Covid 19 safe have been held on a regular basis between Board Officers and officers from the Trunk Road and Bus Operations Team to discuss financial matters and future projects.

CONTRACTS

The management of traffic and pedestrian users of the Tay Road Bridge has benefitted from a number of successful projects delivered in 2020/2021, with more projects due for delivery in 2021/2022 that will add resilience to the bridge's infrastructure.

Administration Building Repairs and Improvement

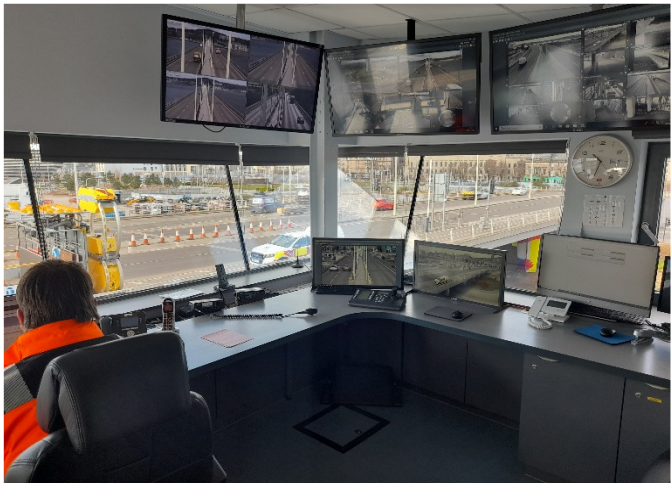
In December 2019 the Board approved the appointment of Wilmott Dixon for the project works with the performance obligations of the contract to be undertaken by Robertson Construction. Works on site commenced in January 2020, with completion due by the end of June, however works were delayed due to the Covid-19 pandemic. Work was able to recommence later in the summer of 2020 with a programme revised to allow for a Covid-19 safe site. The project was completed at the end of January 2021.

TAY ROAD BRIDGE JOINT BOARD
MANAGEMENT COMMENTARY

The project involved the installation of a new roof membrane to the Administration Office to replace a defective roof that was leaking.



The project also included the recladding of the control tower to improve thermal insulation properties in order to raise the comfort levels for staff, along with a refurbishment of the control room and staff mess room to modern standards. Positive feedback from staff regarding the enhanced facilities has been received. The project also allowed the opportunity to improve some of the critical control room systems, with an upgrade and modernisation of the automatic barriers and traffic light control systems thus improving their reliability and responsiveness. Another change included the enhancement of the CCTV viewing capabilities for supervisors monitoring the bridge, along with a new more ergonomic control system interface layout for user comfort and efficiency. All the supervisors have welcomed the changes and staff have also complimented the new modern mess facilities.



Inspection of Columns and Piers

In March 2020 the Board approved the appointment of CAN Structures Limited to carry out a Principal Inspection of the upper 2.4 metres of the concrete river piers and the entire surface area of the columns of the bridge, clean and inspect all surfaces, identify and mark out defective areas of concrete and report on faults. This work is due to be completed in 2021.



TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

Consulting Engineering Services

WSP were appointed to provide a multi-disciplinary engineering consultancy service following Board approval in December 2019. The provision of professional consulting engineering services for a five year term is to allow knowledge and expertise to be developed through partnership working and make sure that a robust strategy for all replacement schemes can be evidenced.

WSP have commenced work on the following capital projects:

Gantry Replacement:

The Engineer to the Board and the Bridge Manager have worked closely with WSP to agree the exact scope of the project required to deliver new inspection gantries. This has included determining all design parameters and understanding desirable improvements that could be made to improve efficiency of structural inspections. A detailed survey of the bridge's existing runway beams has also been undertaken and this has informed a disruptive testing regime that will permit an assessment of different solutions that can be taken forward to concept and then detailed design.

Carriageway Resurfacing and Replacement Joints:

A number of core samples have been taken of the asphalt (or pavement) surfacing along both the north and southbound carriageways. Subsequent inspection and lab testing of these cores has confirmed that the original fifty-five year-old Trinidad Lake Asphalt surfacing material is now ready for replacement. The resurfacing of the bridge is scheduled to take place in 2023 and the movement joints will be renewed during this project. The expansion joints are between 25 and 30 years old and are now practically beyond serviceable life.

Park and Choose Proposal

Fife Council was awarded £235,000 by Transport Scotland at the end of November 2019 to take forward the Tay Bridgehead Park and Choose project. This grant from Transport Scotland is to progress and update the Tay Bridgehead Park and Choose work that was undertaken in 2010. The 2010 proposal included a Park and Choose site with an approximate 450 space car park, landscaping, access junction, drainage, lighting, CCTV, bus turning facilities, bus stances and shelters, and EV charging.

A recent project to upgrade the main electrical switchgear that serves the Dundee and Fife sides of the bridge was completed in early 2020 and this will allow work to commence with Fife Council to install electric vehicle charging points (EVCP's) in our Fife car park for public use. This project demonstrates the TRBJB's and Fife Council's commitment to Active Travel and to help tackle the climate emergency.

Fife Council Officers have formed a working group, consisting of the Bridge Manager, Dundee City Council Officers, and Tactran (supported by SEStran) to support them in carrying out all the necessary work to obtain planning permission and push towards a final development plan. Future works would be funded by Scottish Government grants obtained through an application to Transport Scotland.

TRAFFIC

One or both lanes on the bridge were closed on a number of occasions over the past twelve months. The table below summarises the reasons and number of occurrences:-

Wind speed > 80mph	Wind speed > 60mph	Wind speed > 45mph	Works Full Closures	Breakdowns and Minor Accidents	Operational, Miscellaneous and Police
Closed to all Vehicles	Cars Only	No Double Deck buses			
1	4	33	3	12	434
Comparator figures for 2019/2020:					
2	9	53	2	8	540

TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

The works closures in 2020/2021 related to movement joint repairs that required full closure to facilitate a safe staff and contractor working environment.

STRATEGIC PLAN AND PERFORMANCE SUMMARY

The Board's mission is to provide the travelling public with safe, reliable and efficient crossing of the River Tay through the operation, maintenance and improvement of the Tay Road Bridge. In order to support these aims a Strategic Plan was introduced in December 2018, which details five strategic goals to guide the Board.

- 1. Meeting User Expectations:** Ensuring continued reliability of journeys and providing modern interfaces with our users;
- 2. Fiscally Sustainable:** Maintaining financial responsibility through effective and appropriate deployment of capital and revenue resources;
- 3. Transparent Governance and Clear Decision Making Processes:** Fit for purpose governance arrangements with clear lines of responsibility and accountability that are transparent and clear to users and the general public;
- 4. A Modern, Diverse and Well Trained Workforce:** Providing roles that are fit for purpose whilst offering a range of opportunities for as wide a cross-section of the potential workforce as the service provided allows; and
- 5. Quality and Standards:** Improve safety, maintenance and processes to deliver continuous improvement.

Key Performance Indicators (KPIs) are used to measure general performance and success in achieving some of these key priorities, and these are reported annually to the Board as part of the management commentary contained within the Annual Accounts. KPIs to be measured annually include:

- Quality and Standards: Accidents and incidents (Employees and members of the public);
- Quality and Standards: Lost Time due to accidents and incidents (Employees);
- Fiscally Sustainable: Expenditure (reported in the Annual Accounts);
- Meeting User Expectations: Complaints and questions;
- A Modern, Diverse and Well Trained Workforce: Staff Absences; and
- Fiscally Sustainable: Payment of Invoices.

The remaining KPI is reported quarterly to the Board:

- Meeting User Expectations: Bridge traffic lane availability (reported quarterly as part of a separate report).

KPIs for the full calendar years 2015 to 2020 are as follows:

Safe Services

Years	Accidents Involving Members of the Public	Years	Reportable Incidents Involving Employees	Minor Accidents Involving Employees	Time Lost – Employees (Hrs)
	(Target = Reduction Year on Year)		(Target = 0)	(Target = 0)	(Target = 0)
2015	6	2015	0	2	0
2016	2	2016	0	2	24
2017	9	2017	0	2	0
2018	9	2018	0	3	16
2019	2	2019	2	1	376
2020	0	2020	0	1	0

The statistics for all accidents, either involving staff, or members of the public, are low. It is noted in the Strategic Plan that many Road Traffic Collisions (RTCs) on the bridge are due to driver error and outwith the control of the Board. Police Scotland are called to all RTC's on the bridge.

TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

During 2020 there were no lost working hours due to accidents at work. All accidents are investigated and mitigation measure are put in place to avoid a repeat occurrences. A separate H & S report is brought to the Board annually. During 2019 the time lost by employees due to accidents was 376 hours, with one employee accounting for the majority of this absence. The cause of all accidents are investigated and mitigation measure are put in place to avoid a repeat occurrences. All employees have recovered and are back at work. A separate Health and Safety report is presented to the Board annually.

Effective and Efficient Services: Complaints and Enquiries

Years	Complaints Received & Responses			Enquiries Received & Responses		
	Complaints Received	Complaints Responded To	Complaints Responded to within 10 Working Days	Enquiries Received	Enquiries Responded To	Enquiries Responded to within 10 Working Days
	Target = 10% Reduction Year on Year	Target = 100% of Complaints Responded to	Target = 100% of Complaints Responded to	Target = 10% Reduction Year on Year	Target = 100% of Enquiries Responded to	Target = 100% of Enquiries Responded to
2015	7	7	7	36	36	36
2016	10	10	10	77	77	77
2017	4	4	4	28	28	28
2018	6	6	6	50	50	50
2019	1	1	1	28	28	26
2020	1	1	1	21	21	20
2021 (to 31 March 2021)	0	0	0	15	15	15

From 2015 to 2019 the board received on average six complaints from the public per year regarding our services. These generally related to concerns regarding bridge availability during closures, or concerns related to our sharing of information during such closures. Subsequently, a public questionnaire asking for comments and suggestions to help us improve the TRBJB website was issued via social media on 1 May 2019. The results of these, and a reflection on the queries already received, have helped us to redesign a new website through our IT partners at DCC. It is planned to launch the new website in 2021.

In both 2019 and 2020 only one complaint was received although the Board will continue to pursue every opportunity to reflect upon and improve the service that it delivers. All complaints are responded to in a timely manner and within ten working days.

Since 2016 there has been a substantial drop in enquiries from members of the public, either received by the Bridge Manager directly or through Councillor enquires, down from seventy-seven enquiries in 2016 to twenty enquiries in 2020. This reduction in enquiries is most likely to be attributable to the introduction of a new social media feed and Frequently Asked Questions published on the Board's website, providing up-to-date bridge user information and answers to common questions.

Effective and Efficient Services: Staff Absence

Calendar Years	Staff Sickness (Average Days per Annum)
	Target = <5
2015	17.45
2016	5.76
2017	6.98
2018	7.55
2019	29.5
2020	11.8

TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

The Board lost an average 10 days per employee per year in 2020 due to sickness not relating to Covid-19. This is above the national average of 4.4 days published by the Office for National Statistics (ONS) in 2019. There were on average 1.8 days lost to Covid-19 related illness in 2020, although for January to March 31 2021 the Covid-19 related absence has increased to 6.06 days per employee. All staff have now recovered and have returned to work.

Effective and Efficient Services: Payment of Invoices

Years	Payment of Invoices within 30 days of Invoice Date
	Target = 100%
2015/16	98.06%
2016/17	98.81%
2017/18	98.86%
2018/19	98.85%
2019/20	99.68%
2020/21	99.28%

The Board continue to pay invoices timeously and aim to do this within thirty days. The percentage of payments made within thirty days of invoice date during 2020/2021 was 99.28%.

IMPACT OF CORONAVIRUS PANDEMIC ON OPERATIONS

The UK Government announced a lockdown on 23 March 2020 in response to the Covid 19 pandemic. This had a major impact on the management and operations of the bridge. Management took immediate action to safeguard employees and bridge users. These actions were taken to maintain resilience and ensured bridge availability and the continued safety of employees and bridge users during this challenging and unprecedented time. Business Continuity Planning / Incident Response meetings were held between key personnel and guidance issued to all staff on a regular basis. The actions detailed in the Business Continuity Plan have been implemented during the current Covid19 crisis and it will continue to be updated to reflect changing circumstances.

