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# *TAY ROAD BRIDGE JOINT BOARD*

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Clerk: Roger Mennie  
Head of Democratic and Legal Services  
Dundee City Council  
21 City Square  
Dundee  
DD1 3BY

TO: ALL MEMBERS OF THE TAY  
ROAD BRIDGE JOINT BOARD

Date 10<sup>th</sup> June, 2019

Dear Member

**TAY ROAD BRIDGE JOINT BOARD**

You are requested to attend a meeting of the **TAY ROAD BRIDGE JOINT BOARD** to be held in Committee Room 3, 14 City Square, Dundee at 10.00 am on Monday, 17<sup>th</sup> June, 2019.

The agenda and papers are enclosed.

Please submit any apologies for absence to Arlene Hay, Committee Services Officer on telephone (01382) 434818 or email [arlene.hay@dundeecity.gov.uk](mailto: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 4<sup>th</sup> March, 2019 is submitted for approval (copy enclosed).

### **3 INTERIM APPOINTMENT OF ENGINEER TO THE BOARD**

It is reported that in terms of Part III, item 5 (1) of the Tay Road Bridge Order Confirmation Act 1991, the Joint Board requires to appoint an Engineer to the office of Engineer to the Board.

Reference is made to Article IV of the minute of meeting of the Tay Road Bridge Joint Board of 19 June 2017, when the Board confirmed the re-appointment of Mr Fergus Wilson, City Engineer, to act as Engineer to the Board. On 31 March 2019, Mr Fergus Wilson retired from his role as City Engineer and Head of Design and Property at Dundee City Council.

The Board is asked to approve the appointment of Mr Gary Brady CEng FICE, Team Leader for Bridges and Structures, Dundee City Council to the role of Interim Engineer to the Board until a permanent appointment is made.

### **4 OPERATIONAL RESTRICTIONS AND CLOSURES – Page 5**

(Report No TRB8-2019 by the Bridge Manager, copy enclosed).

### **5 MAINSTREAMING THE EQUALITY DUTY 2019-2021 – Page 9**

(Report No TRB9-2019 by the Bridge Manager, copy enclosed).

### **6 SAFETY BOAT PROVISION – Page 43**

(Report No TRB11-2019 by the Bridge Manager, copy enclosed).

### **7 ENGINEERING WORKS – Page 45**

(Report No TRB16-2019 by the Engineer to the Board, copy enclosed).

### **8 RESPONSE TO INTERNAL AUDITOR'S ANNUAL REPORT TO MEMBERS – Page 49**

(Report No TRB10-2019 by the Bridge Manager, copy enclosed).

### **9 LOCAL CODE OF CORPORATE GOVERNANCE – Page 95**

(Report No TRB12-2019 by the Treasurer, copy enclosed).

### **10 ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31<sup>ST</sup> MARCH 2019 – Page 147**

(Report No TRB13-2019 by the Treasurer, copy enclosed).

**11 UNAUDITED ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019 – Page 155**

(Report No TRB14-2019 by the Treasurer, copy enclosed).

**12 2019/2020 INSURANCE PROGRAMME – Page 223**

(Report No TRB15-2019 by the Treasurer, copy enclosed).

**13 AOCB**

**14 DATE OF NEXT MEETING**

The next meeting of the Joint Board will be held on Monday, 16<sup>th</sup> September 2019 at 10.00 am in Committee Room 3, 14 City Square, Dundee.

**ITEM No ...1.....**

At a MEETING of the **TAY ROAD BRIDGE JOINT BOARD** held at Dundee on 4th March, 2019.

Present:-

Dundee City Council

Councillor Stewart HUNTER  
Depute Lord Provost Bill CAMPBELL  
Baillie Fraser MACPHERSON  
Councillor George McIRVINE  
Councillor Charlie MALONE

Angus Council

Councillor Craig FOTHERINGHAM

Fife Council

Councillor Jonny TEPP  
Councillor Bill CONNOR  
Councillor Brian THOMSON

Also Present (Officers):-

Bruce CROSBIE (Audit Scotland)  
Alan HUTCHISON (Bridge Manager)  
John MOIR (for Treasurer)  
Maureen MORAN (for Clerk)  
Steven MCNAUGHT (Henderson Loggie)

Councillor Stewart HUNTER, Chairperson in the Chair.

Apologies for absence were submitted on behalf of Councillor Lynne Short (Dundee City Council), Councillor Margaret Richardson (Dundee City Council) and Councillor Andy Heer (Fife Council)

**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 3rd December, 2018 was submitted and approved.

(i) **MATTERS ARISING – CYCLIST COUNTERS**

Reference was made to Article XI(i) of the minute of meeting of this Joint Board of 3rd December, 2018, whereby it was remitted to the Bridge Manager to investigate potential installation of cyclist counters.

The Bridge Manager reported that he had met with a representative of the Active Travel Team and identified a suitable location on the bridge. Fixing details and funding avenues were still being explored.

The Bridge Manager would provide a further update to the June Board Meeting.

### **III OPERATIONAL RESTRICTIONS AND CLOSURES**

There was submitted Report No TRB4-2019 by the Bridge Manager appraising the Joint Board of the number and nature of operational restrictions and closures applied between 1st November, 2018 and 31st January, 2019.

The Joint Board noted the contents of the report as at 31st January, 2019.

### **IV TENDER REPORT – PRINCIPAL INSPECTION OF PIERS AND COLUMNS**

There was submitted Report No TRB5-2019 by the Engineer seeking authority for the appointment of Geckotech Solutions Ltd 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 Tay Road Bridge, clean and inspect all surfaces, identify and mark out defective areas of concrete, photograph and report on defects.

The Joint Board:-

- (i) instructed the Clerk to the Board to accept the tender offer of £172,976 from Geckotech Solutions Ltd; and
- (ii) authorised an overall expenditure of £203,733.12 which included an overall allowance of 12% of the tender total (£20,757.12) for contingencies and £10,000 for professional fees associated with providing support for site supervision and interpretation of reports.

### **V REVENUE MONITORING – 10 MONTHS TO 31ST JANUARY, 2019**

There was submitted Report No TRB1-2019 by the Treasurer appraising the Joint Board of the current monitoring position of the 2018/2019 Revenue Budget.

The Joint Board noted the content of the Revenue Monitoring Report as at 31st January, 2019.

### **VI CAPITAL MONITORING – 10 MONTHS TO 31ST JANUARY, 2019**

There was submitted Report No TRB2-2019 by the Treasurer appraising the Joint Board of the current monitoring position of the 2018/2019 Capital Budget.

The Joint Board noted the content of the Capital Monitoring Report as at 31st January, 2019.

### **VII REPAIRS TO TAY ROAD BRIDGE ADMINISTRATION OFFICE**

There was submitted Report No TRB6-2019 by the Bridge Manager seeking approval to progress to tender proposals to repair parts of the Administration Office to restore water tightness, improve the building's thermal properties and modernise the Control Room and mess facility to help the Control Room Supervisors efficiently deliver their day to day duties.

The Joint Board supported the plans to tender work associated with maintaining the Administration Office in a fit for purpose condition and support the future requirements of the Tay Road Bridge operations.

### **VIII EXTERNAL AUDIT ANNUAL AUDIT PLAN 2018/2019**

There was submitted Report No TRB3-2019 by the Treasurer presenting 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 2018/2019.

**IX                    RESPONSE TO INTERNAL AUDITOR'S REPORT ON ASSET MANAGEMENT AND PHYSICAL SECURITY**

There was submitted Report No TRB7-2019 by the Bridge Manager in response to the Internal Audit Report on Asset Management and Physical Security prepared by the Board's Internal Auditor, Henderson Loggie.

The Joint Board endorsed the report as the formal response to the Internal Auditor's report.

**X                    PROVISION OF INTERNAL AUDIT SERVICE 2019-2022**

It was reported that Henderson Loggie had been appointed to provide an Internal Audit Service in respect of financial years 2019/2020 to 2021/2022.

The Treasurer completed a competitive procurement process, in accordance with current procurement requirements, for the provision of Internal Audit Services for the period 2019/2020 to 2021/2022. Henderson Loggie were the successful bidder in this process. The annual estimated cost of providing this service for 2019/2020 is £6,150 plus VAT. These costs would be met from the current budget for Internal Audit Services.

The Joint Board noted accordingly.

**XI                    DATE OF NEXT MEETING**

Monday, 17th June, 2019 at 10.00 am in Committee Room 3, 14 City Square, Dundee.

Stewart HUNTER, Chairperson.





**REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 17 JUNE 2019****REPORT ON: OPERATIONAL RESTRICTIONS AND CLOSURES****REPORT BY: THE BRIDGE MANAGER****REPORT NO: TRB8 - 2019****1.0 PURPOSE OF REPORT**

1.1 To appraise the Board of the number and nature of operational restrictions and closures applied between 1 February and 30 April 2019.

**2.0 RECOMMENDATIONS**

2.1 The Board are asked to note the contents of this Report as at 30 April 2019.

**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 2019 is given below:-

**4.1.1 Single Carriageway Closure**

| <b>Reason</b>                        | <b>Total Duration (Minutes)</b> | <b>No of Occasions</b> | <b>Average Duration (Minutes)</b> |
|--------------------------------------|---------------------------------|------------------------|-----------------------------------|
| Operational                          | 347                             | 114                    | 3.05                              |
| Breakdown                            | 16                              | 4                      | 4                                 |
| Misc. Incidents                      | 33                              | 12                     | 2.75                              |
| Single Lane Closures for maintenance | 392                             | 14                     | 28                                |
| Road works Contractor Contra-flow    | 0                               | 0                      | 0                                 |
| Police Incidents                     | 139                             | 12                     | 11.59                             |

#### 4.1.2 Full Bridge Closure

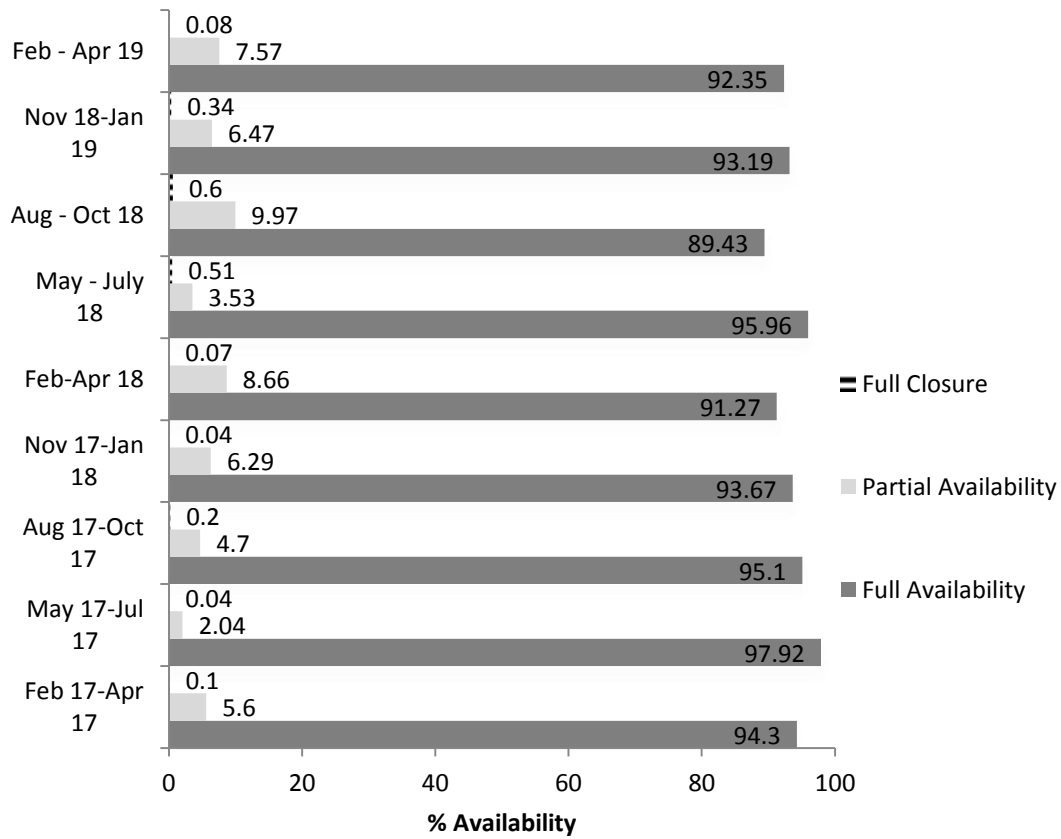
| <b>Reason</b>                | <b>Total Duration (Minutes)</b> | <b>No of Occasions</b> | <b>Average Duration (Minutes)</b> |
|------------------------------|---------------------------------|------------------------|-----------------------------------|
| Operational (Night Closures) | 0                               | 0                      | 0                                 |
| Police Incidents             | 303                             | 3                      | 101                               |
| Wind                         | 0                               | 0                      | 0                                 |

#### 4.1.3 High Winds/Weather Restrictions

| <b>Traffic Restricted</b> | <b>Total Duration (Minutes)</b> | <b>No of Occasions</b> | <b>Average Duration (Minutes)</b> |
|---------------------------|---------------------------------|------------------------|-----------------------------------|
| Double Deck Buses         | 7626                            | 20                     | 381.3                             |
| High Sided                | 1146                            | 3                      | 382                               |
| All traffic               | 0                               | 0                      | 0                                 |

4.1.4 Availability of Bridge

**AVAILABILITY TO BRIDGE USERS**



|                      | Feb – Apr 18 | May – July 18 | Aug – Oct 18 | Nov 18 – Jan 19 | Feb – Apr 19 |
|----------------------|--------------|---------------|--------------|-----------------|--------------|
| Full Availability    | 91.27        | 95.96         | 89.43        | 93.19           | 92.35        |
| Partial Availability | 8.66         | 3.53          | 9.97         | 6.47            | 7.57         |
| Full Closure         | 0.07         | 0.51          | 0.6          | 0.34            | 0.08         |

**Figure 1 – Comparison of Availability of Bridge to Users**

Full availability in this quarter is comparable with previous years.

#### 4.1.5 Summary of Bridge availability 1 February to 30 April 2019

|  |       |
|--|-------|
| Full availability (No restrictions)      | 92.35 |
| Partial Availability (Some restrictions) | 7.57  |
| No Availability (Full Closure)           | 0.08  |

## 5.0 TRAFFIC COUNT DATA

### 5.1 Traffic Count Data from Dundee Ramps

#### AADT – (Annual Average Daily Total)

|                         | 1st Quarter<br>(Feb - Apr) | 2nd Quarter<br>(May - Jul) | 3rd Quarter<br>(Aug - Oct) | 4 <sup>th</sup> Quarter<br>(Nov – Jan) |
|-------------------------|----------------------------|----------------------------|----------------------------|--|
| Northbound to West      | 6056                       | 6459                       | 6371                       | **7125                                 |
| Northbound to East      | 6765                       | 7506                       | 7387                       | 6535                                   |
| <b>Northbound Total</b> | <b>12821</b>               | <b>13965</b>               | <b>13758</b>               | <b>13660</b>                           |
| Southbound from West    | 5445                       | 5807                       | 5711                       | 5461                                   |
| Southbound From East    | 7476                       | 8309                       | 8224                       | 7235                                   |
| <b>Southbound Total</b> | <b>12921</b>               | <b>14116</b>               | <b>13935</b>               | <b>12696</b>                           |

\*\*Please note that an error was noted in the vehicle data logged from the west bound off ramp counter for the last two weeks in January 2019. The count for this ramp was therefore averaged using the vehicle numbers recorded for the 11 weeks of data that was available.

## 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**  
**30 MAY 2019**

**REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 17 JUNE 2019**  
**REPORT ON: MAINSTREAMING THE EQUALITY DUTY 2019 - 2021**  
**REPORT BY: THE BRIDGE MANAGER**  
**REPORT NO: TRB9-2019**

**1.0 PURPOSE OF REPORT**

To seek Joint Board approval for the publication on the Tay Road Bridge web site of a Mainstreaming Equality Report 2019 - 2021.

**2.0 RECOMMENDATION**

The Joint Board are asked to approve the publication of the Mainstreaming Equality Report 2019 - 2021, as per Appendix 1.

**3.0 FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from this report.

**4.0 BACKGROUND**

The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 places a specific duty on the Tay Road Bridge Joint Board to publish a report on Mainstreaming the Equality Duty by 30 April 2019; publish equality outcomes or report progress by the end of April 2021; and publish employee information every two years.

**5.0 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.

**6.0 CONSULTATION**

The Clerk, Treasurer and Engineer have been consulted and are in agreement with the content.

**7.0 BACKGROUND PAPERS**

None.

**ALAN HUTCHISON  
BRIDGE MANAGER  
30 MAY 2019**





Tay Road Bridge

## **TAY ROAD BRIDGE JOINT BOARD**

# **Mainstreaming Equality Report 2019 - 2021**

|              |                                 |
|--------------|---------------------------------|
| Prepared by: | Alan Hutchison                  |
| Reviewed by: | Val Ridley DCC HR<br>Department |

|                     |                       |
|---------------------|-----------------------|
| Document Reference: | <b>TRB 17 rev 3</b>   |
| Approved for Issue: | <b>Alan Hutchison</b> |
| Date: June 3 2019   | Bridge Manager        |





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## 1.0 Introduction

The mainstreaming equality report supersedes and builds upon the good work taken forward in meeting the equality outcomes set out in the Tay Road Bridge Board's Single Equality Scheme 2017-2019. Appendix 2 confirms the actions taken to complete the equality outcomes noted in the 2017-2019 report.

- 1.1 The Equality Act 2010 (the Act), which harmonised and replaced previous equalities legislation came into force on 5 April 2011. The Act placed a general equality duty on public authorities to pay due regard to the need to:
- eliminate discrimination;
  - promote equality of opportunity; and
  - foster good relations across the range of protected characteristics.
- 1.2 The general equality duty expanded the range of those protected under equality legislation to include the following protected characteristics of age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation. The equality duty also covers marriage and civil partnerships, with regard to eliminating unlawful discrimination in employment.
- 1.3 The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 places a specific duty on the Tay Road Bridge Joint Board by the 30<sup>th</sup> April 2019, to:
- Publish a report on the progress it has made to make the equality duty integral to the exercise of its functions so to better perform that duty.
  - Assess the impact of proposed new or revised policies and practice against the needs of the general equality duty.
  - Publish a set of equality outcomes which it considers will enable it to better perform the Equality Duty. (Publish new equality outcomes every 2 years).
  - Publish a report on the composition, recruitment, development and retention of employees with respect to the number and relevant protected characteristics of employees.
  - Publish its equality reports in a manner that is accessible to the public.
  - As far as practicable equality reports should use existing public performance reporting systems.
  - Report every 2 years on the progress made to achieve the equality outcomes.
  - Have due regard that relevant public procurement agreements, conditions should include considerations to enable the Tay Road Bridge Joint Board to better perform the equality duty.

## 2.0 **Progress**

2.1 Mainstreaming Equality: The Tay Road Bridge Joint Board's commitment to mainstreaming equality is best demonstrated by its actions to integrate equality into all its mainstream planning structures from the Senior Management Level to front line delivery of service. This is taken forward by:

- Ensuring timely and appropriate reporting of the Equality Duty.
- Identifying gaps in meeting our Equality Duty and make appropriate recommendations.
- Promoting the engagement of people with protected characteristics in service planning.
- Reporting and advising the Tay Road Bridge Joint Board Members and Senior Board Officers on equalities.

## 3.0 **Assessing the Impact and Reviewing Policies and Practices**

3.1 All policies adopted by the Tay Road Bridge Joint Board are assessed for their impact on Equalities issues by means of Equalities Impact Assessments (EQIA) where appropriate using Dundee City Council guidance.

## 4.0 **Equality and Diversity Training:**

4.1 The Tay Road Bridge is committed to providing ongoing Equality and Diversity Awareness training for all staff. Staff are made aware of equalities issues as part of the induction process and further specific training provided via third party trainers to support staff as required and determined through Employee Development Reviews.

4.2 The Tay Road Bridge Joint Board Elected Members are briefed in the Equality Act Duties by Officers from their own Council.

## 5.0 **Setting of Equality Outcomes**

5.1 The Tay Road Bridge Joint Board undertook a review of its procedures, policies and service delivery in accordance with the following documents:

- The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012
- Equality outcomes and the public sector equality duty: A guide for public authorities (Scotland)

5.2 The Tay Road Bridge Joint Board's Equality Outcomes 2019-2021 are set out in Appendix 3 of this report.

## 6.0 **Occupational Segregation**

There are a number of posts which are dominated by one gender. These posts are traditionally occupied by males although all jobs and descriptions are non-gender specific. Consideration of training for the Tay Road Bridge Management team to avoid unconscious bias recruitment forms part of the Equality Outcomes highlighted at appendix 2.

## 7.0 **Gender Equal Pay Statement**

The Tay Road Bridge Joint Board is committed to the principle that all of our employees should receive equal pay for doing equal work, or work of equal value. The Tay Road Bridge Joint Board is also an equal opportunities employer and positively values the different backgrounds, perspectives and skills that a diverse workforce brings. The Tay Road Bridge Joint Board is committed to undertake regular equal pay review in line with appropriate guidance and take appropriate remedial action if necessary.

## 8.0 **Employee Equality Monitoring**

### 8.1 Duties

The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 requires all listed public authorities to take steps to gather information on the composition of the authorities workforce and information on recruitment, development and retention of employees relating to the relevant protected characteristics.

The public sector equality duty covers the following characteristics: age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation.

The purpose of the legislation is to ensure that public authorities:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Equality Act 2010.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.

### 8.2 Information

The information detailed in this report had been completed from a number of different and independent information systems. In addition questionnaires sent to

all staff, these systems are Resource Line (Payroll/Personnel System), training records/databases, as well as paper based records.

The Equality Act requires local authorities to report on the composition of the authorities employees.

For data protection purposes no record of less than five has been reported in the attached appendices.

### 8.3 Non Disclosure of Equality Information

The following levels of non disclosure of information from existing employees were recorded:

| Topic                          | Non Disclosure Rate |
|--------------------------------|---------------------|
| Disability                     | 0%                  |
| Race                           | 0%                  |
| Religion and Belief            | 14.81 (4)           |
| Sexual Orientation             | 0%                  |
| Marriage and Civil Partnership | 0%                  |

The new start form for the Tay Road Bridge Joint Board includes all protected characteristics stipulated in the Equality Act. It is anticipated that the rates of non disclosure will gradually reduce if information is collected when employees commence their employment. Resource Link will be developed to hold the protected characteristic information and in addition further developments are underway to ensure that the council records details of appraisals, training and development, disciplinary, etc.

A significant number of Tay Road Joint Board employees provided their details across the four strands covered in the table. On average most of employees provided their equality information.

### 8.4 Recruitment

The statistics gleaned from the Equalities Questionnaire attached to the applications are given in Appendix 2.

### 8.5 Further Action

Equality monitoring issues will be reported to the Tay Road Bridge Joint Board on an annual basis as per the Single Equalities Scheme and any resulting actions will be taken by the Senior Officers of the Board.

Appendix 1

**Tay Road Bridge Joint Board  
Completed Equality Outcomes From  
2013 - 2017**





## Equality Outcomes 2013 – 2017

| Outcome  | Action Plan <b>Updated May 16 2017</b>   | Target Date  |
|--|--|--|
| <p>1. Ensure Service Delivery meets the needs of all communities</p> | <ul style="list-style-type: none"> <li>• Engage with local communities to identify barriers – attend workshops/consultation events organised by Dundee City Council (if available) <b>All staff complete mandatory E Learning Modules in Equality and Diversity, and this is recorded in their Training Plans. We are in contact with local specialist interest organisations, including numerous charities, which use The Tay Road Bridge as a means to raise funds. These charities can provide feedback on improvements that can be made to improve our level of service.</b></li> <li>• Offer opportunity for service users to advise of protected characteristics – supply questionnaires with feedback forms <b>Feedback forms are provided to all users of the Tay Road Bridge who require our breakdown service or require other assistance on the Bridge. This form offers the user the opportunity to recommend changes that we could make to improve our service. All Feedback forms are discussed at Management Meeting every one to two months.</b></li> <li>• Improve accessibility of web services – investigate provision of translation capability via Google Translate or other web based service <b>The Tay Road Bridge rolled out an improved Web Site in the Autumn of 2015. This has a drop down Google Translate facility.</b></li> </ul> | <p><b>Complete</b></p> <p><b>Complete</b></p> <p><b>Complete</b></p> |
| <p>2. Analyse Equality Information to eliminate any disadvantage</p> | <ul style="list-style-type: none"> <li>• Establish equality working Group, with assistance from Equalities Officer, Dundee City Council <b>At all Management Meetings there is an Equality agenda item to permit discussion and idea sharing to assist the Tay Road Bridge in providing equal opportunity for everyone.</b></li> </ul>   | <p><b>Complete</b></p>   |



Appendix 2

**Tay Road Bridge Joint Board  
Equality Outcomes  
2017 - 2019**



## Equality Outcomes 2017 - 2019

| Outcome  | Protected Characteristic   | Action Plan   | Target Date   |
|--|--|---|---|
| 1. Raise awareness of mental health issues throughout the Tay Road Bridge work force and ensure employees are supported to help them manage any difficulties they might experience or barriers they might face | Disability – this is a specific focus on mental health                           | Consider rolling out initiatives: <ul style="list-style-type: none"> <li>a. Develop a mindfulness programme for employees. <b>First Delivered 2018 and ongoing</b></li> <li>b. Support delivery of relaxation programmes <b>First Delivered 2018 and ongoing</b></li> <li>c. Develop Manager’s awareness training on mental health <b>Course is booked Summer 2019</b></li> </ul> | Autumn 2018<br><b>Progressing well</b>  |
| 2. Tay Road Bridge Employees understand diversity, equality, dignity so that there are good relations between people   | Eliminate discrimination; promote equality of opportunity; foster good relations | a. Training and awareness refresher sessions/campaigns are designed and delivered to maintain staff awareness<br><b>Equality and Diversity awareness Training completed by all staff 2018</b>   | Winter 2017<br><b>Complete</b>  |
| 3. Ensure bridge information is accessible in suitable mediums for all groups  | Eliminate discrimination; foster good relations                                  | a. Engage and consult with local communities to eliminate disadvantage<br>b. Give consideration to designing a public questionnaire regarding website to gather information to check service delivery is effective to all groups and improve as required.   | Spring 2019<br><b>Public Questionnaire issued via social media May 2019. Feedback not yet received.</b> |

| Outcome   | Protected Characteristic                        | Action Plan   | Target Date                       |
|---|---|---|-----------------------------------|
| 4. An increased proportion of people with protected characteristics are supported to enter employment | Eliminate discrimination; gender; race; beliefs | a. Consideration of training for the Tay Road Bridge Management team to avoid unconscious bias recruitment as posts need to be filled | Spring 2019<br><b>Outstanding</b> |

Appendix 3

**Tay Road Bridge Joint Board  
Equality Outcomes  
2019 - 2021**





## Equality Outcomes 2019 - 2021

| Outcome  | Protected Characteristic                                       | Action Plan  | Target Date |
|--|--|--|-------------|
| 5. Continue to raise awareness of mental health issues throughout the Tay Road Bridge work force and ensure employees are supported to help them manage any difficulties they might experience or barriers they might face | Emotional health and well being                                | Consider rolling out initiatives:<br>d. Develop a mindfulness programme for employees.<br>e. Support delivery of relaxation programmes <b>First Delivered 2018 and ongoing</b><br>f. Develop Manager's awareness training on mental health <b>Course is booked Summer 2019</b> | Autumn 2021 |
| 6. Vulnerable people and staff will feel supported and equipped to deal with emotional issues following critical incidents   | Emotional health and well being                                | g. Maintain high levels of training for staff to assist members of the public<br>h. TRB will ensure that staff can easily access a member of the Critical Incident Response Team and this will be promoted to staff  | Autumn 2021 |
| 7. Improve infrastructure around bridge to make sure the bridge is accessible to all protected user groups   | Eliminate discrimination;<br>Disability; foster good relations | i. Improve lighting levels on bridge walkway   | Autumn 2021 |

| Outcome   | Protected Characteristic                        | Action Plan   | Target Date   |
|---|---|---|---|
| 8. Ensure bridge information is accessible in suitable mediums for all groups                         | Eliminate discrimination; foster good relations | j. Engage and consult with local communities to eliminate disadvantage<br>k. Give consideration to designing a public questionnaire regarding website to gather information to check service delivery is effective to all groups and improve as required. | Spring 2020<br><b>Public Questionnaire issued via social media May 2019. Feedback not yet received.</b> |
| 9. An increased proportion of people with protected characteristics are supported to enter employment | Eliminate discrimination; gender; race; beliefs | b. Consideration of training for the Tay Road Bridge Management team to avoid unconscious bias recruitment as posts need to be filled   | Spring 2020<br><b>Outstanding</b>   |

Appendix 4 – Equalities Statistics



**Table 1a Occupational Segregation - Posts Dominated by Males or Females 1 January to 31 December 2016**

| <b>Post Title</b>            | <b>No of Posts</b> | <b>Males</b> | <b>%</b>     | <b>Females</b> | <b>%</b>     | <b>Total</b> |
|------------------------------|--------------------|--------------|--------------|----------------|--------------|--------------|
| Bridge Manager               | 1                  | 1            | 100          | 0              | 0            | 1            |
| Maintenance Manager          | 1                  | 1            | 100          | 0              | 0            | 1            |
| Operational Manager          | 1                  | 0            | 0            | 1              | 100          | 1            |
| Bridge Inspector             | 1                  | 1            | 100          | 0              | 0            | 1            |
| Assistant Bridge Inspector   | 1                  | 1            | 100          | 0              | 0            | 1            |
| Bridge Tech-Electrician      | 1                  | 1            | 100          | 0              | 0            | 1            |
| Maintenance Officers         | 6                  | 5            | 83.3         | 1              | 16.7         | 1            |
| Operational Duty Supervisors | 5                  | 5            | 100          | 0              | 0            | 5            |
| Operational Officers         | 10                 | 9            | 90           | 1              | 10           | 10           |
| Administration Assistant     | 1                  | 0            | 0            | 1              | 100          | 1            |
| <b>Total Number</b>          | <b>27</b>          | <b>23</b>    | <b>85.19</b> | <b>4</b>       | <b>14.81</b> | <b>27</b>    |

**NOTE FOR ALL TABLES:** The Equality and Human Rights Commission guidance states that sub-sets of less than 10 should not be published.

