
TAY ROAD BRIDGE JOINT BOARD

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

TO: ALL MEMBERS OF THE TAY
ROAD BRIDGE JOINT BOARD

Date 12th June, 2023

Dear Member

TAY ROAD BRIDGE JOINT BOARD

You are requested to attend a meeting of the **TAY ROAD BRIDGE JOINT BOARD** to be held remotely on Monday 19th June, 2023 at 2.00pm.

The agenda and papers are enclosed.

Members of the Press or Public wishing to join the meeting should contact Committee Services on telephone (01382) 43211 or by email at committee.services@dundeecity.gov.uk by no later than 12 noon on Friday 16th June, 2023.

Please submit any apologies for absence to Elaine Doak, Committee Services Officer on telephone (01382) 434211 or email elaine.doak@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 2

The minute of meeting of the Tay Road Bridge Joint Board held on 6th March, 2023 is submitted for approval (copy attached).

3 SUMMER STUDENT PLACEMENT

The Joint Board is requested to note the appointment of a summer student engineer. The appointment of the student engineer for the Tay Road Bridge Joint Board is desirable to assist with the supervision of this year's major resurfacing contract, bridge inspections, the preparation of reports and cataloguing of historic drawings and calculations. A student appointment will maintain strong links with further education institutions and help future graduates gain practical workplace experience to help them develop skills for the workplace. Costs will be covered by the agreed revenue budget for 2023/2024.

4 OPERATIONAL RESTRICTIONS AND CLOSURES - Page 3

(Report No TRB14-2023 by the Bridge Manager, copy attached).

5 UPDATE ON ENGINEERING WORKS - Page 11

(Report No TRB15-2023 by the Engineer to the Board, copy attached).

6 RESPONSE TO INTERNAL AUDITOR'S ANNUAL REPORT TO MEMBERS - Page 15

(Report No TRB17-2023 by the Bridge Manager, copy attached).

7 EXTERNAL AUDIT ANNUAL AUDIT PLAN 2022/2023 - Page 49

(Report No TRB9-2023 by the Treasurer, copy attached).

8 LOCAL CODE OF CORPORATE GOVERNANCE - Page 71

(Report No TRB10-2023 by the Treasurer, copy attached).

9 ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31ST MARCH 2023 - Page 127

(Report No TRB11-2023 by the Treasurer, copy attached).

10 UNAUDITED ACCOUNTS FOR YEAR ENDED 31ST MARCH 2023 - Page 135

(Report No TRB12-2023 by the Treasurer, copy attached).

11 REDUCED 2023/2024 GRANT INCOME - Page 203

(Report No TRB18-2023 by the Treasurer, copy attached).

12 2023/2024 INSURANCE PROGRAMME - Page 205

(Report No TRB13-2023 by the Treasurer, copy attached).

13 DATE OF NEXT MEETING

The next meeting of the Joint Board will be held on Monday 11th September, 2023 at 10.00am via MS Teams (unless otherwise advised).

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ITEM No ...2.....

At a MEETING of the **TAY ROAD BRIDGE JOINT BOARD** held remotely on 6th March, 2023.

Present:-

Dundee City Council

Councillor Dorothy McHUGH
Baillie Fraser MACPHERSON
Councillor Steven ROME
Councillor Wendy SCULLIN
Councillor Lynne SHORT

Fife Council

Councillor Altany CRAIK
Councillor Gary HOLT
Councillor Allan KNOX
Councillor Jonny TEPP
Councillor Ann VERNER

Angus Council

Councillor Kenny BRAES

Also Present (Officers):-

Gary BRADY (Engineer)
Cameron GAIR (Transport Scotland)
Alan HUTCHISON (Bridge Manager)
Kenny McKAIG (for Clerk)
Eilidh MCARTHUR (Audit Scotland)
Steve MCNAUGHT (Henderson Loggie)
John MOIR (for Treasurer)
Richard SMITH (Audit Scotland)
Rebecca SPINK (Henderson Loggie)

Councillor Gary HOLT, Chairperson, in the Chair.

Apologies for absence were submitted on behalf of Councillor Kennedy-Dalby.

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 5th December, 2022 was submitted and approved.

III OPERATIONAL RESTRICTIONS AND CLOSURES

There was submitted Report No TRB3-2023 by the Bridge Manager appraising the Joint Board of the number and nature of operational restrictions and closures applied between 1st November, 2022 to 31st January, 2023.

The Joint Board noted the content of the report as at 31st January, 2023.

IV NEOS FIBRE OPTIC CABLE

There was submitted Report No TRB7-2023 by the Bridge Manager seeking the Joint Board's approval to grant Neos Networks a right of wayleave to install a fibre optic cable in the service tray that crosses the bridge and at landfall in Dundee and Fife.

The Joint Board agreed to approve the granting of wayleave rights for the installation and subsequent maintenance of a fibre optic cable on the bridge and at the bridge landfall in Dundee and Fife by Neos Networks.

V RENEWAL OF CARRIAGEWAY SURFACING, DECK EXPANSION JOINTS, DECK WATERPROOFING AND ASSOCIATED CONCRETE REPAIRS

There was submitted Report No TRB6-2023 by the Engineer to the Board seeking approval from the Joint Board to appoint Volker Stevin as main contractor for the renewal of the existing bridge carriageway surfacing, deck expansion joints, deck waterproofing and associated concrete repairs.

The Joint Board agreed to give authority to negotiate with and appoint Volker Stevin for the works over two financial years, commencing summer 2023 for a value of £5,632,773 in 2023/24 and £6,196,051 in 2024/25, including fees and contingencies.

VI RESPONSE TO INTERNAL AUDITOR'S REPORT ON CORPORATE PLANNING

There was submitted Report No TRB4-2023 by the Bridge Manager in response to Audit Report No. 2023/03, prepared by the Board's Internal Auditor, Henderson Loggie, on Corporate Planning. A copy of the Internal Auditor's report was included at appendix 1.

The Joint Board agreed to endorse the report as the formal response to the Internal Auditor's report No. 2023/03.

VII RESPONSE TO INTERNAL AUDITOR'S REPORT ON HEALTH AND SAFETY

There was submitted Report No TRB5-2023 by the Bridge Manager in response to Internal Audit Report No. 2023/04, prepared by the Board's Internal Auditor, Henderson Loggie, on Health and Safety. A copy of the Internal Auditor's report was included at appendix 1.

The Joint Board agreed to endorse the report as the formal response to the Internal Auditor's report No. 2023/04 and instructed the Bridge Manager to implement the actions noted in paragraph 5.1.

VIII REVENUE MONITORING – 10 MONTHS TO 31ST JANUARY 2023

There was submitted Report No TRB1-2023 by the Treasurer appraising the Joint Board members of the latest position regarding the Joint Board's 2022/2023 Revenue Budget.

The Joint Board noted the content of the Revenue Monitoring Report as at 31st January, 2023.

IX CAPITAL MONITORING - 10 MONTHS TO 31 JANUARY 2023

There was submitted Report No TRB2-2023 by the Treasurer appraising the Joint Board members of the latest position regarding the Joint Board's 2022/2023 Capital Plan.

The Joint Board noted the content of the Capital Monitoring Report as at 31st January, 2023.

X DATE OF NEXT MEETING

Monday 12th June, 2023 at 10.00am to be held remotely unless otherwise advised.

Councillor Gary HOLT, Chairperson.

ITEM No ...4.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 19 JUNE 2023

REPORT ON: OPERATIONAL RESTRICTIONS AND CLOSURES

REPORT BY: BRIDGE MANAGER

REPORT NO: TRB14-2023

1.0 PURPOSE OF REPORT

1.1 To appraise the Joint Board of the number and nature of operational restrictions and closures applied between 1 February to 30 April 2023.

2.0 RECOMMENDATIONS

2.1 The Joint Board are asked to note the contents of this Report as at 30 April 2023.

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 2023 is given below:-

4.1.1 Single Carriageway Closure

Reason	Total Duration (Minutes)	Number of Occasions	Average Duration (Minutes)	Maximum Time Closed (Minutes)	Minimum Time Closed (Minutes)
Operational	262	80	3.28	17	1
Breakdown	55	5	11	25	5
Miscellaneous Incidents	24	8	8	7	1
Single Lane Closures for Maintenance	3184	16	199	115	15
Police Incidents	310	32	9.69	30	1

4.1.2 **Full Bridge Closure**

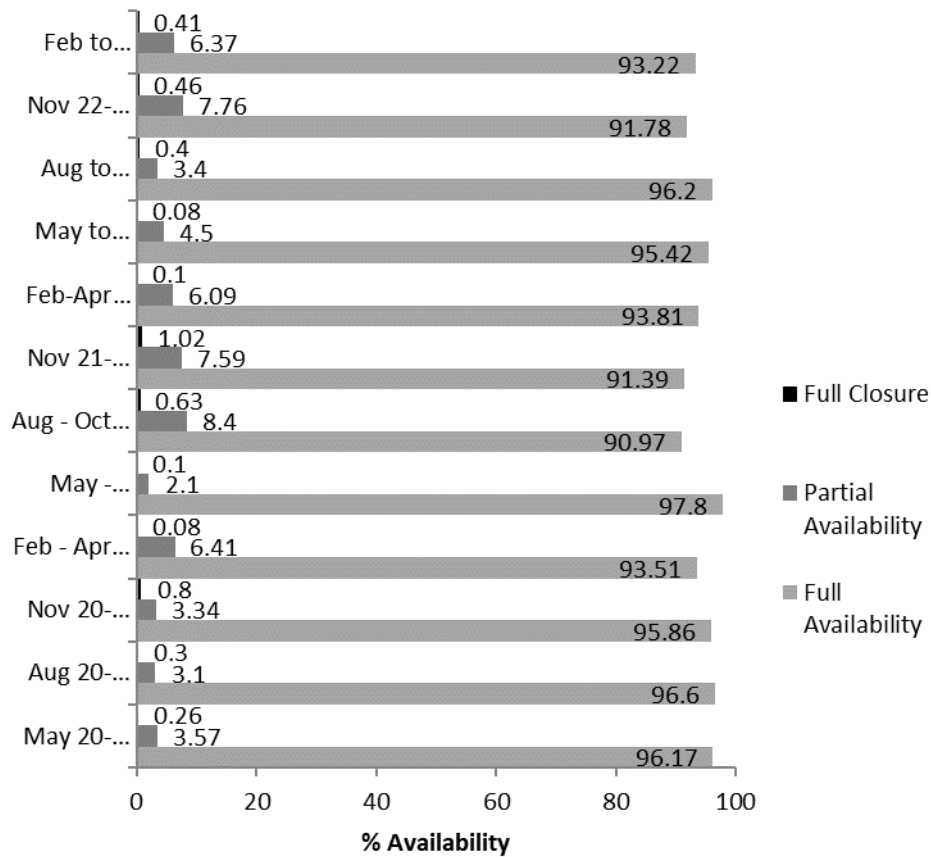
Reason	Total Duration (Minutes)	Number of Occasions	Average Duration (Minutes)	Maximum Time Closed (Minutes)	Minimum Time Closed (Minutes)
Operational (Night Closures)	285	1	285	285	285
Police Incidents	136	32	9.69	30	1
Wind	115	1	115	115	115

4.1.3 **High Winds Restrictions**

Traffic Restricted	Total Duration (Minutes)	Number of Occasions	Average Duration (Minutes)	Maximum Time Restricted (Minutes)	Minimum Time Restricted (Minutes)
Double Deck Buses	3717	12	309.75	634	94
High Sided Vehicles	702	4	175.5	308	110
All Traffic	115	1	115	115	115

4.1.4 **Availability of Bridge**

AVAILABILITY TO BRIDGE USERS



	Feb-Apr 22	May-Jul 22	Aug-Oct 22	Nov 22-Jan 23	Feb to Apr 23
Full Availability	93.81	95.42	96.2	91.78	93.22
Partial Availability	6.09	4.5	3.4	7.76	6.37
Full Closure	0.1	0.08	0.4	0.46	0.41

4.1.5 **Summary of Bridge availability 1 February to 30 April 2023**

Full availability (No restrictions)	93.22%
Partial Availability (Some restrictions)	6.37%
No Availability (Full Closure)	0.41%

4.1.6 Passenger Lift Availability 4 December 2018 to 30 April 2023

The current lift was put into service on 4 December 2018.

The Lift has been unavailable for public use for the following durations and reasons between 4 December 2018 and 30 April 2023:

YEAR	Downtime for Routine Servicing (hrs)	Downtime for Lift Faults (hrs)	Downtime for Power Cut (hrs)	Downtime for Vandalism (hrs)	Downtime for Foyer Door Faults (hrs)	Total (hrs)
2018 (from 4 Dec 2018)	0	10	0	0	0	10
2019	¹ 5	9	0.5	0	0	14.5
2020	² 12	3.5	1	0	0	16.5
2021	² 11	9	11	18	41.5	84.5
2022	² 10.5	6	0	0	0	16.5
2023 (to 30 Apr 2023)	² 3	0	0	0	0	3
Total	41.5	37.5	12.5	18	41.5	
TOTAL TIME LIFT NOT AVAILABLE FROM 4 DECEMBER 2018 to 30 APRIL 2023 = 140.5 HOURS						

¹Warranty Servicing

²Monthly Servicing

5.0 TRAFFIC COUNT DATA

5.1 Traffic Count Data from Dundee Ramps

	4 th Quarter 2021	1 st Quarter 2022	2 nd Quarter 2022	3 rd Quarter 2022	4 th Quarter 2022	1 st Quarter 2023
	(Nov - Jan)	(Feb - Apr)	(May - Jul)	(Aug - Oct)	(Nov- Jan)	(Feb - Apr)
Northbound to West	5314	5733	6171	6079	5137	5734
Northbound to East	6862	6668	7187	6933	6508	6988
Northbound Total	12176	12401	13358	13072	11645	12722
Southbound from West	5282	5138	5393	5382	5078	5331
Southbound From East	7565	7428	8199	7934	7228	7791
Southbound Total	12847	12566	13592	13316	12306	13122
AADT Traffic per Quarter	25023	24967	26950	26388	23951	25844

AADT – (Annual Average Daily Total)

5.2 **Active Travel Counts - *AADT**

<i>Year</i>	<i>Month</i>	<i>No. Pedestrians</i>	<i>No. Cyclists</i>	
2021	November	Not Counted	87	
	December	Not Counted	50	
2022	January (from 11 Jan)	129	76	
		129	71	AADT/Quarter
	February	31	60	
	March	182	102	
	April	192	121	
		135	94	AADT/Quarter
	May	172	137	
	June	149	163	
	July	114	178	
		145	159	AADT/Quarter
	August	118	199	
	September	245	161	
	October	**Pedestrian Counter Not Operating	88	
		N/A	149	AADT/Quarter
	November	Not Counted	59	
	December	Not Counted	52	
2023	January	Not Counted	72	
			61	AADT/Quarter
	February	Not Counted	109	
	March	Not Counted	110	
	April	Not Counted	161	
			127	AADT/Quarter

*AADT – (Annual Average Daily Total) Northbound and Southbound

A Pedestrian and Cycling Counter was installed on the bridge walkway in October 2019. Pedestrian counts became available on 11 January 2022.