STAFFING ISSUES

Staff Establishment

Staffing levels and the existing establishment stands as follows:-

	2020/2021	2020/2021	2019/2020	2019/2020
	Current	Establishment	Current	Establishment
Administration	3	3	3	3
Operational	10	11	11	11
Maintenance	7	8	7	8
Total	20	22	21	22



TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

FINANCIAL PERFORMANCE REVIEW

CIPFA's Telling the Story Review of the Presentation of Local Authority Financial Statements:

Following publication in 2015 of CIPFA's Telling the Story Review of the Presentation of Local Authority Financial Statements, the 2016/2017 Code changed the segmental reporting arrangements for the Comprehensive Income and Expenditure Statement and introduced the Expenditure and Funding Analysis. The Expenditure and Funding Analysis brings together Board performance reported on the basis of expenditure measured under proper accounting practices with statutorily defined charges to the General Reserve. Both the Comprehensive Income and Expenditure Statement and the Expenditure and Funding Analysis include a segmental analysis which requires the Board to report performance on the basis of how it is structured and how it operates, monitors and manages financial performance.

Revenue Expenditure

The Tay Road Bridge Joint Board, at its meeting on 2 December 2019, approved the 2020/2021 Revenue Budget. The final budget was projected to break-even. The projected General Reserve balance as at 31 March 2021 would be £1,160,591.

The Board received quarterly Revenue Monitoring reports during 2020/2021 in order to keep the members fully apprised as to the projected revenue outturn position.

The following table reconciles the Revenue Budget approved by the Board on 2 December 2019 to the revised budget figures that are included in the Comprehensive Income and Expenditure Statement shown on page 31. The actual outturn for 2020/2021 was a net overspend against budget of £14,000 before the application of accounting adjustments. The detailed variance analysis is set out on page 12. After the required accounting adjustments this gives a total General Reserve balance of £1,160,591 as at 31 March 2021 which is unchanged from the corresponding figure at 31 March 2020.

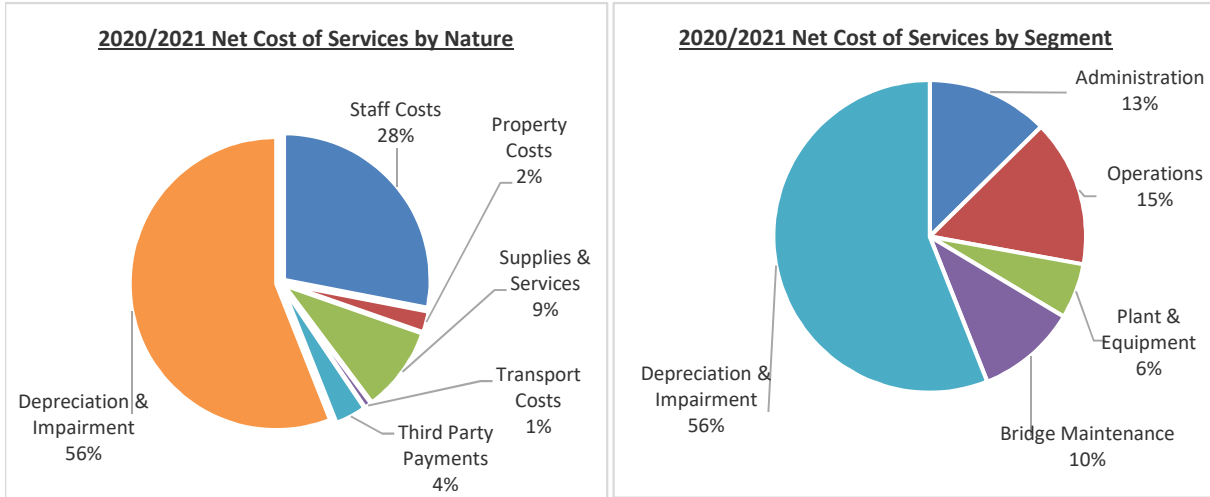
**TAY ROAD BRIDGE JOINT BOARD
MANAGEMENT COMMENTARY**

	Approved Budget £000	Net Depreciation & Impairment Allocation £000	Reallocate Investment Property Inc & Exp £000	Employee Benefits Adjustment £000	Revaluation of PPE Assets £000	Recognised Capital Grant £000	IAS 19 Adjs £000	Revised Budget £000	Actual Expend/ (Income) £000	Over / (Under) Spend £000
Administration	461	-	-	-	-	-	1	462	459	(3)
Operations	521	-	-	-	-	-	52	573	555	(18)
Plant & Equipment	224	-	-	-	-	-	-	224	208	(16)
Bridge Maintenance	399	-	(3)	4	-	-	31	431	379	(52)
Corporate Costs	-	2,056	-	-	(19)	-	-	2,037	2,037	-
Net Cost of Services	1,605	2,056	(3)	4	(19)	-	84	3,727	3,638	(89)
Other Operating Income & Expenditure	(11)	-	10	-	-	-	-	(1)	(13)	(12)
Financing & Investment Income & Expenditure	(5)	-	(7)	-	3	-	24	15	11	(4)
Non-Specific Grant Income	(1,589)	-	-	-	-	(815)	-	(2,404)	(2,285)	119
(Surplus) / Deficit on Provision of Service	-	2,056	-	4	(16)	(815)	108	1,337	1,351	14
(Surplus) / Deficit on Revaluation of PPE	-	-	-	-	13	-	-	13	13	-
Actuarial (Gains) / Losses on Pension Assets / Liabilities	-	-	-	-	-	-	(458)	(458)	(458)	-
Total Comprehensive Income & Expenditure	-	2,056	-	4	(3)	(815)	(350)	892	906	14
IAS 19 Adjustments	-	-	-	-	-	-	350	350	336	(14)
Other IFRS Code Accounting Adjustments	-	(2,056)	-	(4)	3	815	-	(1,242)	(1,242)	-
Total (Surplus)/ Deficit	-	-	-	-	-	-	-	-	-	-
General Reserve Balance b/fwd	(1,161)	-	-	-	-	-	-	(1,161)	(1,161)	-
General Reserve Balance c/fwd	(1,161)	-	-	-	-	-	-	(1,161)	(1,161)	-

The following two charts show how the total 2020/2021 expenditure of the Board is apportioned. Figure 1 shows the split by the nature of expenditure, for example, staff cost, property costs, etc. and Figure 2 shows the proportion of expenditure by operational segment.

Figure 1: 2020/2021 Net Cost of Services by Nature:

Figure 2: 2020/2021 Net Cost of Services by Segment:



Administration (Underspend £3,000)

This reflects lower than anticipated expenditure in relation to training due to the pandemic and salary costs as a post was vacant for a short period of time. These were offset by an increase in insurance premiums.

Operations (Underspend £18,000)

This reflects lower than anticipated expenditure on salary costs due to a long-term absence and a newly vacant post remaining unfilled and a reduction of training programmes as a result of Covid 19. These were offset by increased overtime to cover long-term and Covid 19 related absences.

Plant & Equipment (Underspend £16,000)

This reflects lower than anticipated expenditure for the hire of the safety boat as the start date of the six-month contract period was delayed from the beginning of April until mid-June due to the Covid 19 lockdown resulting in no capital works during this period. This meant that the end date of the contract was extended by approximately ten weeks resulting in there being no requirement for the additional ad-hoc cover period of five weeks that is included in the budget. There were also savings in relation to equipment maintenance, equipment purchases, materials, contractor costs and principal inspections on the gantries as there were ongoing capital works and there will be a major replacement programme in the next few years. These were offset by increased electricity unit costs and an additional supply to a contractor's site office at the Dundee Central Waterfront Development which resulted in increased income as detailed below.

Bridge Maintenance (Underspend £52,000)

This reflects lower than anticipated expenditure on salary costs in relation to a vacant post, a reduction in staff overtime due to reduced maintenance work required during off-peak times, a reduction in standby pay allowance as a result of a vacancy and less staff on standby and a reduction of training programmes as a result of Covid 19. There were also additional savings on miscellaneous inspections and reports and ground maintenance work at the Dundee and Fife landfall areas. These were offset by increased electricity costs as a result of the energy supplier claiming back under-recovered charges between October 2019 and July 2020 after changing to monthly billing from quarterly billing.

Other Operating Income and Expenditure (Underspend £12,000)

This reflects higher than anticipated income due to income for the supply of electricity to a site office for the contractors on the Central Waterfront Development.

Financing and Investment Income and Expenditure (Underspend £4,000)

This reflects lower than anticipated expenditure on the Fife kiosk building.

Non-Specific Grant Income (Reduced Grant Income £119,000)

Reflects the net underspend on other budget heads, as detailed above.

Other Accounting Adjustments (Underspend £14,000)

Reflects underspends on IAS 19 adjustments due to savings in pension contributions.

Capital Expenditure and Financing

The Board, at its meeting on 2 December 2019, approved the 2020/2021 Capital Plan of £1,475,000. This would be funded from Capital Grants.

The Board received quarterly Capital Monitoring reports during 2020/2021 in order to keep the members fully apprised as to the projected capital outturn position. Actual gross capital expenditure for the year was £815,000. The following table compares the actual outturn position with budget for capital expenditure and the associated funding. The underspend against the original capital budget was due to budget adjustments and slippage across a range of projects mainly due to the Covid-19 Pandemic:-

Capital Expenditure:	Budget £000	Actual £000	Variance £000
Carriageway Resurfacing	200	75	(125)
Cathodic Protection Hardware	250	-	(250)
Inspection of Piers and Columns	250	183	(67)
Replacement of Expansion Joints	25	22	(3)
Bridge Office Refurbishment	200	480	280
New Gantries	175	41	(134)
Fife Landfall Improvements	200	-	(200)
Other Projects	175	14	(161)
	1,475	815	(660)
Capital expenditure was funded as follows:			
	£000	£000	£000
Capital Grant from the Scottish Government	1,475	815	(660)
	1,475	815	(660)

Control of Revenue and Capital Expenditure

The control of both the revenue and capital expenditure of the Board is an on-going and substantial exercise which requires a positive contribution from staff and elected members to ensure that the Board's financial objectives are achieved and that the financial resources are fully utilised.

Pension Liability (IAS 19)

Under IAS 19 (Employee Benefits) the Board is required to include figures in its Statement of Accounts relating to the assets, liabilities, income and expenditure of the pension schemes for its employees. It has been estimated that the Board had a net pension liability of £628,000 as at 31 March 2021. The estimated net pension liability at 31 March 2020 was £964,000. The overall decrease was due to an increase in the value of assets as a result of increased return on assets less interest and changes in demographic assumptions partly offset by changes in financial assumptions.

PRINCIPAL RISKS AND UNCERTAINTIES

As part of the ongoing management of risk, senior officers conduct an annual review of strategic risk management issues which is reported to the Board. The updated Strategic Risk Register details the key risks faced by the Board and the existing controls in place. These are summarised as follows:

- Legislative changes e.g. Health and Safety, environmental, procurement. The Board maintains awareness of changes to legislation and amends policies and procedures timeously.
- Effects of changes to the economy impacting grant funding. The Board maintains financial planning, monitoring and control systems.

- Loss of structure / operational capacity through ship impact, etc. The Board has Insurance cover, has provided a pier protection system at navigation spans and maintains security through CCTV and 24 hour site attendance. In addition, Dundee Port Authority has controls and procedures governing navigation of vessels on the river.
- Loss of operational capacity through loss of bridge / buildings. The Board maintains a regular inspection programme and maintenance of assets.
- Losses through poor governance. The Board continues to review and apply recognised good governance policies.
- Failure to deliver projects to time and / or cost. The Board adopts robust project management procedures.
- Lack of financial resources. The Board's submission of applications for grant income includes robust estimates as back up. There is regular monitoring and control of expenditure against agreed budgets. Reserves are reviewed and maintained at prudent levels.
- Lack of staff resources, e.g. from pandemic, industrial action, recruitment issues. The Board maintains and reviews its Business Continuity Plans, consults with staff and trade unions on employment matters, manages staff absences, plans recruitment requirements in advance, and maintains a programme of staff training.

FUTURE DEVELOPMENTS

The Board recognises the impact of continuing financial pressures created by the current economic climate and as a consequence it continues to seek to generate efficiencies and utilise limited resources in an effective manner.

CONCLUSIONS

Sound financial management and effective risk management have enabled the Board to successfully manage its financial and operational performance during 2020/2021. However, significant risks surrounding future uncertainties continue to affect plans for the Board to effectively manage budgetary pressures.

Acknowledgements

During the 2020/2021 financial year the Board's financial position has required continuous scrutiny and strict budgetary control. We would like to thank the Bridge Engineer and the Bridge staff for their assistance in controlling the Board's expenditure and income. In addition, we wish to mention our appreciation of the help and co-operation provided during the financial year by the elected members and by Roger Mennie, Clerk to the Board.