The guidance also ensures compliance with the Data Protection Act. Sub-sets of less than 10 are reported as \*

**Table 1b Occupational Segregation by Grade**

| <b>TRB Grades</b> | <b>Men</b> | <b>Women</b> |
|-------------------|------------|--------------|
| 3-6               | 21         | 3            |
| 7-9               | 1          | 1            |
| 10-12             | 0          | 0            |
| Above 12          | 1          | 0            |
| Totals            | 23         | 4            |

**At 31 December 2016 there were 23 men and 4 women employed by the Tay Road Bridge Joint Board. On average men earned a higher hourly rate than women, with a gender pay gap calculated at 11.40%.**

**NOTE FOR ALL TABLES: The Equality and Human Rights Commission guidance states that sub-sets of less than 10 should not be published.**

**The guidance also ensures compliance with the Data Protection Act. Sub-sets of less than 10 are reported as \***

**Table 2 Job Applicants and Existing Employees broken down by Age for 1 January 2016 to 31 December 2016**

| Age      | Employees in post | Job Applications | Successful Applicants | Part Time - Employees | Full Time - Employees | Training & Development | Annual Employee Development Review | Employees Lodging Grievance | Employees Subject to Disciplinary Procedures | Leavers excl. Dismissals |
|----------|-------------------|------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------------------|-----------------------------|--|--------------------------|
| Up to 20 |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| 21 - 30  | *                 |                  |                       |                       | *                     | *                      | *                                  |                             |  |                          |
| 31 - 40  | *                 |                  |                       |                       | *                     | *                      | *                                  |                             |  |                          |
| 41 - 50  | 10                | *                | *                     | *                     | *                     | *                      | *                                  |                             |  |                          |
| 51 - 60  | 11                |                  |                       |                       | 11                    | 10                     | 10                                 |                             |  | *                        |
| 61 - 70  | *                 |                  |                       |                       | *                     | *                      | *                                  |                             |  |                          |
| No Entry |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |

No Entry - Applicant/Employee chose not to answer this question

Please note that the Tay Road Bridge has had no “Dismissals” for the period 1 January to 31 December 2016

**Table 3 Job Applicants and Existing Employees broken down by Disability for 1 January 2016 to 31 December 2016**

|   | Employees in post | Job Applications | Successful Applicants | Part Time - Employees | Full Time - Employees | Training & Development | Annual Employee Development Review | Employees Lodging Grievance | Employees Subject to Disciplinary Procedures | Leavers excl. Dismissals |
|---|-------------------|------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------------------|-----------------------------|--|--------------------------|
| Age   |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Yes   | *                 |                  |                       |                       | *                     |                        |                                    |                             |  |                          |
| Yes-No Entry                                    |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Yes- Sensory Impairment                         |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Yes-Physical Impairment                         |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Yes-Longstanding Illness or Health Condition    |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Yes- Mental Health Condition                    |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Yes-Other                                       |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Yes-Learning Disability or Cognitive Impairment |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Yes-Prefer not to Answer                        |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| No  | 26                | *                | *                     | *                     |                       | 17                     | 17                                 |                             |  | *                        |
| Prefer Not to Answer                            |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| No Entry  |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |

No Entry - Applicant/Employee chose not to answer this question



Table 4

## Job Applicants and Existing Employees broken down by Race for 1 January 2016 to 31 December 2016

| Race  | Employees in post | Job Applications | Successful Applicants | Part Time - Employees | Full Time - Employees | Training & Development | Annual Employee Development Review | Employees Lodging Grievance | Employees Subject to Disciplinary Procedures | Leavers excl. Dismissals |
|---|-------------------|------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------------------|-----------------------------|--|--------------------------|
| African-(Inc.Scottish/British)                        |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| African-Other (Inc.Scottish/British)                  | *                 |                  |                       |                       | *                     | *                      | *                                  |                             |  |                          |
| Asian-Bangladeshi (Inc.Scottish/British)              |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Asian-Chinese (Inc.Scottish/British)                  |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Asian-Indian (Inc.Scottish/British)                   |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Asian-Other (Inc.Scottish/British)                    |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Asian-Pakistani (Inc.Scottish/British)                |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Carribbean or Black - Black (Incl.Scottish/British)   |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Caribbean or Black - Caribbean (Inc.Scottish/British) |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Caribbean or Black - Other (Inc.Scottish/British)     |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Gypsy/Traveller                                       |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Mixed or Multiple Ethnic Group                        |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| No Entry  |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Arab-Other (Inc.Scottish/British)                     |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Arab-Arab (Inc.Scottish/British)                      |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Other Ethnic Background                               |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| Prefer Not to Answer                                  |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| White-Eastern European                                |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| White-Irish   |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| White-Other British                                   | *                 |                  |                       |                       |                       | *                      | *                                  |                             |  | *                        |
| White-Other White Ethnic Group                        |                   |                  |                       |                       |                       |                        |                                    |                             |  |                          |
| White-Scottish  | 23                |                  |                       | *                     |                       | 17                     | 17                                 |                             |  |                          |







**Table 8** Job Applicants and Existing Employees broken down by Marriage/Civil Partnership for  
1 January 2016 to 31 December 2016

| Mariage/Civil Partnership | Employees in post | Job Applications | Successful Applicants | Part Time - Employees | Full Time - Employees | Training & Development | Annual Employee Development Review | Employees Lodging Grievance | Employees Subject to Disciplinary Procedures | Leavers excl. Dismissals |
|---------------------------|-------------------|------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------------------|-----------------------------|--|--------------------------|
| Married/Civil Partnership | *                 | *                | *                     |                       |                       | *                      | *                                  |                             |  | *                        |
| Single                    | *                 |                  |                       | *                     |                       | *                      | *                                  |                             |  | *                        |
| Living with Partner       | *                 | *                | *                     |                       |                       | *                      | *                                  |                             |  |                          |
| Divorced/Separated        | *                 |                  |                       | *                     |                       | *                      | *                                  |                             |  | *                        |
| Widowed                   | *                 |                  |                       |                       | *                     |                        |                                    |                             |  |                          |
| Prefer Not to Answer      | *                 | *                |                       |                       |                       | *                      | *                                  |                             |  |                          |



**REPORT TO:** TAY ROAD BRIDGE JOINT BOARD – 17 JUNE 2019  
**REPORT ON:** SAFETY BOAT PROVISION  
**REPORT BY:** BRIDGE MANAGER  
**REPORT NO:** TRB11-2019

## **1.0 PURPOSE OF REPORT**

- 1.1 To seek Joint Board approval to appoint David Anderson Marine of Newport-on-Tay as the preferred bidder to provide safety boat services at the Tay Road Bridge in relation to the inspection and maintenance of the Board's Assets, as defined in the Tay Road Bridge Joint Board's Asset Management Plan.

## **2.0 RECOMMENDATIONS**

- 2.1 Offers for safety boat provision were received and an evaluation on a 40:60 price/quality split on the accepted tenders was carried out and it is recommended that the Clerk to the Board be instructed to appoint David Anderson Marine as the submission that represents best overall value for the Joint Board.

## **3.0 FINANCIAL IMPLICATIONS**

- 3.1 Expenditure will be included within the revenue budget.

Contract period is 2 years with an option to extend annually for a maximum period of a further two years.

|                      |                 |
|----------------------|-----------------|
| 1 <sup>st</sup> Year | £42,250         |
| 2 <sup>nd</sup> Year | £84,500         |
| 3 <sup>rd</sup> Year | £87,750         |
| 4 <sup>th</sup> Year | £87,750         |
| <b>TOTAL</b>         | <b>£302,250</b> |

## **4.0 POLICY IMPLICATIONS**

- 4.1 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.
- 4.2 Inspections of the bridge are a statutory requirement and permit efficient planning of future maintenance to ensure the continuing good condition of the structure.

## **5.0 IMPLICATIONS TO BRIDGE USERS**

- 5.1 Off peak short duration stops (i.e. less than 3 minutes duration) are permitted under controlled conditions to allow egress from and access to vehicles transporting personnel to the inspection gantries.

## **6.0 BACKGROUND**

- 6.1 The Health and Safety Executive (HSE) Code of Guidance for Working On, Near or Over Water in the UK confirms that a rescue plan must be in place to provide safety cover for individuals working over water. In the case of operatives working over the

river Tay a safety boat is deemed to be required to permit compliance with this legislation.

- 6.2 Tenders were sought and seven tenders were returned and evaluated on 29 May 2019 and are as follows:

| <b>Company</b>                         | <b>Price</b> | <b>Quality Score/10</b> | <b>Weighted Price/ Quality Score/100</b> | <b>Position</b> |
|--|--------------|-------------------------|--|-----------------|
| Swift Solutions (South Sheilds)        | £227,500.00  | 33.75                   | 60.25                                    | 5               |
| Duckstew Ltd (Alexandria)              | £250,250.00  | 47.50                   | 64.86                                    | 3               |
| iPowerboat Ltd (South Ballachulish)    | £278,250.00  | 50.00                   | 62.70                                    | 4               |
| David Anderson Marine (Newport-on-Tay) | £302,250.00  | 83.75                   | 80.36                                    | 1               |
| National Marine (Wirral)               | £566,209.00  | 66.25                   | 55.82                                    | 6               |
| GAC Services (Grangemouth)             | £614,250.00  | 83.75                   | 65.06                                    | 2               |
| Manor Marine (Portland)                | £697.992.00  | 52.50                   | 44.54                                    | 7               |

- 6.3 Evaluation of the Tenders was carried out on the basis of a price/quality split between the price criterion (40%) and quality criteria (60%). It is recommended that the offer from David Anderson Marine of Newport be accepted as the most advantageous offer.

## **7.0 CONSULTATIONS**

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

## **8.0 BACKGROUND PAPERS**

- 8.1 None.

**ALAN HUTCHISON**  
**BRIDGE MANAGER**  
**30 MAY 2019**



**REPORT TO:** TAY ROAD BRIDGE JOINT BOARD – 17 JUNE 2019

**REPORT ON:** ENGINEERING WORKS

**REPORT BY:** ENGINEER TO THE BOARD

**REPORT NO:** TRB 16–2019

## **1.0 PURPOSE OF REPORT**

1.1 To advise the Joint Board on the current situation regarding Engineering works on the bridge.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that:

- The Joint Board notes the position on current progress.

## **3.0 FINANCIAL IMPLICATIONS**

3.1 There are no financial implications arising from this report.

## **4.0 IMPLICATIONS TO BRIDGE USERS**

4.1 There will be no significant implications to Bridge Users.

## **5.0 BACKGROUND**

5.1 As part of the Joint Boards Asset Management Plan, a programme of general and principal bridge inspections are being delivered by an in-house team comprising the Bridge Manager and Maintenance Manager, both chartered engineers, who are supported by an Assistant Bridge Inspector. Supplemental experience and advice is provided by Dundee City Council, City Development Department, Bridges and Structures team.

5.2 Principal Inspections (PIs) of the bridge are a statutory requirement and permit the efficient planning of future maintenance requirements to ensure the continuing good condition of the structure. PI's are carried out every six years and require a detailed close up inspection of all elements of the bridge. General Inspections (GIs) are carried out every two years and involve a visual inspection of all elements of the bridge.

5.3 The ongoing cycle of general inspections are carried out from the gantries utilising members of the Joint Board's maintenance team with safety boat services currently provided by David Anderson Marine.

5.4 A GI inspection of the whole length of the bridge box girders, concrete deck, columns and piers has been completed and confirm that the bridge structure is in good condition. The Principal Inspection of the box girder internals and concrete deck for this six year cycle is approximately 75% complete, with the vehicular parapet PI fully

completed. These inspections also reveal that the bridge structure is in good condition.

- 5.5 The contract to complete the PI of the columns and piers was awarded to rope access specialists Geckotech Solutions Ltd of Edinburgh in December 2018. Geckotech are currently on site cleaning all the piers prior to utilising abseilers to complete the inspection from ropes. The PI of these elements is programmed to be completed in 2019.
- 5.6 The inspection gantries were due a PI this year and this is essentially complete with a final inspection from the Joint Board's insurer only required before the gantries can be used to commence the PI inspection of the remainder of the bridge elements in this six year inspection cycle.
- 5.7 The current capital plan makes provision for significant spend (circa £10M) in the years 2021/22 and 2022/23 to complete a full resurfacing of the bridge and replacement of all expansion joints. However, a recent GI of the carriageway and a skid resistance check appears to show that the original bridge surfacing is still in a relatively good condition, despite the fact that projections in 2009 and 2014 suggested that the Joint Board could expect to carry out these major works in 2020/21. As a result of these latest inspections and surveys it is deemed prudent to re-evaluate the necessity to carry out such major works at this time. It is therefore planned to appoint a multi-disciplinary Consulting Engineer to provide expert advice to the Board of the most cost effective time and means to carry out total resurfacing and movement joint replacement to ensure best value is achieved. It is proposed to competitively tender for the services of a professional engineering consultancy. The provision of professional consulting engineering services for a five year term will allow knowledge and expertise to be developed through partnership working and make sure that a robust strategy for all replacement schemes can be evidenced. It is proposed to bring the results of this tender to the September 2019 Board meeting.
- 5.8 Through this consultancy contract, gantry replacement design and procurement will also be sought, given that the inspection gantries are thirty years old and require significant ongoing maintenance to keep them operating. Circa £2M has currently been allocated to 2021/22 for the provision of new gantries to address this.
- 5.9 In the region of £20M is currently shown in the capital plan for spend over five years from 2022/23 for major repainting of the box girders. Again, the condition of the paintwork still appears to remain in good condition in the two years following the detailed inspection by Certus Inspection Services in 2016, which gave a predicted paint life of a further six years. This requirement will be reviewed in 2021.
- 5.10 Cathodic protection (CP) is a method used to halt the corrosion of steel reinforcement by applying a small DC current through a surface mounted anode. This effectively forces the reinforcement to act as a cathode thus repressing the rusting action. A detailed report on CP was brought to the Joint Board In December 2018 (Report No TRB30-2018) when it was agreed to renew the obsolete and unsupported CP monitoring system that is used to allow the systems performance to be monitored and adjusted for optimal effectiveness. Cathode Protection Co Ltd are in the process of manufacturing the monitoring system and are due on site later this summer to complete the project.

**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 Clerk, Treasurer and Bridge Manager have been consulted in the preparation of this report.

**8.0 BACKGROUND PAPERS**

- 8.1 None.

**GARY BRADY  
ENGINEER TO THE BOARD  
30 MAY 2019**



**REPORT TO:** TAY ROAD BRIDGE JOINT BOARD – 17 JUNE 2019

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

**REPORT BY:** THE BRIDGE MANAGER

**REPORT NO:** TRB10-2019

## **1.0 PURPOSE OF REPORT**

1.1 This report is in response to the Annual Report, ref 2019/06, prepared by the Board's Internal Auditor, Henderson Loggie, on Compliance with Legislation, Physical Security and Asset Management, Corporate Governance and previous Audit follow up reviews. A copy of the Internal Auditor's report is included.

## **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 2016 – 2019 (Henderson Loggie Report 2017/01 issued August 12 2016) 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 latest review in August 2018 resulted in an internal audit programme for 2018/19 which was issued as part of Henderson Loggie report 2019/01. This programme confirmed that Compliance with Legislation, Physical Security and Asset Management, Corporate Governance and previous Audit follow up reviews were areas of risk that were reviewed in 2018/19.

## **5.0 REPORT**

### 5.1 Internal Auditor's Annual Report

- i) The Internal Auditor's Annual Report, Ref 2019/06, 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:-

|         |   |
|---------|---|
| 2019/01 | Internal Audit Annual Plan 2018/19 (reported Sept 2018 Board) |
| 2019/02 | Compliance with Legislation (reported Dec 2018 Board)         |

|         |  |
|---------|--|
| 2019/03 | Physical Security and Asset Management (reported March 2019 Board) |
| 2018/04 | Corporate Governance (attached as appendix 1)                      |
| 2019/05 | Follow-up Reviews (attached as appendix 2)                         |
| 2019/06 | Annual Report to the Joint Board (attached as appendix 3)          |

Overall no significant issues identifying major internal control weaknesses were identified. All internal audit reports issued during 2018/19 concluded that the systems met control objectives.

During 2018/19 Henderson Loggie reported that all four outstanding internal audit follow-up recommendations had been fully implemented.

In 2018/19 only one minor recommendation was raised and this related to the Board's Byelaws which were found to include historic references to toll booths, which were removed in 2008 and superseded legislation. An action to review and update was agreed by the Clerk and Bridge Manager.

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 – 1

## 5.2 Priority 3 Action Point Noted in 2019/02 Compliance with Legislation

i) The following action was agreed as a result of the recommendations of the report:-

- The Tay Road Bridge Joint Board Byelaws will be reviewed and appropriately updated in conjunction with Dundee City Council Legal Services in 2019.

## 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 Internal Audit Reports**

|         |  |
|---------|--|
| 2019/01 | Internal Audit Annual Plan 2018/19 (reported Sept 2018 Board)      |
| 2019/02 | Compliance with Legislation (reported Dec 2018 Board)              |
| 2019/03 | Physical Security and Asset Management (reported March 2019 Board) |

**ALAN HUTCHISON  
BRIDGE MANAGER  
30 MAY 2019**





**Tay Road Bridge Joint Board**

**Corporate Governance**

**Internal Audit Report No: 2019/04**

**Draft issued: 08 May 2019**

**Final issued: 09 May 2019**

**LEVEL OF ASSURANCE**

**Good**



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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:

|                             |   |
|-----------------------------|---|
| <b>Good</b>                 | System meets control objectives.  |
| <b>Satisfactory</b>         | System meets control objectives with some weaknesses present.             |
| <b>Requires improvement</b> | System has weaknesses that could prevent it achieving control objectives. |
| <b>Unacceptable</b>         | System cannot meet control objectives.                                    |

### Action Grades

|                   |   |
|-------------------|---|
| <b>Priority 1</b> | Issue subjecting the organisation to material risk and which requires to be brought to the attention of the Joint Board |
| <b>Priority 2</b> | Issue subjecting the organisation to significant risk and which should be addressed by the Board Officers.              |
| <b>Priority 3</b> | Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.    |



# 1. Overall Level of Assurance

|             |                                  |
|-------------|----------------------------------|
| <b>Good</b> | System meets control objectives. |
|-------------|----------------------------------|

# 2. Risk Assessment

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

- 2 – Legislative changes, e.g. Health & Safety, Environmental, Procurement, etc. (risk rating: moderate);
- 3 – Effects of changes to economy – budget limitations etc. (risk rating: moderate); and
- 7 – Losses through poor governance (risk rating: low).

# 3. Background

As part of the Internal Audit programme at the Tay Road Bridge Joint Board (‘the Board’) for 2018/19 we carried out a review of the corporate governance arrangements in place. The Audit Needs Assessment 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.

During 2016 the Chartered Institute of Public Finance and Accountancy (CIPFA) published two revisions of existing documents: “Delivering Good Governance in Local Government” and “Delivering Good Governance in Local Government: Guidance Notes for Scottish Authorities”. These documents are designed to assist officers and elected members to review approaches to governance and to acknowledge a changing context since the first editions of the CIPFA guides were published in 2007. In particular, the impact of economic austerity and a greater emphasis on partnership working are now emphasised.

The definition of governance provided by CIPFA is:

*“Governance comprises the achievements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.”*

and that...

*“To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity’s objectives while acting in the public interest at all times.”*

The Board has developed a Local Code of Governance which provides the framework for the Board to assess its performance in maintaining and improving good governance which is reported on in the Annual Report and Accounts as the Annual Governance Statement (AGS).

### 3. Background (continued)

This Local Code of Governance follows the CIPFA guidance published in “*Delivering Good Governance in Local Government -2016 edition*” and the guidance notes for Scottish Authorities which defines the principles that underpin good governance within Local Authorities. Through this local code, the Board confirms its commitment to the principles of good governance. The commitments and statements made in the local code underpin the Board’s Annual Governance Statement and provide the standards against which the Board evaluates its own governance performance and creates improvement action plans to deliver good governance.

Although the principles outlined in the Board’s Local Code of Governance reflect the principles contained in the CIPFA guidance we recognise that due to the size of the Board and the limited nature of its activities not all the principles of the CIPFA guidance are fully applicable.

### 4. Scope, Objectives and Overall Findings

This review covered corporate governance arrangements within the Board and compared these against best practice included in the CIPFA Delivering Good Governance in Local Government: Guidance Note for Scottish Authorities (2016). This included reviewing such items as:

- Local Code of Governance;
- Joint Board organisation and administration;
- Standing Orders;
- Financial Regulations;
- Delegation of Powers to Officers;
- Governance self-assessments;
- Fraud and Corruption policies and procedures; and
- Complaints and Whistleblowing procedures.

The primary objective of the audit was to obtain reasonable assurance that the Board’s corporate governance arrangements are in accordance with best practice as set out in the CIPFA / SOLACE Delivering Good Governance in Local Government: Framework (2016) and accompanying guidance notes for Scottish Authorities, which was published in September 2016.

| Objective  | Findings                     |   |   |
|--|------------------------------|---|---|
|  | 1                            | 2 | 3 |
| <b>The objective of our audit was to:</b>  | <b>No. of Agreed Actions</b> |   |   |
| 1. Review compliance with the CIPFA / SOLACE Delivering Good Governance in Local Government: Framework (2016). | <b>Good</b>                  | 0 | 0 |
| <b>Overall Level of Assurance</b>  | 0                            | 0 | 0 |
| System meets control objectives.   |                              |   |   |

## 5. Audit Approach

We identified the corporate governance arrangements in place through interviews with staff and analysis of corporate governance self-assessments. Relevant supporting documentation was also reviewed to gain evidence that the arrangements in place have been adequately documented, communicated and are operating effectively.

## 6. Summary of Main Findings

### **Strengths**

- From our audit work we found that the Board's compliance with the relevant principles of the CIPFA / SOLACE Delivering Good Governance in Local Government: Framework (2016) and accompanying guidance notes for Scottish Authorities was found to be good with no areas for improvement identified.

### **Weaknesses**

- There were no significant weaknesses identified during our review.

## 7. Acknowledgements

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

## 8. Findings

### Corporate Governance

- 8.1 The Board’s Local Code of Governance comprises the seven components of the CIPFA framework, which have been tailored to ensure applicability for Joint Board members, Board Officers and members of the public. These components are:
- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law;
  - Ensuring openness and comprehensive stakeholder engagement;
  - Defining outcomes in terms of sustainable economic, social and environmental benefits;
  - Determining the interventions necessary to optimise the achievement of intended outcomes;
  - Developing the Board’s capacity including that of its leadership and staff;
  - Managing risks and performance through robust internal control and strong public financial management; and
  - Implementing good practices in transparency, reporting and audit to deliver effective accountability.
- 8.2 The Board’s corporate governance arrangements have been compared to good practice, as defined in Delivering Good Governance in Local Government: Framework 2016. Our findings are summarised in Appendix I.



## Appendix I - Delivering Good Governance in Local Government

### Comparison against Best Practice

The following tables assess the Board's governance arrangements against the CIPFA / SOLACE Delivering Good Governance in Local Government: Framework (2016).

|          | Principle   | Compliant (Yes / No) | Comments  |
|----------|---|----------------------|---|
| <b>1</b> | <b>Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.</b> |                      |   |
| 1.1      | Behaving with integrity   | Yes                  | The behaviour of Joint Board members, as representative elected members, is regulated by the Standards Commission for Scotland's Councillor's Code of Conduct 2010 and the guidance on the code published in 2016. Training is provided by the constituent local authorities to elected members to ensure that they have a clear understanding of their accountabilities.                           |
| 1.2      | Demonstrating strong commitment to ethical values   | Yes                  | The conduct of staff and elected members is underpinned by the Ethical Standards in Public Life (Scotland) Act 2000 which apply to anyone who works as a public office-holder, including Board staff. Specific guidance for Joint Board members, as elected members, is contained in the Councillor's Code of Conduct and accompanying guidance published by the Standards Commission for Scotland. |
| 1.3      | Respecting the rule of law  | Yes                  | The Board has published three key governance documents: <ol style="list-style-type: none"> <li>1. Standing Orders</li> <li>2. Scheme of Delegation</li> <li>3. Financial Regulations</li> </ol> In addition to these three documents there are a number of policies and procedures which regulate conduct and behaviours. These policies include an employee handbook.                              |

|          | Principle  | Compliant<br>(Yes / No) | Comments  |
|----------|--|-------------------------|---|
|          |  |                         | <p>The documents set the framework for the conduct of the business of the Board highlighting how decisions are made. These documents identify key and statutory post holders to comply with the Board’s statutory and regulatory obligations</p> <p>The Board also operates a Whistleblowing Policy and a complaint handling system. Taken together these policies help to ensure that breaches of procedures or regulations can be reported, investigated and are dealt with appropriately</p> |
|          |  |                         |   |
| <b>2</b> | <b>Ensuring openness and comprehensive stakeholder engagement.</b> |                         |   |
| 2.1      | Openness   | Yes                     | The Board publishes minutes and agendas for all Joint Board meetings, as well as all its key strategies and policies. The Board has procedures in place to ensure that it complies with its duties under FOI(S)A, the Data Protection Act and other relevant legislation.   |
| 2.2      | Engaging comprehensively with institutional stakeholders           | Yes                     | The Board actively engages with a range of stakeholders from statutory bodies such as: Police Scotland; Scottish Fire and Rescue Service; the constituent local authorities (through partnership working and shared services); third sector organisations; and private sector contractors.  |
| 2.3      | Engaging with individual citizens and service users effectively    | Yes                     | The Board is clear on issues it will consult on and utilises a variety of methods to achieve this. This includes specific consultations with the public, online surveys, Joint Board meetings (which are open to the public), and regular engagement with local Councillors and direct engagement with the public at the Board’s offices.   |

|          | Principle  | Compliant (Yes / No) | Comments  |
|----------|--|----------------------|---|
| <b>3</b> | <b>Defining outcomes in terms of sustainable economic, social and environmental benefits.</b>    |                      |   |
| 3.1      | Defining outcomes  | Yes                  | The Board has produced a medium-term strategic plan (covering 2019-2024) and develops an annual budget which reflects the desired outcomes from the Board's activities (as well as addressing short term priorities). The annual corporate planning cycle enables the Board to react flexibly to immediate financial or other pressures as well as to accommodate national policy changes over which it may exercise limited or no control.   |
| 3.2      | Sustainable economic, social and environmental benefits  | Yes                  | The Joint Board's approval of business cases or policy initiatives follows an internal process whereby Board Officers are required to identify the implications for environmental sustainability, economic viability and legality and community impact by referring to subject matter experts for advice and approval or through the use of tools such as equality impact assessments.  |
| <b>4</b> | <b>Determining the interventions necessary to optimise the achievement of intended outcomes.</b> |                      |   |
| 4.1      | Determining interventions  | Yes                  | The Board has a standardised approach to developing business cases. The Board's approach is designed to provide an overview of outcomes delivery whilst the individual business cases consider alternative options, investment appraisal and an optimum methodology for delivery.   |
| 4.2      | Planning interventions   | Yes                  | The Board's budget setting process and business planning activity ensures activities are undertaken that are linked to strategic objectives and the delivery of long-term plans and outcomes. Progress is monitored through performance measures, project plans and risk registers. The Board has a number of approaches to the identification of performance measures. The Bridge Manager's Annual Report for 2019 will include, for the first time, a set of key performance indicators which will allow performance to be monitored on key activities. |

|          | Principle  | Compliant (Yes / No) | Comments  |
|----------|--|----------------------|---|
|          |  |                      | Annually, a corporate governance improvement agenda is identified and reported to the Joint Board and included within the Local Code of Governance. Progress updates are reported to the Joint Board regularly.   |
| 4.3      | Optimising achievement of intended outcomes  | Yes                  | Business plans are reviewed at Joint Board meetings and periodic updates are provided on their achievement. The budget is agreed annually, and updates are provided on achievement of budget targets and outturns. A longer-term view of the Board's budget position (in terms of both capital and revenue) is maintained.  |
|          |  |                      |   |
| <b>5</b> | <b>Developing the Board's capacity including that of its leadership and staff.</b> |                      |   |
| 5.1      | Developing the Board's Capacity  | Yes                  | The Board has developed a workforce planning approach to match the Board's operational and financial challenges. The Board participates in a number of partnership arrangements with the constituent local authorities and statutory bodies (including the emergency services and NHS).   |
| 5.2      | Developing the capability of the Board's leadership and staff                      | Yes                  | Key governance documents have been developed to clarify the roles and relationships between management, Board Officers and Joint Board members. The Scheme of Delegation sets out the decisions reserved for the Board Officers, including the Bridge Manager, Treasurer, Clerk and Engineer. Learning from governance weaknesses and strengths is managed through the annual governance self-evaluation exercise, where improvement action plans are produced and reported to the Joint Board. The Internal Audit programme highlights areas of weakness that are discussed with management and reported to the Joint Board. |

|          | Principle   | Compliant (Yes / No) | Comments   |
|----------|---|----------------------|--|
| <b>6</b> | <b>Managing risks and performance through robust internal control and strong public financial management.</b> |                      |  |
| 6.1      | Managing risk   | Yes                  | The Board maintains a risk management strategy and guidance and also maintains a risk register. Risks are reviewed by management on an ongoing basis and are included in an annual report which is provided to the Joint Board. The risk register and risk management arrangements are reviewed during preparation of the Annual Governance Statement.   |
| 6.2      | Managing performance  | Yes                  | Scrutiny of service delivery is managed through the Joint Board meetings which include regular reports on performance. Key decisions that are either delegated to management or reserved to the Joint Board are presented through a standardised format highlighting the decisions that are required to be made. Management ensure that a range of options are presented to elected members.   |
| 6.3      | Robust internal control   | Yes                  | The Joint Board appoints an independent internal audit service and works with the Internal Auditor to develop an annual plan with capacity provided for ad hoc work and investigation. Assurance on the adequacy of the system of internal control is sought and Joint Board members have direct access to internal auditors.  |
| 6.3      | Strong public financial management  | Yes                  | One of the Board's key governance documents is its Financial Regulations, which set out the rules and procedures for managing budgets and assuring appropriate stewardship of funds. Dundee City Council provides financial management services to the Board under a Service Level Agreement, including the processing of transactions and payments and budget monitoring. This significantly reduces the risk of unforeseen overspends or underspends and allows enhanced scrutiny of spending decisions. |

|          | Principle  | Compliant (Yes / No) | Comments  |
|----------|--|----------------------|---|
|          |  |                      | Frequent budget update reports and financial investment strategy reports are provided to management and to the Joint Board.   |
| <b>7</b> | <b>Implementing good practices in transparency, reporting and audit to deliver effective accountability.</b> |                      |   |
| 7.1      | Implementing good practice in transparency   | Yes                  | Reports for Joint Board (or for public consumption) are agreed by the Joint Board and Board Officers, including the Bridge Manager, the Clerk and the Treasurer. Reports are published in a standard format to ensure that information is reported consistently. Feedback from Joint Board members, regarding the quality and detail of reports, is actively encouraged and Board Officers invite questions on their reports when presenting the reports to the Joint Board. Joint Board meetings are open to members of the public.  |
| 7.2      | Implementing good practices in reporting   | Yes                  | Governance arrangements are reviewed annually to ensure that they provide robust assurance and to assess the extent to which the principles set out within the Good Governance Framework have been applied.<br>As part of that review the Bridge Manager is required to provide assurances as to the effectiveness of the governance arrangements in place and operating. This process involves the completion of a comprehensive governance self-evaluation checklist designed to identify areas of weakness or non-compliance and either the production of evidence to support assurances or the identification of action plans to promote improvement. |
| 7.3      | Assurance and effective accountability   | Yes                  | External audit recommendations are monitored in parallel with Internal Audit recommendations. External scrutiny bodies, such as the Health & Safety Executive, provide further assurance on the Board's operations. Specific assurance reports may be commissioned by the Joint Board when considered necessary.  |

**Tay Road Bridge Joint Board  
Follow-Up Reviews**

**2018/19**

**Internal Audit Report No: 2019/05**

**Draft Issued: 08 May 2019**

**Final Issued: 09 May 2019**





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## I. 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 2016 to 31 March 2019. The Internal Audit Plan for 2018/19 includes time for follow-up work on the recommendations made in our Internal Audit reports issued during 2017/18. These were:

2018/03 – Data Protection; and  
2018/05 – Follow-Up Reviews.