**Readings from 10 October 2022 are not available. The fault was reported to Cycling Scotland on 15 November 2022 and again on 8 February 2023.

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
25 MAY 2023**

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ITEM No ...5.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 19 JUNE 2023
REPORT ON: UPDATE ON ENGINEERING WORKS
REPORT BY: ENGINEER TO THE BOARD
REPORT NO: TRB15–2023

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 No implications will arise as a direct result of this report. The major resurfacing and joint replacement work noted in section 5.4 commences on 12 June 2023 and a contraflow traffic management system will be installed on the bridge, whereby one carriageway is completely closed, and the other accepts two-way traffic flow. The bridge and walkway will remain open during the construction phase of this project.

5.0 BACKGROUND

5.1 As part of the Joint Boards Asset Management Plan, a programme of general and principal bridge inspections are delivered by an in-house team comprising the Bridge Manager, a chartered engineer, who is supported by a Bridge Inspector. Third party inspectors are utilised to provide specialist access and inspection services for checks on the columns and piers and cathodic protection system. 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. PIs 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. All inspection work is progressing in line with statutory inspection requirements.

5.3 A PI of the full bridge structure, including all box girders, concrete deck, concrete columns, piers and scour survey was completed by March 2020. These inspections confirmed the findings of a GI that the bridge structure is generally in good condition

but that works to maintain this position is required by progressing with the plan to replace the carriageway surfacing and expansion joints.

- 5.4 The TRBJB's term consultant, WSP UK Ltd, were appointed in December 2019 to provide expert advice to the Board of the most cost-effective time and means to carry out total resurfacing and movement joint replacement. This culminated in March 2023 when the Board agreed to the appointment of Volker Stevin Ltd to deliver the project over two years (2023 and 2024). The Bridge Manager and Engineer are still working closely with WSP UK Ltd to deliver this project and confirm progress as follows:

<u>Resurfacing and Expansion Joint Replacement – as 1 May 2023.</u>			
	% Complete	Total Expenditure £(rounded)	Programme
Stage 1 – Desk top study	100	67,000	Completed October 2020
Stage 2 – Structural Testing & Data Collection to inform stage 3	100	271,000	Completed April 2022
Stage 3 – Preliminary Design	100	96,000	Completed February 2023
Stage 4 – Detailed Design	100	52,000	May 2023
*Stage 5 – Construction	0	-	June 2023 – September 2024
Stage 6 - Handover	0	-	September 2024

*Enabling Works - Tayside Contracts have completed the removal of existing concrete L kerbs on the southbound carriageway and modified the high pavement island on the Dundee Plaza to ease the passage of buses and Heavy Goods Vehicles during contraflow traffic management. Total Enabling Contract Spend was £32,000.

- 5.5 The guidance document, “The Operation and Maintenance of Bridge Access Gantries”, IStructE 2nd Ed 2007, recommends that gantries which have been in service for between 20 and 35 years should be considered to have reached the end of their finite life from a consideration of structural safety. The bridge’s inspection gantries are now over thirty years old and regular routine inspections by the Bridge Manager’s team have identified issues associated with regular repair and downtime. The Bridge Manager and Engineer are therefore working closely with WSP to deliver new gantries to be installed in 2025. The Bridge Manager and Engineer can update progress as follows:

Gantry Replacement – as 1 May 2023.			
	% Complete	Total Expenditure £(rounded)	Programme
Stage 1 – Desk top study	100	30,000	Completed March 2021
Stage 2 – Options Assessment	100	101,000	Completed March 2022
Stage 3 – Preliminary Design	95	79,000	March 2022 – June 2023
Stage 4 – Detailed Design & Procurement	0	-	July 2023 – February 2024
Stage 5 – Construction	0	-	March 2024 – April 2025
Stage 6 - Handover	0	-	May 2025

- 5.6 In the region of £25M is currently shown in the capital plan for spend from 2029/30 for major repainting of the box girders. This provision has been made following a detailed inspection of the steel corrosion protection system by Hyspec Services Ltd in September 2022 which confirmed that the paint is still in a satisfactory condition.

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
25 MAY 2023

ITEM No ...6.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 19 JUNE 2023

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

REPORT BY: BRIDGE MANAGER

REPORT NO: TRB17-2023

1.0 PURPOSE OF REPORT

1.1 This report is in response to the Annual Report, ref 2023/07, prepared by the Board's Internal Auditor, Henderson Loggie, on Health, Safety & Wellbeing; Corporate Planning: Capital Projects and previous Audit follow-up reviews. A copy of the Internal Auditor's annual report is included as Appendix 1.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Board:

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

3.0 FINANCIAL IMPLICATIONS

3.1 There are no financial implications associated with this report.

4.0 BACKGROUNDIntroduction

4.1 The Board's Internal Audit Needs Assessment and Strategic Plan 2022 – 2025 (Report No. TRB20-2022) is reviewed at least annually by Senior Management in conjunction with Henderson Loggie and external auditors, to take account of any changes in the Board's risk profile. The review in August 2022 resulted in an internal audit programme for 2022/23, detailed in Henderson Loggie Internal Audit Annual Plan 2022/23 (Report No. TRB21-2022). This programme confirmed that Health, Safety & Wellbeing, Corporate Planning, Capital Projects and previous Audit follow-up reviews were areas of risk to be reviewed in 2022/23.

5.0 REPORT5.1 Internal Auditor's Annual Report (Appendix 1)

- i) The Internal Auditor's Annual Report, Ref 2023/07, 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:

2023/03	Corporate Planning (Reported to March 2023 Board)
2023/04	Health, Safety & Wellbeing (Reported to March 2023 Board)

2023/05 Capital Projects (included within Board papers appendix 2)

2023/06 Follow-up Reviews (included within Board papers appendix 3)

Overall no significant issues identifying major internal control weaknesses were identified and all areas audited were deemed to have a “Good” level of assurance, with systems meeting control objectives.

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 Points

5.2.3 The following actions were agreed as a result of the recommendations of the 2023/04 Follow-up Reviews (included within Board papers appendix 3):

1. Management should ensure that the Health and safety Policy, as well as the Employee Health and Safety Handbook, contain further information and signposting on the support services and resources already offered by the organisation to staff regarding mental health, wellbeing and stress

6.0 POLICY IMPLICATIONS

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

7.0 CONSULTATION

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

8.0 BACKGROUND PAPERS

8.1 None

ALAN HUTCHISON
BRIDGE MANAGER
25 MAY 2023

Tay Road Bridge Joint Board

**Annual Report to the Joint Board and the Bridge
Manager on the Provision of Internal Audit Services for
2022/23**

Internal Audit report No: 2023/07

Draft issued: 17 May 2023

Final issued: 18 May 2023



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Annual Report and Opinion

Introduction

- 1.1 We were formally re-appointed in June 2022 as internal auditors of Tay Road Bridge Joint Board ('the Board') for the period 1 April 2022 to 31 March 2025. This report summarises the internal audit work performed during 2022/23.
- 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 2022/23 (internal audit report 2023/01, issued in August 2022). The ANA was prepared following discussion with the Bridge Manager and senior Board officers and with reference to the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom. The ANA was prepared on the basis of the normal three-year internal audit cycle, covering the period 2022/23 to 2024/25. Work in the previous three-year cycle was used to update the key control environment. Following on from the ANA, a Strategic Plan was formulated covering the three-year cycle.
- 1.3 The Internal Audit Annual Plan 2022/23 reflected the allocation of days shown in Year 1 of the Audit Needs Assessment and Strategic Plan 2022 to 2025, with no changes made.
- 1.4 The work delivered in 2022/23 followed that set out in the Annual Plan for 2022/23. The reports submitted are listed in Section 2 of this report and a summary of results and conclusions from each finalised assignment is given at Section 3.
- 1.5 An analysis of time spent against budget is at Section 4.

Public Sector Internal Audit Standards (PSIAS) Reporting Requirements

- 1.6 The Board has responsibility for maintaining an effective internal audit activity. You have engaged us to provide an independent, risk-based assurance and consultancy internal audit service. To help you assess that you are maintaining an effective internal audit activity we:
 - Confirm our independence;
 - Provide information about the year's activity and the work planned for next year in this report; and
 - Provide quality assurance through self-assessment and independent external review of our methodology and operating practices.
- 1.7 Self-assessment is undertaken through:
 - Our continuous improvement approach to our service. We will discuss any new developments with management throughout the year;
 - Ensuring compliance with best professional practice, in particular the PSIAS;
 - Annual confirmation from all staff that they comply with required ethical standards and remain independent of clients;
 - Internal review of each assignment to confirm application of our methodology which is summarised in our internal audit manual; and
 - Annual completion of a checklist to confirm our PSIAS compliance. This is undertaken annually in May.

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

- 1.8 External assessment is built into our firm-wide quality assurance procedures. Henderson Loggie LLP is a member of Prime Global, a global association of independent accountancy firms. Continued membership of Prime Global is dependent on maintaining a high 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 independent review conducted by MHA Macintyre Hudson in March 2019 included our internal audit service. Overall, the review confirmed that the firm's policies and procedures relating to internal audit were compliant with the PSIAS in all material respects.
- 1.9 In the intervening years between formal external assessment against PSIAS we conduct our own self-assessment annually. The result of our latest self-assessment, conducted in May 2022, confirms that our service is independent of the Board and continues to comply with the PSIAS.

Significant Issues

- 1.10 There were no significant issues or major internal control weaknesses noted from the internal audit work conducted during 2022/23. All internal audit reports issued during 2022/23 concluded that systems met control objectives and provided good assurance.
- 1.11 During 2022/23 the Board made some progress in implementing the single recommendation followed up as part of this review. The recommendation from internal audit report 2020/05 - Data Protection was assessed as partially implemented, which is expected to be completed when the Bridge Manager's Annual Report is submitted to the Board in June 2023. The outstanding recommendation will be subject to follow up in the next formal Follow-Up Review at a later date.
- 1.12 There were no instances of fraud identified from the audit work conducted during the year.

Opinion

- 1.13 In our opinion, the Board has adequate and effective arrangements for risk management, control and governance. 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 2022/23, and in previous years since our initial appointment.

Reports submitted

Number	Title	Overall Grade	Recommendations	Priority 1	Priority 2	Priority 3
2023/01	Audit Needs Assessment and Strategic Plan	N/A	N/A	N/A	N/A	N/A
2023/02	Annual Plan 2022/23	N/A	N/A	N/A	N/A	N/
2023/03	Corporate Planning	Good	-	-	-	-
2023/04	Health, Safety & Wellbeing	Good	-	-	-	2
2023/05	Capital Projects	Good	-	-	-	-
2023/06	Follow-Up Reviews	N/A	1 of 1 recommendations required further action	-	-	1

Overall gradings are defined as follows:

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

Recommendation grades are defined as follows:

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

Summary of Results and Conclusions

2023/01 – Audit Needs Assessment and Strategic Plan 2022 to 2025

Final Issued – August 2022

A comprehensive ANA based on the areas of risk that the Board is exposed to was undertaken in August 2022. A Strategic Plan to cover the three-year internal audit cycle from 2022 to 2025 was then formulated (refer to paragraph 1.2 above).

2023/02 – Annual Plan 2022/23

Final Issued – August 2022

The purpose of this document was to present to the members of Tay Road Bridge Joint Board ('the Board') the annual internal audit operating plan for the year ended 31 March 2023. The plan was based on the proposed allocation of audit days for 2022/23 set out in the Audit Needs Assessment and Strategic Plan 2022 to 2025. The preparation of the Strategic Plan involved dialogue with management and with the Treasurer (via the Bridge Manager).



2023/03 – Corporate Planning

This audit reviewed the overall corporate planning processes within the Board, including detailed operational planning. The overall objective of the audit was to obtain reasonable assurance that the Board's planning process accords with good practice.

The table opposite notes each separate objective for this review and records the results.

Strengths

- Overall, the planning arrangements put in place by the Board are adequate. Revenue and capital budgets are being appropriately monitored and controlled; and there is effective linkage between planning and budgeting.
- The Strategic Plan is well developed and is underpinned by well-designed procedures.
- The Bridge Manager keeps the Board regularly and appropriately updated regards performance and achievement of strategic and operational objectives through the year.
- Appropriate and meaningful Key Performance Indicators (KPIs) have been identified and are being effectively monitored, and progress is communicated to the Board on a regular basis.

Weaknesses

- There were no significant weaknesses noted during our review.