The previous Treasurer, Gregory Colgan, took up a new post within Dundee City Council and was replaced as Treasurer of the Board by Robert Emmott, whose appointment was confirmed at the March 2021 Board meeting. We would like to express our thanks to Mr Colgan for his period as the Treasurer.

Finally, we would conclude our report by thanking all staff who contributed to the preparation of the Board's 2020/2021 Annual Accounts.

Robert Emmott, BSc, CPFA

**Treasurer
Tay Road Bridge
Joint Board
13 September 2021**

**Alan Hutchison,
BEng (Hons), MSc,
CEng, FICE, MCIHT**

**Bridge Manager
Tay Road Bridge
Joint Board
13 September 2021**

**Councillor Lynne
Short, BA**

**Chair
Tay Road Bridge
Joint Board
13 September 2021**

TAY ROAD BRIDGE JOINT BOARD ANNUAL GOVERNANCE STATEMENT

Scope of Responsibility

Tay Road Bridge Joint Board is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards. This is to ensure that public funds and assets at its disposal are safeguarded, properly accounted for and used economically, efficiently, effectively, and ethically. The Joint Board also has a duty to make arrangements to secure continuous improvement in the way its functions are carried out.

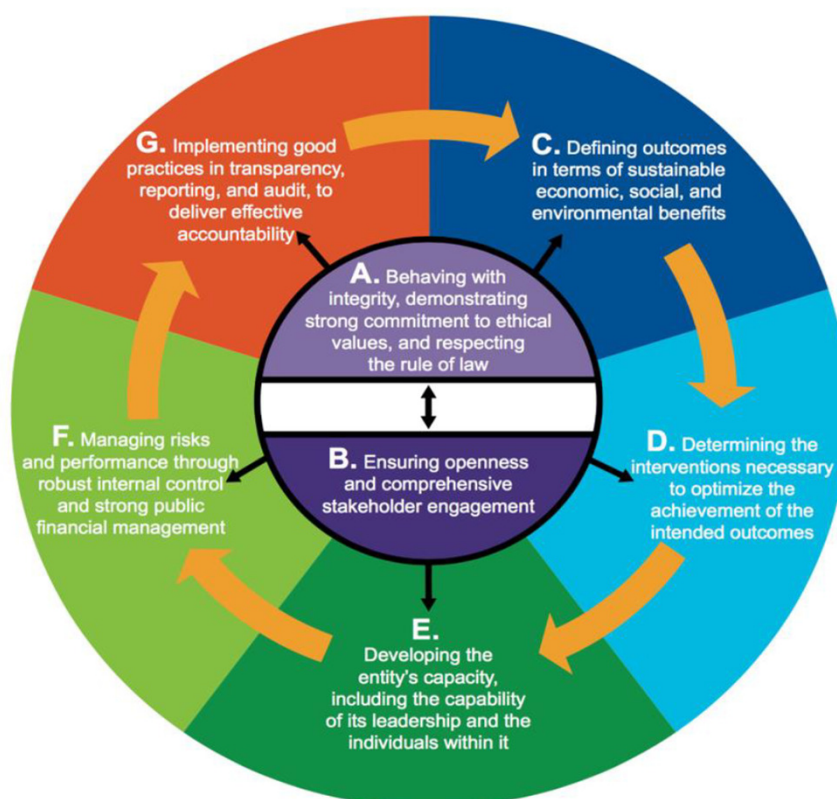
In discharging these responsibilities elected members and senior officers are responsible for implementing effective arrangements for governing the Joint Board's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

In June 2021, the Joint Board approved and adopted an updated Local Code of Corporate Governance that is consistent with the principles of the CIPFA/SOLACE (Chartered Institute of Public Finance & Accountancy / Society of Local Authority Chief Executives) framework *Delivering Good Governance in Local Government (2016)*. This statement explains how Tay Road Bridge Joint Board delivers good governance and reviews the effectiveness of these arrangements.

The Joint Board's Governance Framework

The governance framework comprises the systems, processes, cultures and values by which the Joint Board is directed and controlled. It also describes the way it engages with and accounts to stakeholders. It enables the Joint Board to monitor the achievement of its strategic objectives and consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The framework reflects the arrangements in place to meet the seven supporting principles of effective corporate governance. These are as follows:



Within the overall control arrangements the system of internal financial control is intended to ensure that assets are safeguarded, transactions are authorised and properly recorded, and material errors or irregularities are either prevented or would be detected within a timely period. It is based on a framework of regular management information, financial regulations, administrative procedures and management supervision.

TAY ROAD BRIDGE JOINT BOARD ANNUAL GOVERNANCE STATEMENT

The overall control arrangements include:

- reporting financial and operational information regularly to Joint Board meetings;
- clearly defined Standing Orders and Schemes of Administration covering Financial Regulations, Tender Procedures and Delegation of Powers;
- approved Fraud Guidelines which include anti-fraud and corruption strategies, and "whistle-blowing" arrangements under the Public Interest Disclosure Act 1998;
- approved Anti-Bribery Policy;
- setting targets to measure financial and service performance;
- formal revenue and capital budgetary control systems and procedures; and
- the assurances provided by Internal Audit through their independent review work of the Joint Board's internal control systems.

Additionally, in order to support Chief Financial Officers in the fulfilment of their duties and to ensure that local authority organisations have access to effective financial advice of the highest level, CIPFA's *Role of the Chief Financial Officer (2016)* has introduced a "comply or explain" requirement in the Annual Accounts. The Treasurer complies with the principles set out in CIPFA's *Role of the Chief Financial Officer (2016)*.

Review of Effectiveness

Members and officers of the Joint Board are committed to the concept of sound governance and the effective delivery of Joint Board services and take into account comments made by internal and external auditors and prepare action plans as appropriate. The effectiveness of the governance framework is reviewed annually by senior officers. Their review of the Local Code of Corporate Governance, includes the completion of a self-assessment of their own arrangements. This involved the completion of a 94-point checklist covering the seven supporting principles defined in CIPFA/SOLACE's *Delivering Good Governance in Local Government (2016)*. This indicated a high level of compliance.

In addition, as part of the Annual Governance Statement process the Bridge Manager completes a self-assessment checklist of the Board's own governance, risk management and internal control arrangements. This involved the completion of a 55-point checklist covering seven key governance areas of Service Planning and Performance Management; Internal Control Environment; Fraud Prevention and Detection; Budgeting, Accounting and Financial Control; Risk Management and Business Continuity; Asset Management; and Partnerships. This again indicated a high level of compliance.

The Joint Board's Internal Audit provider conforms with Public Sector Internal Audit Standards and reports to the Joint Board. Internal Audit undertakes an annual programme of work, which is reported to the Joint Board. The Internal Auditor provides an independent opinion on the adequacy and effectiveness of the system of internal control. In the opinion of the Joint Board's Internal Auditor, overall the Board operates adequate internal control systems as defined in the Audit Needs Assessment. The audit and assurance work has not identified any significant gaps in the Board's control environment that would increase the risk of financial loss. This opinion was arrived at by taking into consideration the internal audit, risk management and other assurance work that has been undertaken during 2020/2021 and in previous years since the internal auditors original appointment in 2010.

Impact of Coronavirus Pandemic on Corporate Governance

The UK Government announced a lockdown on 23 March 2020 in response to the Covid 19 pandemic. This has had a major impact on the management and operations of the bridge. Management took immediate action to safeguard employees and bridge users. These actions were taken to maintain resilience and ensured bridge availability and the continued safety of employees and bridge users during this challenging and unprecedented time. Business Continuity Planning / Incident Response meetings were held between key personnel and guidance issued to all staff on a regular basis.

The Annual Governance Statement assesses governance in place during 2020/2021 so the majority of the year was affected by coronavirus. The conclusion on whether or not governance is fit for purpose should reflect the normal operations. However, coronavirus has impacted on governance since March 2020 and the Annual Governance Statement has to reflect the circumstances at the time of publication and the impact on governance.

TAY ROAD BRIDGE JOINT BOARD ANNUAL GOVERNANCE STATEMENT

The impact on governance affected the Board, for example changes to decision making arrangements whereby the following procedures were implemented for Board business from 23 March 2020 until the resumption of Board meetings in September 2020:

- All non-essential Board business was deferred to ensure that all Board Members and all Officers were able to concentrate the maximum possible time and effort on supporting the Board through the Coronavirus period;
- Referring to the Board's existing Scheme of Delegation of Powers to Officers in order to ensure that Officers acted in accordance with the powers which the Board has already delegated; and
- All essential Board business which was not covered by the Scheme of Delegation of Powers to Officers was dealt with as urgent matters arising between meetings (i.e. by the Clerk, in consultation with the Chair and Vice-Chair of the Tay Road Bridge Joint Board).

Continuous Improvement Agenda

The Joint Board's progress against the Continuous Improvement Agenda items for 2020/2021 is detailed in Table 1. Several items are still in progress and have been carried forward to be actioned in 2021/2022. Additional areas for improvement have also been identified by Joint Board officers and these are included in Table 2 and form the Continuous Improvement Action Plan for 2021/2022. These were identified in the self-assessment checklists that were completed as part of the Joint Board's assurance gathering process and also from Internal Audit reviews.

During 2021/2022 steps will be taken to address the outstanding items identified in the Continuous Improvement Agenda to further enhance the Joint Board's governance arrangements.

The annual review demonstrates sufficient evidence that the code's principles of delivering good governance in local government operated effectively and the Joint Board complies with the Local Code of Corporate Governance in all significant respects.

Councillor Lynne Short, BA
Chair
Tay Road Bridge Joint Board
13 September 2021

Alan Hutchison, BEng (Hons), MSc, CEng,
FICE, MCIHT. Bridge Manager
Tay Road Bridge Joint Board
13 September 2021

ANNUAL GOVERNANCE STATEMENT

TABLE 1 - IMPROVEMENT AGENDA FOR 2020/2021

Original Improvement Agenda						Progress Update	
	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
1	Training for Bridge Management to avoid unconscious bias recruitment.	Local Code of Corporate Governance 2018/2019 (Principle A: Integrity & Ethics).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020	17/09/2020	Course was delivered online "Skills to Mitigate Bias and Inclusive Recruitment" by Equate Scotland.
2	Update Data Protection procedures to ensure compliance with GDPR: Develop Records Management Plan.	Local Code of Corporate Governance 2018/2019 (Principle A: Integrity & Ethics and F: Managing Risks & Performance).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020		Meeting to review current GDPR procedures with DCC Compliance Officer was cancelled in March 2020 due to Covid. This will be rearranged. Existing policy "Guidance on Information Record Management to be reviewed at compliance meeting. Ongoing to ensure continuing compliance. Carried forward with new target date by December 2021. *
3	Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements.	Local Code of Corporate Governance 2018/2019 (Principle B: Openness and E: Developing the Entity).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020		In progress. New website has been developed following consultation with service users. Test or Draft website has been shared with TRBJB members. To be rolled out after comments received and acted upon. Carried forward with new target date by December 2021. *
4	Update Bridge Byelaws.	Local Code of Corporate Governance 2019/2020 (Principle A: Integrity & Ethics) & Internal Audit Report (2019/2) Compliance with Legislation.	Carried forward from 2019/2020. In progress.	Clerk / Bridge Manager	31/12/2020		In progress. The Byelaws must be made available in hard copy to the public. This is challenging given Covid-19 restrictions and lockdown. To be made available as soon as Scottish Government reduce restrictions on movement and access to public buildings. Carried forward with new target date by December 2021. *

5	Revise Whistle-Blowing Policy.	Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2020		Bridge Manager to liaise with DCC HR and take to Board meeting in 2021. Carried forward with new target date by December 2021. *
6	Hold monthly Management Meetings instead of quarterly to improve control given number of capital and inspection surveys due from 2020.	Local Code of Corporate Governance 2019/2020 (Principle D: Achieving Intended Outcomes).	New for 2020/2021.	Bridge Manager	31/12/2020		In progress. Current IT equipment does not support MS Teams or other video sharing platforms. An IT bid was made on 28 September 2020 to secure appropriate hardware to allow access for staff. Pressures on IT hardware are unprecedented and this will be delivered when resources allow. Carried forward with new target date by December 2021. *
7	Review structure and shift patterns of Operations team to improve staff welfare and service to users.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	New for 2020/2021.	Bridge Manager	31/03/2021		In progress. Union consultation ongoing. Staff Consultation issued 13 January 2021. Carried forward with new target Implementation date of 31 December 2021. *
8	Bridge manager development and performance review to be re-established.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	New for 2020/2021.	Engineer	31/03/2021		To be implemented 2021 after key appointment of Deputy Manager in March 2021. Carried forward with new target date by December 2021. *
9	Introduce procedure that allows DCC procurement to approve / challenge bridge officer decisions to waiver tender procedures in order to provide a third party check and balance.	Local Code of Corporate Governance 2019/2020 (Principle F: Managing Risks & Performance).	New for 2020/2021.	Treasurer	31/12/2020	26/03/2021	New Tender Procedure Waiver form was finalised and approved. Implementation date was 26 March 2021.
10	Develop checklist to assist in collation and recording of all evidence required to demonstrate compliance with CDM 2015 Regulations.	Internal Audit Report 2020/03 Management of Health & Safety.	New for 2020/2021.	Bridge Manager	31/12/2020		No projects planned, so delayed due to competing priorities. Carried forward with new target date by December 2021. *

11	Ensure that a formal programme of reporting of data protection issues to the Joint Board.	Internal Audit Report 2020/05 Data Protection.	New for 2020/2021.	Clerk / Bridge Manager	31/12/2020		Bridge manager will liaise with Committee Clerk. Carried forward with new target date by December 2021. *
12	Transport and Works Manager and Administration Officer to attend training course on Recruitment and Interviewing to enable the Board to recruit more effectively at all levels.	Annual Governance Self-Assessment Checklist.	New for 2020/2021.	Bridge Manager	31/03/2021		This training must also be given to the new Deputy Manager appointed March 2021. Carried forward with new target date by December 2021. *
13	Review the Board's response to the Covid 19 crisis.		New for 2020/2021.	Bridge Manager	31/03/2021		Ongoing. Risk assessments in place. Bridge Manager reviews latest government guidance online and looks out for changes to Scottish Government advice. Carried forward with new target date by December 2021. *

* Carried forward items have been included in Table 2 with new target completion dates.