Reports 2018/01, 2018/02 and 2018/04 did not contain an action plan and therefore no follow-up was required on these reports as part of this review.

Report 2018/05 included one outstanding action from 2016/17 and one dating back to financial year 2012/13 which required follow up review 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 2017/18 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 the relevant responsible officers (for each report listed above) an update on the status of implementation of the recommendations made;
- to ascertain through review of supporting documentation, for any recommendations within the reports listed above, whether the action undertaken has been adequate to address the agreed management action; and
- preparation of a summary of the current status of the recommendations for consideration by the Joint Board.

### Overall Conclusion

The Board has made excellent progress in fully implementing all four recommendations contained within the internal audit reports issued in 2017/18. This included follow-up of two outstanding recommendations from previous internal audit reports issued in financial years 2012/13 and 2016/17.

## Overall Conclusion (continued)

### 2017/18

| From Original Reports |              |               | From Follow-Up Work Performed |                       |                            |                            |
|-----------------------|--------------|---------------|-------------------------------|-----------------------|----------------------------|----------------------------|
| Area                  | Rec'n Grades | Number Agreed | Fully Implemented             | Partially Implemented | Little or No Progress Made | No Event to Trigger Action |
| Data Protection       | 1            | -             | -                             | -                     | -                          | -                          |
|                       | 2            | -             | -                             | -                     | -                          | -                          |
|                       | 3            | 2             | 2                             | -                     | -                          | -                          |
| <b>2017/18 Total</b>  |              | <b>2</b>      | <b>2</b>                      | -                     | -                          | -                          |

### 2016/17

| From Original Reports                  |              |               | From Follow-Up Work Performed |                       |                            |                            |
|--|--------------|---------------|-------------------------------|-----------------------|----------------------------|----------------------------|
| Area                                   | Rec'n Grades | Number Agreed | Fully Implemented             | Partially Implemented | Little or No Progress Made | No Event to Trigger Action |
| Management of Health & Safety Vehicles | 1            | -             | -                             | -                     | -                          | -                          |
|  | 2            | -             | -                             | -                     | -                          | -                          |
|  | 3            | 1             | 1                             | -                     | -                          | -                          |
| <b>2016/17 Total</b>                   |              | <b>1</b>      | <b>1</b>                      | -                     | -                          | -                          |

### 2012/13

| From Original Reports                    |              |               | From Follow-Up Work Performed |                       |                            |                            |
|--|--------------|---------------|-------------------------------|-----------------------|----------------------------|----------------------------|
| Area                                     | Rec'n Grades | Number Agreed | Fully Implemented             | Partially Implemented | Little or No Progress Made | No Event to Trigger Action |
| Data Protection / Freedom of Information | A            | -             | -                             | -                     | -                          | -                          |
|  | B            | 1             | 1                             | -                     | -                          | -                          |
|  | C            | -             | -                             | -                     | -                          | -                          |
| <b>2012/13 Total</b>                     |              | <b>1</b>      | <b>1</b>                      | -                     | -                          | -                          |

|                    |  |          |          |   |   |   |
|--------------------|--|----------|----------|---|---|---|
| <b>Grand Total</b> |  | <b>4</b> | <b>4</b> | - | - | - |
|--------------------|--|----------|----------|---|---|---|

## Overall Conclusion (continued)

The grades, as detailed below, denote the level of importance that should have been given to each recommendation:

Reports issued since 2015/16:

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

Reports issued prior to 2015/16:

The grades, as detailed below, denote the level of importance that should have been given to each recommendation:

- A Issues which require the consideration of the Joint Board.
- B Significant matters which can be resolved by the Bridge Manager.
- C Less significant matters, which do not require urgent attention, but which should be followed up within a reasonable timescale.

## Acknowledgements

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



## 2. Updated Action Plan 2017/18

### Internal Audit Report 2018/03 – Data Protection

| Observation   | Risks   | Recommendation   | Management Response   | Progress at May 2019   |
|---|---|--|---|--|
| The Board's Data Protection Policy includes guidance on responding to data subject access requests, however detailed procedures for staff to follow, including performing identification checks prior to the release of information, are not yet available. GDPR requires that organisations have appropriate procedures in place to respond to data subject access requests within a reasonable timescale, where the reasonable timescale is deemed to be one month. Where the information cannot be readily gathered organisations may seek an extension to this provided that the data subject is given reasonable notice. | <p>The Board does not respond to a data subject access request within one month.</p> <p>The Board does not verify the identity of an individual submitting a data subject access request resulting in wrongful disclosure of personal data.</p> | <b>R1</b> Data subject access requests may be submitted by former, as well as current, employees. Therefore, the Board should develop procedures for identifying and responding to such requests in an efficient and controlled manner to ensure that identification checks are performed and that a response is provided within the one-month time limit. | <p>Draft Subject Access Request (SAR) procedures have been developed and will be reviewed by Dundee City Council's Information Governance Manager prior to inclusion of the SAR form being added to the Board's website.</p> <p><b>To be actioned by:</b><br/>Bridge Manager</p> <p><b>No later than: July 2018</b></p> | <p>Subject Access Request Procedures are now in place.</p> <p><b>Fully Implemented</b></p> |
|   |   |  | <p><b>Grade</b></p>   | <p><b>3</b></p>  |

| Observation   | Risks  | Recommendation  | Management Response  |                 | Progress at May 2019  |
|---|--|---|--|-----------------|---|
| <p>GDPR legislation requires that organisations have appropriate procedures in place to evaluate and respond to data breaches and, in certain circumstances, notify the ICO and the data subject within 72 hours of becoming aware of the breach.</p> | <p>The Board does not respond to and report a data breach within 72 hours of becoming aware of a breach.</p> | <p><b>R2</b> Develop data breach response procedures which will ensure that the organisation can meet its reporting obligations within the required timescales.</p> | <p>Draft Data Response procedures have been developed and will be reviewed by Dundee City Council's Information Governance Manager and once approved issued to all staff.</p> <p><b>To be actioned by:</b> Bridge Manager</p> <p><b>No later than:</b> July 2018</p> |                 | <p>Data Response Procedures are now in place.</p> <p><b>Fully Implemented</b></p> |
|   |  |   | <p><b>Grade</b></p>  | <p><b>3</b></p> |   |



### 3. Updated Action Plan 2016/17

#### Internal Audit Report 2017/03 – Management of Health & Safety - Vehicles

| Observation  | Recommendation   | Management Response  | Progress at May 2018  | Progress at May 2019   |
|--|--|--|---|--|
| <p>As part of our testing of vehicle inspection log books we identified two recorded faults. For each instance, we traced the fault to the Fault Register to confirm that these had been brought to the attention of management and that appropriate remedial action had been taken. Our findings included:</p> <ul style="list-style-type: none"> <li>• Fault 1: Driver door offset and torn windscreen wiper. Fault was not recorded on the Faults Register but discussion with the Bridge Manager noted that this fault had been highlighted to management and repairs instructed to be carried out following identification of the issue.</li> <li>• Fault 2: No rear-view mirror in vehicle. On further inspection, it was concluded by management that as the vehicle did not have any rear window visibility there was no need for a rear-view mirror to be fitted. Not deemed to be a fault and so no further action was taken.</li> </ul> <p>Following discussion with management at the time of our audit fieldwork a further reminder was issued to staff to ensure that faults are recorded in Faults Register and therefore we have not raised a recommendation at this time.</p> | <p><b>R1</b> To provide additional assurance that staff are conducting pre-start checks and completing the vehicle inspection log books in accordance with internal procedures management should consider introducing random spot checks of vehicle log books throughout the year.</p> | <p>Agreed. Please note that as of 15 February 2017 the TRBJB have an in-house and fully qualified and certified Transport Manager who has taken on the responsibility of ensuring vehicle road worthiness.</p> <p><b>To be actioned by:</b><br/>Transport Manager</p> <p><b>No later than:</b> Start immediately</p> | <p>Per discussions with the Bridge Manager, vehicle log books are completed in line with the Board's procedures and random spot checks have been conducted to confirm practice. At the time of our follow-up review we noted that the results of random spot checks were not being recorded. Results will now be formally recorded, and this will be confirmed during the next follow-up review.</p> <p><b>Partially Implemented</b></p> <p><b>Revised implementation date:</b><br/>Immediately</p> | <p>The results of spot checks are now being formally recorded. A record of results was reviewed and confirmed as being up to date.</p> <p><b>Fully Implemented</b></p> |
|  |  | <p><b>Grade</b> <b>3</b></p>   |   |  |

## 4. Updated Action Plan 2012/13 Internal Audit Report 2013/02 – Data Protection / Freedom of Information

| Original Recommendation  | Grade | Comments | Agreed | Responsible Officer  | Agreed Completion Date   | Previous Progress  | Progress at May 2019  |
|--|-------|----------|--------|----------------------|--|--|---|
| <p><b>2013/02 – Data Protection / Fol</b></p> <p><b>R2</b> Where appropriate, Data Protection and Fol responsibilities should be clearly documented within the employment contracts and job descriptions of Board staff members.</p> | B     | Agreed   | Y      | Clerk/Bridge Manager | <p><b>Original</b><br/>30 June 2013</p> <p><b>Revised</b><br/>31 December 2014</p> | <p><b>Progress previously reported:</b></p> <p><b>At April 2014</b><br/>Job descriptions will be reviewed and updated as and when posts become available. No new appointments have been made since recommendation was originally raised.<br/><b>No Event to Trigger Action</b></p> <p><b>At May 2015:</b><br/><b>No Event to Trigger Action.</b></p> <p><b>At April 2016:</b><br/><b>No Event to Trigger Action</b></p> <p><b>At April 2017:</b><br/><b>No Event to Trigger Action</b></p> | <p>Data protection responsibilities are outlined in the Board’s Data Protection Policy.</p> <p>Fol responsibilities are outlined in the Board’s Freedom of Information Policy.</p> <p>Board Officers and staff are required to comply with the Board’s policies as a condition of service and employment.</p> <p><b>Fully Implemented</b></p> |

**Tay Road Bridge Joint Board**

**Annual Report to the Joint Board and the Bridge  
Manager on the Provision of Internal Audit Services  
for 2018/19**

**Internal Audit Report No: 2019/06**

**Draft Issued: 08 May 2019**

**Final Issued: 09 May 2019**



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## 1. Annual Report and Opinion

- 1.1 We were formally re-appointed in April 2016 as internal auditors of Tay Road Bridge Joint Board ('the Board') for the period 1 April 2016 to 31 March 2019. This report summarises the internal audit work performed during 2018/19.
- 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 2018/19 (internal audit report 2019/01, issued in September 2018). The ANA was prepared following discussion with the Bridge Manager and the external auditors, and with reference to the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom and from a review of previous internal and external audit reports and covers the three-year internal audit cycle from 2016/17 to 2018/19. The ANA was based on the previous internal audit risk assessment updated to reflect changes in the internal and external environment in the intervening period, and our own assessment of the risks faced by the Board. Following on from the ANA, a Strategic Plan was formulated covering the three-year cycle.
- 1.3 The Internal Audit Annual Plan 2018/19 reflected the allocation of days shown in Year 3 of the Audit Needs Assessment and Strategic Plan 2016 to 2019, with no changes made.
- 1.4 The work delivered during 2018/19 followed that set out in the Annual Plan for 2018/19, with the exception of the two-day Capital Projects review which was not carried out. Days were allocated to each of the three years of the Strategic Plan for the assessment of the management of capital projects and project governance. However, the resurfacing of the bridge deck, which was the major capital project which was envisaged at the time the Strategic Plan 2016 to 2019 was developed, has been postponed. 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 shown 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.
- 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;

### Public Sector Internal Audit Standards (PSIAS) Reporting Requirements (continued)

- 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 in May each year to confirm PSIAS compliance.
- 1.8 The results of our self-assessment are that we are able to confirm that our service is independent of the Joint Board and complies with the PSIAS.
- 1.9 External assessment is built into our firm-wide quality assurance procedures. Henderson Loggie is a member of MHA, a national association of independent accountancy firms. Continued membership of MHA is dependent on maintaining a good level of quality and adhering to accounting and auditing standards in the provision of our services. Annual quality reviews are conducted to confirm our continuing achievement of this quality. The MHA review in March 2019 included our internal audit service. Overall the review found the firm's policies and procedures relating to internal audit to be compliant with the PSIAS in all material respects.

### Significant Issues

- 1.10 There were no significant issues or major internal control weaknesses noted from our internal audit work during 2018/19. All internal audit reports issued during 2018/19 concluded that systems met control objectives and provided good assurance.
- 1.11 Our Follow-Up Reviews (Report 2019/05) confirmed that all four recommendations subject to review were fully implemented.
- 1.12 In 2018/19 only one minor recommendation was raised in report 2019/02 – Compliance with Legislation, relating to the Tay Road Bridge Joint Board Byelaws, which detail the powers conferred to the Board under the Tay Road Bridge Order Confirmation Act 1991. We found these to include references to toll booths, which were abolished in 2008, and to legislation which has since been superseded.
- 1.13 There were no instances of fraud identified during the course of the audit work carried out during the year.

### Opinion

- 1.14 As required by standard 2450 of PSIAS, the chief internal audit executive, is required to provide an annual report on the audit work carried out during the year and an opinion on the operation of controls within the Board. This opinion is used to inform the Board's annual governance statement. Within the Board this role currently resides with MHA Henderson Loggie based on the work that MHA Henderson Loggie have undertaken.
- 1.15 In our opinion the Board operates adequate and effective internal control systems as defined in the Audit Needs Assessment. Proper arrangements are in place to promote and secure Value for Money. This opinion has been arrived at taking into consideration the work we have undertaken during the financial year to 31 March 2019 and as the internal auditor for the Board for the previous eight years.



## 2. Reports Submitted

|         |  |      |                                     | Priority<br>1 | Priority<br>2 | Priority<br>3 |
|---------|--|------|-------------------------------------|---------------|---------------|---------------|
| 2019/01 | Annual Plan 2018/19                    | N/A  | N/A                                 | -             | -             | -             |
| 2019/02 | Compliance with Legislation            | Good | -                                   | -             | -             | 1             |
| 2019/03 | Physical Security and Asset Management | Good | -                                   | -             | -             | -             |
| 2019/04 | Corporate Governance                   | Good | -                                   | -             | -             | -             |
| 2019/05 | Follow-Up Reviews                      | N/A  | All four actions fully implemented. | -             | 1             | 3             |
| 2019/06 | Annual Report                          | N/A  | N/A                                 | -             | -             | -             |

To aid the use of the action plan, our recommendations have been graded to denote the level of importance that should be given to each one. The gradings are as follows:

|                   |   |
|-------------------|---|
| <b>Priority 1</b> | Issue subjecting the organisation to material risk and which requires to be brought to the attention of the Joint Board |
| <b>Priority 2</b> | Issue subjecting the organisation to significant risk and which should be addressed by the Joint Board Officers.        |
| <b>Priority 3</b> | Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.    |

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:

|                             |   |
|-----------------------------|---|
| <b>Good</b>                 | System meets control objectives.  |
| <b>Satisfactory</b>         | System meets control objectives with some weaknesses present.             |
| <b>Requires Improvement</b> | System has weaknesses that could prevent it achieving control objectives. |
| <b>Unacceptable</b>         | System cannot meet control objectives.                                    |

## 3. Summary of Results and Conclusions

### 2019/01 – Annual Plan for 2018/19

**Final Issued: September 2018**

The purpose of this document was to present to the members of the Board the annual internal audit operational plan for the financial year ended 31 March 2019. The plan was based on the proposed allocation of audit days for 2018/19 set out in the Audit Needs Assessment and Strategic Plan 2016 to 2019. The detailed scope, objectives and audit approach for each audit assignment were arrived at following discussion with the Bridge Manager and were incorporated into this report.

### 2019/02 – Compliance with Legislation Overall Grade - Good

**Final Issued: November 2018**

This audit involved a high-level review of the processes in place within the organisation for the maintenance of policies and procedures.

From discussion with the Bridge Manager, and the Administrative Officer, we established the process in place for the creation, amendment, approval and distribution of policies and procedures and considered whether these arrangements were in line with good practice. We also considered whether the policies and procedures in place cover all relevant areas expected by legislation and good practice.

Our review identified that the Board did not have a definitive list of all legislation impacting on the Board's activities. However, following discussions with the Bridge Manager, and a review of the existing practices and policies, we considered the existing process to be adequate. A Service Level Agreement (SLA) was in place with Dundee City Council (DCC) which covered legal, finance, HR and payroll. Any changes to legislation in these areas are notified to the Board by DCC and policies and procedures are updated accordingly. Overall, we found that the policies and procedures in place covered all expected areas and were considered to be adequate.

We noted that the Data Protection Policy, Freedom of Information Policy, Complaints Procedure and Recruitment Policy were beyond the scheduled review date. However, we were advised that the Bridge Manager was scheduled to review these policies and a meeting with DCC's Information Governance Manager was to be held before the end of 2018 to ensure that the wording of these policies was in line with the EU's GDPR and the UK Data Protection Act 2018. We reviewed the TRJB Byelaws, which detail the powers conferred to the Board under the Tay Road Bridge Order Confirmation Act 1991. We found these to include references to toll booths, which were abolished in 2008, and to legislation which had been superseded.

## 2019/02 – Compliance with Legislation (continued)

The table below notes each separate objective for this review (which collectively underpin the overall objective) and records the results:

| Objective   | Findings                     |                                 |          |          |
|---|------------------------------|---------------------------------|----------|----------|
|   | 1                            | 2                               | 3        |          |
| <b>The specific objectives of the audit were to obtain reasonable assurance that:</b>   | <b>No. of Agreed Actions</b> |                                 |          |          |
| 1. There is a consistent approach in place for the creation, amendment, approval and distribution of policies and procedures.                     | Good                         | 0                               | 0        | 0        |
| 2. All policies and procedures are reviewed, and updated, where necessary, on a periodic basis.   | Good                         | 0                               | 0        | 1        |
| 3. Outwith the normal review cycle there is a process to identify changes in legislation and update policies and procedures on a timely basis.    | Good                         | 0                               | 0        | 0        |
| 4. Policies and procedures in place cover all appropriate areas and are considered adequate.  | Good                         | 0                               | 0        | 0        |
| 5. Staff have access to policies and procedures and are aware of their requirements.  | Good                         | 0                               | 0        | 0        |
| 6. Processes are in place to ensure that policies are equalities impact assessed to ensure they meet the requirements of the Equalities Act 2010. | Good                         | 0                               | 0        | 0        |
| <b>Overall Level of Assurance</b>   | <b>Good</b>                  | <b>0</b>                        | <b>0</b> | <b>1</b> |
|   |                              | System meets control objectives |          |          |

## 2019/03 – Physical Security and Asset Management

### Overall Grade - Good

Final Issued: February 2019

We reviewed the processes and controls in place for the purchase, disposal and maintenance of fixed assets. This included property and plant and equipment. ICT assets were also considered during this review. Interviews were held with relevant Board staff to assist in documenting the systems and processes in place. A detailed assessment of the key internal controls was performed, and an audit testing programme devised thereon. Detailed compliance and substantive tests were then carried out.

No significant weaknesses were identified during our review.

The table below notes each separate objective for this review (which collectively underpin the overall objective) and records the results:

### 2019/03 – Physical Security and Asset Management (continued)

| Objective   | Findings                     |                                 |          |          |
|---|------------------------------|---------------------------------|----------|----------|
|   | 1                            | 2                               | 3        |          |
| <b>The objective of this audit was to obtain reasonable assurance that:</b>   |                              |                                 |          |          |
|   | <b>No. of Agreed Actions</b> |                                 |          |          |
| <b>Physical Security</b>  |                              |                                 |          |          |
| 1. Systems are in place to ensure that responsibilities for controlling the physical security of assets are clearly defined and adequate precautions exist to ensure that assets are held securely. | Good                         | 0                               | 0        | 0        |
| <b>Management of Fixed Assets</b>   |                              |                                 |          |          |
| 2. Management has an accurate record of its capitalised assets.   | Good                         | 0                               | 0        | 0        |
| 3. Asset registers and inventories are kept up-to-date through regular, accurate and timely reporting of acquisitions, transfers and disposals.   | Good                         | 0                               | 0        | 0        |
| 4. There is a periodic exercise to verify the accuracy of the registers.  | Good                         | 0                               | 0        | 0        |
| 5. Relevant assets can be identified through use of security tags and correct asset numbering.  | Good                         | 0                               | 0        | 0        |
| 6. There is adequate scrutiny of plans for the acquisition of new assets and the decision to purchase or lease.   | Good                         | 0                               | 0        | 0        |
| 7. Maintenance contracts in place for plant and equipment offer value for money.  | Good                         | 0                               | 0        | 0        |
| 8. Plant and equipment is subject to regular health and safety testing and, where appropriate, is risk assessed by a suitably competent person.   | Good                         | 0                               | 0        | 0        |
| 9. IT assets are disposed of securely.  | Good                         | 0                               | 0        | 0        |
| <b>Overall Level of Assurance</b>   | <b>Good</b>                  | <b>0</b>                        | <b>0</b> | <b>0</b> |
|   |                              | System meets control objectives |          |          |

**2019/04 – Corporate Governance**  
**Overall Grade - Good**

**Final Issued: May 2019**

This review covered corporate governance arrangements within the organisation and compared these against best practice included in the CIPFA Delivering Good Governance in Local Government: Guidance Note for Scottish Authorities (2016). This included reviewing such items as:

- Code of Corporate Governance;
- Committee organisation and administration;
- Standing Orders;
- Financial Regulations;
- Delegation of Powers to Officers;
- Governance self-assessments;
- Fraud and Corruption policies and procedures; and
- Complaints and Whistleblowing procedures.

The primary objective of the audit was to obtain reasonable assurance that the organisation's corporate governance arrangements are in accordance with best practice as set out in the CIPFA / SOLACE Delivering Good Governance in Local Government: Framework (2016) and accompanying guidance notes for Scottish Authorities, which was published in September 2016.

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

| Objective  | Findings                     |          |          |
|--|------------------------------|----------|----------|
|  | 1                            | 2        | 3        |
| <b>The objective of our audit was to:</b>  | <b>No. of Agreed Actions</b> |          |          |
| 1. Review compliance with good practice in corporate governance as defined in the CIPFA / SOLACE Delivering Good Governance in Local Government: Framework (2016). | <b>Good</b>                  | 0        | 0        |
| <b>Overall Level of Assurance</b>  | <b>0</b>                     | <b>0</b> | <b>0</b> |
| System meets control objectives.   |                              |          |          |

## 2019/05 – Follow-Up Reviews

### Final Issued: May 2019

We carried out a follow up review of recommendations made in the following internal audit reports issued during 2017/18:

2018/03 – Data Protection; and  
2018/05 – Follow-Up Reviews.

Reports 2018/01, 2018/02 and 2018/04 did not contain an action plan and therefore no follow-up was required on these reports as part of this review.

Report 2018/05 included one outstanding action from 2016/17 and one from 2012/13 that required to be followed up again this year.

The Board has made excellent progress in fully implementing all four recommendations contained within the internal audit reports issued in 2017/18. This included follow-up of two outstanding recommendations from previous internal audit reports issued in financial years 2012/13 and 2016/17.

## 2019/05 – Follow-Up Reviews (continued)

## 2017/18

| From Original Reports |              |               | From Follow-Up Work Performed |                       |                            |                            |
|-----------------------|--------------|---------------|-------------------------------|-----------------------|----------------------------|----------------------------|
| Area                  | Rec'n Grades | Number Agreed | Fully Implemented             | Partially Implemented | Little or No Progress Made | No Event to Trigger Action |
| Data Protection       | 1            | -             | -                             | -                     | -                          | -                          |
|                       | 2            | -             | -                             | -                     | -                          | -                          |
|                       | 3            | 2             | 2                             | -                     | -                          | -                          |
| <b>2017/18 Total</b>  |              | <b>2</b>      | <b>2</b>                      | -                     | -                          | -                          |

## 2016/17

| From Original Reports                    |              |               | From Follow-Up Work Performed |                       |                            |                            |
|--|--------------|---------------|-------------------------------|-----------------------|----------------------------|----------------------------|
| Area                                     | Rec'n Grades | Number Agreed | Fully Implemented             | Partially Implemented | Little or No Progress Made | No Event to Trigger Action |
| Management of Health & Safety - Vehicles | 1            | -             | -                             | -                     | -                          | -                          |
|  | 2            | -             | -                             | -                     | -                          | -                          |
|  | 3            | 1             | 1                             | -                     | -                          | -                          |
| <b>2016/17 Total</b>                     |              | <b>1</b>      | <b>1</b>                      | -                     | -                          | -                          |

## 2012/13

| From Original Reports                    |              |               | From Follow-Up Work Performed |                       |                            |                            |
|--|--------------|---------------|-------------------------------|-----------------------|----------------------------|----------------------------|
| Area                                     | Rec'n Grades | Number Agreed | Fully Implemented             | Partially Implemented | Little or No Progress Made | No Event to Trigger Action |
| Data Protection / Freedom of Information | A            | -             | -                             | -                     | -                          | -                          |
|  | B            | 1             | 1                             | -                     | -                          | -                          |
|  | C            | -             | -                             | -                     | -                          | -                          |
| <b>2012/13 Total</b>                     |              | <b>1</b>      | <b>1</b>                      | -                     | -                          | -                          |

|                    |          |          |   |   |   |
|--------------------|----------|----------|---|---|---|
| <b>Grand Total</b> | <b>4</b> | <b>4</b> | - | - | - |
|--------------------|----------|----------|---|---|---|

## 4. Time Spent - Budget v Actual

|   | Report Number | Planned Days | Actual days fee'd | Days to fee at May 2019 | Days to spend / WIP | Variance |
|---|---------------|--------------|-------------------|-------------------------|---------------------|----------|
| <b>Reputation</b>   |               |              |                   |                         |                     |          |
| <i>Compliance with Legislation</i>  | 2019/02       | 3            | 3                 | -                       | -                   | -        |
| <b>Estates and Facilities</b>   |               |              |                   |                         |                     |          |
| <i>Asset Security / Management (property and other) / Bridge Asset Management</i> | 2019/03       | 3            | -                 | 3                       | -                   | -        |
| <i>Capital Projects</i>   | N/A           | 2            | -                 | -                       | -                   | 2        |
| <b>Organisational Issues</b>  |               |              |                   |                         |                     |          |
| <i>Corporate Governance</i>   | 2019/03       | 3            | -                 | 3                       | -                   | -        |
| <b>Other Audit Activities</b>   |               |              |                   |                         |                     |          |
| <i>Management and Planning )</i>  | 2019/01       | 2            | 1                 | 1                       | -                   | -        |
| <i>External audit )</i>   |               |              |                   |                         |                     |          |
| <i>Attendance at committees )</i>   |               |              |                   |                         |                     |          |
| <i>Follow-up reviews</i>  | 2019/05       | 2            | -                 | 2                       | -                   | -        |
| <b>Total</b>  |               | 15           | 4                 | 9                       | -                   | 2        |
|   |               | =====        | =====             | =====                   | =====               | =====    |



## 5. Operational Plan for 2019/20

- 5.1 Following our re-appointment as internal auditors for the period from 1 April 2019 to 31 March 2022 an Audit Needs Assessment and Strategic Plan for 2019 to 2022 was developed during May 2019 and will be presented to the Board in August 2019.



**REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 17 JUNE 2019**

**REPORT ON: LOCAL CODE OF CORPORATE GOVERNANCE**

**REPORT BY: TREASURER**

**REPORT NO: TRB 12-2019**

## **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 2018/2019 improvement action plan in Appendix 1.
- iii) Approves the implementation of the improvements listed in Appendix 2 for 2019/2020.