Final Issued – February 2023 Overall grade: Good

Specific objectives were to obtain reasonable assurance that:	
1. linkages between the Corporate Plan and the operational plans are clearly defined and communicated.	Good
2. commitments in the Corporate Plan are systematically translated into clear responsibilities for implementation within the operational plans.	Good
3. there is a systematic approach for ensuring stakeholders views and key risks are taken into account.	Good
4. the plans are being appropriately monitored and controlled.	Good
5. there is effective linkage between planning and budgeting at all levels.	Good



2023/04 – Health, Safety and Wellbeing

This audit reviewed the arrangements in place within the Board to identify and manage Health, Safety and Wellbeing (H, S & W) issues.

The table opposite notes each separate objective for this review and records the results.

Strengths

- The Board has well-established health and safety policies and procedures in place which clearly set out the purpose, the principles to be followed, and the responsibilities of individuals. The documentation is reviewed annually, and more regularly if required, and explicitly demonstrates compliance with the relevant legislation and regulations.
- There is a robust risk identification and risk assessment process in place. The risks are identified, evaluated, recorded, managed, and reported in an efficient and effective manner. It is made clear what actions need to be implemented to reduce the likelihood and severity of any risks and who is responsible for implementing any required actions. There is segregation of duties between the individuals responsible for assessing risks and the individuals who approve the assessments. Appropriately experienced and trained members of staff are consulted as part of the risk identification and assessment process.
- Training needs are identified on the basis of risks described in the risk assessments. Appropriate training is prescribed for each member of staff based on job role and provided as a mix of self-study, in-house training, and external provision in the course of induction, refresher training, and technical training.
- Management augments the monitoring of health and safety processes in place through frequent informal talks with the staff members. This is believed to be one of the best ways to ensure compliance and promptly identify any problems that require attention.

Final Issued – February 2023		Overall grade: Good
The overall objective of our audit was to obtain reasonable assurance that the Board has:		
1.	a H, S & W policy, plan, and documented procedures which are communicated to all staff and relevant contractors.	Satisfactory
2.	a formal risk identification and assessment process.	Good
3.	a H, S & W training programme which includes induction training, refresher training and training for new activities or legislation.	Satisfactory
4.	regular monitoring of H&S systems to ensure that they are functioning effectively, including H, S & W audits, carried out either internally or by external agencies such as the Health and Safety Executive.	Good
5.	an incident and accident recording system with follow-up and implementation of new controls where required.	Good
6.	regular reporting of H&S to senior management and to the Board.	Good



2023/04 – Health, Safety and Wellbeing (continued)

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).

The table opposite notes each separate objective for this review and records the results.

Strengths (continued)

- Health and safety matters are a standing agenda item on the quarterly management meetings. There is also a Health and Safety Committee in place which further enhances management's awareness of any health and safety issues and allows for effective monitoring and handling of these.
- There is a robust accident and incident recording and response system in place and actions that reduce the likelihood and severity of similar incidents in the future are taken promptly in order to reduce the likelihood or reoccurrence.
- The accident rate at the Board is very low, with most accidents being minor in nature.
- Health and safety matters are regularly and diligently reported to the Joint Board through the annual Health & Safety Monitoring Report, which is normally presented in the December Joint Board meeting.

Weaknesses

- The Board has satisfactory processes and resources in place for offering staff members support concerning mental health and wellbeing, but this is not currently fully reflected in the Health and Safety documentation available to staff.
- Contractors performing work on the Board's premises are not required to sign the Site Induction Presentation acknowledgment form when they are chaperoned by Board staff on the premises or bridge structure. Whilst contractors are monitored when performing their work, it may be difficult for the Board to formally evidence that contractors have acknowledged compliance with the Board's health and safety policy and procedures.



2023/05 – Capital Projects

The overall objective was to review the carriageway resurfacing project at a key stage in its lifecycle to provide assurance that it is ready to progress to the next stage. Stages are:

- Business Justification
- Delivery Strategy
- Investment Decision
- Readiness for Service
- Operations Review and Benefits Realisation

Due to the timing of the audit in relation to the project delivery lifecycle, this audit focused on the initial three stages.

The table opposite notes each separate objective for this review and records the results.

Strengths

- A robust assessment of business needs, costs and benefits was undertaken in determining the business case for the project.
- The project plan was presented to the Board as part of discussions around the Board’s 10-year Capital Plan.
- As part of the project structure, an options appraisal, construction plan and costing of works was provided. We noted that the project structure and proposed approach reflected project lifecycle good practice, split in to investigation, design, and construction elements.
- The project timeline was impacted by the COVID-19 pandemic and national restrictions which resulted in the project slipping from its original programmed start in 2020/21 to 2023/24, however, both the Board and Transport Scotland were kept informed of the project progress throughout. Initial planned costs were also affected by inflationary economic pressures post-COVID. Reporting of slippage in timelines and costs to the Board was found to be transparent.
- Project viability and value for money was kept under close review by WSP and management, which was seen as critical during a period which experienced significant construction cost inflation. Variations to project budgets were regularly reported to the Board.

Weaknesses

- There were no significant weaknesses noted during our review.

Final Issued – May 2023	Overall grade: Good
The overall objective of our audit was to obtain reasonable assurance that the Board has:	
1. the carriageway resurfacing project has been appropriately managed and in line with best practice.	Good



2023/06 – Follow-Up Reviews**Final Issued – May 2023**

We carried out a follow-up review of the recommendations made in the following Internal Audit reports from 2021/22:

- Internal Audit Report 2022/06 – Follow Up Reviews 2021/22

Reports 2022/01 - Annual Plan, 2022/02 – Payroll, 2022/03 – Asset Security/Management, 2022/04 – Corporate Governance, 2022/05 – Risk Management and Business Continuity, and 2022/07 – Annual Report, did not contain any recommendations and therefore no follow-up was required as part of this review.

The objective of each of our follow-up reviews was to assess whether recommendations made in previous reports had been appropriately implemented.

We reported that the Board has made some progress in implementing the single recommendation followed up as part of this review. One recommendation from internal audit report 2020/05 - Data Protection was assessed as partially implemented, which is expected to be completed when the Bridge Manager's Annual Report is submitted to the Board in June 2023. The outstanding recommendation will be subject to follow up in the next formal Follow-Up Review at a later date.

Our findings from each of the follow-up reviews has been summarised below:

Area	From Original Reports		From Follow-Up Work Performed				Considered But Not Implemented
	Rec. Priority	Number Agreed	Fully Implemented	Partially Implemented	Little or No Progress Made	Not Past Agreed Completion Date	
2021/05 - Follow Up	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	-	1	-	-	-
Grand Totals		1	-	1	-	-	-



Time Spent - Actual v Budget 2022/23

	Report number	Planned days	Actual days feed	Days to fee at May 2023	Days to spend / WIP	Variance
Reputation						
Health, Safety & Wellbeing	2023/04	4	4	-	-	-
Estates and Facilities						
Capital Projects	2023/05	4	-	4	-	-
Organisational Issues						
Corporate Planning	2023/03	3	3	-	-	-
Other Audit Activities						
Management & planning, attendance at Joint Board meetings & liaising with external audit	2023/02	2	1	1	-	-
Follow Up Reviews	2023/06	1	-	1	-	-
ANA	2023/01	1	1	-	-	-
Total		15	9	6	-	-



Operational Plan for 2023/24

- 5.1 Following our appointment as internal auditors for the period from 1 April 2022 to 31 March 2025 we prepared an Audit Needs Assessment and Strategic Plan for 2022 to 2025 (internal audit report 2023/01, issued in August 2022).
- 5.2 The following is an extract from the Strategic Plan, in relation to 2023/24. This will be discussed with management and updated if appropriate before being finalised for next year.

Proposed Allocation of Audit Days 2023/24:

Audit Area	Risk Register Ref.	2023/24 Days
Reputation		
Partnership Working	2, 7	4
Estates and Facilities		
Capital Projects	8	4
Financial Issues		
Contract Management	2, 7, 9	4
Other Audit Activities		
Management & planning, attendance at Joint Board meetings & liaising with external audit		2
Follow-up		1
Total		15



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Tay Road Bridge Joint Board

Capital Projects

Internal Audit report No: 2023/05

Draft issued: 17 May 2023

Final issued: 18 May 2023



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Level of Assurance

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

Gradings are defined as follows:

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

Action Grades

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



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Management Summary

Overall Level of Assurance

Good	System meets control objectives.
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Risk Assessment

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

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

Background

As part of the Internal Audit programme at the Board for 2022/23 we carried out a review of the systems in place in relation to managing capital projects. The ANA identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Joint Board and Bridge Manager that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

The Bridge Manager is responsible for preparing long-term Capital Plans, and a medium-term three yearly Capital Budget outlining expected expenditure for capital projects. The Treasurer then submits the draft medium-term Capital Budget to the Board along with details of the Board's proposed capital programme and how it is to be financed.

The Board has long planned for carriageway resurfacing works, with long-term Capital Plans forecasting in 2009 and 2014 that works could be carried out in 2020/21. The medium-term Capital Budget approved by the Board in 2019/20 included budgeted expenditure of approximately £10m for undertaking carriageway resurfacing, and associated expansion joint replacement works, in 2021/22 and 2022/23. Due to the impact of the Covid-19 pandemic, and the re-sequencing of other maintenance projects, the resurfacing project was delayed and structural investigation works commenced in 2021/22, appointment of contractors made in 2022/23, with planned works now scheduled to be undertaken in financial years 2023/24 and 2024/25.

Gateway Reviews were developed by the UK Office of Government Commerce in response to the failure of some high profile public sector projects to deliver the desired benefits to time and budget. A Gateway Review examines a programme and project at key decision points in their lifecycle. They are short, focused reviews that occur at key decision points in the lifecycle of the Project. The Review is a snap-shot of the project as it is at the point at which the review takes place. As such, recommendations are based on the evidence presented and on the interviews that take place. The review is intended to be supportive and forward looking and will take future plans into account but only as future intentions, rather than actualities. As part of this audit we have reviewed the carriageway resurfacing project in line with Gateway Review guidance.



Capital Projects

Scope, Objectives and Overall Findings

The bridge carriageway resurfacing project is a major capital project of considerable size and material investment for the Board. We agreed with the Bridge Manager that we would undertake a 'Gateway' type review of how well this project has been managed to date compared to 'best practice'.

The overall objective was to review the carriageway resurfacing project at a key stage in its lifecycle to provide assurance that it is ready to progress to the next stage. Stages are:

- Business Justification
- Delivery Strategy
- Investment Decision
- Readiness for Service
- Operations Review and Benefits Realisation

Due to the timing of the audit in relation to the project delivery lifecycle, this audit focused on the initial three stages. The resurfacing works are expected to commence in June 2023 and so an audit of the Readiness for Service and Operation Review and Benefits Realisation stages will be undertaken in 2023/24 as the project progresses.

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

Objective	Findings		
	1	2	3
The overall objective was to obtain reasonable assurance that:			
	No. of Agreed Actions		
1. The carriageway resurfacing project has been appropriately managed and in line with best practice.	Good	0	0
		0	0
Overall Level of Assurance	Good	0	0
		System meets control objectives.	

Audit Approach

Interviews were held with the Bridge Manager to assist in documenting the systems and processes in place. A detailed assessment of the adequacy of the key internal controls was performed based on a review of project documentation.



Summary of Main Findings

Strengths

- A robust assessment of business needs, costs and benefits was undertaken in determining the business case for the project;
- The project plan was presented to the Board as part of discussions around the Board's 10-year Capital Plan;
- As part of the project structure, an options appraisal, construction plan and costing of works was provided. We noted that the project structure and proposed approach reflected project lifecycle good practice, split in to investigation, design, and construction elements;
- The project timeline was impacted by the COVID-19 pandemic and national restrictions which resulted in the project slipping from its original programmed start in 2020/21 to 2023/24, however, both the Board and Transport Scotland were kept informed of the project progress throughout. Initial planned costs were also affected by inflationary economic pressures post-COVID. Reporting of slippage in timelines and costs to the Board was found to be transparent; and
- Project viability and value for money was kept under close review by WSP and management, which was seen as critical during a period which experienced significant construction cost inflation. Variations to project budgets were regularly reported to the Board.

Weaknesses

- There were no weaknesses noted during our review.

Acknowledgment

We would like to take this opportunity to thank the staff at Tay Road Bridge Joint Board who helped us during our audit visit.

Main Findings and Action Plan

Objective 1: The carriageway resurfacing project has been appropriately managed and in line with best practice.

Business Justification

The project initiation process produces a justification for the project based on business needs and an assessment of the project's likely costs and potential for success. This stage of review focuses on the project's business justification. It provides assurance to the Joint Board that the proposed approach to meeting the business requirement has been adequately researched and can be delivered. It also confirms that the benefits to be delivered from the project have been identified at a high level, and that their achievement will be tracked using a defined measurement approach.

The surfacing on the bridge is the original as-built material, which was laid in 1966, with the exception of localised areas mostly located adjacent to the expansion joints. Therefore, the majority of the surfacing on the bridge is approaching 55 years old. The existing expansion joints are varied in both type and age. All the original joints have been replaced at various times since construction with maintenance records showing that the newest expansion joint is approximately 11 years old and the oldest approximately 35 years old. In 2021 the Board commissioned consulting Engineers, WSP, to assess the condition of the existing surfacing and expansion joints, to undertake structural investigations and identify options for the future replacement of the existing surfacing and expansion joints. The resulting investigation, reported in March 2021, found that the existing surfacing was fast approaching the end of its serviceable life. A review of the existing expansion joints identified that 66 of the 84 joints on the Tay Road Bridge were over 30 years old and the Board had indicated that there was evidence of increased deterioration of the existing joints with more regular intervention being required over a number of years. WSP, therefore concluded that the vast majority of the existing expansion joints had reached the end of their serviceable life.