ANNUAL GOVERNANCE STATEMENT

TABLE 2 - IMPROVEMENT AGENDA FOR 2021/2022

	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Details
1	Update Data Protection procedures to ensure compliance with GDPR: Develop Records Management Plan.	Local Code of Corporate Governance 2018/2019 (Principle A: Integrity & Ethics and F: Managing Risks & Performance).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
2	Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements.	Local Code of Corporate Governance 2018/2019 (Principle B: Openness and E: Developing the Entity).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
3	Update Bridge Byelaws.	Local Code of Corporate Governance 2019/2020 (Principle A: Integrity & Ethics) & Internal Audit Report (2019/2) Compliance with Legislation.	Carried forward from 2019/2020. In progress.	Clerk / Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
4	Revise Whistle-Blowing Policy.	Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.

5	Hold monthly Management Meetings instead of quarterly to improve control given number of capital and inspection surveys due from 2020.	Local Code of Corporate Governance 2019/2020 (Principle D: Achieving Intended Outcomes).	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
6	Review structure and shift patterns of Operations team to improve staff welfare and service to users.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
7	Bridge manager development and performance review to be re-established.	Local Code of Corporate Governance 2019/2020 (Principle E: Developing the Entity).	Carried forward from 2020/2021.	Engineer	31/12/2021	Carried forward from 2020/2021. In progress.
8	Develop checklist to assist in collation and recording of all evidence required to demonstrate compliance with CDM 2015 Regulations.	Internal Audit Report 2020/03 Management of Health & Safety.	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
9	Ensure that a formal programme of reporting of data protection issues to the Joint Board.	Internal Audit Report 2020/05 Data Protection.	Carried forward from 2020/2021.	Clerk / Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
10	Transport and Works Manager and Administration Officer to attend training course on Recruitment and Interviewing to enable the Board to recruit more effectively at all levels.	Annual Governance Self-Assessment Checklist.	Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
11	Review the Board's response to the Covid 19 crisis.		Carried forward from 2020/2021.	Bridge Manager	31/12/2021	Carried forward from 2020/2021. In progress.
12	Develop a TRB Team Charter to help convey core service values/ standards to managers and employees.	Local Code of Corporate Governance 2020/2021 (Principle A: Integrity & Ethics & B: Openness).	New for 2021/2022.	Bridge Manager	31/03/2022	Source: Local Code of Corporate Governance checklist.

13	Revise Communications Policy.	Local Code of Corporate Governance 2020/2021 (Principle B: Openness).	New for 2021/2022.	Bridge Manager	31/03/2022	Source: Local Code of Corporate Governance checklist.
14	Establish a formal business case process for all major capital projects.	Internal Audit Report 2021/03 Capital Projects.	New for 2021/2022.	Bridge Manager	31/03/2022	Source: Internal Audit Report 2021/03 Capital Projects.

TAY ROAD BRIDGE JOINT BOARD ANNUAL REMUNERATION REPORT

INTRODUCTION

The Board is required to prepare and publish within its Annual Accounts an annual Remuneration Report under the Local Authority Accounts (Scotland) Amendment Regulations 2014. The report sets out the remuneration of the Chair and Vice-Chair and Senior Employees of the Board and accrued pension benefits of the Senior Employees of the Board. The report also provides information on the number of Board employees (including Senior Employees) whose total actual remuneration was £50,000 or more, this information being disclosed in salary bandings of £5,000 above £50,000. The following report has been prepared in accordance with the aforementioned Regulations and also in accordance with other relevant guidance.

The Board's External Auditor is required to audit certain parts of the Remuneration Report and give a separate opinion in his report on the Annual Accounts as to whether the Remuneration Report has been properly prepared in accordance with the Regulations. All of the tables in this report are subject to audit, and the remainder of the report is subject to review.

REMUNERATION ARRANGEMENTS

Senior Board Members

The remuneration of Councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 (SSI No. 2007/183). The Regulations set out the remuneration payable to Councillors with the responsibility of a Chair or Vice-Chair of a Joint Board. The Regulations require the remuneration to be paid by the Council of which the Chair or Vice-Chair is a member. The Board has an arrangement with each Council which remunerates the Chair and Vice-Chair, to reimburse the Council for the additional costs of that councillor arising from them being a Chair or Vice-Chair of the Board. The disclosures made in this report are limited to the amounts paid to the Council by the Board for remuneration and do not reflect the full value of the remuneration that may be paid to the councillor. The remuneration details for the Chair and Vice-Chair of Tay Road Bridge Joint Board are set out in Table 1.

Senior Employees

The salary of Senior Employees is set by reference to national agreements. The salaries of senior employees of the Board take into account the duties and responsibilities of their posts. The Board is responsible for agreeing the salaries of senior employees. All Board employees are entitled to participate in Dundee City Council's Contract Car Hire Scheme, subject to meeting certain criteria. The Council's Policy & Resources Committee is responsible for agreeing the terms of the Contract Car Hire Scheme.

For the purposes of the Remuneration Report, the Regulations set out the following criteria for designation as a Senior Employee of the Board:

- (i) has responsibility for management of the Board to the extent that the person has power to direct or control the major activities of the Board (including activities involving the expenditure of money), during the year to which the Report relates, whether solely or collectively with other persons;
- (ii) holds a post that is politically restricted by reason of section 2(1)(a), (b) or (c) of the Local Government and Housing Act 1989; or
- (iii) annual remuneration, including any remuneration from a local authority subsidiary body, is £150,000 or more.

The Board has determined that one employee met the criteria for designation as a Senior Employee in 2020/2021, with the employee falling into category (i) above. The remuneration details for the Senior Employees of the Board are set out in Table 2.

The Regulations also require information to be published on the total number of Board employees (including Senior Employees) whose total actual remuneration was £50,000 or more. This information is to be disclosed in salary bandings of £5,000 above £50,000 and is shown in the following table.

Remuneration Bands	No of	No of
	Employees	Employees
	2020/2021	2019/2020
£55,000 - £59,999	1	1
Total	1	1

TAY ROAD BRIDGE JOINT BOARD ANNUAL REMUNERATION REPORT

EXIT PACKAGES

There were no exit packages agreed during 2020/2021 (2019/2020: None).

ACCRUED PENSION BENEFITS

Pension benefits for Local Government Employees are provided through the Local Government Pension Scheme (LGPS). A new Local Government Pension Scheme (Scotland) came into effect on 1 April 2015 based on career average related earnings (CARE Scheme).

From 1 April 2009 a five tier contribution system was introduced with contributions from scheme members being based on how much pay falls into each tier. This is designed to give more equality between the cost and benefits of scheme membership. Prior to 2009, contribution rates were set at 6% for all non-manual employees. The members' contribution rates for 2020/2021 remain at the 2009/2010 rates although the pay bandings have been adjusted. The tiers and contribution rates are as follows:

Whole Time Pay	Contribution Rate 2020/2021	Whole Time Pay	Contribution Rate 2019/2020
On earnings up to and including £22,200	5.50%	up to and including £21,800	5.50%
On earnings above £22,200 and up to £27,100	7.25%	above £21,800 and up to £26,700	7.25%
On earnings above £27,100 and up to £37,200	8.50%	above £26,700 and up to £36,600	8.50%
On earnings above £37,200 and up to £49,600	9.50%	above £36,600 and up to £48,800	9.50%
On earnings above £49,600	12%	above £48,800	12%

If a person works part-time their contribution rate is worked out on the whole-time pay rate for the job, with actual contributions paid on actual pay earned.

There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004. The accrual rate guarantees a pension based on 1/49th of average pensionable salary and years of pensionable service. Prior to 2015 the accrual rate guaranteed a pension based on 1/60th of final pensionable salary and years of pensionable service. Prior to 2009 the accrual rate guaranteed a pension based on 1/80th and a lump sum based on 3/80th of final pensionable salary and years of pensionable service.

Senior Employees

The accrued pension benefits for Senior Employees are set out in Table 3, together with the pension contributions made by the Board.

Assumptions and Contextual Information

The value of the accrued pension benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation. The pension figures shown relate to the benefits that the person has accrued as a consequence of their total Local Government service and not just their current appointment.

In considering the accrued pension benefits figures the following contextual information should be taken into account:

- (i) the figures for pension and lump sum are illustrative only in light of the assumptions set out above and do not necessarily reflect the actual benefits that any individual may receive upon retirement.
- (ii) the accrued benefits figures are reflective of the pension contributions that both the employer and the scheme member have made over a period of time. In 2020/2021, the scheme member contribution rate for Senior Employees of the Board was 8.1% of pensionable pay (2019/2020: 7.9%). In 2020/2021, the employer contribution rate was 17% of pensionable pay for Senior Employees (2019/2020: 17%).

Councillor Lynne Short, BA
Chair
Tay Road Bridge Joint Board
13 September 2021

Alan Hutchison, BEng (Hons), MSc, CEng,
FICE, MCIHT. Bridge Manager
Tay Road Bridge Joint Board
13 September 2021

TABLE 1 – REMUNERATION OF COUNCILLORS WHO ARE CHAIR AND VICE-CHAIR OF TAY ROAD BRIDGE JOINT BOARD

Councillor Name	Responsibility	Salary, Fees & Allowances	Taxable Expenses	Total Remuneration 2020/2021	Total Remuneration 2019/2020
		£	£	£	£
Lynne Short	Chair, Tay Road Bridge Joint Board	2,234	-	2,234	1,640
Jonny Tepp	Vice-Chair, Tay Road Bridge Joint Board	4,622	7	4,629	3,287
Total		6,856	7	6,863	4,927

TABLE 2 – REMUNERATION OF SENIOR EMPLOYEES

Employee Name	Post Title	Salary, Fees & Allowances	Total Remuneration 2020/2021	Total Remuneration 2019/2020
		£	£	£
Alan Hutchison	Bridge Manager	59,343	59,343	57,615
Total		59,343	59,343	57,615

TABLE 3 – SENIOR EMPLOYEES ACCRUED PENSION BENEFITS

Employee Name	Post Title	Pension as at 31 March 2021	Pension Difference from 31 March 2020	Lump Sum as at 31 March 2021	Lump Sum Difference from 31 March 2020	Pension Contribution 2020/2021	Pension Contribution 2019/2020
		£000	£000	£000	£000	£000	£000
Alan Hutchison	Bridge Manager	16	1	9	-	10	10
Total		16	1	9	-	10	10

TAY ROAD BRIDGE JOINT BOARD
STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Board's responsibilities

The Board is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In this Board, that officer is the Treasurer;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003); and
- approve the Audited Annual Accounts.

I confirm that these Annual Accounts were approved for signature by the Joint Board at its meeting on 13 September 2021.

Signed on behalf of Tay Road Bridge Joint Board

Councillor Lynne Short, BA
Chair
Tay Road Bridge Joint Board
13 September 2021

The Treasurer's responsibilities

The Treasurer is responsible for the preparation of the Board's Annual Accounts in accordance with proper practices as required by legislation and set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing the Annual Accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with legislation; and
- complied with the Code of Practice (in so far as it is compatible with legislation).