## **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.

## **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).

**GREGORY COLGAN**  
**TREASURER**

**28 MAY 2019**



Tay Road Bridge

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**LOCAL CODE OF CORPORATE GOVERNANCE**

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## TAY ROAD BRIDGE JOINT BOARD

### LOCAL CODE OF CORPORATE GOVERNANCE (2018/2019)

#### 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.

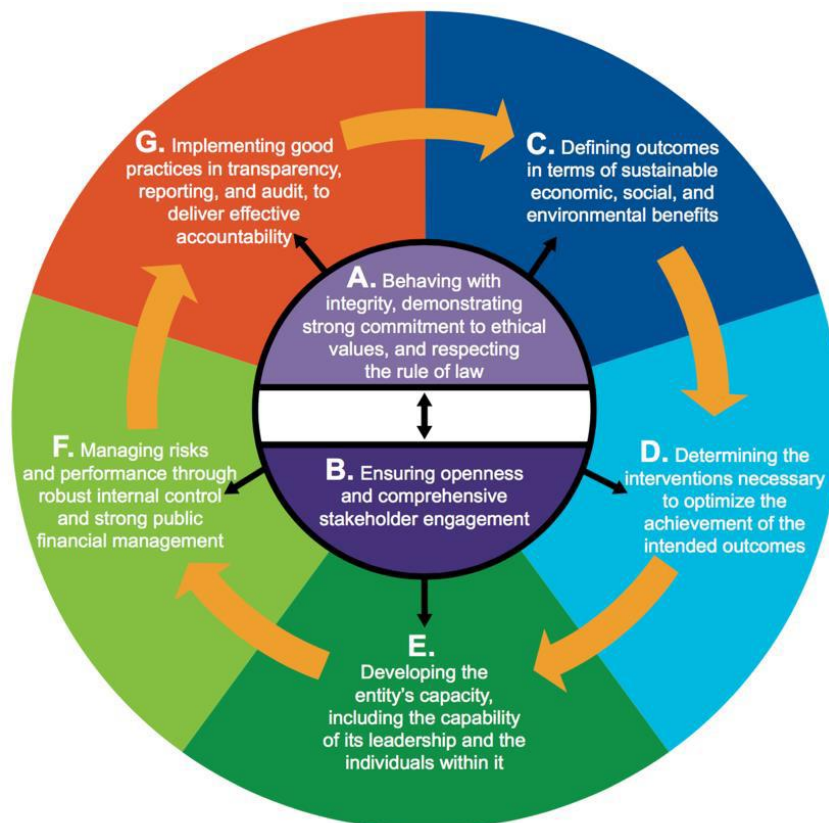
The Joint Board is committed to effective decision-making that is transparent and open to genuine scrutiny. It therefore provides on its website ([www.tayroadbridge.co.uk](http://www.tayroadbridge.co.uk)) details of its plans, procedures and performance.

#### 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](http://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.

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 BOARD****IMPROVEMENT AGENDA FOR 2018/2019**

| Improvement  | Principle | Code Reference   | Responsible Officer | Target Completion Date | Actual Completion Date | Progress Update   |
|--|-----------|------------------|---------------------|------------------------|------------------------|---|
| 1 Equalities and Human Rights training for all employees.  | A<br>E    | 2.2<br>2.4       | Bridge Manager      | 30/9/2018              |                        | In progress. 19 out of 22 staff now completed Equality and Human Rights Course through Dundee City Council (DCC). Awaiting new training dates for staff who haven't yet attended course. Expect to complete by June 2019. Carried forward to 2019/2020.*                              |
| 2 Training for Bridge Management to avoid unconscious bias recruitment.  | A         | 2.1              | Bridge Manager      | 31/12/2018             |                        | In progress. Bridge Manager completed training through Institution of Civil Engineers. Suitable course for Operations and Maintenance Manager being sought. Looking at Equate Scotland as possible training provider. Estimated completion March 2020. Carried forward to 2019/2020.* |
| 3 Introduce Personal Harassment Policy.  | A         | 2.3              | Bridge Manager      | 31/3/2019              | 12/12/2018             | Completed.  |
| 4 Update Data Protection procedures to ensure compliance with GDPR.  | A<br>F    | 3.4<br>4.1 & 4.2 | Bridge Manager      | 31/7/2018              |                        | In progress. New Data Protection Procedures, Employee Privacy Notice, Data Breach Procedures, & training for CCTV operators have been completed & issued to staff. Still outstanding is the development of a Records Management Plan. Carried forward to 2019/2020.*                  |
| 5 Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements. | B<br>E    | 3.3<br>2.5       | Bridge Manager      | 31/3/2019              |                        | In progress. Completed review with DCC IT. Public Questionnaire issued on social media on 1 May 2019 to help improve website. Carried forward to 2019/2020.*  |
| 6 Introduce Mental Health awareness initiatives for the workforce.   | E         | 2.8              | Bridge Manager      | 31/3/2019              |                        | In progress. Staff attended a Mindfulness and Stress Management course. This will form part of regular training for staff in the future. Further courses are planned & will cover Recognising Stress & Staff Resilience. Carried forward to 2019/2020.*                               |

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



**TAY ROAD BRIDGE JOINT BOARD****IMPROVEMENT AGENDA FOR 2019/2020**

| <b>Improvement</b>   | <b>Principle</b> | <b>Code Reference</b> | <b>Responsible Officer</b> | <b>Target Completion Date</b> | <b>Details</b>  |
|--|------------------|-----------------------|----------------------------|-------------------------------|---|
| 1 Equalities and Human Rights training for all employees.  | A<br>E           | 2.2<br>2.4            | Bridge Manager             | 30/6/2019                     | Carried forward from 2018/2019. In progress.  |
| 2 Training for Bridge Management to avoid unconscious bias recruitment.  | A                | 2.1                   | Bridge Manager             | 31/3/2020                     | Carried forward from 2018/2019. In progress.  |
| 3 Update Data Protection procedures to ensure compliance with GDPR: Develop Records Management Plan.                       | A<br>F           | 3.4<br>4.1 & 4.2      | Bridge Manager             | 31/12/2019                    | Carried forward from 2018/2019. In progress.  |
| 4 Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements. | B<br>E           | 3.3<br>2.5            | Bridge Manager             | 31/3/2020                     | Carried forward from 2018/2019. In progress.  |
| 5 Introduce Mental Health awareness initiatives for the workforce.   | E                | 2.8                   | Bridge Manager             | 31/3/2020                     | Carried forward from 2018/2019. In progress.  |
| 6 Update Bridge Byelaws.   | A                | 1.4                   | Clerk /<br>Bridge Manager  | 31/12/2019                    | Source: Local Code of Corporate Governance checklist & Internal Audit Report (2019/2): Compliance with Legislation. |
| 7 Revise Whistle-Blowing Policy.   |                  |                       | Bridge Manager             | 31/3/2020                     | Source: Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).   |
| 8 Develop Anti-Bribery Policy.   |                  |                       | Treasurer                  | 31/3/2020                     | Source: Annual Governance Statement Self-Assessment Checklist.  |





## Local Code of Corporate Governance 2018/2019 - Self Assessment Checklist

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

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

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

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

The self-assessment should be certified by the Bridge Manager

|  |                                     |             |   |            |                                     |           |                          |
|--|-------------------------------------|-------------|---|------------|-------------------------------------|-----------|--------------------------|
| <b>Organisation</b>  | <b>Tay Road Bridge Joint Board</b>  | <b>Date</b> | .....31 March 2019.....   |            |                                     |           |                          |
| <b>Name and Designation</b>  | Alan Hutchison, Bridge Manager      |             |   |            |                                     |           |                          |
| <b><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 2019/2020 financial year to further enhance the Board's governance arrangements in the areas identified for improvement.</i></b> |                                     |             | <table border="1"> <tr> <td><b>Yes</b></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td><b>No</b></td> <td><input type="checkbox"/></td> </tr> </table> | <b>Yes</b> | <input checked="" type="checkbox"/> | <b>No</b> | <input type="checkbox"/> |
| <b>Yes</b>   | <input checked="" type="checkbox"/> |             |   |            |                                     |           |                          |
| <b>No</b>  | <input type="checkbox"/>            |             |   |            |                                     |           |                          |
| <b><i>If no, please provide details</i></b>  |                                     |             |   |            |                                     |           |                          |

**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"> <li>• <i>Codes of conduct</i></li> <li>• <i>Individual sign off with regard to compliance with code</i></li> <li>• <i>Induction for new members and staff on standard of behaviour expected</i></li> <li>• <i>Performance appraisals</i></li> </ul> <ul style="list-style-type: none"> <li>• Members Code of Conduct <a href="#">Councillors Code of Conduct</a></li> <li>• <a href="#">Fraud Guidelines</a></li> <li>• Annual Governance Statement.</li> <li>• <a href="#">Local Code of Corporate Governance</a></li> <li>• Employee Appraisals.</li> <li>• <a href="#">Standing Orders Scheme of Delegation</a></li> <li>• <a href="#">Tender Procedures Financial Regulations</a></li> <li>• Induction training for new members.</li> </ul> | 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 build on the Seven Principles | <ul style="list-style-type: none"> <li>• <i>Communicating shared values with members, staff, the community and partners</i></li> </ul> <ul style="list-style-type: none"> <li>• Members Code of Conduct <a href="#">Councillors Code of Conduct</a></li> <li>• <a href="#">Fraud Guidelines</a></li> <li>• Annual Governance Statement</li> </ul>   | 4                        |                             |



|  |     |  |  |   |  |
|--|-----|--|--|---|--|
|  |     | of Public Life (the Nolan Principles).   | <ul style="list-style-type: none"> <li>• <a href="#">Local Code of Corporate Governance</a></li> <li>• <a href="#">Strategic Plan 2019-2024</a></li> </ul>   |   |  |
|  | 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"> <li>• <i>Decision making practices</i></li> <li>• <i>Declarations of interests made at meetings</i></li> <li>• <i>Conduct at meetings</i></li> <li>• <i>Shared values guide decision making</i></li> <li>• <i>Develop and maintain an effective standards committee</i></li> <li>• Members Code of Conduct <a href="#">Councillors Code of Conduct</a></li> <li>• <a href="#">Fraud Guidelines</a></li> <li>• Annual Governance Statement</li> <li>• <a href="#">Local Code of Corporate Governance</a></li> <li>• <a href="#">Standing Orders Scheme of Delegation</a></li> <li>• <a href="#">Tender Procedures</a> <a href="#">Financial Regulations</a></li> <li>• <a href="#">Strategic Plan 2019-2024</a></li> </ul> | 4 |  |

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

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

|   |  |     |   |  |   |  |
|---|--|-----|---|--|---|--|
|   |  |     |   | <a href="#">Tender Procedures Financial Regulations</a> <ul style="list-style-type: none"> <li>• Declaration of Interest is a standing item on Board meeting agenda.</li> </ul>  |   |  |
| 2 | <b>Demonstrating strong commitment to ethical values</b> | 2.1 | Seeking to establish, monitor and maintain the organisation's ethical standards and performance.  | <ul style="list-style-type: none"> <li>• <i>Scrutiny of ethical decision making</i></li> <li>• <i>Championing ethical compliance at governing body level</i></li> <li>• <a href="#">Mainstreaming Equality Report 2017-2019</a></li> <li>• Scottish Living Wage Accreditation.</li> <li>• Integrated Impact Assessments.</li> </ul>  | 3 | <ul style="list-style-type: none"> <li>• Consideration of training for the Bridge Management team to avoid unconscious bias recruitment.</li> </ul>                    |
|   |  | 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"> <li>• <i>Provision of ethical awareness training</i></li> <li>• Employee Appraisal process.</li> <li>• Employee Code of Conduct.</li> <li>• <a href="#">Standing Orders Scheme of Delegation</a></li> <li>• <a href="#">Tender Procedures Financial Regulations</a></li> <li>• Previous training undertaken by all staff in 2014 included e-learning course on Equality and Diversity.</li> </ul> | 3 | <ul style="list-style-type: none"> <li>• Equalities &amp; Human Rights training is planned for all employees and is being delivered by Dundee City Council.</li> </ul> |

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

| PRINCIPLE A<br>(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"> <li>• <i>Appraisal processes take account of values and ethical behaviour</i></li> <li>• <i>Staff appointments policy</i></li> <li>• <i>Procurement policy</i></li> <li>• Employee Appraisal process.</li> <li>• Recruitment &amp; Selection Policy.</li> <li>• Scottish Living Wage Accreditation.</li> <li>• Employee Handbook / Code of Conduct.</li> <li>• Computer and Internet Guidelines / Social Media Guidelines.</li> <li>• <a href="#">Standing Orders Scheme of Delegation Tender Procedures Financial Regulations</a></li> <li>• Equal Opportunities Employer.</li> <li>• Personal Harassment Policy.</li> </ul>  | 4                        |                             |
|                            |                                   | 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"> <li>• <i>Agreed values in partnership working:</i> <ul style="list-style-type: none"> <li>○ <i>Statement of business ethics communicates commitment to ethical values to external suppliers</i></li> <li>○ <i>Ethical values feature in contracts with external service providers</i></li> </ul> </li> <li>• <i>Protocols for partnership working</i></li> <li>• <a href="#">Standing Orders Scheme of Delegation Tender Procedures Financial Regulations</a></li> <li>• Scottish Living Wage Accreditation.</li> <li>• 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.</li> </ul> | 4                        |                             |
| 3                          | <b>Respecting the Rule of Law</b> | 3.1  | Ensuring members and staff demonstrate a strong   | <ul style="list-style-type: none"> <li>• <i>Statutory provisions</i></li> <li>• <i>Statutory guidance is followed</i></li> </ul>  | 4                        |                             |

|  |  |     |   |  |   |  |
|--|--|-----|---|--|---|--|
|  |  |     | commitment to the rule of the law as well as adhering to relevant laws and regulations.   | <ul style="list-style-type: none"> <li>• <i>Constitution</i></li> <li>• The Board's structure, functions and powers are prescribed in the Tay Road Bridge <a href="#">TRB Order Confirmation Act 1991</a></li> </ul>   |   |  |
|  |  | 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"> <li>• <i>Job description/specifications</i> <ul style="list-style-type: none"> <li>• <i>Compliance with CIPFA's Statement on <a href="#">The Role of the Chief Financial Officer in Local Government</a> (CIPFA, 2016)</i></li> </ul> </li> <li>• <i>Terms of reference</i></li> <li>• <i>Committee support</i></li> <li>• The Board's structure, functions and powers are prescribed in the Tay Road Bridge <a href="#">TRB Order Confirmation Act 1991</a></li> <li>• Job descriptions.</li> <li>• Compliance with CIPFA's statement on the Role of the Chief Financial Officer.</li> </ul> | 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"> <li>• <i>Record of legal advice provided by officers</i></li> <li>• SLA with Dundee City Council for Legal Services.</li> </ul>   | 4 |  |

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

| PRINCIPLE A<br>(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"> <li>Monitoring officer provisions</li> <li>Record of legal advice provided by officers</li> <li>Statutory provisions</li> <li>SLA with Dundee City Council for Legal Services.</li> <li>SAR Procedures, Data Breach Flow Chart, &amp; Data Breach Procedures have been developed and are available on TRBJB website.</li> <li>A CCTV Privacy Statement and Policy, and a Privacy Statement for the TRBJB website has also been introduced, along with a Cookie Policy.</li> </ul> | 3                        | <ul style="list-style-type: none"> <li>Further review required with DCC Information Governance Manager.</li> </ul> |
|                            |  | 3.5  | Ensuring corruption and misuse of power are dealt with effectively.   | <ul style="list-style-type: none"> <li>Effective anti-fraud and corruption policies and procedures</li> <li>Local test of assurance (where appropriate)</li> <li>Members Code of Conduct <a href="#">Councillors Code of Conduct</a></li> <li><a href="#">Fraud Guidelines</a></li> <li>Whistle Blowing Policy.</li> <li><a href="#">Complaints Procedure</a></li> </ul>   | 4                        |  |

| Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law | n/a | 1 | 2 | 3 | 4 | TOTAL |
|--|-----|---|---|---|---|-------|
| Summary of Number of Evaluations   |     |   |   | 4 | 9 | 13    |

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

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

- Scottish Living Wage Accreditation.

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

**Further Guidance:**

[The Role of the Chief Financial Officer in Local Government](#) (CIPFA, 2016)

[Commissioner for Ethical Standards in Public Life in Scotland](#)

[The Standards Commission for Scotland](#)

[Councillors' Code of Conduct](#)

[Code of Ethics for Public Service Managers - Consultation](#) (Solace, 2015)

[Code of Practice on Managing the Risk of Fraud and Corruption](#) (CIPFA, 2014)

Code of Practice on the Duty to Promote Race Equality in Scotland (2002): [CoP Promote Race Equality in Scotland](#)

Disability Rights Commission's The Employment of Disabled People in the Public Sector (2004): [Employing Disabled People in Public Sector](#)

Equality Act 2010 – Fact Sheet: [Equality Act 2010 - Factsheet](#)

Equality Act 2010 – Easy Read Version: [Equality Act 2010 - Easy Read Version](#)

Equality Act 2010 – Explanatory Notes: [Equality Act 2010 - Explanatory Notes](#)

Equality Legislation – Summary: [Equality Legislation - Summary](#)

[The Role of the Chief Financial Officer in Local Government](#) (CIPFA, 2016)

## 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"> <li>• <i>Annual report</i></li> <li>• <i>Freedom of Information Act publication scheme</i></li> <li>• <i>Online council tax information</i></li> <li>• <i>Authority's goals and values</i></li> <li>• <i>Authority website</i></li> <li>• Annual Accounts <a href="#">2017/2018 Audited Accounts</a></li> <li>• <a href="#">Board Minutes</a> and relevant documents <a href="#">Board Documents</a> are published on the Board's website: <a href="http://www.tayroadbridge.co.uk">www.tayroadbridge.co.uk</a></li> <li>• <a href="#">Freedom of Information Policy</a></li> </ul> | 4                        |                             |
|               |          | 1.2  | Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided. | <ul style="list-style-type: none"> <li>• <i>Record of decision making and supporting materials</i></li> <li>• Board Minutes <a href="#">Board Minutes</a> and relevant documents <a href="#">Board Documents</a> are published on the Board's website: <a href="http://www.tayroadbridge.co.uk">www.tayroadbridge.co.uk</a></li> <li>• <a href="#">Freedom of Information Policy</a></li> <li>• <a href="#">Tender Procedures</a></li> </ul>   | 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"> <li>• <i>Decision-making protocols</i></li> <li>• <i>Report pro-formas</i></li> <li>• <i>Record of professional advice in reaching decisions</i></li> <li>• <i>Meeting reports show details of advice given</i></li> <li>• <i>Discussion between members and officers on the information needs of members to</i></li> </ul>   | 4                        |                             |



|  |  |   |   |  |  |
|--|--|---|---|--|--|
|  |  | course, ensuring that the impact and consequences of those decisions are clear. | <ul style="list-style-type: none"> <li>• <i>support decision making</i></li> <li>• <i>Agreement on the information that will be provided and timescales</i></li> <li>• <i>Calendar of dates for submitting, publishing and distributing timely reports is adhered to</i></li> <li>• <a href="#">Board Minutes</a> and relevant documents <a href="#">Board Documents</a> are published on the Board's website: <a href="http://www.tayroadbridge.co.uk">www.tayroadbridge.co.uk</a></li> <li>• Pre-Agenda meetings held to discuss reports and issues that will be reported to Board meeting.</li> <li>• <a href="#">Tender Procedures</a></li> <li>• Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year.</li> </ul> |  |  |
|--|--|---|---|--|--|

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

| PRINCIPLE B<br>(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"> <li>• <i>Community strategy</i></li> <li>• <i>Use of consultation feedback</i></li> <li>• <i>Citizen survey</i></li> <li>• Bridge closures reported in Annual Accounts.</li> <li>• Operational Restrictions and Closures reported to the Board on a quarterly basis and published on the website <a href="#">Board Minutes</a></li> <li>• Website <a href="http://www.tayroadbridge.co.uk">www.tayroadbridge.co.uk</a></li> <li>• Social Media communications <a href="#">TRB Twitter</a></li> <li>• 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.</li> <li>• TRBJB Bridge Manager is part of a suicide</li> </ul> | 4                        |                             |

|   |   |     |  |   |   |  |
|---|---|-----|--|---|---|--|
|   |   |     |  | prevention working group to share best practice.  |   |  |
| 2 | <b>Engaging comprehensively with institutional stakeholders</b> | 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"> <li>• <i>Communication strategy</i></li> <li>• SLA with Dundee City Council for a Communications Strategy.</li> </ul>  | 4 |  |
|   |   | 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"> <li>• <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></li> <li>• 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.</li> <li>• Bridge Manager attends quarterly SCOTS Bridges Group meetings.</li> </ul> | 4 |  |
|   |   | 2.3 | Ensuring that partnerships are based on: <ul style="list-style-type: none"> <li>○ trust</li> <li>○ a shared commitment to change</li> <li>○ a culture that promotes and accepts challenge among partners</li> </ul> and that the added value of partnership working is explicit. | <ul style="list-style-type: none"> <li>• <i>Partnership framework</i></li> <li>• <i>Partnership protocols</i></li> <li>• Service Level Agreements with Dundee City Council for services provision, and annual review meeting to assess success needs for both parties.</li> </ul>   | 4 |  |

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

| PRINCIPLE B<br>(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"> <li>• <i>Record of public consultations</i></li> <li>• <i>Partnership framework</i></li> <li>• Communications Policy.</li> </ul>  | 4                        |   |
|                            |  | 3.2  | Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement.  | <ul style="list-style-type: none"> <li>• <i>Communications strategy</i></li> <li>• Communications Policy.</li> <li>• Website <a href="http://www.tayroadbridge.co.uk">www.tayroadbridge.co.uk</a></li> <li>• Social Media communications <a href="#">TRB Twitter</a></li> </ul>  | 4                        |   |
|                            |  | 3.3  | Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs.  | <ul style="list-style-type: none"> <li>• <i>Communications strategy</i></li> <li>• <i>Joint strategic needs assessment</i></li> <li>• Communications Policy.</li> <li>• Website <a href="http://www.tayroadbridge.co.uk">www.tayroadbridge.co.uk</a></li> <li>• Social Media communications <a href="#">TRB Twitter</a></li> <li>• 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.</li> <li>• Record of enquiries from the public and responses are kept and a five day turnaround in responding is achieved.</li> <li>• <a href="#">Strategic Plan 2019-2024</a></li> </ul> | 3                        | <ul style="list-style-type: none"> <li>• A public questionnaire has been issued on social media with the aim of gathering information to help improve the website.</li> </ul> |

|  |  |     |  |  |   |  |
|--|--|-----|--|--|---|--|
|  |  | 3.4 | Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account. | <ul style="list-style-type: none"> <li>• <i>Communications strategy</i></li> <li>• Communications Policy.</li> <li>• Feedback information to TRBJB Board at quarterly meeting of elected community councillors.</li> </ul>   | 4 |  |
|  |  | 3.5 | Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.      | <ul style="list-style-type: none"> <li>• <i>Processes for dealing with competing demands within the community, for example a consultation</i></li> <li>• Feedback information to TRBJB Board at quarterly meeting of elected community councillors.</li> </ul>   | 4 |  |
|  |  | 3.6 | Taking account of the interests of future generations of tax payers and service users.                           | <ul style="list-style-type: none"> <li>• <i>Reports</i></li> <li>• <i>Joint strategic needs assessment</i></li> <li>• 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.</li> </ul> | 4 |  |

| Ensuring openness and comprehensive stakeholder engagement | n/a | 1 | 2 | 3 | 4  | TOTAL |
|--|-----|---|---|---|----|-------|
| Summary of Number of Evaluations                           |     |   |   | 1 | 12 | 13    |

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

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

**Further Guidance:**

[Model Publication Scheme Monitoring Report 2016](#) (Scottish Information Commissioner, 2016)

[Good Governance Principles for Partnership Working](#) (Audit Scotland, 2011)

[Community Planning Toolkit](#) (Community Places, 2014)

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

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

| PRINCIPLE 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"> <li>• <i>Vision used as a basis for corporate and service planning</i></li> <li>• The Board's structure, functions and powers are prescribed in the Tay Road Bridge <a href="#">TRB Order Confirmation Act 1991</a></li> <li>• Management Arrangements of Scottish Government.</li> <li>• <a href="#">Strategic Plan 2019-2024</a></li> </ul>   | 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"> <li>• <i>Community engagement and involvement</i></li> <li>• <i>Corporate and service plans</i></li> <li>• <i>Community strategy</i></li> <li>• Sharing 20 year capital plan with Scottish Government through liaison with Transport Scotland Officials.</li> <li>• Communications strategy will include press releases for changes impacting service users.</li> <li>• <a href="#">Strategic Plan 2019-2024</a></li> <li>• Integrated Impact Assessments.</li> </ul> | 4                        |                             |
|               |                   | 1.3   | Delivering defined outcomes on a sustainable basis within the resources that will be   | <ul style="list-style-type: none"> <li>• <i>Regular reports on progress</i></li> </ul>   | 4                        |                             |

|  |  |     |  |  |   |  |
|--|--|-----|--|--|---|--|
|  |  |     | available.   | <ul style="list-style-type: none"> <li>• Reports to the quarterly TRBJB meetings.</li> </ul>   |   |  |
|  |  | 1.4 | Identifying and managing risks to the achievement of outcomes. | <ul style="list-style-type: none"> <li>• <i>Performance trends are established and reported upon</i></li> <li>• <i>Risk management protocols</i></li> <li>• Business Continuity Plan.</li> <li>• <a href="#">Risk Management Strategic Plan &amp; Strategic Risk Register</a></li> </ul> | 4 |  |

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

| PRINCIPLE C<br>(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"> <li>• <i>An agreed set of quality standard measures for each service element are included in service plans</i></li> <li>• <i>Processes for dealing with competing demands within the community</i></li> <li>• Through Board member engagement with their constituents.</li> </ul>  | 4                        |                             |
| 2                          | <b>Sustainable economic, social and environmental benefits</b> | 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"> <li>• <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></li> <li>• <i>Capital programme</i></li> <li>• <i>Capital investment strategy</i></li> <li>• Sharing 20 year capital plan with Scottish Government through liaison with Transport Scotland Officials.</li> </ul> | 4                        |                             |
|                            |  | 2.2  | Taking a longer-term view with regard to decision making, taking account of risk   | <ul style="list-style-type: none"> <li>• <i>Discussion between members and officers on the information needs of members to support decision making</i></li> </ul>   | 4                        |                             |

|  |     |  |  |     |  |
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|  |     | and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints.   | <ul style="list-style-type: none"> <li>Record of decision making and supporting materials</li> <li>Three yearly Revenue and Capital Budgets are updated and reported to Board annually.</li> <li>Twenty Year Capital Plan is produced and discussed with Transport Scotland.</li> <li>Business Continuity Plan.</li> <li><a href="#">Risk Management Strategic Plan &amp; Strategic Risk Register</a></li> <li><a href="#">Strategic Plan 2019-2024</a></li> </ul> |     |  |
|  | 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"> <li>Record of decision making and supporting materials</li> <li>Protocols for consultation</li> <li>Liaison meetings with Scottish Government through Transport Scotland to agree spend profiles.</li> </ul>  | 4   |  |
|  | 2.4 | Ensuring fair access to services.  | <ul style="list-style-type: none"> <li>Protocols ensure fair access and statutory guidance is followed</li> <li>N/A</li> </ul>   | N/A |  |

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

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

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

**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"> <li>• <i>Discussion between members and officers on the information needs of members to support decision making</i></li> <li>• <i>Decision making protocols</i></li> <li>• <i>Option appraisals</i></li> <li>• <i>Agreement of information that will be provided and timescales</i></li> <li>• Pre-Agenda meetings held to discuss reports and issues that will be reported to Board meeting.</li> <li>• <a href="#">Tender Procedures</a> outline the requirements of when to report to Board.</li> <li>• Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year.</li> <li>• Service Level Agreement with Dundee City Council Procurement Team for procuring services and protect the board against changes to procurement legislation.</li> </ul> | 4                        |                             |
|               |                           | 1.2   | Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land                   | <ul style="list-style-type: none"> <li>• <i>Financial strategy</i></li> <li>• N/A</li> </ul>  | N/A                      |                             |



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|  |  | and assets and bearing in mind future impacts. |  |  |  |
|--|--|--|--|--|--|

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

| PRINCIPLE D<br>(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"> <li>• <i>Calendar of dates for developing and submitting plans and reports that are adhered to</i></li> <li>• Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year.</li> </ul> | 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"> <li>• <i>Communication strategy</i></li> <li>• Communications Strategy.</li> </ul>  | 4 |                          |                             |
|                            |                        | 2.3  | Considering and monitoring risks facing each partner when working collaboratively including shared risks.                                 | <ul style="list-style-type: none"> <li>• <i>Partnership framework</i></li> <li>• <i>Risk management protocol</i></li> <li>• Regular risk management / contract meetings are held during works contracts on the bridge.</li> </ul>                                  | 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"> <li>• <i>Planning protocols</i></li> <li>• Regular risk management / contract meetings are held during works contracts on the bridge.</li> </ul>  | 4 |                          |                             |
|                            |                        | 2.5  | Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify                           | <ul style="list-style-type: none"> <li>• <i>KPIs have been established and approved for each service element and included in the service plan and are reported upon regularly</i></li> </ul>   | 4 |                          |                             |

|  |  |     |  |   |   |  |
|--|--|-----|--|---|---|--|
|  |  |     | how the performance of services and projects is to be measured.                                    | <ul style="list-style-type: none"> <li>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.</li> <li>Record of enquiries from the public and responses are kept and a five day turnaround in responding is achieved.</li> </ul>  |   |  |
|  |  | 2.6 | Ensuring capacity exists to generate the information required to review service quality regularly. | <ul style="list-style-type: none"> <li><i>Reports include detailed performance results and highlight areas where corrective action is necessary</i></li> <li>Annual Governance Statement.</li> <li><a href="#">Local Code of Corporate Governance</a></li> <li>Management Meetings with Bridge Management Staff are formally recorded.</li> <li><a href="#">Strategic Plan 2019-2024</a></li> </ul> | 4 |  |