Following the above initial report, the Board commissioned WSP in 2021/22 to identify and assess the options for resurfacing the carriageway to ensure its reliable service over the next 20-30 years. WSP explored the options for replacement and repair of various elements of the bridge deck including the concrete deck, waterproofing, pavement, expansion joints, kerbs and drainage. WSP then developed combined options which provided a varying degree of durability. Three options considered and reported to the Board in March 2022. WSP developed outline construction and whole-life costs in addition to outline construction programmes to appraise the three options. This was supported by the appraisals of the individual elements including the use of a decision matrix for the identification of the most appropriate pavement solution. A preferred option was identified due to its desirable balance between whole-life costs, durability and likely construction programme. We have concluded that a robust assessment of business needs, costs and benefits was undertaken in determining the business case for the project.



Capital Projects

Objective 1: The carriageway resurfacing project has been appropriately managed and in line with best practice (continued).

Delivery Strategy

This phase defines the delivery strategy, focusing on establishing a clear definition of the project and a plan for its implementation. Any outstanding assumptions from the business justification for the project are also verified. This stage assesses the project's viability, its potential for success, the value for money to be achieved, and the proposed approach for achieving delivery of the project's objectives.

In the early stages of the project, following an options appraisal, we noted that WSP took the opportunity to commence planning for the construction, particularly in relation to minimising disruption to road users by undertaking research and surveys to identify the most feasible combination of traffic management, programming, enabling works and a strategy for temporary or permanent alternative transport options to facilitate the works. An estimate of the costs covering the work associated with the phase was also included.

A project structure was prepared by WSP, building on the initial project assessment conducted in 2020 and updated to reflect the findings from early structural investigations and surveys. We noted that the project structure and proposed approach reflected project lifecycle good practice, split in to investigation, design, and construction elements. The full project delivery plan included seven stages:

1. Project initiation*
2. Investigation & optioneering*
3. Preliminary design*
4. Detailed design*
5. Construction
6. Handover
7. Operation, maintenance, & renewal

(* stages complete at the time of our review)

The preliminary and detailed design stages were the key stages in the delivery strategy phase. We noted from review of project documents that key project deliverables included: construction drawings, specifications, and contracts; design method statement; risk registers; revised budget and programme forecast; and continued progress reporting to management. Project viability and value for money was kept under close review by WSP and management, which was seen as critical during a period which experienced significant construction cost inflation. Variations to project budgets were regularly reported to the Board.



Objective 1: The carriageway resurfacing project has been appropriately managed and in line with best practice (continued).**Investment Decision**

This stage confirms that the recommended investment decision is appropriate before the contract is placed with a supplier. It provides assurances on the processes used to select a supplier (not the supplier selection decision itself). This stage also assesses whether the process has been well managed; whether the business needs are being met; that both the Board and the supplier can implement and manage the proposed solution; and that the necessary processes are in place to achieve a successful outcome after contract award.

Project budget variations were noted throughout the project lifecycle; mainly resulting from the findings of structural investigations and surveys, which identified the need for further exploratory works to assess the condition of the carriageway. Justifications for the need for additional works and the associated costs, and budget variations were identified by WSP and reported to management. The same information was then reported regularly and timeously to the Joint Board via project updates, via updates to the capital plan and capital expenditure monitoring reports. Reporting to the Board of slippage in timelines and costs was found to be transparent. Regular updates were also communicated to Transport Scotland.

To mitigate the risks associated with the project, the Board sought early collaboration with a suitably experienced main contractor, accounting for efficient design, buildability considerations, assurance on quality of work, robust programming, and price fluctuations. With reference to the Scottish Government's Construction Procurement Handbook, a framework approach was determined as the most appropriate procurement route. This allowed the design team, and contractor, to critically review the specification requirements, construction sequencing and programming to deliver the works. The contract offer from Volker Stevin has been competitively procured through the NEPO Framework, which is a fully OJEU compliant public sector framework agreement for procuring construction works. The offer was independently checked by Dundee City Council and was found to be Value for Money and deemed to be compliant.

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Tay Road Bridge Joint Board

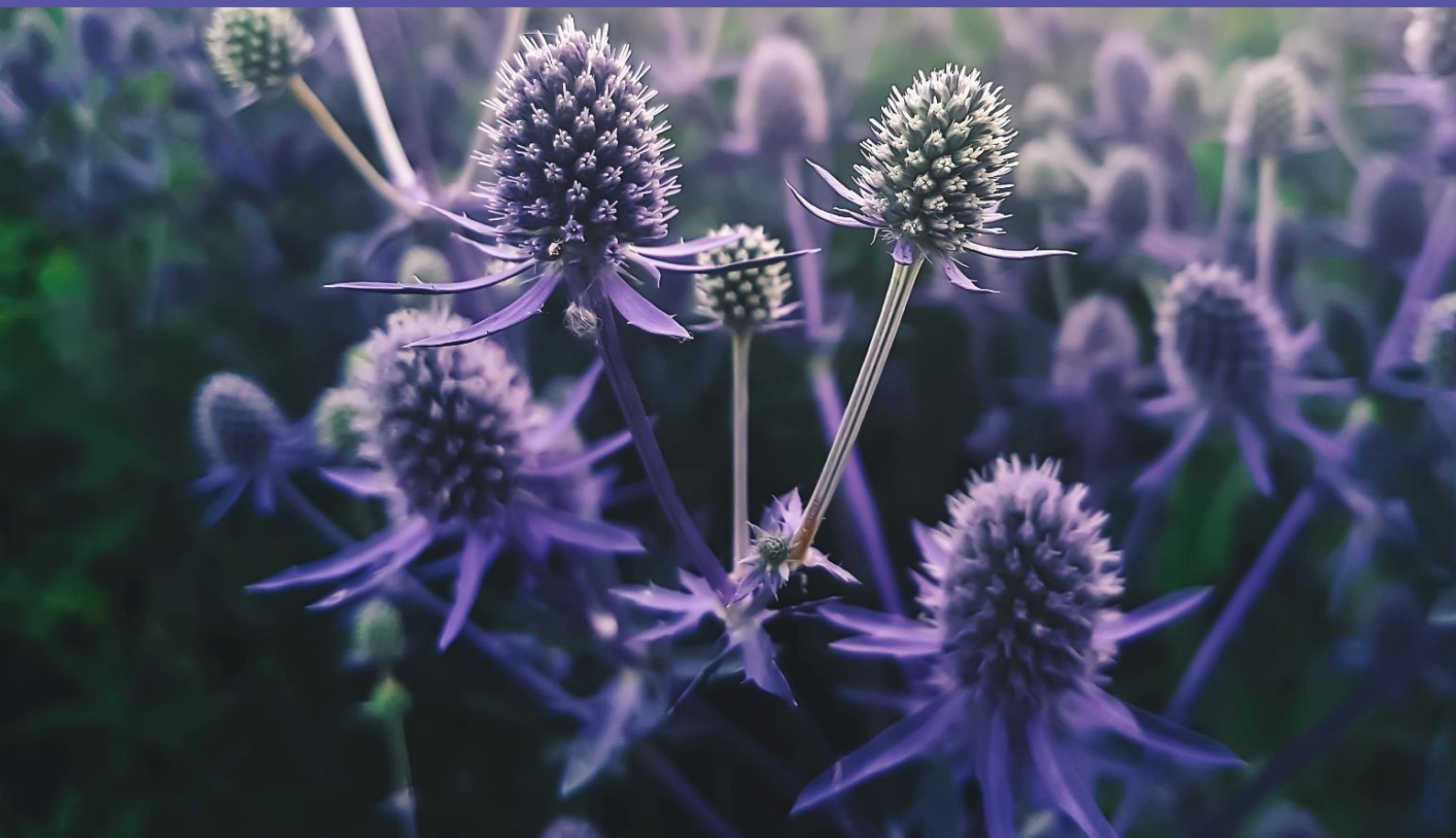
Follow Up Reviews

2022/23

Internal Audit report No: 2022/06

Draft issued: 17 May 2023

Final issued: 18 May 2023



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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 2022 to 31 March 2025. The Internal Audit Plan for 2022/23 includes time for follow-up work on the recommendations made in our Internal Audit reports issued during 2021/22. These were:

- Internal Audit Report 2022/06 – Follow Up Reviews 2020/21

Reports 2022/01 - Annual Plan, 2022/02 – Payroll, 2022/03 – Asset Security/Management, 2022/04 – Corporate Governance, 2022/05 – Risk Management and Business Continuity, and 2022/07 – Annual Report, did not contain any recommendations and therefore no follow-up was required as part of this review.

Objectives of the Audit

The objective of each of our follow-up reviews was to assess whether recommendations made in previous reports 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

For the recommendations made in each of the reports listed above we ascertained by enquiry or sample testing, as appropriate, whether they had been completed or what stage they had reached in terms of completion and whether the due date needed to be revised.

Action plans from the original reports, updated to include a column for progress made to date, are appended to this report.

Overall Conclusion

The Board has made some progress in implementing the single recommendation followed up as part of this review. The recommendation from internal audit report 2020/05 - Data Protection was assessed as partially implemented, which is expected to be completed when the Bridge Manager's Annual Report is submitted to the Board in June 2023. The outstanding recommendation will be subject to follow up in the next formal Follow-Up Review at a later date.



Overall Conclusion (continued)

Our findings from each of the follow-up reviews has been summarised below:

From Original Reports			From Follow-Up Work Performed				
Area	Rec. Priority	Number Agreed	Fully Implemented	Partially Implemented	Little or No Progress Made	Not Past Agreed Completion Date	Considered But Not Implemented
2021/05 - Follow Up	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	-	1	-	-	-
Grand Totals		1	-	1	-	-	-

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

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

Acknowledgements

We would like to thank all staff for the co-operation and assistance we received during the course of our review.



Appendix I - Updated Action Plan

Internal Audit Report 2021/05 – Follow Up Reviews 2020/21

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at May 2023
2020/05 – Data Protection							
R1 Ensure that a formal programme of reporting of data protection issues is established which will allow the Joint Board to obtain reasonable assurance that an appropriate data protection compliance framework is in place and is operating.	3	Agreed. This can be added to the TRBJB Board agenda. The Bridge Manager to agree with Board Officers when and format for how this will be reported prior to September 2020 Board.	Yes	DCC Committee Services Officer / Bridge Manager	September 2020 Board meeting	<p>Clerk has advised that a Board report titled Annual Update on Privacy, Data protection and GDPR will be presented to the Board every March Board to report if there have been any breaches and that all policies relating to these matters have been reviewed.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 31 March 2023</p>	<p>Planned approach to action has slightly changed.</p> <p>An update on DP will be included in the annual Bridge Manager (BM) Report, where it will include KPI's to confirm either no data breaches, or how many. Within this the BM can confirm that he has reviewed the policies with the DP officer. This review of policies took place on the 2 May 2023.</p> <p>The BM report is scheduled to be presented to the Board in June 2023</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 30 June 2023</p>



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ITEM No ...7.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 19 JUNE 2023

REPORT ON: EXTERNAL AUDIT ANNUAL AUDIT PLAN 2022/2023

REPORT BY: TREASURER

REPORT NO: TRB 9-2023

1 PURPOSE OF REPORT

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

2 RECOMMENDATIONS

It is recommended that the Board notes the content of the External Audit Annual Audit Plan for 2022/2023.

3 FINANCIAL IMPLICATIONS

The cost of External Audit Services is included in the approved 2022/2023 Revenue Budget.

4 MAIN TEXT

Introduction

- 4.1 The external audit of the Board for the financial year 2022/2023 will be carried out by Mr Richard Smith, Senior Audit Manager, Audit Scotland. The Joint Board's External Auditors are appointed for a five-year period and the financial year 2022/2023 marked the first year of Audit Scotland's appointment to the Board.

External Auditor's Annual Audit Plan

- 4.2 The External Auditor's annual audit plan summarises the key challenges and risks facing the Board and sets out the proposed audit work to be undertaken in 2022/2023. The plan reflects:

- The respective responsibilities of the External Auditor and the Joint Board;
- The risks and priorities facing the Board;
- The scope and purpose of the audit; and
- The reporting arrangements.

4.3 External Auditor's Responsibilities

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

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

- has appropriate corporate governance arrangements in place which reflect the three fundamental principles of openness, integrity and accountability;
- has systems of recording and processing transactions which provide a sound basis for the preparation of financial statements and the effective management of its assets and interests;
- prepares financial statements which give a true and fair view of the financial position at 31 March 2023 and the income and expenditure for the year then ended, in accordance

with the Local Government (Scotland) Act 1973, the Local Authority Accounts (Scotland) Regulations 2014 and other applicable laws and regulations, including the 2022/2023 Accounting Code of Practice;

- has systems of internal control which provide an adequate means of preventing or detecting material misstatement, error, fraud or corruption;
- complies with established policies, procedures, laws and regulations; and
- has made proper arrangements for securing best value in its use of resources.

4.4 Reporting Arrangements

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

In addition to the report and audit opinion on the financial statements, an annual report to members and the Controller of Audit will be produced to summarise all significant matters arising from the audit. This will be presented to the Board at the meeting in September 2023.

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 the Engineer to the Board have been consulted in the preparation of this report and are in agreement with the contents.

7 **BACKGROUND PAPERS**

None

ROBERT EMMOTT
TREASURER

23 MAY 2023

Tay Road Bridge Joint Board

Annual Audit Plan 2022/23



Prepared for Tay Road Bridge Joint Board
March 2023

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Introduction

Summary of planned audit work

1. This document summarises the work plan for our 2022/23 external audit of Tay Road Bridge Joint Board (the Joint Board). The main elements of our work include:

- evaluation of the key controls within the main accounting systems
- an audit of the annual accounts, and provision of an Independent Auditor's Report
- work to support our audit opinions on the other statutory information published within the 2022/23 annual accounts, including the Management Commentary, Annual Governance Statement and the audited part of the Remuneration Report
- consideration of arrangements in relation to wider scope areas.