The Treasurer has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the Annual Accounts give a true and fair view of the financial position of the Board at the reporting date and the transactions of the Board for the year ended 31 March 2021.

Robert Emmott, BSc, CPFA
Treasurer
Tay Road Bridge Joint Board
14 June 2021

TAY ROAD BRIDGE JOINT BOARD EXPENDITURE AND FUNDING ANALYSIS

The objective of the Expenditure and Funding Analysis is to demonstrate how the funding available to the Board (i.e. government grants) for the year has been used in providing services in comparison with those resources consumed or earned by the Board in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Board's operational divisions. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2019/2020			2020/2021		
Net Expenditure Chargeable to General Fund £000	Adjustments between the Funding and Accounting Basis £000	Net Expenditure in the CIES £000	Net Expenditure Chargeable to General Fund £000	Adjustments between the Funding and Accounting Basis £000	Net Expenditure in the CIES £000
Expenditure					
441	10	451	455	4	459
492	73	565	497	58	555
200	-	200	208	-	208
365	44	409	340	39	379
-	2,254	2,254	-	2,037	2,037
1,498	2,381	3,879	1,500	2,138	3,638
Net Cost Of Services					
(1,498)	(37)	(1,535)	(1,500)	(787)	(2,287)
Other Operating Income & Expenditure					
-	2,344	2,344	-	1,351	1,351
(Surplus) or Deficit					
1,161	Opening General Reserve Balance				
Less / Add Surplus or (Deficit) on General Reserve Balance in year					
-					
Closing General Reserve Balance at 31 March					
1,161	1,161				

**TAY ROAD BRIDGE JOINT BOARD
EXPENDITURE AND FUNDING ANALYSIS**

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ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS

This note provides a reconciliation of the main adjustments to Net Expenditure Chargeable to the General Reserve to arrive at the amounts in the Comprehensive Income and Expenditure Statement (CIES). The relevant transfers between reserves are explained in the Movement in Reserves Statement.

2020/2021

Adjustments from General Reserve to arrive at Comprehensive Income & Expenditure Statement Amounts	Adjustments between Funding & Accounting Basis			
	Adjustments for Capital Purposes	Net Change for the		
		Pensions Adjustment	Other Differences	Total Adjustments
		(1)	(2)	(3)
<i>Explanatory Notes:</i>	£000	£000	£000	£000
Administration	-	4	-	4
Operations	-	58	-	58
Plant & Equipment	-	-	-	-
Bridge Maintenance	-	39	-	39
Corporate Costs	2,037	-	-	2,037
Net Cost of Services	2,037	101	-	2,138
Other Operating Income & Expenditure from the Expenditure & Funding Analysis	(815)	24	4	(787)
Difference between General Reserve Surplus or Deficit and CIES Surplus or Deficit on the Provision of Services	1,222	125	4	1,351

2019/2020

Adjustments from General Reserve to arrive at Comprehensive Income & Expenditure Statement Amounts	Adjustments between Funding & Accounting Basis			
	Adjustments for Capital Purposes	Net Change for the		
		Pensions Adjustment	Other Differences	Total Adjustments
		(1)	(2)	(3)
<i>Explanatory Notes:</i>	£000	£000	£000	£000
Administration	-	15	-	15
Operations	-	73	-	73
Plant & Equipment	-	-	-	-
Bridge Maintenance	-	44	-	44
Corporate Costs	2,215	39	-	2,254
Net Cost of Services	2,215	171	-	2,386
Other Operating Income & Expenditure from the Expenditure & Funding Analysis	(67)	20	5	(42)
Difference between General Reserve Surplus or Deficit and CIES Surplus or Deficit on the Provision of Services	2,148	191	5	2,344

**TAY ROAD BRIDGE JOINT BOARD
EXPENDITURE AND FUNDING ANALYSIS**

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Explanatory Notes:

- 1) Adjustments for capital purposes - this column adds in depreciation and impairment and revaluation gains and losses in the services line and for:
 - a) Other operating expenditure - adjustments for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
 - b) Financing and investment income and expenditure - the statutory charges for capital financing i.e. loan repayments and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.
 - c) Taxation and non-specific grant income and expenditure - capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.
- 2) Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:
 - a) For services this represents the removal of the employer pension contributions made by the Board as allowed by statute and the replacement with current service costs and past service costs.
 - b) For Financing and investment income and expenditure - the net interest on the defined benefit liability is charged to the Comprehensive Income and Expenditure Statement.
- 3) Other differences between amounts debited / credited to the Comprehensive Income and Expenditure Statement and amounts payable /receivable to be recognised under statute:
 - a) For services this represents the inclusion of a charge for short-term accumulating compensating absences, mainly relating to accrued annual leave entitlement. Allocations of insurance costs and impairment allowances on trade debtors have been included.

EXPENDITURE AND INCOME ANALYSED BY NATURE

The Board's expenditure and income is analysed as follows:

	2019/2020	2020/2021
	Net	Net
Expenditure:	Expenditure /	Expenditure /
	(Income)	(Income)
	£000	£000
Staff Costs	1,085	1,020
Property Costs	76	84
Supplies & Services	310	342
Transport Costs	32	29
Third Party Payments	122	126
Corporate Costs	2,254	2,037
Total Expenditure	3,879	3,638
Income:		
Fees, Charges & Other Service Income	(7)	(13)
Interest & Investment Income	(15)	11
Government Grants & Contributions	(1,513)	(2,285)
Total Income	(1,535)	(2,287)
(Surplus) or Deficit on Provision of Services	2,344	1,351

TAY ROAD BRIDGE JOINT BOARD COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

The Comprehensive Income and Expenditure Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.

2019/2020			2020/2021			
Gross Expenditure £000	Gross Income £000	Net Expenditure/ (Income) £000	Budgeted Net Expenditure (unaudited) £000	Gross Expenditure £000	Gross Income £000	Net Expenditure/ (Income) £000
Expenditure						
451	-	451	462	459	-	459
565	-	565	573	555	-	555
200	-	200	224	208	-	208
409	-	409	431	379	-	379
2,254	-	2,254	2,037	2,037	-	2,037
3,879	-	3,879	3,727	3,638	-	3,638
Net Cost Of Services						
-	(7)	(7)	(1)	-	(13)	(13)
Other Operating Income & Expenditure (note 6)						
20	(35)	(15)	15	27	(16)	11
Financing and Investment Income and Expenditure (note 7)						
-	(1,513)	(1,513)	(2,404)	-	(2,285)	(2,285)
Non-Specific Grant Income (note 8)						
3,899	(1,555)	2,344	1,337	3,665	(2,314)	1,351
Net Deficit on Provision of Services						
-	-	-	13	43	(30)	13
Net deficit on revaluation of PPE						
-	(36)	(36)	(458)	2,576	(3,034)	(458)
Actuarial (Gains) / Losses on Pension Assets / Liabilities						
-	(36)	(36)	(445)	2,619	(3,064)	(445)
Other Comprehensive Income and Expenditure						
3,899	(1,591)	2,308	892	6,284	(5,378)	906
Total Comprehensive Income and Expenditure						

**TAY ROAD BRIDGE JOINT BOARD
MOVEMENT IN RESERVES STATEMENT**

The Movement on Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the Board, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and 'unusable reserves.' The Statement shows how the movements in year of the Board's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices. The Net Increase / (Decrease) line shows the statutory General Reserve Balance movements in the year following those adjustments.

	Revenue Reserves	Capital Reserves			
	General Fund Balance £000	Capital Grants Unapplied Account £000	Total Usable Reserves £000	Unusable Reserves £000	Total Board Reserves £000
Balance at 31 March 2019	(1,161)	(645)	(1,806)	(66,786)	(68,592)
<u>Movement in Reserves during 2019/2020</u>					
Total Comprehensive Expenditure and Income	2,344	-	2,344	(36)	2,308
Adjustments between accounting basis & funding basis under regulations (note 5)	(2,344)	645	(1,699)	1,699	-
Net (Increase) / Decrease before Transfers to Earmarked Reserves	-	645	645	1,663	2,308
Transfers to / (from) Earmarked Reserves	-	-	-	-	-
(Increase) / Decrease in 2019/2020	-	645	645	1,663	2,308
Balance at 31 March 2020 carried forward	(1,161)	-	(1,161)	(65,123)	(66,284)
Total Comprehensive Expenditure and Income	1,351	-	1,351	(445)	906
Adjustments between accounting basis & funding basis under regulations (note 5)	(1,351)	-	(1,351)	1,351	-
Net (Increase) / Decrease before Transfers to Earmarked Reserves	-	-	-	906	906
Transfers to / (from) Earmarked Reserves	-	-	-	-	-
(Increase) / Decrease in Year	-	-	-	906	906
Balance at 31 March 2021 carried forward	(1,161)	-	(1,161)	(64,217)	(65,378)

**TAY ROAD BRIDGE JOINT BOARD
BALANCE SHEET**

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Board. The net assets of the Board (assets less liabilities) are matched by the reserves held by the Board. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the Board may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure). The second category of reserves is those that the Board is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31 March 2020		Note	31 March 2021
£000			£000
66,089	Property, Plant & Equipment	20	64,853
71	Investment Property	19	68
66,160	Total Long Term Assets		64,921
56	Inventories	22	50
171	Short Term Debtors	23	292
1,333	Cash and Cash Equivalents	13	835
1,560	Total Current Assets		1,177
(472)	Short Term Creditors	24	(92)
(472)	Total Current Liabilities		(92)
(964)	Net Pension Liabilities	15	(628)
(964)	Total Long Term Liabilities		(628)
66,284	Net Assets		65,378
1,161	Usable reserves	9	1,161
65,123	Unusable Reserves	10	64,217
66,284	Total Reserves		65,378

Robert Emmott, BSc, CPFA

Treasurer

Tay Road Bridge Joint Board

14 June 2021

**TAY ROAD BRIDGE JOINT BOARD
CASH FLOW STATEMENT**

The Cash Flow Statement shows the changes in cash and cash equivalents of the Board during the reporting period. The statement shows how the Board generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Board are funded by way of grant income or from the recipients of services provided by the Board. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Board's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Board.

2019/2020		2020/2021
£000		£000
2,344	Net deficit on the provision of services	1,351
259	Adjust net surplus or deficit on the provision of services for non cash movements	(2,265)
175	Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	883
2,778	Net cash flows from Operating Activities	(31)
327	Investing Activities (note 11)	556
(32)	Financing Activities (note 12)	(27)
3,073	Net (Increase) in cash and cash equivalents	498
4,406	Cash and cash equivalents at the beginning of the reporting period	1,333
1,333	Cash and cash equivalents at the end of the reporting period (note 13)	835

1 ACCOUNTING POLICIES

A General Principles

The Annual Accounts summarise the Board's transactions for the 2020/2021 financial year and its position at the year-end of 31 March 2021. The Board is required to prepare Annual Accounts by the Local Authority Accounts (Scotland) Regulations 2014. Section 12 of the Local Government in Scotland Act 2003 requires that they be prepared in accordance with proper accounting practices. These practices under Section 21 of the 2003 Act primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2020/2021 and the Service Reporting Code of Practice 2020/2021, and International Financial Reporting Standards (IFRS) and statutory guidance issued under Section 12 of the 2003 Act. The accounting convention adopted in the Annual Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets.

B Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including those rendered by the Board's employees) are recorded as expenditure when the services are received, rather than when payments are made.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

C Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents comprise short term lending that is repayable on demand or within 3 months of the Balance Sheet date and that is readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Board's cash management.

D Changes in Accounting Policies and Estimates and Prior Period Errors

Changes in accounting policies are only made when required by proper accounting practices or when the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Board's financial position or financial performance. Where a change is made and it is material to the financial statements, it is applied retrospectively (unless otherwise stated) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

E Charges to Revenue for Non-Current Assets

The Comprehensive Income and Expenditure Statement is debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the Board; and
- revaluation and impairment losses on assets used by the Board where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.

The Board is not required to apply revenue grant receipts to fund depreciation, revaluation and impairment losses. Depreciation, revaluation and impairment losses are therefore reversed by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement.