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

| PRINCIPLE D<br>(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"> <li><i>Evidence that budgets, plans and objectives are aligned</i></li> <li>Three yearly Revenue and Capital Budgets are updated and reported to Board annually.</li> <li>Twenty Year Capital Plan is produced and discussed with Scottish Government through Transport Scotland.</li> <li><a href="#">Strategic Plan 2019-2024</a></li> </ul> | 4                        |                             |
|                            |  | 2.8  | Informing medium and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at | <ul style="list-style-type: none"> <li><i>Budget guidance and protocols</i></li> <li><i>Medium-term financial plan</i></li> <li><i>Corporate plans</i></li> <li>Three yearly Revenue and Capital Budgets</li> </ul>   | 4                        |                             |

|   |   |     |   |  |   |  |
|---|---|-----|---|--|---|--|
|   |   |     | developing a sustainable funding strategy.  | <ul style="list-style-type: none"> <li>are updated and reported to Board annually.</li> <li>Twenty Year Capital Plan is produced and discussed with Transport Scotland.</li> <li><a href="#">Strategic Plan 2019-2024</a></li> </ul>   |   |  |
| 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"> <li><i>Feedback surveys and exit/decommissioning strategies</i></li> <li><i>Changes as a result</i></li> <li>Three yearly Revenue and Capital Budgets are updated and reported to Board annually.</li> </ul>                              | 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"> <li><i>Budgeting guidance and protocols</i></li> <li>Three yearly Revenue and Capital Budgets are updated and reported to Board annually.</li> <li>Twenty Year Capital Plan is produced and discussed with Transport Scotland.</li> </ul> | 4 |  |

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

| PRINCIPLE D<br>(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"> <li><i>Financial strategy</i></li> <li>Three yearly Revenue and Capital Budgets are updated and reported to Board annually.</li> <li>Twenty Year Capital Plan is produced and discussed with Transport Scotland.</li> <li>Senior management receive regular financial reports to enable financial management.</li> <li>Regular meetings are held to support the Revenue and Capital Monitoring and reporting process.</li> <li>Regular Revenue and Capital Monitoring Reports are reported to the Board and published on the website <a href="#">Board Minutes</a></li> </ul> | 4                        |                             |

|  |  |     |  |  |   |  |
|--|--|-----|--|--|---|--|
|  |  | 3.4 | Ensuring the achievement of 'social value' through service planning and commissioning. | <ul style="list-style-type: none"> <li>• <i>Service plans demonstrate consideration of 'social value'</i></li> <li>• <i>Achievement of 'social value' is monitored and reported upon</i></li> <li>• 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.</li> <li>• <a href="#">Strategic Plan 2019-2024</a></li> </ul> | 4 |  |
|--|--|-----|--|--|---|--|

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

|  |  |
|--|--|
| Have there been any significant / critical events relating to Principle 4 during the financial year? If yes, please provide details. |  |
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|  |  |
|--|--|
| Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details. |  |
|--|--|

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

**Further Guidance:**

## 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 mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities. |  |  |  |                          |                             |
| 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"> <li>Regular reviews of activities, outputs and planned outcomes</li> <li>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.</li> </ul>   |  | 4                        |                             |
|               |                                  | 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"> <li>Utilisation of research and benchmarking exercises</li> <li>The Board's Financial Regulations require that all contracts entered into shall, where practicable, comply with the organisation's Tendering Procedures. These state 'the underlying spirit of the procedures is to provide openness, accountability and Best Value in the Board's procurement of goods, services and works.</li> </ul> |  | 4                        |                             |
|               |                                  | 1.3  | Recognising the benefits of partnerships and collaborative working where added value can be achieved.  | <ul style="list-style-type: none"> <li>Effective operation of partnerships which deliver agreed outcomes</li> <li>Service Level Agreements with Dundee City Council for services provision, and annual</li> </ul>  |  | 4                        |                             |

|  |  |     |  |   |   |  |
|--|--|-----|--|---|---|--|
|  |  |     |  | review meeting to assess success needs for both parties.  |   |  |
|  |  | 1.4 | Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources. | <ul style="list-style-type: none"> <li>• <i>Workforce plan</i></li> <li>• <i>Organisational development plan</i></li> <li>• A structural bridge inspection plan is in-place and monitored by the Bridge's Maintenance Manager.</li> <li>• <a href="#">Strategic Plan 2019-2024</a></li> </ul> | 4 |  |

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

| PRINCIPLE E<br>(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"> <li>• <i>Job descriptions</i></li> <li>• <i>Chief executive and leader pairings have considered how best to establish and maintain effective communication</i></li> <li>• <a href="#">Standing Orders Scheme of Delegation</a></li> </ul>  | 4                        |                             |
|                            |  | 2.2  | Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body.   | <ul style="list-style-type: none"> <li>• <i>Scheme of delegation reviewed at least annually in the light of legal and organisational changes</i></li> <li>• <i>Standing orders and financial regulations which are reviewed on a regular basis</i></li> <li>• <a href="#">Standing Orders Scheme of Delegation</a><br/><a href="#">Tender Procedures Financial Regulations</a></li> </ul> | 4                        |                             |
|                            |  | 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  | <ul style="list-style-type: none"> <li>• <i>Clear statement of respective roles and responsibilities and how they will be put into practice</i></li> <li>• N/A</li> </ul>   | N/A                      |                             |

|  |  |  |   |  |  |
|--|--|--|---|--|--|
|  |  |  | 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. |  |  |
|--|--|--|---|--|--|

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

| PRINCIPLE E<br>(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"> <li>• <i>Access to courses/information briefings on new legislation</i></li> <li>• Continuous Professional Development for Bridge Manager and his staff.</li> <li>• Induction training for new members.</li> </ul>   | 3                        | <ul style="list-style-type: none"> <li>• Equalities &amp; Human Rights training is planned for all employees and is being delivered by Dundee City Council.</li> </ul> |
|                            |  | 2.4<br>a)  | ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.  | <ul style="list-style-type: none"> <li>• <i>Induction programme</i></li> <li>• <i>Personal development plans for members and officers</i></li> <li>• Staff Training Plan.</li> <li>• Employee Appraisal process.</li> <li>• Training Matrix that links to job competence and H&amp;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.</li> <li>• Induction training for new members.</li> </ul> | 3                        | <ul style="list-style-type: none"> <li>• Equalities &amp; Human Rights training is planned for all employees and is being delivered by Dundee City Council.</li> </ul> |

|  |  |           |   |   |   |  |
|--|--|-----------|---|---|---|--|
|  |  | 2.4<br>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"> <li>• For example, for members this may include the ability to: <ul style="list-style-type: none"> <li>○ scrutinise and challenge</li> <li>○ recognise when outside expert advice is required</li> <li>○ promote trust</li> <li>○ work in partnership</li> <li>○ lead the organisation</li> <li>○ act as a community leader</li> </ul> </li> <li>• Efficient systems and technology used for effective support</li> </ul> <ul style="list-style-type: none"> <li>• Staff Training Plan.</li> <li>• Employee Appraisal process.</li> <li>• Induction training for new members.</li> </ul> | 3 | <ul style="list-style-type: none"> <li>• Equalities &amp; Human Rights training is planned for all employees and is being delivered by Dundee City Council.</li> </ul> |
|--|--|-----------|---|---|---|--|

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

| PRINCIPLE E<br>(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<br>c)  | ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from both internal and external governance weaknesses. | <ul style="list-style-type: none"> <li>• Arrangements for succession planning</li> <li>• Annual Governance Statement's Continuous Improvement Agenda.</li> <li>• <a href="#">Local Code of Corporate Governance</a></li> <li>• Recommendations from Internal and External Audit reviews are acted upon.</li> </ul>   | 4 |   |                             |
|                            |  | 2.5  | Ensuring that there are structures in place to encourage public participation.   | <ul style="list-style-type: none"> <li>• Residents' panels</li> <li>• Stakeholder forum terms of reference</li> <li>• Strategic partnership frameworks</li> <li>• Members of the public can contact the bridge with any queries through <a href="http://www.tayroadbridge.co.uk">www.tayroadbridge.co.uk</a> or through elected members, whether represented on the board or otherwise.</li> </ul> | 3 | <ul style="list-style-type: none"> <li>• A public questionnaire has been issued on social media with the aim of gathering information to help improve the website.</li> </ul> |                             |



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|  |     |  |  |   |  |  |
|  | 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"> <li>Reviewing individual member performance on a regular basis taking account of their attendance and considering any training or development needs</li> <li>Peer reviews</li> <li>The Engineer to the Board undertakes a development and performance review with the bridge manager biannually.</li> </ul> | 4 |  |  |
|  | 2.7 | Holding staff to account through regular performance reviews which take account of training or development needs.  | <ul style="list-style-type: none"> <li>Training and development plan</li> <li>Staff development plans linked to appraisals</li> <li>Implementing appropriate human resource policies and ensuring that they are working effectively</li> <li>Employee Appraisal process.</li> <li>Staff Training Plan.</li> </ul>                              | 4 |  |  |
|  | 2.8 | Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing. | <ul style="list-style-type: none"> <li>Human resource policies</li> <li>SLA with People Asset Management (PAM) Occupational Health Provider.</li> <li>Mindfulness &amp; Stress Management Courses were introduced in 2018/2019 and will form part of the regular staff training programme.</li> </ul>  | 3 | <ul style="list-style-type: none"> <li>Further courses are planned for 2019 to cover Recognising Stress and Staff Resilience.</li> </ul> |  |

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

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| 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. |  |
|--|--|

**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 Service Managers - Consultation](#) (Solace, 2015)

## 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"> <li>• <i>Risk management protocol</i></li> <li>• <a href="#">Risk Management Strategic Plan &amp; Strategic Risk Register</a></li> </ul>   |  | 4                        |                             |
|               |                      | 1.2  | Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.                  | <ul style="list-style-type: none"> <li>• <i>Risk management strategy/ policy formally approved, adopted, reviewed and updated on a regular basis</i></li> <li>• <a href="#">Risk Management Strategic Plan &amp; Strategic Risk Register</a></li> </ul>   |  | 4                        |                             |
|               |                      | 1.3  | Ensuring that responsibilities for managing individual risks are clearly allocated.  | <ul style="list-style-type: none"> <li>• <i>Risk management protocol</i></li> <li>• <a href="#">Risk Management Strategic Plan &amp; Strategic Risk Register</a></li> </ul>   |  | 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"> <li>• <i>Performance map showing all key activities have performance measures</i></li> <li>• <i>Benchmarking information</i></li> <li>• <i>Cost performance (using inputs and outputs)</i></li> <li>• <i>Calendar of dates for submitting, publishing and distributing timely reports that are adhered to</i></li> </ul> |  | 4                        |                             |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  | <ul style="list-style-type: none"> <li>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.</li> <li><a href="#">Strategic Plan 2019-2024</a></li> </ul> |  |  |
|--|--|--|--|--|--|--|

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

| PRINCIPLE F<br>(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"> <li><i>Discussion between members and officers on the information needs of members to support decision making</i></li> <li><i>Publication of agendas and minutes of meetings</i></li> <li><i>Agreement on the information that will be needed and timescales</i></li> <li><a href="#">Board Minutes</a> and relevant documents <a href="#">Board Documents</a> are published on the Board's website: <a href="http://www.tayroadbridge.co.uk">www.tayroadbridge.co.uk</a></li> <li>Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year.</li> <li>Appointing professional Consultants to advise on projects/ maintenance requirements to gain independent advice.</li> </ul> |  | 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 | <ul style="list-style-type: none"> <li><i>The role and responsibility for scrutiny has been established and is clear</i></li> <li><i>Agenda and minutes of scrutiny meetings</i></li> <li><i>Evidence of improvements as a result of scrutiny</i></li> <li><i>Terms of reference</i></li> <li><i>Training for members</i></li> <li><i>Membership</i></li> </ul>  |  | 4                        |                             |

|  |     |  |   |   |  |
|--|-----|--|---|---|--|
|  |     | <p>and that of any organisation 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"> <li>• External Audit reports are reported to the Board and recommendations are acted upon.</li> <li>• Internal Auditors comply with Public Sector Internal Audit Standards.</li> <li>• Internal Audit reviews are reported to the Board and recommendations are acted upon.</li> <li>• Internal Audit Follow Up reports on progress against recommendations are reported to the Board.</li> </ul>  |   |  |
|  | 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"> <li>• <i>Calendar of dates for submitting, publishing and distributing timely reports that are adhered to</i></li> <li>• Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year.</li> <li>• Regular reports <a href="#">Board Minutes</a> submitted to the Board include Revenue &amp; Capital Monitoring, Engineer's report, Operational Restrictions &amp; Closures.</li> <li>• <a href="#">Strategic Plan 2019-2024</a></li> </ul> | 4 |  |

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

| PRINCIPLE F<br>(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"> <li>• <i>Financial standards, guidance</i></li> <li>• <i>Financial regulations and standing orders</i></li> <li>• <a href="#">Standing Orders Scheme of Delegation</a></li> <li>• <a href="#">Tender Procedures</a></li> <li>• <a href="#">Financial Regulations</a></li> <li>• Revenue and Capital Budgets, Revenue and Capital Monitoring, and Annual Accounts have consistency in how they are presented.</li> <li>• Major Capital projects are reported against budget within Engineer's reports.</li> </ul>  | 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"> <li>• <i>Risk management strategy</i></li> <li>• <i>Audit plan</i></li> <li>• <i>Audit reports</i></li> <li>• <a href="#">Risk Management Strategic Plan &amp; Strategic Risk Register</a></li> <li>• External Auditor's Annual Audit Plan reported to Board and any recommendations are acted upon.</li> <li>• Internal Audit produce an Audit Needs Assessment &amp; Strategic Plan at the start of their three yearly contract and update their Audit Plan annually.</li> <li>• Internal Audit reviews are reported to the Board and recommendations are acted upon.</li> <li>• Internal Audit Follow Up reports on progress against recommendations are reported to the Board.</li> </ul> | 4                        |                             |
|                            |                         | 3.2   | Evaluating and monitoring risk management and internal control on a regular basis.  | <ul style="list-style-type: none"> <li>• <i>Risk management strategy/ policy has been formally approved and adopted and is reviewed and updated on a regular basis</i></li> <li>• <a href="#">Risk Management Strategic Plan &amp; Strategic</a></li> </ul>  | 4                        |                             |

|  |  |     |  |  |   |  |
|--|--|-----|--|--|---|--|
|  |  |     |  | <a href="#">Risk Register</a> <ul style="list-style-type: none"> <li>Bridge Manager meets annually with Risk Manager for Dundee City Council to review Risk Management Register.</li> </ul>  |   |  |
|  |  | 3.3 | Ensuring effective counter fraud and anti-corruption arrangements are in place.  | <ul style="list-style-type: none"> <li><a href="#">Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)</a></li> <li><a href="#">Fraud Guidelines</a></li> </ul>  | 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"> <li><i>Annual governance statement</i></li> <li><i>Effective internal audit service is resourced and maintained</i></li> <li>Annual Governance Statement.</li> <li><a href="#">Local Code of Corporate Governance</a></li> <li>Internal Audit provision is outsourced, via a tender process, to a private sector audit firm.</li> </ul> | 4 |  |

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

| PRINCIPLE F<br>(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   | Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> <li>provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment.</li> <li>that its recommendations are listened to and acted upon.</li> </ul> | <ul style="list-style-type: none"> <li><i>Audit committee complies with best practice – see <a href="#">Audit Committees: Practical Guidance for Local Authorities and Police</a> (CIPFA, 2013) (Cost £175)</i></li> <li><i>Terms of reference</i></li> <li><i>Membership</i></li> <li><i>Training</i></li> <li>N/A due to size or organisation.</li> </ul> | N/A |                          |                             |

|   |                      |     |   |   |   |  |
|---|----------------------|-----|---|---|---|--|
| 4 | <b>Managing Data</b> | 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"> <li>• <i>Data management framework and procedures</i></li> <li>• <i>Designated data protection officer</i></li> <li>• <i>Data protection policies and procedures</i></li> <li>• <a href="#">Data Protection Policy</a></li> <li>• <a href="#">Freedom of Information Policy</a></li> <li>• <a href="#">Data Protection &amp; CCTV Procedures</a></li> <li>• 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.</li> <li>• <a href="#">Guidance for Information, Records Management &amp; Preservation of Archival Records</a></li> <li>• SAR Procedures, Data Breach Flow Chart, &amp; Data Breach Procedures have been developed and are available on TRBJB website.</li> <li>• A CCTV Privacy Statement and Policy, and a Privacy Statement for the TRBJB website has also been introduced, along with a Cookie Policy.</li> </ul> | 3 | <ul style="list-style-type: none"> <li>• Further review required with DCC Information Governance Manager.</li> </ul> |
|   |                      | 4.2 | Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.   | <ul style="list-style-type: none"> <li>• <i>Data sharing agreement</i></li> <li>• <i>Data sharing register</i></li> <li>• <i>Data processing agreements</i></li> <li>• <a href="#">Data Protection Policy</a></li> <li>• <a href="#">Freedom of Information Policy</a></li> <li>• <a href="#">Data Protection &amp; CCTV Procedures</a></li> </ul>  | 3 | <ul style="list-style-type: none"> <li>• Further review required with DCC Information Governance Manager.</li> </ul> |



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

| PRINCIPLE F<br>(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"> <li>• <i>Data quality procedures and reports</i></li> <li>• <i>Data validation procedures</i></li> <li>• Annual Accounts process subject to External Audit.</li> <li>• A programme of Internal Audit reviews covering a wide range of systems and processes.</li> </ul>  | 4                        |                             |
| 5                          | <b>Strong Public Financial Management</b> | 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"> <li>• <i>Financial management supports the delivery of services and transformational change as well as securing good stewardship</i></li> <li>• Senior management receive regular financial reports to enable financial management.</li> <li>• Regular meetings are held to support the Revenue and Capital Monitoring and reporting process.</li> </ul> | 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"> <li>• <i>Budget monitoring reports</i></li> <li>• Regular Revenue and Capital Monitoring Reports are reported to the Board and published on the website <a href="#">Board Minutes</a></li> </ul>   | 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.

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

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

**Further Guidance:**

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, 2010)

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

Information Commissioner's Office (ICO): <https://ico.org.uk/>

ICO Guide to Data Protection: <https://ico.org.uk/for-organisations/guide-to-data-protection/>

Scottish Information Commissioner: <http://www.itspublicknowledge.info/home/ScottishInformationCommissioner.aspx>

Records Retention Schedules from Scottish Council on Archives: <http://www.scottisharchives.org.uk/scarrs/schedules>

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

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

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

## 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"> <li>Website</li> <li><a href="#">Board Minutes</a> and relevant documents <a href="#">Board Documents</a> are published on the Board's website: <a href="http://www.tayroadbridge.co.uk/">http://www.tayroadbridge.co.uk/</a></li> <li>Annual Accounts <a href="#">2017/2018 Audited Accounts</a> includes the Bridge Manager's report which provides an outline of the Board's activities.</li> </ul>   | 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"> <li>Annual Report</li> <li>Annual Accounts <a href="#">2017/2018 Audited Accounts</a></li> </ul>   | 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"> <li>Formal annual report which includes key points raised by external scrutineers and service users' feedback on service delivery</li> <li>Annual financial statements</li> <li>Annual Accounts <a href="#">2017/2018 Audited Accounts</a></li> <li>Annual Report by Internal Audit.</li> <li>Regular reports <a href="#">Board Minutes</a> submitted to the Board include Revenue &amp; Capital Monitoring, Engineer's report, Operational</li> </ul> | 4                        |                             |

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

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

| PRINCIPLE G<br>(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"> <li>• <i>Annual governance statement</i></li> <li>• Annual Governance Statement reported to Board and published on website <a href="#">Board Minutes</a></li> <li>• <a href="#">Local Code of Corporate Governance</a></li> </ul> | 4                        |                             |
|                            |  | 2.4   | Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate.  | <ul style="list-style-type: none"> <li>• <i>Annual governance statement</i></li> <li>• N/A.</li> </ul>   | 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"> <li>• <i>Format follows best practice</i></li> <li>• Annual Accounts are published in accordance with statutory regulations.</li> </ul>   | 4                        |                             |

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

| PRINCIPLE G<br>(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"> <li>• <i>Recommendations have informed positive improvement</i></li> <li>• External Audit reports are reported to the Board and recommendations are acted upon.</li> </ul>  | 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"> <li>• <i>Compliance with CIPFA's <a href="#">Statement on the Role of the Head of Internal Audit</a> (2010)</i></li> <li>• <i>Compliance with Public Sector Internal Audit Standards</i></li> <li>• Internal Auditors comply with Public Sector Internal Audit Standards.</li> <li>• Internal Audit reviews are reported to the Board and recommendations are acted upon.</li> <li>• Internal Audit Follow Up reports on progress against recommendations are reported to the Board.</li> </ul> | 4                        |                             |
|                            |  | 3.3   | Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.   | <ul style="list-style-type: none"> <li>• <i>Recommendations have informed positive improvement</i></li> <li>• External Auditors are appointed.</li> </ul>  | 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"> <li>• <i>Annual governance statement</i></li> <li>• N/A.</li> </ul>   | N/A                      |                             |
|                            |  | 3.5   | Ensuring that when working in partnership, arrangements for  | <ul style="list-style-type: none"> <li>• <i>Community strategy</i></li> </ul>  | N/A                      |                             |

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

| Implementing good practices in transparency, reporting, and audit to deliver effective accountability | n/a | 1 | 2 | 3 | 4 | TOTAL |
|---|-----|---|---|---|---|-------|
| <b>Summary of Number of Evaluations</b>   | 3   |   |   |   | 9 | 12    |

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

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

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

**Further Guidance:**

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

**REPORT TO:** TAY ROAD BRIDGE JOINT BOARD - 17 JUNE 2019

**REPORT ON:** ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31 MARCH 2019

**REPORT BY:** TREASURER

**REPORT NO:** TRB 13-2019

## 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 2019 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 2019.

## 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 2019 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 2018/2019;  
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).

**GREGORY COLGAN**  
**TREASURER**

**24 MAY 2019**



**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.

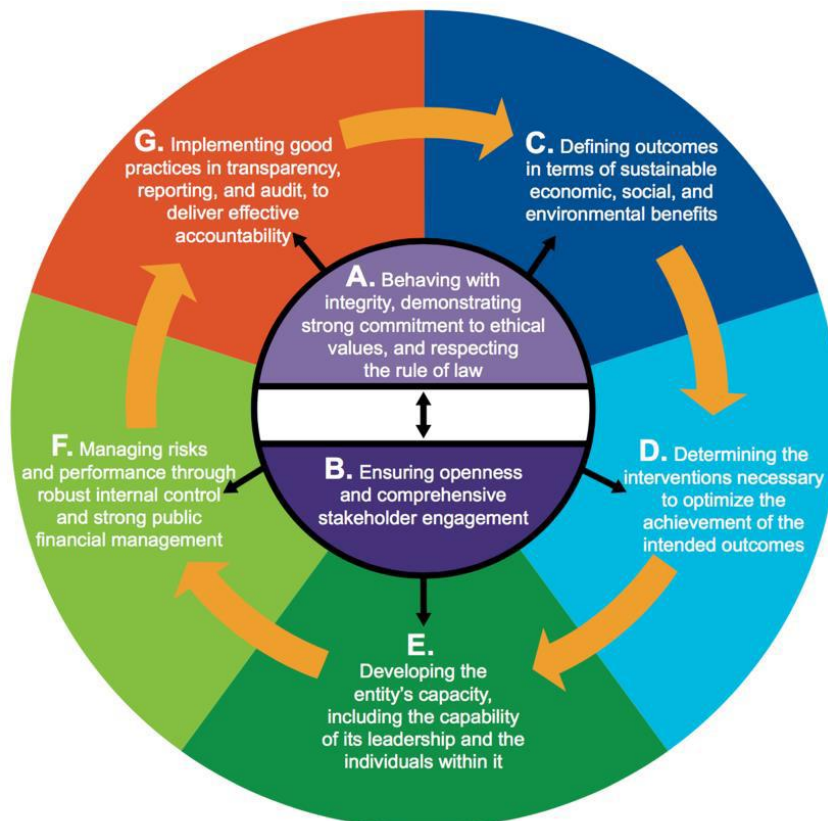
In discharging these responsibilities elected members and senior officers are responsible for implementing effective arrangements for governing the Joint Board's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

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 performance 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;
- 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, Tay Road Bridge Joint Board operates adequate and effective internal control systems and proper arrangements are in place to promote and secure Value for Money.

### **Continuous Improvement Agenda**

The Joint Board's progress against the Continuous Improvement Agenda items for 2018/2019 are detailed in Appendix 1. Several items are still in progress and have been carried forward to be actioned in 2019/2020. 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 2019/2020. 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 2019/2020 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.

**Stewart Hunter**  
**Chair**  
**Tay Road Bridge Joint Board**  
**16 September 2019**

**Alan Hutchison**  
**Bridge Manager**  
**Tay Road Bridge Joint Board**  
**16 September 2019**

**TAY ROAD BRIDGE JOINT BOARD****IMPROVEMENT AGENDA FOR 2018/2019**

| Improvement  | Principle | Code Reference   | Responsible Officer | Target Completion Date | Actual Completion Date | Progress Update   |
|--|-----------|------------------|---------------------|------------------------|------------------------|---|
| 1 Equalities and Human Rights training for all employees.  | A<br>E    | 2.2<br>2.4       | Bridge Manager      | 30/9/2018              |                        | In progress. 19 out of 22 staff now completed Equality and Human Rights Course through Dundee City Council (DCC). Awaiting new training dates for staff who haven't yet attended course. Expect to complete by June 2019. Carried forward to 2019/2020.*                              |
| 2 Training for Bridge Management to avoid unconscious bias recruitment.  | A         | 2.1              | Bridge Manager      | 31/12/2018             |                        | In progress. Bridge Manager completed training through Institution of Civil Engineers. Suitable course for Operations and Maintenance Manager being sought. Looking at Equate Scotland as possible training provider. Estimated completion March 2020. Carried forward to 2019/2020.* |
| 3 Introduce Personal Harassment Policy.  | A         | 2.3              | Bridge Manager      | 31/3/2019              | 12/12/2018             | Completed.  |
| 4 Update Data Protection procedures to ensure compliance with GDPR.  | A<br>F    | 3.4<br>4.1 & 4.2 | Bridge Manager      | 31/7/2018              |                        | In progress. New Data Protection Procedures, Employee Privacy Notice, Data Breach Procedures, & training for CCTV operators have been completed & issued to staff. Still outstanding is the development of a Records Management Plan. Carried forward to 2019/2020.*                  |
| 5 Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements. | B<br>E    | 3.3<br>2.5       | Bridge Manager      | 31/3/2019              |                        | In progress. Completed review with DCC IT. Public Questionnaire issued on social media on 1 May 2019 to help improve website. Carried forward to 2019/2020.*  |
| 6 Introduce Mental Health awareness initiatives for the workforce.   | E         | 2.8              | Bridge Manager      | 31/3/2019              |                        | In progress. Staff attended a Mindfulness and Stress Management course. This will form part of regular training for staff in the future. Further courses are planned & will cover Recognising Stress & Staff Resilience. Carried forward to 2019/2020.*                               |

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



**TAY ROAD BRIDGE JOINT BOARD****IMPROVEMENT AGENDA FOR 2019/2020**

| <b>Improvement</b>   | <b>Principle</b> | <b>Code Reference</b> | <b>Responsible Officer</b> | <b>Target Completion Date</b> | <b>Details</b>  |
|--|------------------|-----------------------|----------------------------|-------------------------------|---|
| 1 Equalities and Human Rights training for all employees.  | A<br>E           | 2.2<br>2.4            | Bridge Manager             | 30/6/2019                     | Carried forward from 2018/2019. In progress.  |
| 2 Training for Bridge Management to avoid unconscious bias recruitment.  | A                | 2.1                   | Bridge Manager             | 31/3/2020                     | Carried forward from 2018/2019. In progress.  |
| 3 Update Data Protection procedures to ensure compliance with GDPR: Develop Records Management Plan.                       | A<br>F           | 3.4<br>4.1 & 4.2      | Bridge Manager             | 31/12/2019                    | Carried forward from 2018/2019. In progress.  |
| 4 Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements. | B<br>E           | 3.3<br>2.5            | Bridge Manager             | 31/3/2020                     | Carried forward from 2018/2019. In progress.  |
| 5 Introduce Mental Health awareness initiatives for the workforce.   | E                | 2.8                   | Bridge Manager             | 31/3/2020                     | Carried forward from 2018/2019. In progress.  |
| 6 Update Bridge Byelaws.   | A                | 1.4                   | Clerk /<br>Bridge Manager  | 31/12/2019                    | Source: Local Code of Corporate Governance checklist & Internal Audit Report (2019/2): Compliance with Legislation. |
| 7 Revise Whistle-Blowing Policy.   |                  |                       | Bridge Manager             | 31/3/2020                     | Source: Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).   |
| 8 Develop Anti-Bribery Policy.   |                  |                       | Treasurer                  | 31/3/2020                     | Source: Annual Governance Statement Self-Assessment Checklist.  |



**ITEM No ...11.....**

**REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 17 JUNE 2019**

**REPORT ON: UNAUDITED ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**REPORT BY: TREASURER**

**REPORT NO: TRB 14-2019**

**1 PURPOSE OF REPORT**

To provide some additional commentary on the unaudited Annual Accounts for the year ended 31 March 2019 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 2018/2019 Movement in Reserves Statement shows that there was a £30,000 underspend during the year after the required accounting adjustments. This gives a total General Reserve Balance of £1,160,591 as at 31 March 2019.

**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 2018/2019 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 2018/2019 Movement in Reserves Statement shows that there was £30,000 underspend against budget during the year. The main variances were as follows:

|  | <b>£000</b>        |
|--|--------------------|
| Administration underspend                                  | (32)               |
| Operations underspend                                      | (13)               |
| Plant and Equipment underspend                             | (68)               |
| Bridge Maintenance underspend                              | (59)               |
| Other Operating Income & Expenditure underspend            | (13)               |
| Financing and Investment Income and Expenditure underspend | (16)               |
| Non-Specific Grant Income unapplied                        | 212                |
| Other accounting adjustments underspend                    | <u>(41)</u>        |
| <b>TOTAL</b>   | <b><u>(30)</u></b> |

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 2019.