Audit Appointment

2. We are pleased to be appointed as the external auditor of Tay Road Bridge Joint Board for the period 2022/23 to 2026/27 inclusive.

3. In the first year of the audit appointment, we invest significant time gaining an understanding of your business and identifying and assessing the risks of material misstatement to the financial statements. While we use our initial assessment of risk to inform our planned audit approach, we keep our assessment of risks under review as the audit progresses. We will inform you of any significant changes in assessed risks and any resulting changes in our planned audit work.

4. The audit team will actively engage with you over the course of the audit to ensure our audit work continues to be focused on risk.

Adding value

5. We aim to add value to the Joint Board through our external audit work by being constructive and forward looking, by identifying areas for improvement and by recommending and encouraging good practice. We also attend meetings of the Joint Board and actively participate in discussions relevant to the audit. In so doing we intend to help the Joint Board promote improved standards of governance, better management and decision making and more effective use of resources.

Respective responsibilities of the auditor and Audited Body

6. The [Code of Audit Practice 2021](#) sets out in detail the respective responsibilities of the auditor and the Joint Board. Key responsibilities are summarised below.

Auditor responsibilities

7. Our responsibilities as independent auditors are established by the Local Government (Scotland) Act 1973 and the [Code of Audit Practice](#) (including [supplementary guidance](#)) and guided by the Financial Reporting Council's Ethical Standard.

8. Auditors in the public sector give an independent opinion on the financial statements and other information within the annual accounts. We also review and report on the wider scope arrangements in place at the Joint Board. In doing this, we aim to support improvement and accountability.

The Joint Board's responsibilities

9. The Joint Board is responsible for maintaining accounting records and preparing financial statements that give a true and fair view.

10. The Joint Board also has responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enable them to deliver their objectives.

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

Communication of fraud or suspected fraud

12. In line with ISA 240, in presenting this plan to the Joint Board we seek confirmation from those charged with governance of any instances of actual, suspected or alleged fraud that should be brought to our attention. Should members of the committee have any such knowledge or concerns relating to the risk of fraud within the Joint Board, we invite them to communicate this to the appointed auditor for consideration. Similar assurances will be sought as part of the audit completion process.

Financial statements audit planning

Introduction

13. The annual accounts are an essential part of demonstrating the Joint Board's stewardship of resources and its performance in the use of those resources.

14. Our approach to the audit of the 2022/23 financial statements has been designed to support the appointed auditor's opinion as to whether the annual accounts give a true and fair view of the Joint Board's finances for the year ended 31 March 2023 and have been properly prepared in accordance with International Financial Reporting Standards and the Code of Practice on Local Authority Accounting in the UK 2022/23.

Materiality

15. The concept of materiality is applied by auditors in planning and performing the audit, and in evaluating the effect of any uncorrected misstatements on the financial statements. We are required to plan our audit to obtain reasonable assurance that the financial statements are free from material misstatement. The assessment of what is material is a matter of professional judgement over both the amount and the nature of the misstatement.

Materiality levels for the 2022/23 audit

16. We assess materiality at different levels as described in [Exhibit 1](#) on page [6](#) which sets out the 2022/23 materiality values for the Joint Board. Different levels of materiality have been identified for balances and income and expenditure transactions due to the disparity in values between the two. This reflects the fact that while the functions of the Joint Board are focussed on the major asset (i.e. the Tay Road Bridge), the annual spend primarily relates to revenue expenditure on the maintenance and operation of the bridge rather than capital additions or capital enhancement expenditure.

Exhibit 1 Materiality levels for the 2022/23 audit

Materiality	Amount
Overall materiality levels based on net assets value as at 31 March 2022	
<p>Planning materiality: This is the figure we calculate to assess the overall impact of audit adjustments on the financial statements. Materiality has been set based on our assessment of the needs of the users of the financial statements and the nature of the Joint Board's operations. For the year ended 31 March 2023 we have set our overall materiality at 2% of net assets based on the audited financial statements for 2021/22.</p>	£1,200,000
<p>Performance materiality: This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality, this could indicate that further audit procedures should be considered. Using our professional judgement, we have assessed performance materiality at 75% of planning materiality.</p>	£900,000
<p>Reporting threshold: We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount.</p>	£60,000
Lower materiality levels based on gross expenditure for year ended 31 March 2022	
<p>Planning materiality: A lower materiality has been set for classes of transactions where lesser amounts could influence the decisions of the users of the accounts (i.e. comprehensive income and expenditure statement transactions). This has been set at 2% of gross expenditure based on the audited financial statements for 2021/22.</p>	£78,000
<p>Performance materiality: This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality, this could indicate that further audit procedures should be considered. Using our professional judgement, we have assessed performance materiality at 75% of planning materiality.</p>	£58,500
<p>Reporting threshold: We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount.</p>	£4,000

Source: Audit Scotland

Significant risks of material misstatement and other risks of material misstatement for the 2022/23 financial statements

17. We focus our work on the areas of highest risk. As part of our planning process, we prepare a risk assessment highlighting the audit risks relating to each of the main financial systems relevant to the production of the financial statements.

18. Our risk assessment draws on our cumulative knowledge of the Joint Board and consideration of its major transaction streams, key systems of internal control and risk management processes. It is also informed by our discussions with management, meetings with internal audit, attendance at Joint Board meetings and review of other relevant information.

19. Based on our risk assessment process, we identify significant risks of material misstatement to the financial statements. These are the risks which have the greatest impact on our planned audit procedures. We also identify any other non-significant risks of material misstatement that require a specific audit response over and above our standard audit procedures. [Exhibit 2](#) on page 7 summarises the nature of these risks, the sources of assurance from management arrangements, and the further audit procedures we plan to perform to gain assurance over these risks.

Exhibit 2

Significant and non-significant risks of material misstatement for the 2022/23 financial statements

Nature of Risk	Sources of assurance	Planned audit response
Significant risks of material misstatement		
<p>1. Risk of material misstatement due to fraud caused by management override of controls</p> <p>As stated in International Standard on Auditing (UK) 240, management is in a unique position to perpetrate fraud because of management’s ability to override controls that otherwise appear to be operating effectively.</p>	<p>Owing to the nature of this risk, assurances from management are not applicable in this instance.</p>	<ul style="list-style-type: none"> • Assess the design and implementation of controls over journal entry processing. • Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. • Test journals at the year-end and post-closing entries and focus on significant risk areas. • Consider the need to test journal entries and other adjustments during the period. • Evaluate significant transactions outside the normal course of business. • Assess any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year. • Substantive test income and expenditure transactions around the year-end to confirm they are

Nature of Risk	Sources of assurance	Planned audit response
		<p>accounted for in the correct financial year.</p> <ul style="list-style-type: none"> • Test accounting accruals and prepayments focussing on significant risk areas.
Other non-significant risks of material misstatement		
<p>2. Estimation in the valuation of pension assets and liabilities</p> <p>Actuarial estimates are a complex combination of liabilities over significant future periods based on life expectancy, CPI growth and discounting (based on corporate bond rates).</p> <p>Assets are based on an individual employer body's share of assets at the last triennial valuation. Roll forward adjustments are provided to members data and to asset valuations.</p> <p>There is a risk that small changes in the assumptions used can lead to large changes in the resulting valuations resulting in material misstatement in the annual accounts.</p>	<ul style="list-style-type: none"> • Use of clearly defined methodologies and procedures including experts, as appropriate, when making significant estimations and judgements. 	<ul style="list-style-type: none"> • Assess the scope, independence and competence of the professionals engaged in providing estimates for pensions. • Review the appropriateness of actuarial assumptions and results including comparison with other councils and the pension fund as a whole. • Establish officers' arrangements for ensuring the reasonableness of professional estimations and the accuracy of information provided to the actuary by the council.

Source: Audit Scotland

Consideration of the risks of fraud in the recognition of income and expenditure

20. As set out in International Standard on Auditing (UK) 240: *The auditor's responsibilities relating to fraud in an audit of financial statement*, there is a presumed risk of fraud over the recognition of revenue. There is a risk that revenue may be misstated resulting in a material misstatement in the financial statements. We have rebutted this risk for the Joint Board as:

- Significant majority of income is received in the form of Scottish Government grant income which is deemed to carry a low risk of fraud.
- There is little incentive for management to manipulate revenue recognition and opportunities to manipulate revenue recognition are limited.

21. In line with Practice Note 10: *Audit of financial statements and regularity of public sector bodies in the United Kingdom*, as most public-sector bodies are net spending bodies, the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk relating to revenue recognition. We have considered each of the Joint Board's expenditure streams in turn, and based on our knowledge of the council, prior year considerations, and our risk assessment to date, we do not consider these to be susceptible to significant risk of material misstatement due to fraud.

22. We have not, therefore, incorporated specific work into our audit plan in these areas over and above our standard audit procedures. Our audit testing will maintain an oversight of any unusual transactions or accounting entries.

Revisions to ISA (UK) 315 on auditors' responsibility to identify and assess the risks of material misstatement

23. The revised International Standard on Auditing (UK) 315 includes a revised requirement for auditors to understand a body's use of IT, as part of our understanding of the wider control environment, and to consider the related risks.

24. The IT systems used to produce the Joint Board's financial statements are provided by Dundee City Council. We intend to seek assurances from the auditors of Dundee City Council regarding the nature and characteristics of the council's IT applications and IT infrastructure which support financial reporting in the Joint Board.

25. Any risks of material misstatement identified from our assessment of the IT systems and infrastructure will be communicated to management and reflected in our approach to the audit of the 2022/23 financial statements.

Audit of Management Commentary, Annual Governance Statement, and audited part of the Remuneration Report

26. In addition to the appointed auditor's opinion of the financial statements, the Accounts Commission prescribes that the appointed auditor should provide opinions as to whether the Management Commentary, Annual Governance Statement, and audited part of the Remuneration Report, have been compiled in accordance with the appropriate regulations and frameworks and are consistent with the financial statements.

27. To inform these opinions we will consider whether the disclosures within each statement comply with the requirements of the applicable guidance and confirm that relevant information reflects the contents of the financial statements and other supporting documentation.

28. Based on our knowledge of the audit, and the established procedures in place to produce these statements, we have not identified any specific risks to be communicated to those charged with governance.

Wider Scope and Best Value

29. The [Code of Audit Practice](#) sets out the four areas that frame the wider scope of public sector audit. The Code of Audit Practice requires auditors to consider the adequacy of the arrangements in place for the wider scope areas in audited bodies.

30. In summary, the four wider scope areas cover the following:

- **Financial management** means having sound financial control processes. We will consider these arrangements and comment on financial management in our Annual Audit Report.
- **Financial sustainability** – as auditors, we consider the appropriateness of the use of the going concern basis of accounting as part of the annual audit and comment on the 2022/23 financial position and sustainability in our Annual Audit Report.
- **Vision, leadership and governance** – we conclude on the arrangements in place to deliver the Joint Board’s vision, strategy and priorities. We also consider the effectiveness of the governance arrangements.
- **Use of resources to improve outcomes** – audited bodies must make best use of their resources to meet stated outcomes and improvement objectives. We will consider how the council demonstrates economy, efficiency and effectiveness through the use of financial and other resources.

31. The Code of Audit Practice includes provisions relating to the audit of less complex bodies. Where the application of the full wider audit scope is judged by auditors not to be appropriate to an audited body then the annual audit work can focus on the appropriateness of the disclosures in the governance statement, concluding on the financial sustainability of the body and its services and the arrangements for securing Best Value. In the light of the low volume and lack of complexity of the financial transactions, we plan to apply the less complex body provisions of the Code to the 2022/23 audit of the Joint Board.

Wider scope risks

32. Our planned work on our wider scope responsibilities is risk based and proportionate. We have not identified any additional local wider scope risks for the 2022/23 audit of the Joint Board.

Reporting arrangements, timetable, and audit fee

Reporting arrangements

33. Audit reporting is the visible output for the annual audit. This Annual Audit Plan, the other outputs detailed in [Exhibit 3](#), and any other outputs on matters of public interest, will be published on Audit Scotland's website: www.audit-scotland.gov.uk.

34. Matters arising from our audit will be reported on a timely basis and will include agreed action plans. Draft management reports will be issued to the relevant officers to confirm factual accuracy, prior to issue and publication of the final reports.

35. We will provide an independent auditor's report (audit certificate) to the Joint Board and the Accounts Commission setting out our opinions on the annual accounts. We will also provide the Joint Board and the Accounts Commission with an annual report on the audit containing observations and recommendations on significant matters which have arisen during the audit.

36. [Exhibit 3](#) outlines the target dates for our audit outputs, and reflects our aim to issue the independent auditor's report by 4 December 2023

Exhibit 3 2020/21 Audit outputs

Audit Output	Tay Road Bridge Joint Board meeting date
Annual Audit Plan	12 June 2023
Independent Auditor's Report	4 December 2023
Annual Audit Report	4 December 2023



Source: Audit Scotland

37. The Local Authority Accounts (Scotland) Regulations 2014 require local authorities to *'aim to approve the audited accounts for signature no later than 30 September immediately following the financial year to which the accounts relate'* and that the signed accounts *'must be published no later than 31 October'*. Due to the legacy of the late completion of prior year audits due to Covid-19 and ongoing resourcing challenges within Audit Scotland, we are unable to complete the Joint Board's audit by the 30 September or in time to publish the audited accounts by 31 October. We acknowledge that this planned timetable is determined by the availability of the audit process and not by the Joint Board which proposes to present unaudited accounts for audit by the 30 June 2023.

Timetable

38. To support an efficient audit, it is critical that a timetable is agreed for the production and audit of the annual accounts. A proposed timetable for the audit that reflects our discussions with management is included at [Exhibit 4](#).