F Employee Benefits

Benefits Payable During Employment

Short-term employee benefits (those that fall due wholly within 12 months of the year-end), such as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, are recognised as an expense in the year in which employees render service to the Board. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the remuneration rates applicable in the following financial year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Board to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits and are charged on an accruals basis to the appropriate service segment or, where applicable, to the Corporate Costs line in the Comprehensive Income and Expenditure Statement at the earlier of when the Board can no longer withdraw the offer of those benefits or when the Board recognises costs for a restructuring. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Reserve balance to be charged with the amount payable by the Board to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

Employees of the Board are members of a separate pension scheme being the Local Government Pension Scheme (Tayside Pension Fund), a defined benefits scheme which is administered by Dundee City Council. The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Board.

The Local Government Pension Scheme is accounted for as a defined benefits scheme:

- The liabilities of the Tayside Pension Fund attributable to the Board are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate based on the indicative rate of return on high quality corporate bond, iBoxx AA rated over 15 year corporate bond index.
- The assets of the Tayside Pension Fund attributable to the Board are included in the Balance Sheet at their fair value:
 - quoted securities – current bid price
 - unquoted securities – professional estimate
 - unitised securities – current bid price
 - property – market value.

The change in the net pensions liability is analysed into the following components:

- Service cost comprising:
 - current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to relevant operating areas;

- past service cost – the increase in liabilities arising as a result of a scheme amendment or curtailment the effect of which relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Corporate Costs; and
- net interest on the defined benefit liability / (asset), i.e. net interest expense for the Board – the change during the period in the net defined benefit liability / (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability / (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contribution and benefit payments.
- Re-measurements comprising:
 - the return on plan assets – excluding amounts included in the net interest on the net defined benefit liability / (asset) – charged to the Pension Reserve as Other Comprehensive Income and Expenditure; and
 - actuarial gains and losses – changes in the net pensions liability that arise because events have not co-incided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- contributions paid to the Tayside Pension Fund – cash paid as employer’s contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Reserve balance to be charged with the amount payable by the Board to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact on the General Reserve of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Board also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

G Events After the Reporting Period

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Annual Accounts are adjusted to reflect such events; and
- those that are indicative of conditions that arose after the reporting period – the Annual Accounts are not adjusted to reflect such events, but where a category of events would have a material effect disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Annual Accounts.

H Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Board when there is reasonable assurance that:

- the Board will comply with the conditions attached to the payments; and
- the grants or contributions will be received.

Amounts recognised as due to the Board are not credited to the Comprehensive Income and Expenditure Account until conditions attaching to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset in the form of the grant or contribution are required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor. Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant line (Non-Specific Grant Income) in the Comprehensive Income and Expenditure Statement. Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Reserve Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Account. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Account are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

I Heritage Assets

The Board's Heritage Assets are held in support of the primary objective of increasing knowledge, understanding and appreciation of the history of the Tay Road Bridge and the surrounding area. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Board's accounting policies on property, plant and equipment. However, some of the measurement rules are relaxed in relation to heritage assets as detailed below. The accounting policies in relation to heritage assets are also presented below.

The Board's heritage assets are accounted for as follows:

Heritage Assets Not Recognised in the Balance Sheet

The Board holds heritage assets which, in light of the relaxation of measurement rules, are not recognised in the balance sheet. The Board considers that, due to the unique nature of the assets held and the lack of comparable values, the cost of obtaining valuations would be disproportionate in relation to the benefits to the users of the Board's financial statements. As a result, fair value information is unavailable and cost information is also unknown. These assets are therefore not recognised in the balance sheet, however, detailed information regarding them is held on relevant databases.

J Inventories and Long Term Contracts

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is assigned using the First-in-First-out (FIFO) costing formula. Long-term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the consideration allocated to the performance obligations satisfied based on the goods or services transferred to the service recipient during the financial year.

K Investment Properties

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale. Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are re-valued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal. Rentals received in relation to investment properties are credited to the Financing and Investment Income and Expenditure line and result in a gain for the General Reserve Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the Balance. The gains and losses are therefore reversed out of the General Reserve Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account.

L Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases. Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification. Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Board currently has no assets acquired under finance leases or leased to third parties on finance lease. The Board currently has no assets acquired under operating leases. Accounting policies for operating leases where the Board is a lessor are set out below.

The Board as Lessor

Where the Board grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet as a non-current asset and continues to be subject to depreciation, revaluation and impairment review, in accordance with the relevant accounting policies. Rental income is credited to the appropriate service line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g., there is a premium paid at the commencement of the lease). Any initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

M Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Board and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price; and

- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Board does not capitalise borrowing costs incurred whilst assets are under construction.

Assets are then carried in the Balance Sheet using the following measurement bases:

- infrastructure and vehicles, plant & equipment – depreciated historical cost;
- all other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost is used as an estimate of current value. Assets included in the Balance Sheet at current value are re-valued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains would be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a revaluation or impairment loss previously charged to a service. Where decreases in value are identified, the revaluation loss is accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains);
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall. Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains);
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Assets Held for Sale / Disposals

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is re-valued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously recognised losses. Depreciation is not charged on Assets Held for Sale. Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account. Amounts received for disposals are categorised as capital receipts. Receipts are required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the Board's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the General Reserve in the Movement in Reserves Statement. Amounts are appropriated to the Capital Adjustment Account from the General Reserve in the Movement in Reserves Statement.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

- buildings – straight-line allocation over the useful life of the property as estimated by the valuer.
- vehicles, plant and equipment – straight line allocation over between 3 and 30 years.
- infrastructure – straight-line allocation up to 120 years.

Depreciable assets are not depreciated in the year of purchase, but are depreciated in the year of disposal.

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

N Reserves

Reserves are created by transferring amounts out of the General Reserve in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate expenditure line in that year to count against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then transferred back into the General Reserve Balance in the Movement in Reserves Statement so that there is no net charge against grant receipts for the expenditure. Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and these reserves do not represent usable resources for the Board. Further information on the Board's reserves is contained in notes 9 and 10.

O VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

P FAIR VALUE MEASUREMENT

The Board measures some of its non-financial assets as investment properties at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- a) in the principal market for the asset or liability; or
- b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The Board measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. When measuring the fair value of a non-financial asset, the Board takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling to another market participant that would use the asset in its highest and best use.

The Board uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Board's financial statements are categorised within the fair value hierarchy as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Board can access at the measurement date;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; or
- Level 3 - unobservable inputs for the asset or liability.

The Board's investment properties are measured using the income approach, by means of a discounted cash flow method, where the expected cash flows from the properties are discounted (using a market derived discount rate) to establish the present value of the net income stream. The approach has been developed using the Board's own data requiring it to factor in assumptions such as the duration and timing of cash inflows and outflows, rent growth, occupancy levels, bad debt levels, maintenance costs, etc.

The Board's investment properties are therefore categorised as Level 3 in the fair value hierarchy as the measurement technique uses significant unobservable inputs to determine the fair value measurements (and there is no reasonably available information that indicates that market participants would use different assumptions).

2 ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED

The deferral of implementation of IFRS 16 Leases to the 2022/2023 Code of Practice has meant that the 2021/2022 Code has not yet completed its full due process. There are no other relevant accounting standards that have been issued but that are not yet adopted in the 2021/2022 Code of Practice.

3 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In applying the accounting policies set out in Note 1, the Board has had to make certain judgements about future events. The key judgement made in the Annual Accounts relates to the high degree of uncertainty about future levels of funding for public bodies, especially in light of the financial impact of the Covid 19 pandemic. The Board has determined that this uncertainty is not sufficient to provide an indication that the assets of the Board might be impaired as a result of a need to reduce levels of service provision or affect the underlying assumption of the Board's Going Concern basis.

4 ASSUMPTIONS MADE ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION

The Statement of Accounts contains estimated figures that are based on assumptions made by the Board about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Board's Balance Sheet at 31 March 2021 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Property, Plant and Equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Board will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for property, plant and equipment would increase by £79,887 for every year that useful lives had to be reduced.
Pension Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Board with expert advice about the assumptions to be applied.	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £184,000. However, the assumptions interact in complex ways. During 2020/2021, the Board's actuaries advised that the net pensions assets had increased by £3,034,000 as a result of an increase in the return on assets less interest and net pension liabilities had also increased by £2,576,000 attributable to updating of the assumptions.

This list does not include any assets and liabilities that are carried at fair value based on a recently observed market price.

5 MOVEMENT IN RESERVES STATEMENT - ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Board in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Board to meet future capital and revenue expenditure.

	<u>Revenue</u> <u>Reserve</u>	<u>Capital</u> <u>Reserve</u>	<u>Capital</u> <u>Reserve</u>	<u>Movement</u> <u>in</u>	<u>Total</u>
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied Account	Unusable Reserves	2020/2021 £000
2020/2021	£000	£000	£000	£000	£000
Adjustments involving the Capital Adjustment Account:					
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>					
Charges for depreciation and impairment of non current assets	(2,056)	-	-	2,056	-
Revaluation Gains on Property, Plant & Equipment	19	-	-	(19)	-
Movements in the fair value of Investment Properties	(3)	-	-	3	-
Capital grants and contributions that have been applied to capital financing	815	-	-	(815)	-
<u>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>					
Capital expenditure charged against the General Reserve	-	-	-	-	-
Adjustments involving the Capital Receipts Reserve:					
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-	-	-	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure	-	-	-	-	-
Adjustments involving the Capital Grants Unapplied Account:					
Reversal of unapplied capital grant and contributions credited to the Comprehensive Income and Expenditure Statement	-	-	-	-	-
Adjustments involving the Pensions Reserve:					
Reversal of items relating to post employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 15)	(253)	-	-	253	-
Employer's pensions contributions and direct payments to pensioners payable in the year	131	-	-	(131)	-
Adjustment involving the Accumulating Compensated Absences Adjustment Account:					
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(4)	-	-	4	-
Total Adjustments	(1,351)	-	-	1,351	-

	<u>Revenue Reserve</u>	<u>Capital Reserve</u>	<u>Capital Reserve</u>	<u>Capital Grants Unapplied Account</u>	<u>Movement in Unusable Reserves</u>	<u>Total 2019/2020</u>
2019/2020	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied Account	Capital Grants Unapplied Account	Unusable Reserves	Total 2019/2020
	£000	£000	£000	£000	£000	£000
Adjustments involving the Capital Adjustment Account:						
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>						
Charges for depreciation and impairment of non current assets	(2,215)	-	-	-	2,215	-
Movements in the fair value of Investment Properties	-	-	-	-	-	-
Capital grants and contributions that have been applied to capital financing	4	-	-	-	(4)	-
<u>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>						
Capital expenditure charged against the General Reserve	57	-	-	-	(57)	-
Adjustments involving the Capital Receipts Reserve:						
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	6	(6)	-	-	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure	-	6	-	-	(6)	-
Adjustments involving the Capital Grants Unapplied Account:						
Reversal of unapplied capital grant and contributions credited to the Comprehensive Income and Expenditure Statement	-	-	645	-	(645)	-
Adjustments involving the Pensions Reserve:						
Reversal of items relating to post employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 15)	(325)	-	-	-	325	-
Employer's pensions contributions and direct payments to pensioners payable in the year	134	-	-	-	(134)	-
Adjustment involving the Accumulating Compensated Absences Adjustment Account						
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(5)	-	-	-	5	-
Total Adjustments	(2,344)	-	645	-	1,699	-

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

6 COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT - OTHER OPERATING INCOME AND EXPENDITURE

<u>2019/2020</u> <u>£000</u>		<u>2020/2021</u> <u>£000</u>
(1)	Miscellaneous Income	(13)
(6)	(Gains) / Losses on the disposal of non current assets	-
<u>(7)</u>	Total	<u>(13)</u>

7 COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT - FINANCING AND INVESTMENT INCOME AND EXPENDITURE

<u>2019/2020</u> <u>£000</u>		<u>2020/2021</u> <u>£000</u>
20	Net interest on the defined benefit liability (asset)	24
(27)	Interest receivable and similar income	(6)
-	Changes in the fair value of investment properties	3
(8)	Net Income & Expenditure on investment properties	(10)
<u>(15)</u>	Total	<u>11</u>

8 COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT - NON SPECIFIC GRANT INCOME

<u>2019/2020</u> <u>£000</u>		<u>2020/2021</u> <u>£000</u>
(1,509)	Non-ring fenced government grants	(1,470)
(188)	Capital grants and contributions	(815)
184	Repayment of Capital grants and contributions	-
<u>(1,513)</u>	Total	<u>(2,285)</u>

9 BALANCE SHEET - USABLE RESERVES

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement and note 5.