- 4.5 On 4 December 2017, the Joint Board approved a 2018/2019 Capital Expenditure Programme (Report TRB 25-2017) for various works on the bridge and other miscellaneous capital purchases totalling £1,080,000 which would be funded by capital grant from the Scottish Government and Capital Funded from Current Revenue (CFCR). 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 £527,000 was reported to the Joint Board on 4 March 2019, (report TRB 2-2019 refers).

During the financial year 2018/2019, the Joint Board incurred capital expenditure of £389,000, i.e. an underspend of £691,000 against the approved capital budget. The variance against the original budget relates to net budget savings during the year of £230,000 and slippage to 2019/2020 of £461,000.

- 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 (Mr Bruce Crosbie, 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.

**GREGORY COLGAN  
TREASURER**

**31 MAY 2019**





Tay Road Bridge



**TAY ROAD BRIDGE JOINT BOARD**

**ANNUAL ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**UNAUDITED**



**JUNE 2019**



**TAY ROAD BRIDGE JOINT BOARD  
ANNUAL ACCOUNTS 2018/2019  
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## TAY ROAD BRIDGE JOINT BOARD MEMBERS AND OFFICIALS

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 2018/2019, the Members and Officials of the Board were:

### Representing Dundee City Council

Councillor Stewart Hunter (Chair)  
Councillor Bill Campbell  
Councillor Fraser Macpherson  
Councillor Lynne Short  
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 Fergus Wilson BSc, MBA, CEng, MICE, MCIHT, MAPS, Dundee City Council.  
Retired 31st March 2019.

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

### Clerk

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

### Treasurer

Mr Gregory Colgan, BAcc (Hons), ACMA, CGMA, Dundee City Council.

### Contact Details:

Tay Road Bridge Joint Board website: [www.tayroadbridge.co.uk](http://www.tayroadbridge.co.uk)

#### Bridge Manager

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#### Clerk

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21 City Square  
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#### Treasurer

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## 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 2019. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/2019 ("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

This year has been one of consolidation for staff at the bridge. The staffing levels have remained static since the retirement of the Operations Manager at the end of March 2017, with 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. We welcomed a new Control Room Supervisor in May 2018 following the retirement of a member of staff.

The team have continued to undertake training to make sure that they have confidence and competence in their individual roles, with the following examples of some of the training delivered:

- IOSH Working Safely;
- IOSH Managing Safely;
- Confined Space Awareness;
- Equality and Human Rights;
- GDPR Awareness;
- ASIST (Suicide Intervention Skills);
- Coaching and Courageous Conversations; and
- Emergency First Aid at Work and St. Andrews First Aid.

We have also delivered a wellbeing course for staff, which covered recognising the symptoms of stress and stress management techniques. This was well attended and well received by staff. We will be delivering another wellbeing course in 2019, and this will cover techniques to build resilience.

Some members of staff are also working towards gaining the recently developed and UK wide recognised LANTRA certification for Bridge Inspectors. The Bridge Inspector Certification Scheme (BICS) has the full support of the Scottish Government. This certification will assist the TRBJB in demonstrating its competence in this area.

### 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. Meetings have been held on a regular basis between Board Officers and officers from the Trunk Road and Bus Operations Team to discuss operational matters, 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 2018/2019, with more projects due for delivery in 2019/2020 that will add resilience to the bridge's infrastructure.

**TAY ROAD BRIDGE JOINT BOARD  
MANAGEMENT COMMENTARY**

**New Passenger Lift**

The Board approved the manufacture and installation of a new passenger lift to serve the bridge walkway at the Dundee landfall in March 2018, with the aim of improving reliability of access to the walkway for our users. The new lift was installed by Caltech of Dundee and opened in December 2018. The new lift has received positive feedback from members of the public.



**New Switchgear at Dundee and Fife**

This project was approved at the June 2018 Board meeting for approval and will be complete by the end of April 2019, with works progressing well on site. This project renews and upgrades the main electrical switchgear that serves the Dundee and Fife sides of the bridge. The switchgear that has been replaced was over 30 years old and has been replaced to minimise the risk of future failure, and thus help ensure business continuity, along with an upgrade of capacity to accept future electric vehicle charge points.



**LED Lighting**

Installation of new LED lighting to the bridge carriageway and Fife car park was approved in December 2018. The Street Lighting Partnership have procured all materials and are due to carry out installation in the summer of 2019. LED lighting is considered to be a better quality of light than the existing metal halide lighting, and will improve visibility for all users, whilst also leading to energy savings.



## TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

### Cathode Protection (CP) Monitoring Equipment

This project was approved at the December 2018 Board meeting, and Cathode Protection Company Limited are currently fabricating the specialist equipment to be used. CP is a method used to halt the corrosion of steel reinforcement by applying a small DC current through a surface mounted anode. This effectively forces the reinforcement to act as a cathode thus repressing the rusting action. Cathode Protection Company Limited are due on site in summer 2019.

### Administration Office Building

The Board gave approval at the March 2019 Board meeting to move to tender on necessary repairs to the Administration Office building's roof, along with a refurbishment of the control room. The building is showing signs of deterioration and must be repaired to maintain a fit for purpose operational centre. A full tender return report will be brought to the Board for approval in due course.

### Principal Inspection of Columns and Piers

The Board gave approval at the March 2019 Board meeting to appoint Geckotech Solutions 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.



### SESTRAN Park & Ride Proposal

This proposal is currently on hold subject to funding availability to SESTRAN.

### 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 Closures |
|--|--------------------|----------------------|---------------------|--------------------------------|--|
| Closed to all Vehicles                   | Cars Only          | No Double Deck buses |                     |                                |  |
| 2  | 15                 | 64                   | 2                   | 25                             | 639  |
| <b>Comparator figures for 2017/2018:</b> |                    |                      |                     |                                |  |
| 1  | 8                  | 31                   | 0                   | 37                             | 537  |

Over the past twelve months there was two full closure due to winds exceeding 80mph and the number of wind related restrictions has increased by approximately 100% when compared with those recorded in 2017/2018. This is mainly due to winds exceeding 45mph, when only double-decker buses are restricted from crossing.

## TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

The number of short term single carriageway closures to clear breakdowns and minor accidents from the bridge is 32% lower over this period when compared to 2017/2018 with 25 breakdowns compared to 37, but Operational, Miscellaneous and Police closures have increased by 19% when compared to 2017/2018.

There were two full closures for works associated with white lining during 2018/2019 (2017/2018 = nil).

### 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;
2. Fiscally Sustainable;
3. Transparent Governance and Clear Decision Making Processes;
4. A Modern, Diverse and Well Trained Workforce; and
5. Quality and Standards.

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

- Accidents and incidents (Employees and members of the public);
- Lost Time due to accidents and incidents (Employees);
- Bridge traffic lane availability (reported quarterly as part of a separate report);
- Expenditure (reported as part of a separate report); and
- Complaints and questions.

KPIs for the calendar years 2015 to 2019 (to 30 April 2019) are as follows:

#### Safe Services

| Years                          | Accidents Involving Members of the Public | Reportable Incidents Involving Employees | Minor Accidents Involving Employees | Time Lost – Employees (Hrs) |
|--------------------------------|---|--|-------------------------------------|-----------------------------|
|                                | (Target = Reduction Year on Year)         | (Target = 0)                             | (Target = 0)                        | (Target = 0)                |
| <b>2015</b>                    | 6   | 0  | 2                                   | 0                           |
| <b>2016</b>                    | 2   | 0  | 2                                   | 24                          |
| <b>2017</b>                    | 9   | 0  | 2                                   | 0                           |
| <b>2018</b>                    | 9   | 0  | 2                                   | 16                          |
| <b>2019 (to 30 April 2019)</b> | 2   | 0  | 0                                   | 0                           |

The statistics for all accidents, either involving staff, or members of the public, are low, and in 2017 there were no accidents involving staff. 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 TRBJB. Police Scotland are called to all RTC's on the bridge.

## TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

### 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 Complaints Responded to | Target = 100% of Complaints Responded to      |
| <b>2015</b>                    | 7                                   | 7  | 7  | 36                                  | 36                                       | 36  |
| <b>2016</b>                    | 10                                  | 10                                       | 10   | 77                                  | 77                                       | 77  |
| <b>2017</b>                    | 4                                   | 4  | 4  | 28                                  | 28                                       | 28  |
| <b>2018</b>                    | 6                                   | 6  | 6  | 50                                  | 50                                       | 50  |
| <b>2019 (to 30 April 2019)</b> | 1                                   | 1  | 1  | 11                                  | 11                                       | 11  |

Since 2015 we have received on average seven complaints per year from the public regarding our services. These generally relate to concerns regarding bridge availability during closures, or concerns related to our sharing of information during such closures. All complaints are responded to in a timely manner and within ten working days.

Since 2015 there has been on average 48 queries per year from members of the public, either received by the Bridge Manager directly or through Councillor enquires, and all these are responded to within 10 working days.

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, will help us redesign a new website which will help us improve the sharing of information that is relevant to all our user groups. It is anticipated that the new website will help reduce subsequent enquiries after its planned launch later in 2019.

### Effective and Efficient Services: Staff Absence

| Years                          | Staff Sickness (Average Days per Annum) |
|--------------------------------|---|
|                                | Target = <5                             |
| <b>2015</b>                    | 17.45                                   |
| <b>2016</b>                    | 5.76                                    |
| <b>2017</b>                    | 6.98                                    |
| <b>2018</b>                    | 7.55                                    |
| <b>2019 (to 30 April 2019)</b> | 3                                       |

The TRBJB lost 7.55 average days per employee per year in 2018. This is above the national average of 4.1 days published by the Office for National Statistics (ONS) in 2017.

## TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

### Effective and Efficient Services: Payment of Invoices

| Years          | Payment of Invoices within 30 days of Invoice Date |
|----------------|--|
|                | Target = 100%                                      |
| <b>2015/16</b> | 98.06%   |
| <b>2016/17</b> | 98.81%   |
| <b>2017/18</b> | 98.86%   |
| <b>2018/19</b> | 98.85%   |

The TRBJB continue to pay invoices timeously and within 30 days, with an average of 98.85% of payments made within 30 days of invoice date in 2018/19.

### STAFFING ISSUES

#### Staff Establishment

Staffing levels and the existing establishment stands as follows:-

|                | <b>2018/2019</b> | <b>2017/2018</b> |
|----------------|------------------|------------------|
| Administration | 3                | 3                |
| Operational    | 11               | 11               |
| Maintenance    | 8                | 8                |
| <b>Total</b>   | <b>22</b>        | <b>22</b>        |



## 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 Local Authority 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 local authorities to report performance on the basis of how they are structured and how they operate, monitor and manage financial performance.

#### **Revenue Expenditure**

The Tay Road Bridge Joint Board, at its meeting on 4 December 2017, approved the 2018/2019 Revenue Budget. The final budget showed a projected net deficit of £30,000. The projected General Reserve balance as at 31 March 2019 would be £1,160,591.

The Board received quarterly Revenue Monitoring reports during 2018/2019 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 4 December 2017 to the revised budget figures that are included in the Comprehensive Income and Expenditure Statement shown on page 26. The actual outturn for 2018/2019 was a net overspend against budget of £11,000 before the application of accounting adjustments and 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 2019 which is unchanged from the corresponding figure at 31 March 2018.





**TAY ROAD BRIDGE JOINT BOARD  
MANAGEMENT COMMENTARY**

|  | Approved<br>Budget<br>£000 | Reallocate<br>CFCR<br>£000 | Net<br>Depreciation &<br>Impairment<br>Allocation<br>£000 | Reallocate<br>Investment<br>Property Inc &<br>Exp<br>£000 | Employee<br>Benefits<br>Adjustment<br>£000 | Insurance<br>Receipt<br>£000 | Recognised<br>Capital Grant<br>£000 | IAS 19<br>Adjs<br>£000 | Revised<br>Budget<br>£000 | Actual<br>Expend/<br>(Income)<br>£000 | Over /<br>(Under)<br>Spend<br>£000 |
|--|----------------------------|----------------------------|---|---|--|------------------------------|-------------------------------------|------------------------|---------------------------|---------------------------------------|------------------------------------|
| Administration   | 460                        | -                          | -   | -   | 1  | -                            | -                                   | 5                      | 466                       | 434                                   | (32)                               |
| Operations   | 498                        | -                          | -   | -   | -  | -                            | -                                   | 67                     | 565                       | 552                                   | (13)                               |
| Plant & Equipment  | 261                        | -                          | -   | -   | -  | -                            | -                                   | -                      | 261                       | 193                                   | (68)                               |
| Bridge Maintenance   | 411                        | -                          | -   | (3)   | (3)  | -                            | -                                   | 39                     | 444                       | 385                                   | (59)                               |
| CFCR   | 125                        | (125)                      | -   | -   | -  | -                            | -                                   | -                      | -                         | -                                     | -                                  |
| Corporate Costs  | -                          | -                          | 1,948   | -   | -  | -                            | -                                   | -                      | 1,948                     | 1,948                                 | -                                  |
| <b>Net Cost of Services</b>                                | <b>1,755</b>               | <b>(125)</b>               | <b>1,948</b>  | <b>(3)</b>  | <b>(2)</b>                                 | <b>-</b>                     | <b>-</b>                            | <b>111</b>             | <b>3,684</b>              | <b>3,512</b>                          | <b>(172)</b>                       |
| Other Operating Income & Expenditure                       | (11)                       | -                          | -   | 10  | -  | (12)                         | -                                   | -                      | (13)                      | (26)                                  | (13)                               |
| Financing & Investment Income & Expenditure                | (14)                       | -                          | -   | (7)   | -  | -                            | -                                   | 23                     | 2                         | (14)                                  | (16)                               |
| Non-Specific Grant Income                                  | (1,700)                    | -                          | -   | -   | -  | -                            | (750)                               | -                      | (2,450)                   | (2,238)                               | 212                                |
| <b>(Surplus) / Deficit on Provision of Service</b>         | <b>30</b>                  | <b>(125)</b>               | <b>1,948</b>  | <b>-</b>  | <b>(2)</b>                                 | <b>(12)</b>                  | <b>(750)</b>                        | <b>134</b>             | <b>1,223</b>              | <b>1,234</b>                          | <b>11</b>                          |
| (Surplus) / Deficit on Revaluation of PPE                  | -                          | -                          | -   | -   | -  | -                            | -                                   | -                      | -                         | -                                     | -                                  |
| Actuarial (Gains) / Losses on Pension Assets / Liabilities | -                          | -                          | -   | -   | -  | -                            | -                                   | (172)                  | (172)                     | (172)                                 | -                                  |
| <b>Total Comprehensive Income &amp; Expenditure</b>        | <b>30</b>                  | <b>(125)</b>               | <b>1,948</b>  | <b>-</b>  | <b>(2)</b>                                 | <b>(12)</b>                  | <b>(750)</b>                        | <b>(38)</b>            | <b>1,051</b>              | <b>1,062</b>                          | <b>11</b>                          |
| IAS 19 Adjustments   | -                          | -                          | -   | -   | -  | -                            | -                                   | 38                     | 38                        | 32                                    | (6)                                |
| Other IFRS Code Accounting Adjustments                     | -                          | 125                        | (1,948)   | -   | 2  | 12                           | 750                                 | -                      | (1,059)                   | (1,094)                               | (35)                               |
| <b>Total (Surplus)/ Deficit</b>                            | <b>-</b>                   | <b>-</b>                   | <b>-</b>  | <b>-</b>  | <b>-</b>                                   | <b>-</b>                     | <b>-</b>                            | <b>-</b>               | <b>30</b>                 | <b>-</b>                              | <b>(30)</b>                        |
| <b>General Reserve Balance b/fwd</b>                       | <b>(1,161)</b>             | <b>-</b>                   | <b>-</b>  | <b>-</b>  | <b>-</b>                                   | <b>-</b>                     | <b>-</b>                            | <b>-</b>               | <b>(1,161)</b>            | <b>(1,161)</b>                        | <b>-</b>                           |
| <b>General Reserve Balance c/fwd</b>                       | <b>(1,131)</b>             | <b>-</b>                   | <b>-</b>  | <b>-</b>  | <b>-</b>                                   | <b>-</b>                     | <b>-</b>                            | <b>-</b>               | <b>(1,131)</b>            | <b>(1,161)</b>                        | <b>(30)</b>                        |



## TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

The following two charts show how the total 2018/2019 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: 2018/2019 Net Cost of Services by Nature:

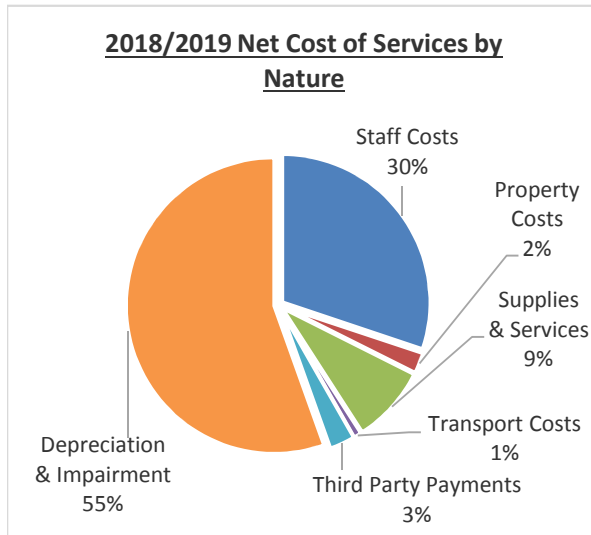
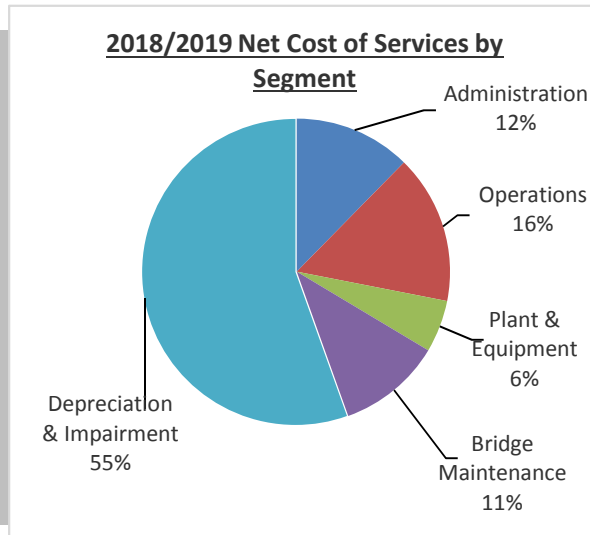


Figure 2: 2018/2019 Net Cost of Services by Segment:



### *Administration (Underspend £32,000)*

This reflects lower than anticipated expenditure in relation to training and medical expenses. Additionally, expenditure on alterations and improvements were lower as major improvements are now planned during the next financial year, and insurance premiums were lower than anticipated due to the re-negotiation process.

### *Operations (Underspend £13,000)*

This reflects lower than anticipated expenditure in relation to training, as well as there being no requirement to purchase office furniture and the volume of vehicle recoveries were less than anticipated.

### *Plant & Equipment (Underspend £68,000)*

This reflects savings resulting from reduced expenditure on Cathodic Protection equipment maintenance and professional fees as there will be a major replacement programme in the next few years and any work required during the year was carried out in-house. Additionally, there were savings in relation to gantry equipment purchases and minor contractor works as there was major works carried out on the gantries during the year under the Capital Programme. There were further underspends in relation to the hire of a safety boat as there was no requirement for this outside the normal six month contract period. Also, there was reduced expenditure in relation to maintenance of the traffic signs as the majority of these were installed recently and maintenance was covered by a new contract supplied with the installation. These were partly offset by increased expenditure on the weather monitoring IT software licence.

### *Bridge Maintenance (Underspend £59,000)*

Reflects lower than anticipated expenditure in relation to ground maintenance work at the Fife Landfall area, de-icing materials due to the mild winter, weather forecasts due to a re-negotiation of the contract, and external consultant structural inspections and miscellaneous inspections and reports as a result of more inspections being undertaken in-house. In addition, expenditure on plant hire and materials was lower than anticipated. These were partly offset by increased expenditure on overtime due to cabling work for the Cathodic Protection monitoring system being undertaken in-house.

### *Other Operating Income and Expenditure (Underspend £13,000)*

Reflects higher than anticipated income due to income for the supply of electricity to a site office for the contractors on the Flood Protection Works on the north side of the river.

## TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

### *Financing and Investment Income and Expenditure (Underspend £16,000)*

Reflects higher than anticipated Interest on Revenue Balances as a result of increased average cash balances and interest rates offset by higher than anticipated expenditure on investment property due to replacement of kitchen canopies.

### *Non-Specific Grant Income (Reduced Grant Income £212,000)*

Reflects the net underspend on other budget heads, as detailed above. Any unused revenue grant (with conditions attached to its use) requires to be held in creditors so that it can be applied to match expenditure in future years.

### *Other Accounting Adjustments (Underspend £41,000)*

Mainly reflects net underspends on Capital Funded from Current Revenue (CFCR) projects.

### **Capital Expenditure and Financing**

During 2018/2019, the Board incurred capital expenditure of £389,000 on the following projects:-

|                             | <b>£000</b> |
|-----------------------------|-------------|
| <b>Capital Expenditure:</b> |             |
| Lift Replacement            | 90          |
| New Switch Gear             | 163         |
| Gantry works                | 76          |
| Other Projects              | 60          |
|                             | <b>389</b>  |

### **Capital expenditure was funded as follows:**

|  | <b>£000</b> |
|--|-------------|
| Capital Grant from the Scottish Government | 287         |
| CFCR                                       | 90          |
| Insurance Receipts                         | 12          |
|  | <b>389</b>  |

### **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 £809,000 as at 31 March 2019. The estimated net pension liability at 31 March 2018 was £841,000. The small reduction was due to an increase in the value of assets arising from returns on assets and interest, partly offset by an increase in the value of liabilities arising from changes in financial and demographic 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 are 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.

## TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

- 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 2018/2019. However, significant risks surrounding future uncertainties continue to affect plans for the Board to effectively manage budgetary pressures.

### Acknowledgements

During the 2018/2019 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.

We would also like to mention our appreciation for the help and co-operation received over the years from the Bridge Engineer, Fergus Wilson, who retired in March 2019.

Finally, we would conclude our report by thanking all staff who contributed to the preparation of the Board's 2018/2019 Annual Accounts.

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**Gregory Colgan,**  
**BAcc (Hons), ACMA, CGMA**

**Treasurer**  
**Tay Road Bridge**  
**Joint Board**  
**16 September 2019**

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

**Bridge Manager**  
**Tay Road Bridge**  
**Joint Board**  
**16 September 2019**

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**Stewart Hunter**

**Chair**  
**Tay Road Bridge**  
**Joint Board**  
**16 September 2019**

## 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.

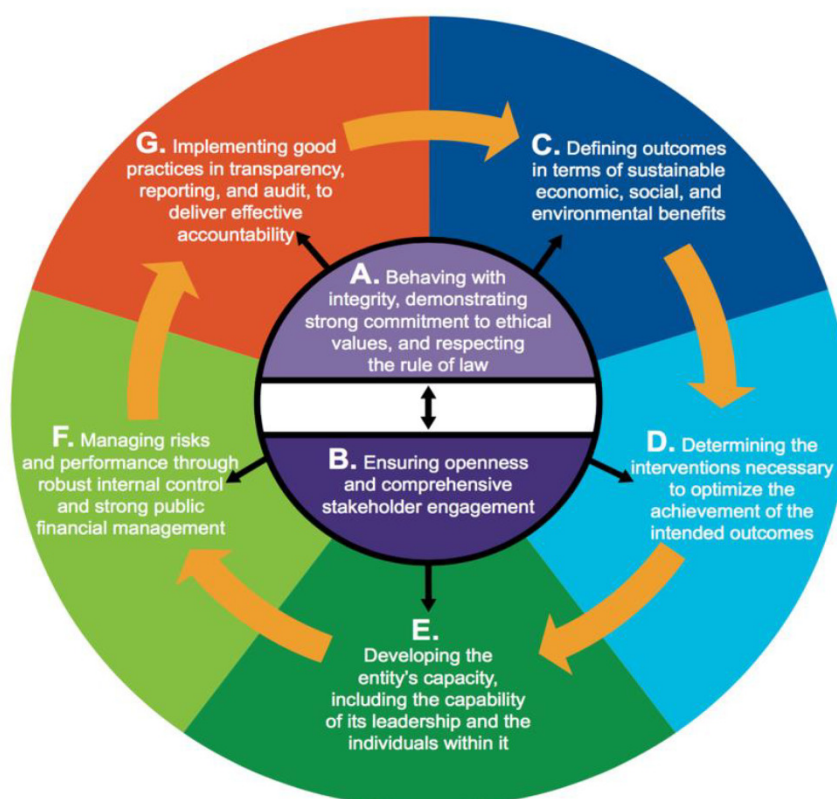
In discharging these responsibilities elected members and senior officers are responsible for implementing effective arrangements for governing the Joint Board's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

At the June 2019 Board meeting 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.

## 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;
- 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, Tay Road Bridge Joint Board operates adequate and effective internal control systems and proper arrangements are in place to promote and secure Value for Money.

### Continuous Improvement Agenda

The Joint Board's progress against the Continuous Improvement Agenda items for 2018/2019 is detailed in Table 1. Several items are still in progress and have been carried forward to be actioned in 2019/2020. 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 2019/2020. 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 2019/2020 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.

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**Stewart Hunter**  
Chair  
Tay Road Bridge Joint Board  
16 September 2019

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**Alan Hutchison, BEng (Hons), MSc, CEng,**  
FICE, MCIHT. Bridge Manager  
Tay Road Bridge Joint Board  
16 September 2019





## ANNUAL GOVERNANCE STATEMENT

TABLE 1 - IMPROVEMENT AGENDA FOR 2018/2019

| Original Improvement Agenda |  |           |                  |                     | Progress Update        |                        |   |
|-----------------------------|--|-----------|------------------|---------------------|------------------------|------------------------|---|
|                             | Improvement  | Principle | Code Reference   | Responsible Officer | Target Completion Date | Actual Completion Date | Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)   |
| 1                           | Equalities and Human Rights training for all employees.  | A<br>E    | 2.2<br>2.4       | Bridge Manager      | 31/03/2018             |                        | In progress. 19 out of 22 staff now completed Equality and Human Rights Course through Dundee City Council (DCC). Awaiting new training dates for staff who haven't yet attended course. Expect to complete by June 2019. Carried forward to 2019/2020.*                              |
| 2                           | Training for Bridge Management to avoid unconscious bias recruitment.  | A         | 2.1              | Bridge Manager      | 31/12/2018             |                        | In progress. Bridge Manager completed training through Institution of Civil Engineers. Suitable course for Operations and Maintenance Manager being sought. Looking at Equate Scotland as possible training provider. Estimated completion March 2020. Carried forward to 2019/2020.* |
| 3                           | Introduce Personal Harassment Policy.  | A         | 2.3              | Bridge Manager      | 31/03/2019             | 12/12/2018             | Completed.  |
| 4                           | Update Data Protection procedures to ensure compliance with GDPR.  | A<br>F    | 3.4<br>4.1 & 4.2 | Bridge Manager      | 31/12/2018             |                        | In progress. New Data Protection Procedures, Employee Privacy Notice, Data Breach Procedures, & training for CCTV operators have been completed & issued to staff. Still outstanding is the development of a Records Management Plan. Carried forward to 2019/2020.*                  |
| 5                           | Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements. | B<br>E    | 3.3<br>2.5       | Bridge Manager      | 31/03/2019             |                        | In progress. Completed review with DCC IT. Public Questionnaire issued on social media on 1 May 2019 to help improve website. Carried forward to 2019/2020.*  |
| 6                           | Introduce Mental Health awareness initiatives for the workforce.   | E         | 2                | Bridge Manager      | 31/03/2019             |                        | In progress. Staff attended a Mindfulness and Stress Management course. This will form part of regular training for staff in the future. Further courses are planned & will cover Recognising Stress & Staff Resilience. Carried forward to 2019/2020.*                               |

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

## ANNUAL GOVERNANCE STATEMENT

TABLE 2 - IMPROVEMENT AGENDA FOR 2019/2020

|   | Improvement  | Principle | Code Reference   | Responsible Officer    | Target Completion Date | Details   |
|---|--|-----------|------------------|------------------------|------------------------|---|
| 1 | Equalities and Human Rights training for all employees.  | A<br>E    | 2.2<br>2.4       | Bridge Manager         | 30/06/2019             | Carried forward from 2018/2019. In progress.  |
| 2 | Training for Bridge Management to avoid unconscious bias recruitment.  | A         | 2.1              | Bridge Manager         | 31/03/2020             | Carried forward from 2018/2019. In progress.  |
| 3 | Update Data Protection procedures to ensure compliance with GDPR: Develop Records Management Plan.                       | A<br>F    | 3.4<br>4.1 & 4.2 | Bridge Manager         | 31/12/2019             | Carried forward from 2018/2019. In progress.  |
| 4 | Review the Board's website in terms of its quality in delivering information to bridge users and implement improvements. | B<br>E    | 3.3<br>2.5       | Bridge Manager         | 31/03/2020             | Carried forward from 2018/2019. In progress.  |
| 5 | Introduce Mental Health awareness initiatives for the workforce.   | E         | 2                | Bridge Manager         | 31/03/2020             | Carried forward from 2018/2019. In progress.  |
| 6 | Update Bridge Byelaws.   | A         | 1.4              | Clerk / Bridge Manager | 31/12/2019             | Source: Local Code of Corporate Governance checklist & Internal Audit Report (2019/2): Compliance with Legislation. |
| 7 | Revise Whistle-Blowing Policy.   |           |                  | Bridge Manager         | 31/03/2020             | Source: Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).   |
| 8 | Develop Anti-Bribery Policy.   |           |                  | Treasurer              | 31/03/2020             | Source: Annual Governance Statement Self-Assessment Checklist.  |

## 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 2018/2019, 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 |
|                    | 2018/2019 | 2017/2018 |
| £50,000 - £54,999  | 0         | 1         |
| £55,000 - £59,999  | 1         | 0         |
| <b>Total</b>       | <b>1</b>  | <b>1</b>  |

## TAY ROAD BRIDGE JOINT BOARD ANNUAL REMUNERATION REPORT

### EXIT PACKAGES

There were no exit packages agreed during 2018/2019 (2017/2018: 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 2018/2019 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<br>2018/2019 | Whole Time Pay                  | Contribution Rate<br>2017/2018 |
|---|--------------------------------|---------------------------------|--------------------------------|
| On earnings up to and including £21,300     | 5.50%                          | up to and including £20,700     | 5.50%                          |
| On earnings above £21,300 and up to £26,100 | 7.25%                          | above £20,700 and up to £25,300 | 7.25%                          |
| On earnings above £26,100 and up to £35,700 | 8.50%                          | above £25,300 and up to £34,700 | 8.50%                          |
| On earnings above £35,700 and up to £47,600 | 9.50%                          | above £34,700 and up to £46,300 | 9.50%                          |
| On earnings above £47,600                   | 12%                            | above £46,300                   | 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 1/60<sup>th</sup> of final pensionable salary and years of pensionable service. Prior to 2009 the accrual rate guaranteed a pension based on 1/80<sup>th</sup> and a lump sum based on 3/80<sup>th</sup> 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 2018/2019, the scheme member contribution rate for Senior Employees of the Board was 7.8% of pensionable pay (2017/2018: 7.9%). In 2018/2019, the employer contribution rate was 17% of pensionable pay for Senior Employees (2017/2018: 17%).