Exhibit 4 Proposed annual report and accounts timetable

 Key stage	 Provisional Date
Consideration of the unaudited annual accounts by the Joint Board as those charged with governance	12 June 2023
Latest submission date for unaudited annual accounts with complete working papers package to external audit	30 June 2023
Latest date for final clearance meeting	7 November 2023
Agreement of audited annual accounts for consideration by the Joint Board	14 November 2023
Issue of Proposed Annual Audit Report to those charged with governance (along with template letter of representation and proposed independent auditor's report)	14 November 2023
Joint Board meeting to consider Proposed Annual Audit Report and to approve and sign the audited annual accounts	4 December 2023
Independent auditor's report certified by appointed auditor	4 December 2023

Source: Audit Scotland

39. Covid-19 has had a considerable impact on the conduct and timeliness of the audit. We recognise that it is in the best interests of public accountability to get the reporting of audited accounts back to pre-pandemic timelines. We are identifying ways to work more efficiently to expedite the 2022/23 audits whilst at the same time maintaining high standards of quality.

40. We will continue to work closely with management to identify the most efficient approach as appropriate and will keep timeframes and logistics for the completion of the audit under review. Progress will be discussed with management and finance officers over the course of the audit.

Audit fee

41. In determining the audit fee, we have taken account of the risk exposure of the Joint Board and the planned management assurances in place. The agreed audit fee for 2022/23 is £14,960 (£13,290 in 2021/22), an increase of 12.5 per cent.

42. Fees have increased in 2022/23 and this reflects the current audit market and the rising costs in delivering high quality audit work. These include increased regulatory expectations and a widening in the scope of audit work.

43. In setting the fee we have assumed that the Joint Board has effective governance arrangements and will prepare comprehensive and accurate accounts for audit in line with the agreed timetable for the audit. The audit fee assumes there will be no major change in respect of the scope of the audit during the year. Where our audit cannot proceed as planned, a supplementary fee may be levied.

Other matters

Internal audit

44. It is the responsibility of the Joint Board to establish adequate internal audit arrangements. The Joint Board's internal audit function is provided by Henderson Loggie, who have been appointed for the financial years 2022/23 to 2024/25.

45. While we are not planning to place formal reliance on the work of internal audit in 2022/23, we will review internal audit reports and assess the impact of the findings on our financial statements and wider scope audit responsibilities.

Independence and objectivity

46. Auditors appointed by the Auditor General for Scotland or Accounts Commission must comply with the [Code of Audit Practice](#) and relevant supporting guidance. When auditing the financial statements, auditors must also comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors.

47. Audit Scotland has robust arrangements in place to ensure compliance with these standards including an annual '*fit and proper*' declaration for all members of staff. The arrangements are overseen by the Executive Director of Innovation and Quality, who serves as Audit Scotland's Ethics Partner.

48. Senior Audit Manager. Auditing and ethical standards require the appointed auditor to communicate any relationships that may affect the independence and objectivity of audit staff. The appointed auditor for the audit of the Joint Board is Richard Smith, Senior Audit Manager. We are not aware of any such relationships pertaining to the audit of the Joint Board.

Audit Quality

49. Quality is at the core of public audit in Scotland and is the foundation for building consistency and confidence across all audit work. High quality audits provide assurance, add value and can support public bodies to achieve their objectives.

50. Until 2021/22, the applicable audit quality standard was International Standard on Quality Control 1 (ISQC (UK) 1). This set out an audit practice's responsibilities for its system of quality control for audits.

51. ISQC(UK) 1 has been replaced by two new audit quality standards: Internal Standards on Quality Management (ISQM (UK) 1) applicable from 15 December 2022 and (ISQM(UK) 2) effective for the 2023/24 audits. Work is underway at Audit Scotland to meet the requirements of these quality standards.

52. Audit Scotland is committed to delivering high quality audits. The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the [Code of Audit Practice 2021](#) (and supplementary guidance) issued by Audit Scotland and approved by the Auditor General for Scotland. To ensure that we achieve the required quality standards, Audit Scotland conducts peer reviews and internal quality reviews. Additionally, the Institute of Chartered Accountants of England and Wales (ICAEW) have been commissioned to carry out external quality reviews.

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

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Tay Road Bridge Joint Board

Annual Audit Plan 2022/23

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www.audit-scotland.gov.uk/accessibility

For the latest news follow us on social media or [subscribe to our email alerts.](#)



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ITEM No ...8.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 19 JUNE 2023

REPORT ON: LOCAL CODE OF CORPORATE GOVERNANCE

REPORT BY: TREASURER

REPORT NO: TRB 10-2023

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 2022/2023 improvement action plan in Appendix 1.
- iii) Approves the implementation of the improvements listed in Appendix 2 for 2023/2024.

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. 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 75-point checklist covering eight 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; Partnerships; and Information Governance. This again indicated a high level of compliance.
- 5.5 The UK Government announced a lockdown on 23 March 2020 in response to the Covid 19 pandemic. This had a major impact on the management and operations of the bridge. Management took immediate action to safeguard employees and bridge users. These actions were taken to maintain resilience and ensured bridge availability and the continued safety of employees and bridge users. Business Continuity Planning / Incident Response meetings were held between key personnel and guidance issued to all staff on a regular basis. The actions detailed in the Business Continuity Plan were implemented and were updated continuously to reflect changing circumstances. As the impact of the pandemic reduced the board continued to take steps to ensure adherence to Scottish Government advice in relation to Covid-19 restrictions / guidelines and, when safe and practicable to do so, re-introduced normal working practices.
- 5.6 The Local Code of Corporate Governance assesses governance in place during 2022/2023 so the majority of the year was not affected by coronavirus. The conclusion on whether or not governance is fit for purpose should reflect the normal operations. However, coronavirus has impacted on governance since March 2020 and this report has to reflect the circumstances at the time of publication and the impact on governance.

The impact on governance affected the Board, for example changes to decision making arrangements whereby emergency decision-making and governance procedures were implemented for Board business from 23 March 2020 until the resumption of normal Board meetings in September 2020, albeit virtually. Virtual Board meetings have continued throughout 2022/2023.

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

None.

ROBERT EMMOTT
TREASURER

23 MAY 2023



Tay Road Bridge

LOCAL CODE OF CORPORATE GOVERNANCE

JUNE 2023

TAY ROAD BRIDGE JOINT BOARD

LOCAL CODE OF CORPORATE GOVERNANCE (2022/2023)

FOREWORD

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

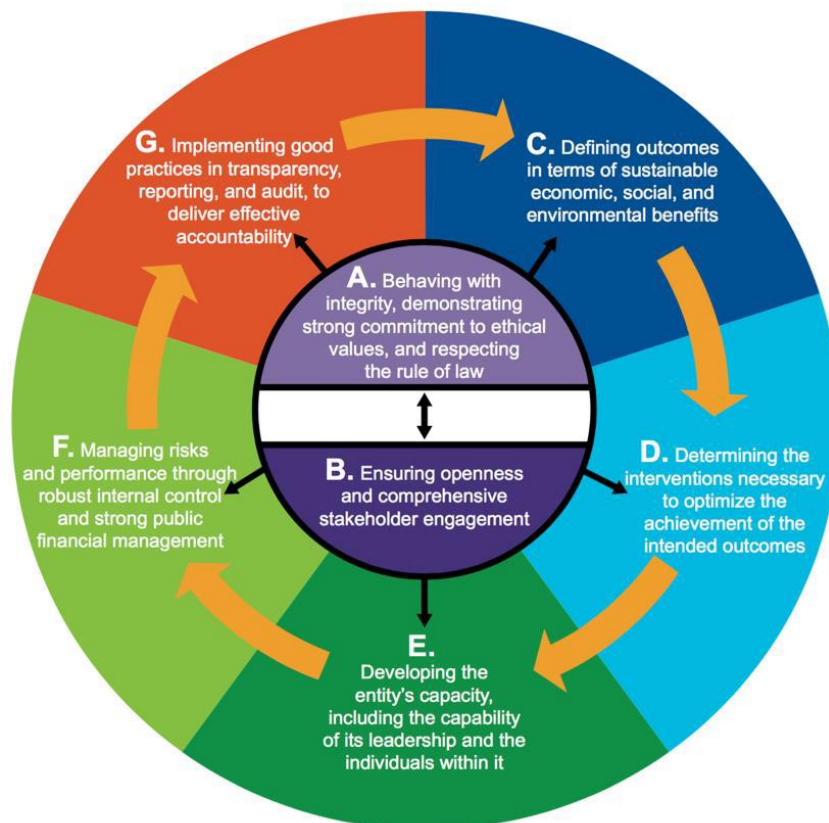
The Joint Board is committed to effective decision-making that is transparent and open to genuine scrutiny. It therefore provides on its website (www.tayroadbridge.co.uk) details of its plans, procedures and performance.

DEFINITION

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

THE CODE

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



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

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

The Joint Board has a [Members Code of Conduct](#) and an Officers Code of Conduct in addition to the [Standing Orders of the Board](#), [Financial Regulations](#), [Tender Procedures](#), and [Delegation of Powers](#) as well as [Fraud Guidelines](#) and Disciplinary Procedures. The Joint Board has a [Whistle-blowing Policy](#) in place to provide for the direct reporting of problems to senior managers without fear of recrimination and a [Complaints Procedure](#) to allow bridge users to bring issues to the attention of senior management.

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

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

B. ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

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

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

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

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

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

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

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

The Joint Board's [Strategic Plan 2019-2024](#) shows a clear link between the Board's strategic objectives and its performance measures. Regular reporting to the Joint Board also ensures that the defined outcomes are delivered on a sustainable basis within the resources available. Medium-term Budgets are updated and reported annually and there is a Business Continuity Plan and a Risk Management Strategic Plan and Strategic Risk Register in place.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- Promote a favourable corporate image"

The main priorities within this policy are the identification, evaluation and control of risks which threaten the Joint Board's ability to deliver services. The Joint Board has a high-level Business Continuity Plan which sets out the arrangements by which the Joint Board aims to continue to deliver its critical services in the event of an emergency event. Critical services are identified through a process of identification and analysis contained within risk registers. Both the Risk Management Framework and the Business Continuity Strategy continue to be developed. The actions detailed in the Business Continuity Plan were implemented during the Covid19 crisis and it will continue to be updated to reflect changing circumstances.

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

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

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

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

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

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

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

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

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

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

TAY ROAD BRIDGE JOINT BOARDIMPROVEMENT AGENDA FOR 2022/2023 WITH PROGRESS UPDATES

ORIGINAL IMPROVEMENT AGENDA						PROGRESS UPDATE	
	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
1	Update Bridge Byelaws.	Local Code of Corporate Governance 2019/2020 (Principle A: Integrity and Ethics) and Internal Audit Report (2019/2) Compliance with Legislation.	Carried forward from 2019/2020.	Clerk / Bridge Manager	31/03/2023	06/04/2023	Byelaws 2022 were approved by Scottish Ministers and came into effect on 6 April 2023. The new byelaws are available on the TRBJB website and were posted at the Dundee access to the bridge on the passenger lift foyer wall in April 2023.
2	Revise Whistle-Blowing Policy.	Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).	Carried forward from 2019/2020.	Bridge Manager	31/12/2022	18/11/2022	New Whistle-blowing policy and employee guidance notes issued to staff on 18 November 2022 and awareness poster installed in Administration Office foyer.
3	Ensure that a formal programme of reporting of data protection issues to the Joint Board.	Internal Audit Report 2020/05 Data Protection.	Carried forward from 2020/2021.	Clerk / Bridge Manager	31/03/2023	19/6/2023	The Board officers have agreed that Data Protection reporting will form part of the Management Commentary in the annual accounts presented to the June Board meeting, commencing 2023.
4	Transport and Works Manager and Administration Officer to attend training course on Recruitment and Interviewing to enable the Board to recruit more effectively at all levels.	Annual Governance Self-Assessment Checklist.	Carried forward from 2020/2021.	Bridge Manager	31/12/2022	16/11/2022	Formal training was not available through DCC but the Bridge Manager has provided guidance and knowledge through one-to-one sessions of best practice and the two employees have joined the Bridge Manager in a recruitment exercise in November 2022. The Bridge Manager is comfortable that this action can now be considered complete.
5	Review the Board's response to the Covid 19 crisis.		Carried forward from 2020/2021.	Bridge Manager	31/12/2022	31/12/2022	Management took immediate action to safeguard employees and bridge users. These actions were taken to maintain resilience and ensured bridge availability and the continued safety of employees

							and bridge users. Business Continuity Planning / Incident Response meetings were held between key personnel and guidance issued to all staff on a regular basis. The actions detailed in the Business Continuity Plan were implemented were updated continuously to reflect changing circumstances. As the impact of the pandemic reduced the board continued to take steps to ensure adherence to Scottish Government advice in relation to Covid-19 restrictions / guidelines and, when safe and practicable to do so, re-introduced normal working practices.
6	Revise Communications Policy.	Local Code of Corporate Governance 2020/2021 (Principle B: Openness).	Carried forward from 2021/2022.	Bridge Manager	31/12/2022	30/06/2022	New Communication Strategy completed and issued to staff.
7	Establish a formal business case process for all major capital projects.	Internal Audit Report 2021/03 Capital Projects.	Carried forward from 2021/2022.	Bridge Manager	31/03/2023	19/06/2023	Additional information on project stages, timelines, progress, spend profile, and implications to Bridge users will be included in Engineering Update Board reports on the current major projects, Carriageway Resurfacing and Expansion Joint Replacement, and Gantry Replacement and for future major projects.
8	Review all Board Human Resource policies to provide comfort that the Board's policies are aligned with DCC and up-to-date with legislation.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	New for 2022/2023. In progress.	Bridge Manager	31/03/2023		The Bridge Manager has reviewed all the latest DCC HR policies/procedures and will share with the trade unions in 2023 before implementing to the TRBJB staff. *
9	Improve communication of Risk Assessments and re-introduce regular Health and Safety meetings.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	New for 2022/2023.	Bridge Manager	31/03/2023	31/10/2022	Health and Safety meetings recommenced. The Bridge Manager continually assesses better ways of communicating Risk Assessments Method Statements (RAMS) to staff.