10 BALANCE SHEET - UNUSABLE RESERVES

<u>31 March 2020</u> <u>£000</u>		<u>31 March 2021</u> <u>£000</u>
762	Revaluation Reserve	749
65,330	Capital Adjustment Account	64,105
(964)	Pensions Reserve	(628)
(5)	Accumulating Compensated Absences Adjustment Account	(9)
<u>65,123</u>	Total Unusable Reserves	<u>64,217</u>

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Board arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- re-valued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation; or
- disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

2019/2020		2020/2021
<u>£000</u>		<u>£000</u>
762	Balance at 1 April	762
-	Upward Revaluation of assets	30
-	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	(43)
-	Accumulated gains on assets sold or scrapped	-
-	Amount written off to the Capital Adjustment Account	-
<u>762</u>	Balance at 31 March	<u>749</u>

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation and impairment losses are charged to the Comprehensive Income and Expenditure Statement. The Account is credited with the amounts set aside by the Board as finance for the costs of acquisition, construction and enhancement. The Account contains accumulated gains and losses on Investment Properties that have yet to be consumed by the Board. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains. Note 5 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

2019/2020		2020/2021
<u>£000</u>		<u>£000</u>
66,833	Balance at 1 April	65,330
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(2,215)	• Charges for depreciation and impairment of non current assets	(2,056)
-	• Revaluation losses on Property, Plant & Equipment	19
<u>(2,215)</u>	Net written out amount of the cost of non current assets consumed in the year	<u>(2,037)</u>
	Capital financing applied in the year:	
6	• Use of the Capital Receipts Reserve to finance new capital expenditure	-
649	• Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	815
57	• Capital expenditure charged against the General Reserve	-
<u>712</u>	Total Capital Financing Applied during the year	<u>815</u>
-	Movements in the market value of Investment Properties debited or credited to the CIES	(3)
<u>65,330</u>	Balance at 31 March	<u>64,105</u>

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Board accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Board makes employer's contributions to pensions funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Board has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2019/2020		2020/2021
£000		£000
(809)	Balance at 1 April	(964)
-	Actuarial gains or (losses) on pensions assets and liabilities	(268)
36	Re-measurements of the net defined benefit liability / (asset)	726
(325)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(253)
134	Employer's pensions contributions and direct payments to pensioners payable in the year	131
(964)	Balance at 31 March	(628)

Accumulating Compensated Absences Adjustment Account

The Accumulating Compensated Absences Adjustment Account absorbs the differences that would otherwise arise on the General Reserve Balance from accruing for compensated absences earned but not taken in the year. Statutory arrangements require that the impact on the General Reserve Balance is neutralised by transfers to or from the Account.

2019/2020		2020/2021
£000		£000
-	Balance at 1 April	(5)
-	Settlement or cancellation of accrual made at the end of the preceding year	-
(5)	Amounts accrued at the end of the current year	(4)
(5)	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(4)
(5)	Balance at 31 March	(9)

11 CASH FLOW STATEMENT - INVESTING ACTIVITIES

2019/2020		2020/2021
£000		£000
527	Purchase of property, plant and equipment, investment property and intangible assets	1,051
(12)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	-
(188)	Other receipts from investing activities	(495)
327	Net cash flows from investing activities	556

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

12 CASH FLOW STATEMENT - FINANCING ACTIVITIES

2019/2020		2020/2021
<u>£000</u>		<u>£000</u>
(32)	Other receipts from financing activities	(27)
<u>(32)</u>	Net cash flows from financing activities	<u>(27)</u>

13 CASH FLOW STATEMENT - CASH AND CASH EQUIVALENTS

The balance of Cash and Cash Equivalents is made up of the following elements:

31 March 2020		31 March 2021
<u>£000</u>		<u>£000</u>
1,333	Bank current account	835
<u>1,333</u>	Total cash and cash equivalents	<u>835</u>

14 EXTERNAL AUDIT COSTS

The Board has incurred the following costs in relation to the audit of the Annual Accounts provided by the Board's external auditors:

	2019/2020	2020/2021
	<u>£000</u>	<u>£000</u>
Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor for the year	13	13
Total	<u>13</u>	<u>13</u>

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

15 DEFINED BENEFIT PENSION SCHEMES

Participation in pension schemes

As part of the terms and conditions of employment of its officers, the Board makes contributions towards the cost of post employment benefits. Although these benefits will not actually be payable until employees retire, the Board has a commitment to make the payments and this needs to be disclosed at the time that employees earn their future entitlement.

The Board participates in two post employment schemes:

- The Local Government Pension Scheme (Tayside Pension Fund), which is administered locally by Dundee City Council and is a funded defined benefit final salary scheme, meaning that the Board and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets. The Scheme currently provides benefits based on career average revalued salary and length of service on retirement.
- The Board also has liabilities for any discretionary pension payments outside the main scheme. These benefits are an unfunded defined benefit final arrangement, under which liabilities are recognised when awards are made. There are no investment assets built up to meet the pension liabilities for discretionary awards, and cash has to be generated to meet actual pensions payments as they eventually fall due.

The Tayside Pension Fund is operated under the regulatory framework for the Local Government Pension Scheme (Scotland) regulations 2008 and the governance of the scheme is the responsibility of the Pensions Investment Sub-Committee of the Policy and Resources Committee of Dundee City Council. Policy is determined in accordance with the Pension Fund Regulations. The investment managers of the fund are appointed by the Sub-Committee.

The principal risks to the Board of the scheme are the life expectancy assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals of members from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge the Cost of Services the amounts required by statute as described in the accounting policies note (please refer to Note 1 item F for further details).

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

Transactions relating to post employment benefits

The Board recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge the Board is required to make against reserves is based on the cash payable in the year, so the real cost of post employment/retirement benefits is reversed out of the General Reserve via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Reserve Balance via the Movement in Reserves Statement during the year:

	Local Government Pension Scheme	
	2019/2020	2020/2021
	£000	£000
Comprehensive Income and Expenditure Statement:		
<i>Cost of Services:</i>		
• current service cost	266	229
• past service cost	39	-
• curtailment	-	-
<i>Financing and Investment Income and Expenditure</i>		
• net interest on the defined liability (asset)	17	21
• administration expenses	3	3
Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services	325	253
<i>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>		
Re-measurement of the net defined benefit liability comprising:		
• Return on plan assets (excluding amount included in the net interest expense)	727	(2,593)
• Other actuarial gains / (losses) on assets	-	268
• Actuarial gains and losses arising on changes in demographic assumptions	-	(310)
• Actuarial gains and losses arising on changes in financial assumptions	(763)	2,308
• Other (if applicable)	-	(131)
Total Re-measurements	(36)	(458)
Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement	289	(205)
Movement in Reserves Statement:		
• reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code	(325)	(253)
<i>Actual amount charged against the General Fund Balance for pensions in the year:</i>		
• employers' contributions payable to scheme	134	131

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

Pension assets and liabilities recognised in the Balance Sheet

Local Government Pension Scheme

	2018/2019 £000	2019/2020 £000	2020/2021 £000
Net pension liabilities as at March:			
Present value of funded obligation	9,836	9,314	11,216
Fair value of scheme assets	(9,381)	(8,673)	(10,944)
Net liability	455	641	272
Present value of unfunded obligation	354	323	356
Net liability arising from defined benefit obligation	809	964	628

Assets and liabilities in relation to post employment benefits

Reconciliation of present value of the scheme liabilities (defined benefit obligation):

**Funded liabilities: Local
Government Pension Scheme**

	2019/2020 £000	2020/2021 £000
Opening balance at 1 April	10,190	9,637
Current service cost	266	229
Interest cost	240	222
Contributions by scheme participants	44	43
<i>Re-measurement (gains) and losses:</i>		
o change in financial assumptions	(763)	2,308
o change in demographic assumptions	-	(310)
Experience gain on defined benefit obligation	-	(131)
Benefits paid	(379)	(426)
Past service costs, including curtailments	39	-
Closing balance at 31 March	9,637	11,572

Reconciliation of fair value of the scheme assets:

Local Government Pension Scheme

	2019/2020 £000	2020/2021 £000
Opening balance at 1 April	9,381	8,673
Interest income on assets	223	201
Re-measurement gain: return on assets less interest	(727)	2,593
Actuarial gains and (losses)	-	(268)
Administration expenses	(3)	(3)
Employer contributions	134	131
Contributions by scheme participants	44	43
Benefits paid	(379)	(426)
Closing balance at 31 March	8,673	10,944

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

The actual return on scheme assets in the year was £2,794,000 (2019/2020: Loss of £504,000).

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

The liabilities show the underlying commitments that the Board has in the long run to pay post employment (retirement) benefits. The total liability of £0.628m is reflected in the Board's Balance Sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Board remains healthy. The deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees (i.e., before payments fall due), as assessed by the scheme actuary.

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The Tayside Pension Fund has been assessed by Barnett Waddingham, an independent firm of actuaries, being based on the latest full valuation of the scheme as at 31 March 2020.

The principal assumptions used by the actuary have been:

	Local Government Pension Scheme	
	2019/2020	2020/2021
Long-term expected rate of return on assets in the scheme:		
Mortality assumptions:		
Longevity at 65 for current pensioners (years):		
Men	19.7	18.9
Women	21.7	22.2
Longevity at 65 for future pensioners (years):		
Men	21.4	20.2
Women	23.5	23.8
Rate of inflation (RPI)	2.80%	2.90%
Rate of inflation (CPI)	1.90%	2.45%
Rate of increase in salaries	2.90%	3.45%
Rate of increase in pensions	1.90%	2.90%
Rate of discounting scheme liabilities	2.35%	1.95%

The estimate of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that the life expectancy increase or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analyses have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Impact on the defined benefit obligation in the Scheme:

	Local Government Pension Scheme		
	£000	£000	£000
	+0.1%	0%	-0.1%
Adjustment to discount rate:			
o Present value of total obligation	11,388	11,572	11,759
o Projected service cost	295	303	311
Adjustment to long term salary increase:			
o Present value of total obligation	11,598	11,572	11,546
o Projected service cost	303	303	303
Adjustment to pension increases and deferred re-valuation:			
o Present value of total obligation	11,731	11,572	11,416
o Projected service cost	311	303	295
Adjustment to mortality age rating assumption:	+ 1 year	None	- 1 year
o Present value of total obligation	12,266	11,572	10,921
o Projected service cost	318	303	288

TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS

The Board's share of Tayside Pension Fund's assets consist of the following categories, by amount and proportion of the total assets held:

	31 March 2020	31 March 2020	31 March 2021	31 March 2021
	£000	%	£000	%
Equity investments	5,735	66	7,836	72
Gilts	120	1	433	4
Other Bonds	1,532	18	1,428	13
Property	1,067	12	1,000	9
Cash and alternatives	219	3	247	2
Total	8,673	100	10,944	100

Impact on the Board's cash flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The Tayside Pension Fund has agreed a strategy with the scheme's actuary to achieve a funding level of 100%. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed as at 31 March 2023.

The Board anticipated to pay £115,000 expected contributions to the scheme in 2021/2022. The weighted average duration of the defined benefit obligation for scheme members is 16 years (2019/2020: 17 years).

16 EVENTS AFTER THE BALANCE SHEET DATE

There were no events that occurred between 1 April 2021 and 14 June 2021 that required adjustment to the 2020/2021 financial statements. The latter date is the date on which the unaudited accounts were authorised for issue by the Treasurer.

17 RELATED PARTIES

The Board is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Board or to be controlled or influenced by the Board. Disclosure of these transactions allows readers to assess the extent to which the Board might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Board.

Central Government

Central government has effective control over the general operations of the Board. It is responsible for providing the statutory framework within which the Board operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Board has with other parties. There are £287,000 of grant receipts outstanding at 31 March 2021 (2019/2020: none) (see note 23).

Other Local Authorities

Angus, Dundee City and Fife Councils are considered to be related parties of the Board. During 2020/2021, the Board entered into a number of transactions with Dundee City Council and Fife Council, as detailed below:

2019/2020			2020/2021	
Income	Expenditure		Income	Expenditure
£000	£000		£000	£000
(27)	-	Dundee City Council:	(6)	-
-	83	Interest Receivable	-	84
-	8	Central Support Services	-	5
-	71	Grounds Maintenance	-	70
-	103	Professional Fees	-	-
-	46	Capital Works	-	42
(27)	311	Miscellaneous	-	42
		Total Dundee City Council	(6)	201
		Fife Council:		
-	-	Grounds Maintenance	-	-
-	5	Miscellaneous	-	5
-	5	Total Fife Council	-	5

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

The following balances existed between the Board and Dundee City Council and Fife Council as at 31 March 2021:

2019/2020			2020/2021	
Asset £000	Liability £000		Asset £000	Liability £000
		Dundee City Council:		
(3)	-	Central Support Services	-	-
(27)	-	Interest Receivable	(6)	-
-	39	Professional Fees	-	-
-	4	Miscellaneous	(11)	1
(30)	43	Total Dundee City Council	(17)	1
		Fife Council:		
-	-	Miscellaneous	-	-
-	-	Total Fife Council	-	-

18 LEASES

The Board as Lessee

The Board held no assets on finance or operating lease during 2020/2021 and, accordingly, there were no lease rentals paid to lessors during the year (2019/2020: None) or commitments due to lessors in 2020/2021 (2019/2020: None).