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**Stewart Hunter**  
Chair  
Tay Road Bridge Joint Board  
16 September 2019

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**Alan Hutchison, BEng (Hons), MSc, CEng,**  
FICE, MCIHT. Bridge Manager  
Tay Road Bridge Joint Board  
16 September 2019

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 2018/2019 | Total Remuneration 2017/2018 |
|-----------------|---|---------------------------|------------------|------------------------------|------------------------------|
|                 |   | £                         | £                | £                            | £                            |
| Stewart Hunter  | Chair, Tay Road Bridge Joint Board (from 18 June 2017)      | 1,646                     | -                | 1,646                        | 3,316                        |
| Jonny Tepp      | Vice-Chair, Tay Road Bridge Joint Board (from 18 June 2017) | 3,180                     | 31               | 3,211                        | 3,000                        |
| Margaret Taylor | Chair, Tay Road Bridge Joint Board (to 4 May 2017)          | -                         | -                | -                            | 630                          |
| Jimmy Black     | Vice-Chair, Tay Road Bridge Joint Board (to 4 May 2017)     | -                         | -                | -                            | 290                          |
| <b>Total</b>    |   | <b>4,826</b>              | <b>31</b>        | <b>4,857</b>                 | <b>7,236</b>                 |

TABLE 2 – REMUNERATION OF SENIOR EMPLOYEES

| Employee Name  | Post Title     | Salary, Fees & Allowances | Total Remuneration 2018/2019 | Total Remuneration 2017/2018 |
|----------------|----------------|---------------------------|------------------------------|------------------------------|
|                |                | £                         | £                            | £                            |
| Alan Hutchison | Bridge Manager | 55,937                    | 55,937                       | 54,045                       |
| <b>Total</b>   |                | <b>55,937</b>             | <b>55,937</b>                | <b>54,045</b>                |

TABLE 3 – SENIOR EMPLOYEES ACCRUED PENSION BENEFITS

| Employee Name  | Post Title     | Pension as at 31 March 2019 | Pension Difference from 31 March 2018 | Lump Sum as at 31 March 2019 | Lump Sum Difference from 31 March 2018 | Pension Contribution 2018/2019 | Pension Contribution 2017/2018 |
|----------------|----------------|-----------------------------|---------------------------------------|------------------------------|--|--------------------------------|--------------------------------|
|                |                | £000                        | £000                                  | £000                         | £000                                   | £000                           | £000                           |
| Alan Hutchison | Bridge Manager | 13                          | 1                                     | 9                            | -                                      | 10                             | 9                              |
| <b>Total</b>   |                | <b>13</b>                   | <b>1</b>                              | <b>9</b>                     | <b>-</b>                               | <b>10</b>                      | <b>9</b>                       |



**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 16 September 2019.

Signed on behalf of Tay Road Bridge Joint Board

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**Stewart Hunter**

**Chair**

**Tay Road Bridge Joint Board**

**16 September 2019**

**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 2019.

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**Gregory Colgan, BAcc (Hons), ACMA, CGMA**

**Treasurer**

**Tay Road Bridge Joint Board**

**17 June 2019**

## 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.

| 2017/2018   |  |   | 2018/2019   |  |   |
|---|--|---|---|--|---|
| Net<br>Expenditure<br>Chargeable to<br>General Fund<br>£000 | Adjustments<br>between the<br>Funding and<br>Accounting<br>Basis<br>£000 | Net<br>Expenditure<br>in the CIES<br>£000 | Net<br>Expenditure<br>Chargeable to<br>General Fund<br>£000 | Adjustments<br>between the<br>Funding and<br>Accounting<br>Basis<br>£000 | Net<br>Expenditure<br>in the CIES<br>£000                                 |
|   |  |   |   |  | <b>Expenditure</b>  |
| 652   | 8  | 660                                       | 428   | 6  | Administration 434  |
| 488   | 70   | 558                                       | 483   | 69   | Operations 552  |
| 224   | -  | 224                                       | 193   | -  | Plant and Equipment 193   |
| 360   | 48   | 408                                       | 343   | 42   | Bridge Maintenance 385  |
| -   | 1,977  | 1,977                                     | -   | 1,948  | Corporate Costs 1,948   |
| <b>1,724</b>  | <b>2,103</b>   | <b>3,827</b>                              | <b>1,447</b>  | <b>2,065</b>   | <b>Net Cost Of Services 3,512</b>   |
| (1,724)   | (773)  | (2,497)                                   | (1,447)   | (831)  | Other Operating Income & Expenditure (2,278)                              |
| <b>-</b>  | <b>1,330</b>   | <b>1,330</b>                              | <b>-</b>  | <b>1,234</b>   | <b>(Surplus) or Deficit 1,234</b>   |
| 1,161   |  |   | 1,161   |  | Opening General Reserve Balance   |
| <b>-</b>  |  |   | <b>-</b>  |  | <b>Less / Add Surplus or (Deficit) on General Reserve Balance in year</b> |
| <b>1,161</b>  |  |   | <b>1,161</b>  |  | <b>Closing General Reserve Balance at 31 March</b>                        |



**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. The relevant transfers between reserves are explained in the Movement in Reserves Statement.

**2018/2019**

| <b>Adjustments from General Reserve to arrive at Comprehensive Income &amp; Expenditure Statement Amounts</b>         | <b>Adjustments between Funding &amp; Accounting Basis</b> |                            |                          |                          |
|---|---|----------------------------|--------------------------|--------------------------|
|   | <b>Adjustments for Capital Purposes</b>                   | <b>Net Change for the</b>  |                          |                          |
|   |   | <b>Pensions Adjustment</b> | <b>Other Differences</b> | <b>Total Adjustments</b> |
|   |   | <b>(1)</b>                 | <b>(2)</b>               | <b>(3)</b>               |
| <i>Explanatory Notes:</i>   | <b>£000</b>   | <b>£000</b>                | <b>£000</b>              | <b>£000</b>              |
| Administration  | -   | 6                          | -                        | 6                        |
| Operations  | -   | 69                         | -                        | 69                       |
| Plant & Equipment   | -   | -                          | -                        | -                        |
| Bridge Maintenance  | -   | 42                         | -                        | 42                       |
| Corporate Costs   | 1,948   | -                          | -                        | 1,948                    |
| <b>Net Cost of Services</b>   | <b>1,948</b>  | <b>117</b>                 | <b>-</b>                 | <b>2,065</b>             |
| <b>Other Operating Income &amp; Expenditure from the Expenditure &amp; Funding Analysis</b>                           | <b>(852)</b>  | <b>23</b>                  | <b>(2)</b>               | <b>(831)</b>             |
| <b>Difference between General Reserve Surplus or Deficit and CIES Surplus or Deficit on the Provision of Services</b> | <b>1,096</b>  | <b>140</b>                 | <b>(2)</b>               | <b>1,234</b>             |

**2017/2018**

| <b>Adjustments from General Reserve to arrive at Comprehensive Income &amp; Expenditure Statement Amounts</b>         | <b>Adjustments between Funding &amp; Accounting Basis</b> |                            |                          |                          |
|---|---|----------------------------|--------------------------|--------------------------|
|   | <b>Adjustments for Capital Purposes</b>                   | <b>Net Change for the</b>  |                          |                          |
|   |   | <b>Pensions Adjustment</b> | <b>Other Differences</b> | <b>Total Adjustments</b> |
|   |   | <b>(1)</b>                 | <b>(2)</b>               | <b>(3)</b>               |
| <i>Explanatory Notes:</i>   | <b>£000</b>   | <b>£000</b>                | <b>£000</b>              | <b>£000</b>              |
| Administration  | -   | 8                          | -                        | 8                        |
| Operations  | -   | 70                         | -                        | 70                       |
| Plant & Equipment   | -   | -                          | -                        | -                        |
| Bridge Maintenance  | -   | 48                         | -                        | 48                       |
| Corporate Costs   | 1,943   | 34                         | -                        | 1,977                    |
| <b>Net Cost of Services</b>   | <b>1,943</b>  | <b>160</b>                 | <b>-</b>                 | <b>2,103</b>             |
| <b>Other Operating Income &amp; Expenditure from the Expenditure &amp; Funding Analysis</b>                           | <b>(844)</b>  | <b>68</b>                  | <b>3</b>                 | <b>(773)</b>             |
| <b>Difference between General Reserve Surplus or Deficit and CIES Surplus or Deficit on the Provision of Services</b> | <b>1,099</b>  | <b>228</b>                 | <b>3</b>                 | <b>1,330</b>             |

**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 Financing and investment income and expenditure - the other differences column recognises adjustments to the General Reserve for the re-measurement of the revenue costs / income associated with financial instruments.
  - b) For Financing and investment income and expenditure - the other differences column recognises interest payable / receivable being reclassified as a corporate cost.

**EXPENDITURE AND INCOME ANALYSED BY NATURE**

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

|  | <b>2017/2018</b>     | <b>2018/2019</b>     |
|--|----------------------|----------------------|
|  | <b>Net</b>           | <b>Net</b>           |
| <b>Expenditure:</b>                                  | <b>Expenditure /</b> | <b>Expenditure /</b> |
|  | <b>(Income)</b>      | <b>(Income)</b>      |
|  | <b>£000</b>          | <b>£000</b>          |
| Staff Costs  | 1,062                | 1,058                |
| Property Costs                                       | 79                   | 80                   |
| Supplies & Services                                  | 565                  | 298                  |
| Transport Costs                                      | 25                   | 30                   |
| Third Party Payments                                 | 119                  | 98                   |
| Corporate Costs                                      | 1,977                | 1,948                |
| <b>Total Expenditure</b>                             | <b>3,827</b>         | <b>3,512</b>         |
| <b>Income:</b>                                       |                      |                      |
| Fees, Charges & Other Service Income                 | (8)                  | (26)                 |
| Interest & Investment Income                         | 43                   | (14)                 |
| Government Grants & Contributions                    | (2,532)              | (2,238)              |
| <b>Total Income</b>                                  | <b>(2,497)</b>       | <b>(2,278)</b>       |
| <b>(Surplus) or Deficit on Provision of Services</b> | <b>1,330</b>         | <b>1,234</b>         |

## 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.

| <b>Restated<br/>2017/2018</b> |                         |   | <b>2018/2019</b>   |                              |                         |   |
|-------------------------------|-------------------------|---|--|------------------------------|-------------------------|---|
| Gross<br>Expenditure<br>£000  | Gross<br>Income<br>£000 | Net<br>Expenditure/<br>(Income)<br>£000 | Budgeted Net<br>Expenditure<br>(unaudited)<br>£000         | Gross<br>Expenditure<br>£000 | Gross<br>Income<br>£000 | Net<br>Expenditure/<br>(Income)<br>£000 |
|                               |                         |   | <b>Expenditure</b>   |                              |                         |   |
| 660                           | -                       | 660                                     | 466  | 434                          | -                       | 434                                     |
| 558                           | -                       | 558                                     | 565  | 552                          | -                       | 552                                     |
| 224                           | -                       | 224                                     | 261  | 193                          | -                       | 193                                     |
| 408                           | -                       | 408                                     | 444  | 385                          | -                       | 385                                     |
| 1,977                         | -                       | 1,977                                   | 1,948  | 1,948                        | -                       | 1,948                                   |
| <b>3,827</b>                  | <b>-</b>                | <b>3,827</b>                            | <b>3,684</b>   | <b>3,512</b>                 | <b>-</b>                | <b>3,512</b>                            |
|                               |                         |   | <b>Net Cost Of Services</b>                                |                              |                         |   |
| -                             | (8)                     | (8)                                     | (13)   | -                            | (26)                    | (26)                                    |
|                               |                         |   | Other Operating Income & Expenditure (note 6)              |                              |                         |   |
| 68                            | (25)                    | 43                                      | 2  | 23                           | (37)                    | (14)                                    |
|                               |                         |   | Financing and Investment Income and Expenditure (note 7)   |                              |                         |   |
| -                             | (2,532)                 | (2,532)                                 | (2,450)  | -                            | (2,238)                 | (2,238)                                 |
|                               |                         |   | Non-Specific Grant Income (note 8)                         |                              |                         |   |
| <b>3,895</b>                  | <b>(2,565)</b>          | <b>1,330</b>                            | <b>1,223</b>   | <b>3,535</b>                 | <b>(2,301)</b>          | <b>1,234</b>                            |
|                               |                         |   | <b>Net Deficit on Provision of Services</b>                |                              |                         |   |
| -                             | -                       | -                                       | -  | -                            | -                       | -                                       |
|                               |                         |   | Net deficit on revaluation of PPE                          |                              |                         |   |
| 46                            | (1,978)                 | (1,932)                                 | (172)  | -                            | (172)                   | (172)                                   |
|                               |                         |   | Actuarial (Gains) / Losses on Pension Assets / Liabilities |                              |                         |   |
| <b>46</b>                     | <b>(1,978)</b>          | <b>(1,932)</b>                          | <b>(172)</b>   | <b>-</b>                     | <b>(172)</b>            | <b>(172)</b>                            |
|                               |                         |   | <b>Other Comprehensive Income and Expenditure</b>          |                              |                         |   |
| <b>3,941</b>                  | <b>(4,543)</b>          | <b>(602)</b>                            | <b>1,051</b>   | <b>3,535</b>                 | <b>(2,473)</b>          | <b>1,062</b>                            |
|                               |                         |   | <b>Total Comprehensive Income and Expenditure</b>          |                              |                         |   |

**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.

|   | <b>Revenue<br/>Reserves</b>        | <b>Capital<br/>Reserves</b>                       |   |                              |  |
|---|------------------------------------|---|---|------------------------------|--|
|   | General<br>Fund<br>Balance<br>£000 | Capital<br>Grants<br>Unapplied<br>Account<br>£000 | <b>Total<br/>Usable<br/>Reserves<br/>£000</b> | Unusable<br>Reserves<br>£000 | <b>Total<br/>Board's<br/>Reserves<br/>£000</b> |
| <b>Balance at 31 March 2017</b>   | <b>(1,161)</b>                     | <b>(1,299)</b>                                    | <b>(2,460)</b>                                | <b>(67,957)</b>              | <b>(70,417)</b>                                |
| <b><u>Movement in Reserves during 2017/2018 (Restated)</u></b>                  |                                    |   |   |                              |  |
| <b>Total Comprehensive Expenditure and Income</b>                               | <b>1,330</b>                       | <b>-</b>  | <b>1,330</b>                                  | <b>(1,932)</b>               | <b>(602)</b>                                   |
| Adjustments between accounting basis & funding basis under regulations (note 5) | (1,330)                            | (248)   | (1,578)                                       | 1,578                        | -  |
| <b>Net (Increase) / Decrease before Transfers to Earmarked Reserves</b>         | <b>-</b>                           | <b>(248)</b>                                      | <b>(248)</b>                                  | <b>(354)</b>                 | <b>(602)</b>                                   |
| Transfers to / (from) Earmarked Reserves  | -                                  | -   | -   | -                            | -  |
| <b>(Increase) / Decrease in 2017/2018</b>                                       | <b>-</b>                           | <b>(248)</b>                                      | <b>(248)</b>                                  | <b>(354)</b>                 | <b>(602)</b>                                   |
| <b>Balance at 31 March 2018 carried forward</b>                                 | <b>(1,161)</b>                     | <b>(1,547)</b>                                    | <b>(2,708)</b>                                | <b>(68,312)</b>              | <b>(71,020)</b>                                |
| <b>Total Comprehensive Expenditure and Income</b>                               | <b>1,234</b>                       | <b>-</b>  | <b>1,234</b>                                  | <b>(172)</b>                 | <b>1,062</b>                                   |
| Adjustments between accounting basis & funding basis under regulations (note 5) | (1,234)                            | (464)   | (1,698)                                       | 1,698                        | -  |
| <b>Net (Increase) / Decrease before Transfers to Earmarked Reserves</b>         | <b>-</b>                           | <b>(464)</b>                                      | <b>(464)</b>                                  | <b>1,526</b>                 | <b>1,062</b>                                   |
| Transfers to / (from) Earmarked Reserves  | -                                  | -   | -   | -                            | -  |
| <b>(Increase) / Decrease in Year</b>  | <b>-</b>                           | <b>(464)</b>                                      | <b>(464)</b>                                  | <b>1,526</b>                 | <b>1,062</b>                                   |
| <b>Balance at 31 March 2019 carried forward</b>                                 | <b>(1,161)</b>                     | <b>(2,011)</b>                                    | <b>(3,172)</b>                                | <b>(66,786)</b>              | <b>(69,958)</b>                                |

**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'.

| <b>Restated</b>      |                                    | <b>Note</b> | <b>31 March 2019</b> |
|----------------------|------------------------------------|-------------|----------------------|
| <b>31 March 2018</b> |                                    |             | <b>£000</b>          |
| <b>£000</b>          |                                    |             | <b>£000</b>          |
| 69,156               | Property, Plant & Equipment        | 20          | 67,597               |
| 71                   | Investment Property                | 19          | 71                   |
| <b>69,227</b>        | <b>Total Long Term Assets</b>      |             | <b>67,668</b>        |
| 55                   | Inventories                        | 22          | 56                   |
| 29                   | Short Term Debtors                 | 23          | 38                   |
| 3,882                | Cash and Cash Equivalents          | 13          | 4,406                |
| <b>3,966</b>         | <b>Total Current Assets</b>        |             | <b>4,500</b>         |
| (1,333)              | Short Term Creditors               | 24          | (1,401)              |
| <b>(1,333)</b>       | <b>Total Current Liabilities</b>   |             | <b>(1,401)</b>       |
| (841)                | Net Pension Liabilities            | 15          | (809)                |
| <b>(841)</b>         | <b>Total Long Term Liabilities</b> |             | <b>(809)</b>         |
| <b>71,019</b>        | <b>Net Assets</b>                  |             | <b>69,958</b>        |
| 2,708                | Usable reserves                    | 9           | 3,172                |
| 68,311               | Unusable Reserves                  | 10          | 66,786               |
| <b>71,019</b>        | <b>Total Reserves</b>              |             | <b>69,958</b>        |

**Gregory Colgan, BAcc (Hons), ACMA, CGMA**  
Treasurer  
Tay Road Bridge Joint Board  
17 June 2019

**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.

| <b>2017/2018</b> |  | <b>2018/2019</b> |
|------------------|--|------------------|
| <b>£000</b>      |  | <b>£000</b>      |
| 1,330            | Net deficit on the provision of services   | 1,234            |
| (1,902)          | Adjust net surplus or deficit on the provision of services for non cash movements  | (1,544)          |
| 423              | Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities | 208              |
| <b>(149)</b>     | <b>Net cash flows from Operating Activities</b>  | <b>(102)</b>     |
| (207)            | Investing Activities (note 11)   | (405)            |
| (14)             | Financing Activities (note 12)   | (17)             |
| <b>(370)</b>     | <b>Net (Increase) in cash and cash equivalents</b>   | <b>(524)</b>     |
| 3,512            | Cash and cash equivalents at the beginning of the reporting period   | 3,882            |
| <b>3,882</b>     | <b>Cash and cash equivalents at the end of the reporting period (note 13)</b>  | <b>4,406</b>     |

## **1 ACCOUNTING POLICIES**

### **A General Principles**

The Annual Accounts summarise the Board's transactions for the 2018/2019 financial year and its position at the year-end of 31 March 2019. 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 2018/2019 and the Service Reporting Code of Practice 2018/2019, 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**

There were no relevant accounting standards that have been issued but are not yet adopted in the 2018/2019 Code of Practice on Local Authority Accounting in the United Kingdom.

## **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. 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 2019 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

| <b>Item</b>                   | <b>Uncertainties</b>  | <b>Effect if Actual Results Differ from Assumptions</b>   |
|-------------------------------|---|---|
| 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 £92,000 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 £166,000. However, the assumptions interact in complex ways. During 2018/2019, the Board's actuaries advised that the net pensions assets had increased by £193,000 as a result of estimates being corrected as a result of experience and net pension liabilities had reduced by £21,000 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><br><u>Reserve</u>                               | <u>Capital</u><br><u>Reserve</u>                                   | <u>Capital</u><br><u>Reserve</u><br><u>Capital</u><br><u>Grants</u> | <u>Movement</u><br><u>in</u><br><u>Unusable</u><br><u>Reserves</u> | <u>Total</u><br><u>2018/2019</u> |
|---|--|--|---|--|----------------------------------|
| <b>2018/2019</b>  | <b>General</b><br><b>Fund</b><br><b>Balance</b><br><b>£000</b> | <b>Capital</b><br><b>Receipts</b><br><b>Reserve</b><br><b>£000</b> | <b>Unapplied</b><br><b>Account</b><br><b>£000</b>                   | <b>£000</b>  | <b>£000</b>                      |
| <b>Adjustments involving the Capital Adjustment Account:</b>  |  |  |   |  |                                  |
| <u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>   |  |  |   |  |                                  |
| Charges for depreciation and impairment of non current assets   | (1,948)  | -  | -   | 1,948  | -                                |
| Movements in the fair value of Investment Properties  | -  | -  | -   | -  | -                                |
| Capital grants and contributions that have been applied to capital financing  | 750  | -  | -   | (750)  | -                                |
| <u>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>  |  |  |   |  |                                  |
| Capital expenditure charged against the General Reserve   | 90   | -  | -   | (90)   | -                                |
| <b>Adjustments involving the Capital Receipts Reserve:</b>  |  |  |   |  |                                  |
| Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement   | 12   | (12)   | -   | -  | -                                |
| Use of the Capital Receipts Reserve to finance new capital expenditure  | -  | 12   | -   | (12)   | -                                |
| <b>Adjustments involving the Capital Grants Unapplied Account:</b>  |  |  |   |  |                                  |
| Reversal of unapplied capital grant and contributions credited to the Comprehensive Income and Expenditure Statement  | -  | -  | (464)   | 464  | -                                |
| <b>Adjustments involving the Pensions Reserve:</b>  |  |  |   |  |                                  |
| 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)                   | (270)  | -  | -   | 270  | -                                |
| Employer's pensions contributions and direct payments to pensioners payable in the year   | 130  | -  | -   | (130)  | -                                |
| <b>Adjustment involving the Accumulating Compensated Absences Adjustment Account:</b>   |  |  |   |  |                                  |
| 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 | 2  | -  | -   | (2)  | -                                |
| <b>Total Adjustments</b>  | <b>(1,234)</b>   | <b>-</b>   | <b>(464)</b>  | <b>1,698</b>   | <b>-</b>                         |



|   | <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 2017/2018</u> |
|---|-----------------------------|---------------------------------|---|---|--------------------------------------|------------------------|
| <b>2017/2018</b>  | <b>General Fund Balance</b> | <b>Capital Receipts Reserve</b> | <b>Capital Grants Unapplied Account</b> | <b>Capital Grants Unapplied Account</b> | <b>Unusable Reserves</b>             | <b>Total 2017/2018</b> |
|   | £000                        | £000                            | £000                                    | £000                                    | £000                                 | £000                   |
| <b>Adjustments involving the Capital Adjustment Account:</b>  |                             |                                 |   |   |                                      |                        |
| <u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>   |                             |                                 |   |   |                                      |                        |
| Charges for depreciation and impairment of non current assets   | (1,943)                     | -                               | -                                       | -                                       | 1,943                                | -                      |
| Movements in the fair value of Investment Properties  | -                           | -                               | -                                       | -                                       | -                                    | -                      |
| Capital grants and contributions that have been applied to capital financing  | 750                         | -                               | -                                       | -                                       | (750)                                | -                      |
| <u>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>  |                             |                                 |   |   |                                      |                        |
| Capital expenditure charged against the General Reserve   | 87                          | -                               | -                                       | -                                       | (87)                                 | -                      |
| <b>Adjustments involving the Capital Receipts Reserve:</b>  |                             |                                 |   |   |                                      |                        |
| Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement   | 7                           | (7)                             | -                                       | -                                       | -                                    | -                      |
| Use of the Capital Receipts Reserve to finance new capital expenditure  | -                           | 7                               | -                                       | -                                       | (7)                                  | -                      |
| <b>Adjustments involving the Capital Grants Unapplied Account:</b>  |                             |                                 |   |   |                                      |                        |
| Reversal of unapplied capital grant and contributions credited to the Comprehensive Income and Expenditure Statement  | -                           | -                               | (248)                                   | -                                       | 248                                  | -                      |
| <b>Adjustments involving the Pensions Reserve:</b>  |                             |                                 |   |   |                                      |                        |
| 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)                   | (355)                       | -                               | -                                       | -                                       | 355                                  | -                      |
| Employer's pensions contributions and direct payments to pensioners payable in the year   | 127                         | -                               | -                                       | -                                       | (127)                                | -                      |
| <b>Adjustment involving the Accumulating Compensated Absences Adjustment Account</b>  |                             |                                 |   |   |                                      |                        |
| 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 | (3)                         | -                               | -                                       | -                                       | 3                                    | -                      |
| <b>Total Adjustments</b>  | <b>(1,330)</b>              | <b>-</b>                        | <b>(248)</b>                            | <b>-</b>                                | <b>1,578</b>                         | <b>-</b>               |

**TAY ROAD BRIDGE JOINT BOARD  
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**6 COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT - OTHER OPERATING INCOME AND EXPENDITURE**

| <u>2017/2018</u><br><u>£000</u> |  | <u>2018/2019</u><br><u>£000</u> |
|---------------------------------|--|---------------------------------|
| (1)                             | Miscellaneous Income                                   | (14)                            |
| (7)                             | (Gains) / Losses on the disposal of non current assets | (12)                            |
| <u>(8)</u>                      | <b>Total</b>   | <u>(26)</u>                     |

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

| <u>2017/2018</u><br><u>£000</u> |   | <u>2018/2019</u><br><u>£000</u> |
|---------------------------------|---|---------------------------------|
| 68                              | Net interest on the defined benefit liability (asset) | 23                              |
| (16)                            | Interest receivable and similar income                | (32)                            |
| (9)                             | Net Income & Expenditure on investment properties     | (5)                             |
| <u>43</u>                       | <b>Total</b>  | <u>(14)</u>                     |

**8 COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT - NON SPECIFIC GRANT INCOME**

| <u>2017/2018</u><br><u>£000</u> |                                   | <u>2018/2019</u><br><u>£000</u> |
|---------------------------------|-----------------------------------|---------------------------------|
| (1,782)                         | Non-ring fenced government grants | (1,488)                         |
| (750)                           | Capital grants and contributions  | (750)                           |
| <u>(2,532)</u>                  | <b>Total</b>                      | <u>(2,238)</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 2018</u><br><u>£000</u> |  | <u>31 March 2019</u><br><u>£000</u> |
|-------------------------------------|--|-------------------------------------|
| 762                                 | Revaluation Reserve                                  | 762                                 |
| 68,392                              | Capital Adjustment Account                           | 66,833                              |
| (841)                               | Pensions Reserve                                     | (809)                               |
| (2)                                 | Accumulating Compensated Absences Adjustment Account | -                                   |
| <u>68,311</u>                       | <b>Total Unusable Reserves</b>                       | <u>66,786</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  
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| 2017/2018   |  | 2018/2019   |
|-------------|--|-------------|
| <u>£000</u> |  | <u>£000</u> |
| 762         | <b>Balance at 1 April</b>  | 762         |
| -           | Upward Revaluation of assets   | -           |
| -           | Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services | -           |
| -           | Accumulated gains on assets sold or scrapped   | -           |
| -           | Amount written off to the Capital Adjustment Account   | -           |
| <u>762</u>  | <b>Balance at 31 March</b>   | <u>762</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.

| 2017/2018      |   | 2018/2019      |
|----------------|---|----------------|
| <u>£000</u>    |   | <u>£000</u>    |
| 69,739         | <b>Balance at 1 April</b>   | 68,392         |
|                | Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:                  |                |
| (1,943)        | • Charges for depreciation and impairment of non current assets   | (1,948)        |
| -              | • Revaluation losses on Property, Plant & Equipment   | -              |
| <u>(1,943)</u> | <b>Net written out amount of the cost of non current assets consumed in the year</b>  | <u>(1,948)</u> |
|                | Capital financing applied in the year:  |                |
| 7              | • Use of the Capital Receipts Reserve to finance new capital expenditure  | 12             |
| 502            | • Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing | 287            |
| 87             | • Capital expenditure charged against the General Reserve   | 90             |
| <u>596</u>     | <b>Total Capital Financing Applied during the year</b>  | <u>389</u>     |
| <u>68,392</u>  | <b>Balance at 31 March</b>  | <u>66,833</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.

| <u>2017/2018</u><br><u>£000</u> |  | <u>2018/2019</u><br><u>£000</u> |
|---------------------------------|--|---------------------------------|
| <b>(2,545)</b>                  | <b>Balance at 1 April</b>  | <b>(841)</b>                    |
| 1,932                           | Re-measurements of the net defined benefit liability / (asset)   | 172                             |
| (355)                           | 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 | (270)                           |
| 127                             | Employer's pensions contributions and direct payments to pensioners payable in the year  | 130                             |
| <b>(841)</b>                    | <b>Balance at 31 March</b>   | <b>(809)</b>                    |