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

TAY ROAD BRIDGE JOINT BOARD**IMPROVEMENT AGENDA FOR 2023/2024**

	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Details
1	Review all Board Human Resource policies to provide comfort that the Board's policies are aligned with DCC and up-to-date with legislation.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	Carried forward from 2022/2023. In progress.	Bridge Manager	31/12/2023	Carried forward from 2022/2023. In progress.
2	Revise Fraud Guidelines.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics) and Annual Governance Statement self-assessment checklist, section 3: Fraud Prevention and Detection.	New for 2023/2024.	Treasurer	31/03/2024	New for 2023/2024.
3	Induction training for new board members.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics).	New for 2023/2024.	Bridge Manager / Treasurer	31/03/2024	New for 2023/2024.
4	Equality and Diversity and Human Rights training to be rolled-out to all staff.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics).	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.
5	Data Protection training to be rolled-out to all staff.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics and Principle F: Managing Risks and Performance).	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.
6	Improve communication of Risk Assessments Method Statements (RAMS) to staff.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.
7	Meetings with service providers to assess the quality of services provided under Service Level Agreements (SLAs).	Local Code of Corporate Governance 2022/2023 (Principle E: Developing the Entity's Capacity) and Annual Governance Statement self-assessment checklist, section 7: Partnerships.	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.



Local Code of Corporate Governance 2022/2023 - Self Assessment Checklist

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

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

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

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

The self-assessment should be certified by the Bridge Manager.

Organisation	Tay Road Bridge Joint Board	Date	...7 April 2023.....	
Name and Designation	Alan Hutchison Bridge Manager			
<i>As a result of completion of this exercise I confirm that I am satisfied with the overall governance arrangements within Tay Road Bridge Joint Board and that there is a satisfactory evidence base to support this opinion. In addition, I confirm that I will take appropriate steps during the 2023/2024 financial year to further enhance the Board's governance arrangements in the areas identified for improvement.</i>			Yes	X
			No	
<i>If no, please provide details</i>				

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

PRINCIPLE A		Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law					
		Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.					
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance		Evaluation Level (1 - 4)	Areas Requiring Improvement
1	Behaving with integrity	1.1	Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.	Examples from CIPFA's Delivering Good Governance in LG Guidance Notes 2016 (in Grey): <ul style="list-style-type: none"> • <i>Codes of conduct</i> • <i>Individual sign off with regard to compliance with code</i> • <i>Induction for new members and staff on standard of behaviour expected</i> • <i>Performance appraisals</i> <ul style="list-style-type: none"> • Members Code of Conduct Councillors Code of Conduct • Fraud Guidelines • Anti-Bribery Policy • Annual Governance Statement • Local Code of Corporate Governance • Whistle blowing Policy • Employee Appraisals • Standing Orders Scheme of Delegation Tender Procedures Financial Regulations • Induction training for new members • Compliance with CIPFA's Financial Management Code. 	3	Revise Fraud Guidelines. Employee Appraisals are behind schedule. Induction training for new members to be completed.	
		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	<ul style="list-style-type: none"> • <i>Communicating shared values with members, staff, the community and partners</i> • Members Code of Conduct Councillors Code of Conduct 	3	Revise Fraud Guidelines.	

		communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles).	<ul style="list-style-type: none"> • Fraud Guidelines • Anti-Bribery Policy • Annual Governance Statement • Local Code of Corporate Governance • Whistle blowing Policy • Strategic Plan 2019-2024 • Compliance with CIPFA's Financial Management Code. 		
	1.3	Leading by example and using these standard operating principles or values as a framework for decision making and other actions.	<ul style="list-style-type: none"> • <i>Decision making practices</i> • <i>Declarations of interests made at meetings</i> • <i>Conduct at meetings</i> • <i>Shared values guide decision making</i> • <i>Develop and maintain an effective standards committee</i> • Members Code of Conduct Councillors Code of Conduct • Fraud Guidelines • Anti-Bribery Policy • Whistle blowing Policy • Annual Governance Statement • Local Code of Corporate Governance • Employee Appraisals. • Standing Orders Scheme of Delegation Tender Procedures Financial Regulations • Strategic Plan 2019-2024 • Compliance with CIPFA's Financial Management Code. 	3	Revise Fraud Guidelines.

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

PRINCIPLE A (continued)		Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law			
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		1.4 Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.	<ul style="list-style-type: none"> • <i>Anti-fraud and corruption policies are working effectively</i> • <i>Up-to-date register of interests (members and staff)</i> • <i>Up-to-date register of gifts and hospitality</i> • <i>Whistleblowing policies are in place and protect individuals raising concerns</i> • <i>Whistleblowing policy has been made available to members of the public, employees, partners and contractors</i> • <i>Complaints policy and examples of responding to complaints about behaviour</i> • <i>Changes/improvements as a result of complaints received and acted upon</i> • <i>Members' and officers' code of conduct refers to a requirement to declare interests</i> • <i>Minutes show declarations of interest were sought and appropriate declarations made</i> • Members Code of Conduct Councillors Code of Conduct • Fraud Guidelines • Anti-Bribery Policy • Whistle blowing Policy • Annual Governance Statement • Local Code of Corporate Governance • Complaints Procedure • Bridge Bye Laws • Register of Interests for Members held by their Constituent Councils. • Register of Interests for Members specific to the Bridge Board. • Register of Interests for Senior Staff who have input into and responsibility for decision 	3	Revise Fraud Guidelines.

				<ul style="list-style-type: none"> making and awarding contracts. Standing Orders Scheme of Delegation Tender Procedures Financial Regulations Declaration of Interest is a standing item on Board meeting agenda. Compliance with CIPFA's Financial Management Code. 		
2	Demonstrating strong commitment to ethical values	2.1	Seeking to establish, monitor and maintain the organisation's ethical standards and performance.	<ul style="list-style-type: none"> <i>Scrutiny of ethical decision making</i> <i>Championing ethical compliance at governing body level</i> Mainstreaming Equality Report 2021-2023 Scottish Living Wage Accreditation. Integrated Impact Assessments. Training Course on Skills to Mitigate Bias and Inclusive Recruitment included in training programme. 	4	
		2.2	Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation.	<ul style="list-style-type: none"> <i>Provision of ethical awareness training</i> Employee Appraisal process. Employee Code of Conduct. Standing Orders Scheme of Delegation Tender Procedures Financial Regulations Previous training undertaken by all staff in 2014 included e-learning course on Equality and Diversity. Equality and Human Rights Training delivered by DCC undertaken by all staff in 2019. Training Course on Skills to Mitigate Bias and Inclusive Recruitment included in training programme. Issue of Anti-Bribery Policy to all staff in March 2020. Issue of revised Whistle blowing Policy to all staff in November 2022. Compliance with CIPFA's Financial Management Code. Team Charter introduced to coincide with organisation staffing changes and boost morale by providing clear expectations to improve focus and support to help staff 	3	<p>Staff appraisals behind schedule.</p> <p>Team Charter to be updated with staff in 2023 following staff changes.</p> <p>Roll out Equality and Diversity and Human Rights Training Updates to all staff via e-learning.</p>

				manage the change successfully.		
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE A (continued)		Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		2.3	Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values.	<ul style="list-style-type: none"> • <i>Appraisal processes take account of values and ethical behaviour</i> • <i>Staff appointments policy</i> • <i>Procurement policy</i> • Employee Appraisal process. • Recruitment and Selection Policy. • Scottish Living Wage Accreditation. • Employee Handbook / Code of Conduct. • Computer and Internet Guidelines / Social Media Guidelines. • Standing Orders Scheme of Delegation Tender Procedures Financial Regulations • Equal Opportunities Employer. • Personal Harassment Policy. • Anti-Bribery Policy • Whistle blowing Policy • Compliance with CIPFA's Financial Management Code. • Team Charter introduced to coincide with organisation staffing changes and boost morale by providing clear expectations to improve focus and support to help staff manage the change successfully. 	3	Staff appraisals behind schedule
		2.4	Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation.	<ul style="list-style-type: none"> • <i>Agreed values in partnership working:</i> <ul style="list-style-type: none"> ○ <i>Statement of business ethics communicates commitment to ethical values to external suppliers</i> ○ <i>Ethical values feature in contracts with external service providers</i> • <i>Protocols for partnership working</i> 	4	

				<ul style="list-style-type: none"> • Standing Orders Scheme of Delegation Tender Procedures Financial Regulations • Scottish Living Wage Accreditation. • Ethical values feature in OJEU Tenders issued by TRBJB. TRBJB use Dundee City Council Procurement Services as part of the Corporate Services Service Level Agreement to advise and assist with procurement and tenders. 		
3	Respecting the Rule of Law	3.1	Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations.	<ul style="list-style-type: none"> • <i>Statutory provisions</i> • <i>Statutory guidance is followed</i> • <i>Constitution</i> • The Board's structure, functions and powers are prescribed in the Tay Road Bridge TRB Confirmation Act 1991 • Checking of staff driving licenses to make sure they are legal to drive work vans. 	4	
		3.2	Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.	<ul style="list-style-type: none"> • <i>Job description/specifications</i> <ul style="list-style-type: none"> • <i>Compliance with CIPFA's Statement on The Role of the Chief Financial Officer in Local Government (CIPFA, 2016)</i> • <i>Terms of reference</i> • <i>Committee support</i> • The Board's structure, functions and powers are prescribed in the Tay Road Bridge TRB Confirmation Act 1991 • Job descriptions. • Compliance with CIPFA's statement on the Role of the Chief Financial Officer. • Compliance with CIPFA's Financial Management Code. 	4	
		3.3	Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders.	<ul style="list-style-type: none"> • <i>Record of legal advice provided by officers</i> • Service Level Agreement (SLA) with Dundee City Council for Legal Services. 	4	

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

PRINCIPLE A (continued)		Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		3.4	Dealing with breaches of legal and regulatory provisions effectively.	<ul style="list-style-type: none"> • <i>Monitoring officer provisions</i> • <i>Record of legal advice provided by officers</i> • <i>Statutory provisions</i> • Service Level Agreement (SLA) with Dundee City Council for Legal Services. • SAR Procedures, Data Breach Flow Chart, and Data Breach Procedures have been developed and are available on TRBJB website. • A CCTV Privacy Statement and Policy, and a Privacy Statement for the TRBJB website has also been introduced, along with a Cookie Policy. • Guidance on Information, Records Management and Preservation of Archival Records 	3	<p>Training on Data Protection to be rolled-out to all staff.</p> <p>Bridge Manager to carry out review with DCC Information Governance Manager in 2023. Last meeting was in 2021.</p>
		3.5	Ensuring corruption and misuse of power are dealt with effectively.	<ul style="list-style-type: none"> • <i>Effective anti-fraud and corruption policies and procedures</i> • <i>Local test of assurance (where appropriate)</i> • Members Code of Conduct Councillors Code of Conduct • Fraud Guidelines • Anti-Bribery Policy • Whistle blowing Policy • Complaints Procedure 	3	Revise Fraud Guidelines.

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				8	5	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 Services Senior Managers](#) (Solace)
[Code of Practice on Managing the Risk of Fraud and Corruption](#) (CIPFA, 2014)
[Equality and Human Rights Commission's Public Sector Advice and Guidance](#)
 Equality Act 2010 – Fact Sheet: [Equality Act 2010 - Factsheet](#)
 Equality Act 2010 – Easy Read Version: [Equality Act 2010 - Easy Read Version](#)
 Equality Act 2010 – Explanatory Notes: [Equality Act 2010 - Explanatory Notes](#)
 Equality Legislation – Summary: [Equality Legislation - Summary](#)

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

PRINCIPLE B		Ensuring openness and comprehensive stakeholder engagement				
		Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
1	Openness	1.1	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness.	<ul style="list-style-type: none"> • <i>Annual report</i> • <i>Freedom of Information Act publication scheme</i> • <i>Online council tax information</i> • <i>Authority's goals and values</i> • <i>Authority website</i> • Annual Accounts 2021-2022 Audited Accounts • Board Meeting Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk • Freedom of Information Policy • Team Charter introduced to coincide with organisation staffing changes and boost morale by providing clear expectations to improve focus and support to help staff manage the change successfully. 	4	Website needs a review with DCC Comms team and IT to look at where it might need a refresh and then issue public questionnaire.
		1.2	Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided.	<ul style="list-style-type: none"> • <i>Record of decision making and supporting materials</i> • Board Meeting Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk • Freedom of Information Policy • Tender Procedures • Compliance with CIPFA's Financial Management Code. 	4	

		1.3	Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear.	<ul style="list-style-type: none"> • <i>Decision-making protocols</i> • <i>Report pro-formas</i> • <i>Record of professional advice in reaching decisions</i> • <i>Meeting reports show details of advice given</i> • <i>Discussion between members and officers on the information needs of members to support decision making</i> • <i>Agreement on the information that will be provided and timescales</i> • <i>Calendar of dates for submitting, publishing and distributing timely reports is adhered to</i> • Board Meeting Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk • Pre-Agenda meetings held to discuss reports and issues that will be reported to Board meeting. • Tender Procedures • Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. • Compliance with CIPFA's Financial Management Code. 	4	
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE B (Continued)		Ensuring openness and comprehensive stakeholder engagement				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		1.4	Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action.	<ul style="list-style-type: none"> • <i>Community strategy</i> • <i>Use of consultation feedback</i> • <i>Citizen survey</i> • Bridge closures/ cycle statistics reported in Annual Accounts. • Operational Restrictions and Closures 	4	