The Board as Lessor

The Board had entered a three year agreement for the lease of land and property to a third party which ended in 2011. This arrangement has continued on a monthly basis as permitted in the lease agreement. This agreement is accounted for as an operating lease. In 2020/2021 the Board received rent of £10,213 from this agreement (2019/2020: £10,213). Assuming that the lease continues for one year, the present value of minimum lease payments receivable as at the Balance Sheet date are as follows:

- a) Not later than 1 year = £10,213
- b) later than 1 year and not later than 5 years = £Nil
- c) later than 5 years = £Nil.

19 INVESTMENT PROPERTY

The following items of income and expense have been accounted for in the Comprehensive Income and Expenditure Statement:

	2019/2020 £000	2020/2021 £000
Rental income from investment property	10	10
Direct operating expenses arising from investment property	(2)	-
Net gain/(loss)	8	10

There are no restrictions on the Board's ability to realise the value inherent in its investment property or on the Board's right to the remittance of income and the proceeds of disposal.

	2019/2020 £000	2020/2021 £000
Balance at start of the year	71	71
Net gains / (losses) from changes in fair value	-	(3)
Balance at end of the year	71	68

The Board's Investment Properties are valued using the Level 3 (unobservable inputs for the asset) valuation technique / fair value hierarchy. There has been no change in the valuation technique used during the year.

TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS

20 PROPERTY, PLANT AND EQUIPMENT

Movements on Balances

Movements in 2020/2021:

	Other Land and Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure Assets £000	Total Property, Plant & Equipment £000
Cost or Valuation				
At 1 April 2020	1,398	1,846	86,160	89,404
Additions	-	251	564	815
Expenditure Not Adding Value	-	(3)	(82)	(85)
Revaluation Increases / (Decreases) recognised in RR	(14)	-	-	(14)
Revaluation Increases / (Decreases) recognised in the Surplus / Deficit on the Provision of Services	(75)	-	-	(75)
At 31 March 2021	1,309	2,094	86,642	90,045
Accumulated Depreciation and Impairment				
At 1 April 2020	95	690	22,530	23,315
Depreciation charge	35	165	1,771	1,971
Impairment Losses/Reversals to CIES	(94)	-	-	(94)
At 31 March 2021	36	855	24,301	25,192
Net Book Value:				
At 31 March 2021	1,273	1,239	62,341	64,853
At 31 March 2020	1,303	1,156	63,630	66,089

Comparative Movements in 2019/2020:

	Other Land and Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure Assets £000	Total Property, Plant & Equipment £000
Cost or Valuation				
At 1 April 2019	1,398	1,604	85,962	88,964
Additions	-	292	420	712
Derecognition – Disposals	-	(35)	-	(35)
Expenditure Not Adding Value	-	(10)	(222)	(232)
Other Movements in Cost or Valuation	-	(5)	-	(5)
At 31 March 2020	1,398	1,846	86,160	89,404
Accumulated Depreciation				
At 1 April 2019	77	569	20,721	21,367
Depreciation charge	18	156	1,809	1,983
Derecognition – Disposals	-	(35)	-	(35)
At 31 March 2020	95	690	22,530	23,315
Net Book Value:				
At 31 March 2020	1,303	1,156	63,630	66,089
At 31 March 2019	1,321	1,035	65,241	67,597

TAY ROAD BRIDGE JOINT BOARD NOTES TO THE FINANCIAL STATEMENTS

Capital Commitments

At 31 March 2021, the Board has entered into a number of contracts for the construction or enhancement of Property, Plant and Equipment in 2021/2022 and future years, budgeted to cost £192,000 (Similar commitments at 31 March 2020 were £577,000).

The major commitments are for:

- Inspection of Piers and Columns = £39,000;
- Cathodic Protection Hardware = £25,000; and
- Term Consulting Engineers = £125,000.

Revaluations

The Authority carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at fair value is re-valued at least every five years. All valuations were carried out by Mr Alastair Kay BSc MRICS, Registered Valuer for Dundee City Council's City Development service. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS).

21 CAPITAL EXPENDITURE AND CAPITAL FINANCING

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it.

	2019/2020 £000	2020/2021 £000
<i>Capital investment:</i>		
Property, Plant and Equipment	712	815
Total Capital Investment	712	815
<i>Sources of finance:</i>		
Capital receipts	6	-
Government grants and other contributions	649	815
Capital Funded from Current Revenue	57	-
Total Sources of Finance	712	815

22 INVENTORIES

	Maintenance Materials		Total	
	2019/2020 £000	2020/2021 £000	2019/2020 £000	2020/2021 £000
Balance outstanding at start of year	56	56	56	56
Recognised as an expense in the year	-	(3)	-	(3)
Other adjustments	-	(3)	-	(3)
Balance outstanding at year-end	56	50	56	50

23 SHORT-TERM DEBTORS

	31 March 2020 £000	31 March 2021 £000
Central government bodies	133	257
Local authorities	30	17
Other entities and individuals	8	18
Total	171	292

24 SHORT-TERM CREDITORS

	31 March 2020 £000	31 March 2021 £000
Central government bodies	211	28
Local authorities	30	48
Other entities and individuals	231	16
Total	472	92

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

25 GRANT INCOME

The Board credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Account in 2020/2021:

	2019/2020 £000	2020/2021 £000
Credited to Taxation and Non Specific Grant Income		
Scottish Government Revenue Grant	1,509	1,470
Scottish Government Capital Grant	188	815
Repayment of Scottish Government Capital Grant	(184)	-
Total	1,513	2,285

The Board has £nil revenue grants, contributions and donations that have yet to be recognised as income due to them having conditions attached to them that requires the monies or property to be returned to the grant provider (2019/2020: £nil).

26 CONTINGENT LIABILITIES

Equalisation of Guaranteed Minimum Pension (GMP) in Public Service Pension Schemes

As a result of the High Court's recent Lloyds ruling on the equalisation of GMPs between genders, a number of pension schemes have made adjustments to accounting disclosures to reflect the effect this ruling has on the value of pension liabilities. It is the understanding of Tayside Pension Fund's actuaries that HM Treasury have confirmed that the judgement "does not impact on the current method used to achieve equalisation and indexation in public service pension schemes.

On 22 January 2018, the Government published the outcome to its Indexation and Equalisation of GMP in Public Service Pension Schemes Consultation, concluding that the requirement for public service pension schemes to fully price protect the GMP element of individuals' public service pension would be extended to those individuals reaching State Pension Age (SPA) before 6 April 2021. HM Treasury published a Ministerial Direction on 4 December 2018 to implement this outcome, with effect from 6 April 2016.

On 23 March 2021, the Government published the outcome to its GMP Indexation GMP Consultation, concluding that all public service pension schemes, including the LGPS, will be directed to provide full indexation to members with a GMP reaching State Pension Age (SPA) beyond 5 April 2021. This is a permanent extension of the existing 'interim solution' that has applied to members with a GMP reaching SPA on or after 5 April 2016.

Tayside Pension Fund's actuaries valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, the actuaries have assumed that the Fund will be required to pay the entire inflationary increase. The actuaries assumption is consistent with the consultation outcome and they do not believe that any adjustments are required to the value placed on the liabilities as a result of the consultation outcome.

Goodwin Case

The Goodwin case affects male survivors (of female members) by extending the applicable service back from 1988 back to 1978. This only impacts survivor benefits coming into payment after 2005. This doesn't affect who is entitled to benefit, it just impacts the amount to be paid to widowers.

**TAY ROAD BRIDGE JOINT BOARD
NOTES TO THE FINANCIAL STATEMENTS**

The widower liability calculated as part of the formal valuation was less than 0.5% of the total liabilities for the Fund. Tayside Pension Fund's actuaries don't normally receive information on the dependent's pension amount of current members, as this is calculated only when it comes into payment by the administering authority, but they do have to allow for this in the liability calculations that they estimate based on the total service and accrued pension so they have effectively covered any adjustment for pre 1988 service/benefit for active/deferred and pensioner members. The only potential adjustment is therefore a small increase in the current widowers' liability.

For these widowers to be affected the female member would have to have pre 1988 service, which is now thirty-two years ago. There would therefore need to be a combination of service and pension in payment to be greater than thirty-two years. Given the average age of dependents was around seventy-three at the last valuation and the average service might be around ten years the actuaries expect there are very few members where this is the case. If they assume even 10% meet this criteria then the impact might be $0.5\% \times 10\% \times \text{pre 1988 benefit} / \text{total benefit}$. Even if the pre 1988 benefit was 50% of the total (which is unlikely) then the impact would be 0.025%. Whilst there are a number of estimates and assumptions outlined the actuaries believe that the impact is not material.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAY ROAD BRIDGE
JOINT BOARD AND THE ACCOUNTS COMMISSION FOR SCOTLAND**

The Annual Accounts set out on pages 15 to 59 are subject to audit in accordance with the requirements of Part VII of the Local Government (Scotland) Act 1973.

The Auditor appointed for this purpose by the Accounts Commission for Scotland is:

**Richard Smith FCCA
Senior Audit Manager
Audit Scotland
8 Nelson Mandela Place
Glasgow
G2 1BT.**

REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 14 JUNE 2021

REPORT ON: 2021/2022 INSURANCE PROGRAMME

REPORT BY: TREASURER

REPORT NO: TRB 8-2021

1 PURPOSE OF REPORT

This report provides an overview of the insurance arrangements for the financial year 2021/2022.

2 RECOMMENDATIONS

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

3 FINANCIAL IMPLICATIONS

The financial implications of the 2021/2022 insurance programme are detailed in Appendix A. Covers have been negotiated within the provision contained in the approved 2021/2022 Revenue Budget.

4 MAIN TEXT

All policies are negotiated by Dundee City Council's Senior Insurance and Loss Control Officer under the Service Level Agreement with Corporate Services. All policies are arranged through the insurance brokers Marsh with the exception of the Death in Service policy which is 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 Joint Board's legal liabilities to its employees and to members of the public. The increase in 2020/2021 premium relates to revisions to the establishment exposure which were out of date.

4.3 Directors and Officers:

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

4.4 Fidelity Guarantee:

This policy relates to fraud / misappropriation of materials by Joint 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 Joint 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 Joint Board for vehicles that are the property of the Bridge Board and any that are on hire, loaned or leased to the Joint Board. An excess of £100 is applicable on each claim.
- 4.9 Marine:
Provides cover for damage to Joint Board owned vessels and any liabilities resulting from their use.
- 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 Joint Board Meeting on 12 December 2011).

5 **BACKGROUND**

There are no significant insurance renewal issues to report on for the Joint Board.

6 **POLICY IMPLICATIONS**

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

7 **CONSULTATIONS**

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

ROBERT EMMOTT
TREASURER

1 JUNE 2021

TAY ROAD BRIDGE JOINT BOARD**PREMIUM SUMMARY 2021/2022**

CLASS	<u>2016/17</u> £	<u>2017/18</u> £	<u>2018/19</u> £	<u>2019/20</u> £	<u>2020/21</u> £	<u>2021/22</u> £
Property	53,053	53,295	40,388	40,388	40,508	40,799
Combined Liability	18,234	18,487	16,800	16,800	24,349	23,775
Excess Public Liability	4,139	3,608	3,490	4,832	5,073	3,920
Directors and Officers	1,402	1,408	1,434	1,434	1,434	2,696
Fidelity	931	935	952	1,051	1,051	1,419
Personal Accident	974	930	906	891	906	854
Hired in Plant	847	851	866	875	883	906
Engineering Combined	12,452	11,688	11,807	11,726	12,102	11,841
Motor Fleet	5,202	5,697	8,688	8,949	8,369	8,788
Marine	1,314	1,320	1,344	1,344	1,422	1,534
Death in Service	4,361	2,952	2,557	2,022	2,361	2,594
TOTAL	<u>102,909</u>	<u>101,171</u>	<u>89,232</u>	<u>90,312</u>	<u>98,458</u>	<u>99,126</u>

Premiums include HM Government's Insurance Premium Tax (12% from 2018 to current year, previously 10% from 2017, 9.5% from 2016, and 6% from 2011).