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.

| <u>2017/2018</u><br><u>£000</u> |   | <u>2018/2019</u><br><u>£000</u> |
|---------------------------------|---|---------------------------------|
| <b>1</b>                        | <b>Balance at 1 April</b>   | <b>(2)</b>                      |
| (1)                             | Settlement or cancellation of accrual made at the end of the preceding year   | 2                               |
| (2)                             | Amounts accrued at the end of the current year  | -                               |
| (3)                             | 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 | 2                               |
| <b>(2)</b>                      | <b>Balance at 31 March</b>  | <b>-</b>                        |

**11 CASH FLOW STATEMENT - INVESTING ACTIVITIES**

| <u>2017/2018</u><br><u>£000</u> |  | <u>2018/2019</u><br><u>£000</u> |
|---------------------------------|--|---------------------------------|
| 550                             | Purchase of property, plant and equipment, investment property and intangible assets               | 357                             |
| (7)                             | Proceeds from the sale of property, plant and equipment, investment property and intangible assets | (12)                            |
| (750)                           | Other receipts from investing activities   | (750)                           |
| <b>(207)</b>                    | <b>Net cash flows from investing activities</b>  | <b>(405)</b>                    |

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

**12 CASH FLOW STATEMENT - FINANCING ACTIVITIES**

| <b>2017/2018</b> |   | <b>2018/2019</b> |
|------------------|---|------------------|
| <b>£000</b>      |   | <b>£000</b>      |
| <u>(14)</u>      | Other receipts from financing activities        | <u>(17)</u>      |
| <u>(14)</u>      | <b>Net cash flows from financing activities</b> | <u>(17)</u>      |

**13 CASH FLOW STATEMENT - CASH AND CASH EQUIVALENTS**

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

| <b>31 March 2018</b> |  | <b>31 March 2019</b> |
|----------------------|--|----------------------|
| <b>£000</b>          |  | <b>£000</b>          |
| <u>3,882</u>         | Bank current account                   | <u>4,406</u>         |
| <u>3,882</u>         | <b>Total cash and cash equivalents</b> | <u>4,406</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:

|   | <b>2017/2018</b> | <b>2018/2019</b> |
|---|------------------|------------------|
|   | <b>£000</b>      | <b>£000</b>      |
| Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor for the year | <u>12</u>        | <u>12</u>        |
| <b>Total</b>  | <u>12</u>        | <u>12</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:

|   | <b>Local Government Pension Scheme</b> |                  |
|---|--|------------------|
|   | <b>Restated</b>                        |                  |
|   | <b>2017/2018</b>                       | <b>2018/2019</b> |
|   | <b>£000</b>                            | <b>£000</b>      |
| <b>Comprehensive Income and Expenditure Statement:</b>  |  |                  |
| <i>Cost of Services:</i>  |  |                  |
| • current service cost  | 253                                    | 247              |
| • past service cost   | -                                      | -                |
| • curtailment   | 34                                     | -                |
| <i>Financing and Investment Income and Expenditure</i>  |  |                  |
| • net interest on the defined liability (asset)   | 65                                     | 19               |
| • administration expenses   | 3                                      | 4                |
| <b>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</b>   | <b>355</b>                             | <b>270</b>       |
| <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)   | (261)                                  | (193)            |
| • Other actuarial gains / (losses) on assets  | 46                                     | -                |
| • Actuarial gains and losses arising on changes in demographic assumptions  | (680)                                  | (362)            |
| • Actuarial gains and losses arising on changes in financial assumptions  | (315)                                  | 383              |
| • Other (if applicable)   | (722)                                  | -                |
| <b>Total Re-measurements</b>  | <b>(1,932)</b>                         | <b>(172)</b>     |
| <b>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</b>  | <b>(1,577)</b>                         | <b>98</b>        |
| <b>Movement in Reserves Statement:</b>  |  |                  |
| • reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code | (355)                                  | (270)            |
| <i>Actual amount charged against the General Fund Balance for pensions in the year:</i>   |  |                  |
| • employers' contributions payable to scheme  | 127                                    | 130              |

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

**Pension assets and liabilities recognised in the Balance Sheet**

|  | <b>Local Government Pension Scheme</b> |                  |                  |
|--|--|------------------|------------------|
|  | <b>Restated</b>                        |                  |                  |
|  | <b>2016/2017</b>                       | <b>2017/2018</b> | <b>2018/2019</b> |
|  | <b>£000</b>                            | <b>£000</b>      | <b>£000</b>      |
| Net pension liabilities as at March:                         |  |                  |                  |
| Present value of funded obligation                           | 11,354                                 | 9,688            | 9,836            |
| Fair value of scheme assets                                  | (9,177)                                | (9,208)          | (9,381)          |
| <b>Net liability</b>   | <b>2,177</b>                           | <b>480</b>       | <b>455</b>       |
| Present value of unfunded obligation                         | 368                                    | 361              | 354              |
| <b>Net liability arising from defined benefit obligation</b> | <b>2,545</b>                           | <b>841</b>       | <b>809</b>       |

**Assets and liabilities in relation to post employment benefits**

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

|   | <b>Funded liabilities: Local Government Pension Scheme</b> |                  |
|---|--|------------------|
|   | <b>2017/2018</b>   | <b>2018/2019</b> |
|   | <b>£000</b>  | <b>£000</b>      |
| Opening balance at 1 April                    | 11,722   | 10,049           |
| Current service cost                          | 253  | 247              |
| Interest cost                                 | 298  | 251              |
| Contributions by scheme participants          | 40   | 42               |
| <i>Re-measurement (gains) and losses:</i>     |  |                  |
| o change in financial assumptions             | (315)  | 383              |
| o change in demographic assumptions           | (680)  | (362)            |
| Experience gain on defined benefit obligation | (722)  | -                |
| Benefits paid                                 | (581)  | (420)            |
| Past service costs, including curtailments    | 34   | -                |
| <b>Closing balance at 31 March</b>            | <b>10,049</b>  | <b>10,190</b>    |

**Reconciliation of fair value of the scheme assets:**

|   | <b>Local Government Pension Scheme</b> |                  |
|---|--|------------------|
|   | <b>Restated</b>                        |                  |
|   | <b>2017/2018</b>                       | <b>2018/2019</b> |
|   | <b>£000</b>                            | <b>£000</b>      |
| Opening balance at 1 April                          | 9,177                                  | 9,208            |
| Interest income on assets                           | 233                                    | 232              |
| Re-measurement gain: return on assets less interest | 261                                    | 193              |
| Other re-measurement gain                           | (46)                                   | -                |
| Administration expenses                             | (3)                                    | (4)              |
| Employer contributions                              | 127                                    | 130              |
| Contributions by scheme participants                | 40                                     | 42               |
| Benefits paid                                       | (581)                                  | (420)            |
| <b>Closing balance at 31 March</b>                  | <b>9,208</b>                           | <b>9,381</b>     |

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 £425,000 ( 2017/2018 (restated): £494,000).



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The liabilities show the underlying commitments that the Board has in the long run to pay post employment (retirement) benefits. The total liability of £0.809m 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 2017.

The principal assumptions used by the actuary have been:

|  | <b>Local Government Pension Scheme</b> |                  |
|--|--|------------------|
|  | <b>2017/2018</b>                       | <b>2018/2019</b> |
| Long-term expected rate of return on assets in the scheme: |  |                  |
| Mortality assumptions:                                     |  |                  |
| Longevity at 65 for current pensioners (years):            |  |                  |
| Men  | 20.3                                   | 19.6             |
| Women  | 22.2                                   | 21.6             |
| Longevity at 65 for future pensioners (years):             |  |                  |
| Men  | 22.1                                   | 21.3             |
| Women  | 24.1                                   | 23.4             |
| Rate of inflation (RPI)                                    | 3.35%                                  | 3.40%            |
| Rate of inflation (CPI)                                    | 2.35%                                  | 2.40%            |
| Rate of increase in salaries                               | 3.35%                                  | 3.45%            |
| Rate of increase in pensions                               | 2.35%                                  | 2.45%            |
| Rate of discounting scheme liabilities                     | 2.55%                                  | 2.40%            |

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:

|  | <b>Local Government Pension Scheme</b> |             |                 |
|--|--|-------------|-----------------|
|  | <b>£000</b>                            | <b>£000</b> | <b>£000</b>     |
|  | <b>+0.1%</b>                           | <b>0%</b>   | <b>-0.1%</b>    |
| Adjustment to discount rate:                               |  |             |                 |
| o Present value of total obligation                        | 10,024                                 | 10,190      | 10,359          |
| o Projected service cost                                   | 248                                    | 254         | 260             |
| Adjustment to long term salary increase:                   |  |             |                 |
| o Present value of total obligation                        | 10,202                                 | 10,190      | 10,178          |
| o Projected service cost                                   | 254                                    | 254         | 254             |
| Adjustment to pension increases and deferred re-valuation: |  |             |                 |
| o Present value of total obligation                        | 10,347                                 | 10,190      | 10,036          |
| o Projected service cost                                   | 260                                    | 254         | 248             |
| Adjustment to mortality age rating assumption:             | <b>+ 1 year</b>                        | <b>None</b> | <b>- 1 year</b> |
| o Present value of total obligation                        | 10,566                                 | 10,190      | 9,828           |
| o Projected service cost                                   | 263                                    | 254         | 246             |

**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:

|                    | Restated<br>31 March 2018<br>£000 | Restated<br>31 March 2018<br>% | 31 March 2019<br>£000 | 31 March 2019<br>% |
|--------------------|-----------------------------------|--------------------------------|-----------------------|--------------------|
| Equity investments | 6,365                             | 69                             | 6,480                 | 70                 |
| Gilts              | 488                               | 5                              | 134                   | 1                  |
| Other Bonds        | 1,066                             | 12                             | 1,408                 | 15                 |
| Property           | 1,085                             | 12                             | 1,171                 | 12                 |
| Cash               | 204                               | 2                              | 188                   | 2                  |
| <b>Total</b>       | <b>9,208</b>                      | <b>100</b>                     | <b>9,381</b>          | <b>100</b>         |

#### 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 2020.

The Board anticipated to pay £115,000 expected contributions to the scheme in 2019/2020. The weighted average duration of the defined benefit obligation for scheme members is 17 years (2017/2018: 17 years).

#### 16 EVENTS AFTER THE BALANCE SHEET DATE

There were no events that occurred between 1 April 2019 and 17 June 2019 that would require adjustment to the 2018/2019 financial statements. The latter date is the date on which the audited 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 no grant receipts outstanding at 31 March 2019 (see note 25).

##### Other Local Authorities

Angus, Dundee City and Fife Councils are considered to be related parties of the Board. During 2018/2019, the Board entered into a number of transactions with Dundee City Council and Fife Council, as detailed below:

| 2017/2018      |                     |                                     | 2018/20189     |                     |
|----------------|---------------------|-------------------------------------|----------------|---------------------|
| Income<br>£000 | Expenditure<br>£000 |                                     | Income<br>£000 | Expenditure<br>£000 |
| (17)           | -                   | <b>Dundee City Council:</b>         | (32)           | -                   |
| -              | 77                  | Interest Receivable                 | -              | 79                  |
| -              | 12                  | Central Support Services            | -              | 10                  |
| -              | 31                  | Grounds Maintenance                 | -              | 64                  |
| -              | 91                  | Professional Fees                   | -              | 58                  |
| (17)           | 211                 | Miscellaneous (incl. Capital Works) | (32)           | 211                 |
|                |                     | <b>Total Dundee City Council</b>    |                |                     |
|                |                     | <b>Fife Council:</b>                |                |                     |
| -              | -                   | Grounds Maintenance                 | -              | -                   |
| -              | 4                   | Miscellaneous                       | -              | 4                   |
| -              | 4                   | <b>Total Fife Council</b>           | -              | 4                   |

**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 2019:

| 2017/2018     |                   |                                     | 2018/2019     |                   |
|---------------|-------------------|-------------------------------------|---------------|-------------------|
| Asset<br>£000 | Liability<br>£000 |                                     | Asset<br>£000 | Liability<br>£000 |
|               |                   | <b>Dundee City Council:</b>         |               |                   |
| -             | 3                 | Central Support Services            | -             | 23                |
| (17)          | -                 | Interest Receivable                 | (32)          | -                 |
|               |                   | Professional Fees                   | -             | 51                |
| -             | 48                | Miscellaneous (incl. Capital Works) | -             | 9                 |
| <b>(17)</b>   | <b>51</b>         | <b>Total Dundee City Council</b>    | <b>(32)</b>   | <b>83</b>         |
|               |                   | <b>Fife Council:</b>                |               |                   |
| -             | 5                 | Miscellaneous                       | -             | 4                 |
| -             | <b>5</b>          | <b>Total Fife Council</b>           | -             | <b>4</b>          |

## 18 LEASES

### The Board as Lessee

The Board held no assets on finance or operating lease during 2018/2019 and, accordingly, there were no lease rentals paid to lessors during the year (2017/2018: None) or commitments due to lessors in 2018/2019 (2017/2018: 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 2018/2019 the Board received rent of £10,213 from this agreement (2017/2018: £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:

|  | 2017/2018<br>£000 | 2018/2019<br>£000 |
|--|-------------------|-------------------|
| Rental income from investment property                     | 10                | 10                |
| Direct operating expenses arising from investment property | (1)               | (5)               |
| <b>Net gain/(loss)</b>                                     | <b>9</b>          | <b>5</b>          |

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.

There has been no movement in the fair value of investment properties over the year. The balance at 31 March 2019 remains £71,000.

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 2018/2019:

|  | Other Land<br>and Buildings<br>£000 | Vehicles, Plant<br>& Equipment<br>£000 | Infrastructure<br>Assets<br>£000 | Total<br>Property, Plant<br>& Equipment<br>£000 |
|--|-------------------------------------|--|----------------------------------|---|
| <b>Cost or Valuation</b>   |                                     |  |                                  |   |
| At 1 April 2018  | 1,398                               | 1,275                                  | 85,913                           | 88,586  |
| Additions  | -                                   | 340                                    | 49                               | 389   |
| Derecognition – Disposals  | -                                   | -                                      | -                                | -   |
| Expenditure Not Adding Value   | -                                   | (11)                                   | -                                | (11)  |
| Revaluation Increases / (Decreases)<br>recognised in the Surplus / Deficit on the<br>Provision of Services | -                                   | -                                      | -                                | -   |
| <b>At 31 March 2019</b>  | <b>1,398</b>                        | <b>1,604</b>                           | <b>85,962</b>                    | <b>88,964</b>                                   |
| <b>Accumulated Depreciation<br/>and Impairment</b>   |                                     |  |                                  |   |
| At 1 April 2018  | 58                                  | 461                                    | 18,911                           | 19,430  |
| Depreciation charge  | 19                                  | 108                                    | 1,810                            | 1,937   |
| Depreciation written out to the Surplus /<br>Deficit on the Provision of Services                          | -                                   | -                                      | -                                | -   |
| Derecognition – Disposals  | -                                   | -                                      | -                                | -   |
| <b>At 31 March 2019</b>  | <b>77</b>                           | <b>569</b>                             | <b>20,721</b>                    | <b>21,367</b>                                   |
| <b>Net Book Value:</b>   |                                     |  |                                  |   |
| <b>At 31 March 2019</b>  | <b>1,321</b>                        | <b>1,035</b>                           | <b>65,241</b>                    | <b>67,597</b>                                   |
| <b>At 31 March 2018</b>  | <b>1,340</b>                        | <b>814</b>                             | <b>67,002</b>                    | <b>69,156</b>                                   |

Comparative Movements in 2017/2018:

|  | Other Land<br>and Buildings<br>£000 | Vehicles, Plant<br>& Equipment<br>£000 | Infrastructure<br>Assets<br>£000 | Total Property,<br>Plant &<br>Equipment<br>£000 |
|--|-------------------------------------|--|----------------------------------|---|
| <b>Cost or Valuation</b>   |                                     |  |                                  |   |
| At 1 April 2017  | 1,398                               | 826                                    | 85,853                           | 88,077  |
| Additions  | -                                   | 536                                    | 60                               | 596   |
| Derecognition – Disposals  | -                                   | (59)                                   | -                                | (59)  |
| Expenditure Not Adding Value   | -                                   | (28)                                   | -                                | (28)  |
| Revaluation Increases / (Decreases)<br>recognised in the Surplus / Deficit on the<br>Provision of Services | -                                   | -                                      | -                                | -   |
| <b>At 31 March 2018</b>  | <b>1,398</b>                        | <b>1,275</b>                           | <b>85,913</b>                    | <b>88,586</b>                                   |
| <b>Accumulated Depreciation</b>  |                                     |  |                                  |   |
| At 1 April 2017  | 39                                  | 456                                    | 17,079                           | 17,574  |
| Depreciation charge  | 19                                  | 64                                     | 1,832                            | 1,915   |
| Depreciation written out to the Surplus /<br>Deficit on the Provision of Services                          | -                                   | -                                      | -                                | -   |
| Derecognition – Disposals  | -                                   | (59)                                   | -                                | (59)  |
| <b>At 31 March 2018</b>  | <b>58</b>                           | <b>461</b>                             | <b>18,911</b>                    | <b>19,430</b>                                   |
| <b>Net Book Value:</b>   |                                     |  |                                  |   |
| <b>At 31 March 2018</b>  | <b>1,340</b>                        | <b>814</b>                             | <b>67,002</b>                    | <b>69,156</b>                                   |
| <b>At 31 March 2017</b>  | <b>1,359</b>                        | <b>370</b>                             | <b>68,774</b>                    | <b>70,503</b>                                   |

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

*Capital Commitments*

At 31 March 2019, the Board has entered into a number of contracts for the construction or enhancement of Property, Plant and Equipment in 2019/2020 and future years, budgeted to cost £519,000 (Similar commitments at 31 March 2018 were £101,000).

The major commitments are for:

- Cathodic Protection Monitoring Equipment = £150,000;
- Inspection of Columns and Piers = £204,000;
- Bridge Office Refurbishment = £39,000;
- LED Lighting to Bridge and Fife Car Park = £86,000; and
- New Vehicles = £36,000.

*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.

**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.

|   | 2017/2018<br>£000 | 2018/2019<br>£000 |
|---|-------------------|-------------------|
| <i>Capital investment:</i>                |                   |                   |
| Property, Plant and Equipment             | 596               | 389               |
| <b>Total Capital Investment</b>           | <b>596</b>        | <b>389</b>        |
| <i>Sources of finance:</i>                |                   |                   |
| Capital receipts                          | 7                 | 12                |
| Government grants and other contributions | 502               | 287               |
| Capital Funded from Current Revenue       | 87                | 90                |
| <b>Total Sources of Finance</b>           | <b>596</b>        | <b>389</b>        |

**22 INVENTORIES**

|   | Maintenance Materials |                   | Total             |                   |
|---|-----------------------|-------------------|-------------------|-------------------|
|   | 2017/2018<br>£000     | 2018/2019<br>£000 | 2017/2018<br>£000 | 2018/2019<br>£000 |
| <b>Balance outstanding at start of year</b> | 57                    | 55                | 57                | 55                |
| Recognised as an expense in the year        | (2)                   | 1                 | (2)               | 1                 |
| <b>Balance outstanding at year-end</b>      | <b>55</b>             | <b>56</b>         | <b>55</b>         | <b>56</b>         |

**23 SHORT-TERM DEBTORS**

|                                | 31 March 2018<br>£000 | 31 March 2019<br>£000 |
|--------------------------------|-----------------------|-----------------------|
| Local authorities              | 17                    | 32                    |
| Other entities and individuals | 12                    | 6                     |
| <b>Total</b>                   | <b>29</b>             | <b>38</b>             |

**24 SHORT-TERM CREDITORS**

|                                | 31 March 2018<br>£000 | 31 March 2019<br>£000 |
|--------------------------------|-----------------------|-----------------------|
| Central government bodies      | 1,043                 | 1,259                 |
| Local authorities              | 26                    | 99                    |
| Other entities and individuals | 264                   | 43                    |
| <b>Total</b>                   | <b>1,333</b>          | <b>1,401</b>          |

**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 2018/2019:

|   | <b>2017/2018</b> | <b>2018/2019</b> |
|---|------------------|------------------|
|   | <b>£000</b>      | <b>£000</b>      |
| <b>Credited to Taxation and Non Specific Grant Income</b> |                  |                  |
| Scottish Government Revenue Grant                         | 1,782            | 1,488            |
| Heritage Lottery Funding                                  | -                | -                |
| Scottish Government Capital Grant                         | 750              | 750              |
| <b>Total</b>  | <b>2,532</b>     | <b>2,238</b>     |

The Board has £1,235,000 of 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 (2017/2018: £1,023,000). This is included in Note 24, Short-Term Creditors under central government bodies.

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

**26 PRIOR PERIOD ADJUSTMENT (IAS 19)**

There was a misstatement in the 2017/2018 Actuaries' estimate of asset returns compared to the actual returns. The timing of actuarial reports means that actuaries produce their IAS 19 reports using estimated data for the final part of the year. Actual experience resulted in the asset returns for the Tay Road Bridge being significantly greater than actual returns. The actuarial estimates were not updated which resulted in an overstatement of asset values and consequently an understatement in pension liabilities. The misstatement in the pension liability amounts to £0.103 million. Management chose not to adjust the 2017/2018 accounts for this item based on materiality. This was agreed with the Board's auditors.

**Effect on line items in the Comprehensive Income & Expenditure Statement 2017/2018:**

In order to correct this error, the Council has restated the prior year information for 2017/2018 for the £0.103m in each of the following lines in the Comprehensive Income and Expenditure Statement. The following are the relevant extracted lines from the Comprehensive Income and Expenditure Statement. The Comprehensive Income and Expenditure Statement, with appropriate restatement for 2017/2018, can be found on page 26 of these financial statements.

|  | As Originally<br>Stated<br>2017/2018<br>Gross<br>Expenditure<br>£000 | As Restated<br>2017/2018<br>Gross<br>Expenditure<br>£000 | Amount of<br>Restatement<br>2017/2018<br>Gross<br>Expenditure<br>£000 |
|--|--|--|---|
| Actuarial (Gains) / Losses on Pension Assets / Liabilities | 242  | 46   | (196)   |
| <b>Other Comprehensive Income &amp; Expenditure</b>        | <b>242</b>   | <b>46</b>  | <b>(196)</b>  |
| <b>Total Comprehensive Income &amp; Expenditure</b>        | <b>4,137</b>   | <b>3,941</b>   | <b>(196)</b>  |

|  | As Originally<br>Stated<br>2017/2018<br>Gross<br>Income<br>£000 | As Restated<br>2017/2018<br>Gross<br>Income<br>£000 | Amount of<br>Restatement<br>2017/2018<br>Gross Income<br>£000 |
|--|---|---|---|
| Actuarial (Gains) / Losses on Pension Assets / Liabilities | (2,277)   | (1,978)   | 299   |
| <b>Other Comprehensive Income &amp; Expenditure</b>        | <b>(2,277)</b>  | <b>(1,978)</b>                                      | <b>299</b>  |
| <b>Total Comprehensive Income &amp; Expenditure</b>        | <b>(4,842)</b>  | <b>(4,543)</b>                                      | <b>299</b>  |

|  | As Originally<br>Stated<br>2017/2018<br>Net<br>Expenditure /<br>(Income)<br>£000 | As Restated<br>2017/2018<br>Net<br>Expenditure /<br>(Income)<br>£000 | Amount of<br>Restatement<br>2017/2018<br>Net Expenditure<br>/ (Income)<br>£000 |
|--|--|--|--|
| Actuarial (Gains) / Losses on Pension Assets / Liabilities | (2,035)  | (1,932)  | 103  |
| <b>Other Comprehensive Income &amp; Expenditure</b>        | <b>(2,035)</b>   | <b>(1,932)</b>   | <b>103</b>   |
| <b>Total Comprehensive Income &amp; Expenditure</b>        | <b>(705)</b>   | <b>(602)</b>   | <b>103</b>   |

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

**Effect on line items in the Balance Sheet at 31 March 2018:**

The CIPFA Code of Practice on Local Authority Accounting in the United Kingdom requires that an authority present a Balance Sheet at the beginning of the preceding period when an authority makes a retrospective restatement. However, in this case the prior period error did not impact on the opening Balance Sheet for 2017/2018. The error took place at year-end (2017/2018) and therefore impacted on the reported Pensions Liability, which has increased by £0.103m. The Pensions Reserve balance was also understated by the same amount. The following table demonstrates the effects on the relevant line items in the Balance Sheet for the financial year 2017/2018. The restated (for the relevant line items) prior period Balance Sheet is provided with the current year information on page 28 of the financial statements.

|                                    | <b>2017/2018<br/>As Originally<br/>Stated<br/>£000</b> | <b>2017/2018<br/>As Restated<br/>£000</b> | <b>2017/2018<br/>Amount of<br/>Restatement<br/>£000</b> |
|------------------------------------|--|---|---|
| Net Pension Liabilities            | (738)  | (841)                                     | (103)   |
| <b>Total Long-Term Liabilities</b> | <b>(738)</b>   | <b>(841)</b>                              | <b>(103)</b>  |
| <b>Net Assets</b>                  | <b>71,122</b>  | <b>71,019</b>                             | <b>(103)</b>  |
| Unusable Reserves                  | 68,414   | 68,311                                    | (103)   |
| <b>Total Reserves</b>              | <b>71,122</b>  | <b>71,019</b>                             | <b>(103)</b>  |

**Effect on line items in the Movement in Reserves Statement at 31 March 2018:**

The following restatement was also required for the Movement in Reserves Statement for Unusable Reserves. The restated (for the relevant line items) prior period Movement in Reserves Statement is provided with the current year information on page 27 of the financial statements.

|   | <b>2017/2018<br/>As Originally<br/>Stated<br/>£000</b> | <b>2017/2018<br/>As Restated<br/>£000</b> | <b>2017/2018<br/>Amount of<br/>Restatement<br/>£000</b> |
|---|--|---|---|
| <b>Unusable Reserves:</b>   |  |   |   |
| Other Comprehensive Income & Expenditure  | (2,035)  | (1,932)                                   | 103   |
| <b>Total Comprehensive Income &amp; Expenditure</b>                               | <b>(2,035)</b>   | <b>(1,932)</b>                            | <b>103</b>  |
| <b>Net (Increase) / Decrease before Transfers to Other<br/>Statutory Reserves</b> | <b>(457)</b>   | <b>(354)</b>                              | <b>103</b>  |
| <b>(Increase) / Decrease in 2017/2018</b>   | <b>(457)</b>   | <b>(354)</b>                              | <b>103</b>  |
| <b>Balance at 31 March 2018</b>   | <b>(68,414)</b>  | <b>(68,311)</b>                           | <b>103</b>  |



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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 55 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:

**Bruce Crosbie FCCA**  
**for and on behalf of Audit Scotland**  
Senior Audit Manager  
Audit Scotland  
4th Floor,  
102 West Port  
Edinburgh  
EH3 9DN.



**REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 17 JUNE 2019**

**REPORT ON: 2019/2020 INSURANCE PROGRAMME**

**REPORT BY: TREASURER**

**REPORT NO: TRB 15-2019**

**1 PURPOSE OF REPORT**

This report provides an overview of the insurance arrangements for the financial year 2019/2020.

**2 RECOMMENDATIONS**

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

**3 FINANCIAL IMPLICATIONS**

The financial implications of the 2019/2020 insurance programme are detailed in Appendix A. Covers have been negotiated within the provision contained in the approved 2019/2020 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.

**4.3 Directors & 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. This has reduced since 2015/2016 due to sale of Safety Boat.
- 4.10 Death in Service:  
Provides additional life cover to employees over and above that provided by the Local Government Pension Scheme (LGPS). At present this is a contractual benefit for all current employees who were in post at 31 December 2011 but was closed to new employees after 31 December 2011 (see Report TRB26-2011 at Joint Board Meeting on 12 December 2011). This will result in a gradual reduction in premiums as the number of employees covered reduces over time.

## 5 **BACKGROUND**

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

## 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.

**GREGORY COLGAN**  
**TREASURER**

**29 MAY 2019**

**TAY ROAD BRIDGE JOINT BOARD****PREMIUM SUMMARY 2019/2020**

| <b>CLASS</b>            | <b><u>2014/15</u></b><br><b>£</b> | <b><u>2015/16</u></b><br><b>£</b> | <b><u>2016/17</u></b><br><b>£</b> | <b><u>2017/18</u></b><br><b>£</b> | <b><u>2018/19</u></b><br><b>£</b> | <b><u>2019/20</u></b><br><b>£</b> |
|-------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Property                | 54,060                            | 51,357                            | 53,053                            | 53,295                            | 40,388                            | 40,388                            |
| Combined Liability      | 17,120                            | 17,120                            | 18,234                            | 18,487                            | 16,800                            | 16,800                            |
| Excess Public Liability | 4,007                             | 4,007                             | 4,139                             | 3,608                             | 3,490                             | 4,832                             |
| Directors & Officers    | 1,357                             | 1,357                             | 1,402                             | 1,408                             | 1,434                             | 1,434                             |
| Fidelity                | 901                               | 901                               | 931                               | 935                               | 952                               | 1,051                             |
| Personal Accident       | 943                               | 943                               | 974                               | 930                               | 906                               | 891                               |
| Hired in Plant          | 819                               | 820                               | 847                               | 851                               | 866                               | 875                               |
| Engineering Combined    | 12,621                            | 11,989                            | 12,452                            | 11,688                            | 11,807                            | 11,726                            |
| Motor Fleet             | 3,940                             | 4,801                             | 5,202                             | 5,697                             | 8,688                             | 8,949                             |
| Marine                  | 10,407                            | 1,502                             | 1,314                             | 1,320                             | 1,344                             | 1,344                             |
| Death in Service        | 4,305                             | 4,361                             | 4,361                             | 2,952                             | 2,557                             | 2,022                             |
|                         |                                   |                                   |                                   |                                   |                                   |                                   |
| <b>TOTAL</b>            | <b><u>110,480</u></b>             | <b><u>99,158</u></b>              | <b><u>102,909</u></b>             | <b><u>101,171</u></b>             | <b><u>89,232</u></b>              | <b><u>90,312</u></b>              |

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