				<p>reported to the Board on a quarterly basis and published on the website Board Meeting Minutes</p> <ul style="list-style-type: none"> • Website www.tayroadbridge.co.uk • Social Media communications TRB twitter • TRBJB Bridge Manager is part of a Tolls Tunnels and Bridges best practice information sharing working group alongside all the major bridges across the UK. This group meets once a quarter. • TRBJB Bridge Manager is part of a suicide prevention working group to share best practice. • TRBJB Bridge manager attends or sends representatives to Road Authority and Utility Company meetings locally that is also a forum to share best practice and covers accidents/near misses within other organisations. Relevant matters are shared by TRBJB Bridge Manager with staff. • Compliance with CIPFA's Financial Management Code. 		
2	Engaging comprehensively with institutional stakeholders	2.1	Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.	<ul style="list-style-type: none"> • <i>Communication strategy</i> • Service Level Agreement (SLA) with Dundee City Council for a Communications Strategy. • Strategic Plan 2019-2024 • Compliance with CIPFA's Financial Management Code. • Website www.tayroadbridge.co.uk • Communication Strategy 	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"> • <i>Database of stakeholders with whom the authority should engage and for what purpose and a record of an assessment of the effectiveness of any changes</i> • TRBJB Bridge Manager is part of a Tolls Tunnels and Bridges best practice information sharing working group alongside all the major bridges across the UK. This group meets once a quarter. 	4	

				<ul style="list-style-type: none"> • Bridge Manager attends quarterly SCOTS Bridges Group meetings. • Service Level Agreement (SLA) with the Roads Maintenance Partnership to provide TRBJB with additional resources to cover staff absences/ emergency support on bridge. This was agreed in the summer of 2020 in response to a business continuity review in terms of the impact of the Covid-19 pandemic. This SLA is being maintained on a three-year agreement for renewal in 2024 if agreed by both parties. • SLA with DCC City Development to assist TRBJB in Statutory Roadworks Noticing on the Scottish Roadworks Register. 		
		2.3	<p>Ensuring that partnerships are based on:</p> <ul style="list-style-type: none"> ○ trust ○ a shared commitment to change ○ a culture that promotes and accepts challenge among partners <p>and that the added value of partnership working is explicit.</p>	<ul style="list-style-type: none"> • <i>Partnership framework</i> • <i>Partnership protocols</i> • Service Level Agreements (SLAs) with Dundee City Council for services provision, and annual review meeting to assess success needs for both parties. 	4	

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

PRINCIPLE B (continued)		Ensuring openness and comprehensive stakeholder engagement				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.	Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement	
3	Engaging stakeholders effectively, including individual citizens and service users	3.1	Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.	<ul style="list-style-type: none"> • <i>Record of public consultations</i> • <i>Partnership framework</i> • Communication Strategy • Compliance with CIPFA's Financial Management Code. • Website www.tayroadbridge.co.uk 	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"> • <i>Communications strategy</i> • Communication Strategy • Website www.tayroadbridge.co.uk • Social Media communications TRB twitter 	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"> • <i>Communications strategy</i> • <i>Joint strategic needs assessment</i> • Communication Strategy • Website www.tayroadbridge.co.uk • Social Media communications TRB twitter • Feedback forms are provided to members of the public who break down on the bridge as a means to monitor performance and aid continuous improvement. • Record of enquiries from the public and responses are kept and a five-day turnaround in responding is achieved. • Strategic Plan 2019-2024 • A public questionnaire was issued on social media during 2020 with the aim of gathering information to help improve the 	4	

				<ul style="list-style-type: none"> website. Compliance with CIPFA's Financial Management Code. 		
		3.4	Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account.	<ul style="list-style-type: none"> <i>Communications strategy</i> Communication Strategy Feedback information to TRBJB Board at quarterly meeting of elected community councillors. 	4	
		3.5	Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.	<ul style="list-style-type: none"> <i>Processes for dealing with competing demands within the community, for example a consultation</i> Feedback information to TRBJB Board at quarterly meeting of elected community councillors. Open channel for ongoing communication with elected officials and community groups. Working with other stakeholder professionals in a Wellbeing Steering group. 	4	
		3.6	Taking account of the interests of future generations of tax payers and service users.	<ul style="list-style-type: none"> <i>Reports</i> <i>Joint strategic needs assessment</i> Engineer and Bridge Manager Reports to the Board detailing structural condition and inspection process as appropriate / Quarterly Closure statistics reported to the TRBJB. Compliance with CIPFA's Financial Management Code. 	4	

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

Have there been any significant / critical events relating to Principle 2 during the financial year? If yes, please provide details.	
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Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.	
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Further Guidance:

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

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

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

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

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

PRINCIPLE C		Defining outcomes in terms of sustainable economic, social, and environmental benefits					
		The long-term nature and impact of many of local government’s responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority’s purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.					
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance		Evaluation Level (1 - 4)	Areas Requiring Improvement
1	Defining Outcomes	1.1	Having a clear vision which is an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation’s overall strategy, planning and other decisions.	<ul style="list-style-type: none"> • <i>Vision used as a basis for corporate and service planning</i> • The Board’s structure, functions and powers are prescribed in the Tay Road Bridge TRB Confirmation Act 1991 • Management Arrangements of Scottish Government. • Strategic Plan 2019-2024 • Compliance with CIPFA’s Financial Management Code. 		4	
		1.2	Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer.	<ul style="list-style-type: none"> • <i>Community engagement and involvement</i> • <i>Corporate and service plans</i> • <i>Community strategy</i> • Sharing long-term capital plan with Scottish Government through liaison with Transport Scotland Officials. • Communication Strategy will include press releases for changes impacting service users. • Strategic Plan 2019-2024 • Integrated Impact Assessments. • Compliance with CIPFA’s Financial Management Code. 		4	

		1.3	Delivering defined outcomes on a sustainable basis within the resources that will be available.	<ul style="list-style-type: none"> • <i>Regular reports on progress</i> • Reports to the quarterly TRBJB meetings. 	4	
		1.4	Identifying and managing risks to the achievement of outcomes.	<ul style="list-style-type: none"> • <i>Performance trends are established and reported upon</i> • <i>Risk management protocols</i> • Business Continuity Plan. • Risk Management Strategic Plan and Strategic Risk Register 	4	

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

PRINCIPLE C (continued)		Defining outcomes in terms of sustainable economic, social, and environmental benefits				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		1.5	Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available.	<ul style="list-style-type: none"> • <i>An agreed set of quality standard measures for each service element are included in service plans</i> • <i>Processes for dealing with competing demands within the community</i> • Through Board member engagement with their constituents. 	4	
2	Sustainable economic, social and environmental benefits	2.1	Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision.	<ul style="list-style-type: none"> • <i>Capital investment is structured to achieve appropriate life spans and adaptability for future use so that resources are spent on optimising social, economic and environmental wellbeing:</i> • <i>Capital programme</i> • <i>Capital investment strategy</i> • Sharing long-term capital plan with Scottish Government through liaison with Transport Scotland Officials. • Compliance with CIPFA's Financial Management Code. 	4	

		2.2	Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints.	<ul style="list-style-type: none"> • Discussion between members and officers on the information needs of members to support decision making • Record of decision making and supporting materials • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. • Long-term Capital Plan is produced and discussed with Transport Scotland. • Business Continuity Plan. • Risk Management Strategic Plan and Strategic Risk Register • Strategic Plan 2019-2024 • Compliance with CIPFA's Financial Management Code. 	4	
		2.3	Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs.	<ul style="list-style-type: none"> • Record of decision making and supporting materials • Protocols for consultation • Liaison meetings with Scottish Government through Transport Scotland to agree spend profiles. • Compliance with CIPFA's Financial Management Code. 	4	
		2.4	Ensuring fair access to services.	<ul style="list-style-type: none"> • Protocols ensure fair access and statutory guidance is followed • Lift and ramp allow access to bridge's central walkway. 	4	

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

Have there been any significant / critical events relating to Principle 3 during the financial year? If	
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yes, please provide details.	
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Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.	
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Further Guidance:

[CIPFA Insights...Devolution webpage including Building Partnerships](#) (CIPFA / Grant Thornton)

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

PRINCIPLE D		Determining the interventions necessary to optimise the achievement of the intended outcomes				
		Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
1	Determining interventions	1.1	Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided.	<ul style="list-style-type: none"> • <i>Discussion between members and officers on the information needs of members to support decision making</i> • <i>Decision making protocols</i> • <i>Option appraisals</i> • <i>Agreement of information that will be provided and timescales</i> • Pre-Agenda meetings held to discuss reports and issues that will be reported to Board meeting. • Tender Procedures outline the requirements of when to report to Board. • Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. • Service Level Agreement (SLA) with Dundee City Council Procurement Team for procuring services and protect the board against changes to procurement legislation. • Compliance with CIPFA's Financial Management Code. 	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	<ul style="list-style-type: none"> • <i>Financial strategy</i> • Working with Fife Council and SUstrans to deliver Park and Choose facility at Fife side of the bridge with the aim of supporting the reduction of carbon emissions, to improve 	4	TRBJB will support all stakeholders and lead authorities in the delivery of a

			<p>competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts.</p>	<p>sustainability and comply with Road Scotland Act 2019.</p> <ul style="list-style-type: none"> • Open channel for ongoing communication with elected officials and community groups. • TRB management have open communication channels with cycling groups. • Website www.tayroadbridge.co.uk • New safety signage to advise shared path users to watch out for each other has been delivered. This was a user request. Signage is much clearer. 		Park and Choose Scheme in Fife.
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE D (continued)		Determining the interventions necessary to optimise the achievement of the intended outcomes					
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance		Evaluation Level (1 - 4)	Areas Requiring Improvement
2	Planning interventions	2.1	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets.	<ul style="list-style-type: none"> • <i>Calendar of dates for developing and submitting plans and reports that are adhered to</i> • Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. 	4		
		2.2	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered.	<ul style="list-style-type: none"> • <i>Communication strategy</i> • Communication Strategy 	4		
		2.3	Considering and monitoring risks facing each partner when working collaboratively including shared risks.	<ul style="list-style-type: none"> • <i>Partnership framework</i> • <i>Risk management protocol</i> • Regular risk management / contract meetings are held during works contracts on the bridge. • Compliance with CIPFA's Financial 	4		

			Management Code.		
	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"> • <i>Planning protocols</i> • Regular risk management / contract meetings are held during works contracts on the bridge. • Compliance with CIPFA's Financial Management Code. 	4	
	2.5	Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured.	<ul style="list-style-type: none"> • <i>KPIs have been established and approved for each service element and included in the service plan and are reported upon regularly</i> • Record of enquiries from the public and responses are kept and a five-day turnaround in responding is achieved. • Strategic Plan 2019-2024 defines how KPI's are collected. • Compliance with CIPFA's Financial Management Code. 	4	
	2.6	Ensuring capacity exists to generate the information required to review service quality regularly.	<ul style="list-style-type: none"> • <i>Reports include detailed performance results and highlight areas where corrective action is necessary</i> • Annual Governance Statement • Local Code of Corporate Governance • Management Meetings with Bridge Management Staff are formally recorded. • Strategic Plan 2019-2024 • Compliance with CIPFA's Financial Management Code. 	4	

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

PRINCIPLE D (continued)		Determining the interventions necessary to optimise the achievement of the intended outcomes				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		2.7	Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan.	<ul style="list-style-type: none"> • <i>Evidence that budgets, plans and objectives are aligned</i> • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. • Long-term Capital Plan is produced and discussed with Scottish Government through Transport Scotland. • Strategic Plan 2019-2024 • Compliance with CIPFA's Financial Management Code. 	4	
		2.8	Informing medium and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.	<ul style="list-style-type: none"> • <i>Budget guidance and protocols</i> • <i>Medium-term financial plan</i> • <i>Corporate plans</i> • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. • Long-term Capital Plan is produced and discussed with Transport Scotland. • Strategic Plan 2019-2024 • Compliance with CIPFA's Financial Management Code. 	4	
3	Optimising achievement of intended outcomes	3.1	Ensuring the medium-term financial strategy integrates and balances service priorities, affordability and other resource constraints.	<ul style="list-style-type: none"> • <i>Feedback surveys and exit/decommissioning strategies</i> • <i>Changes as a result</i> • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. • Compliance with CIPFA's Financial Management Code. 	4	

		3.2	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term.	<ul style="list-style-type: none"> • <i>Budgeting guidance and protocols</i> • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. • Long-term Capital Plan is produced and discussed with Transport Scotland. • Compliance with CIPFA's Financial Management Code. 	4	
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE D (continued)		Determining the interventions necessary to optimise the achievement of the intended outcomes				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		3.3	Ensuring the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage.	<ul style="list-style-type: none"> • <i>Financial strategy</i> • Three yearly Revenue and Capital Budgets are updated and reported to Board annually. • Long-term Capital Plan is produced and discussed with Transport Scotland. • Senior management receive regular financial reports to enable financial management. • Regular meetings are held to support the Revenue and Capital Monitoring and reporting process. • Regular Revenue and Capital Monitoring Reports are reported to the Board and published on the website Board Meeting Minutes • Bridge manager discusses finances at quarterly management meetings with his key staff. • Compliance with CIPFA's Financial Management Code. • Regular management meetings held to improve control given number of capital and inspection surveys due from 2020. 	4	

		3.4	Ensuring the achievement of 'social value' through service planning and commissioning.	<ul style="list-style-type: none"> • <i>Service plans demonstrate consideration of 'social value'</i> • <i>Achievement of 'social value' is monitored and reported upon</i> • Regular Engineer and Bridge Manager Reports presented at Board meetings detailing structural condition and inspection process as appropriate / Quarterly Closure statistics reported to the TRBJB. • Strategic Plan 2019-2024 	4	
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Determining the interventions necessary to optimise the achievement of the intended outcomes	n/a	1	2	3	4	TOTAL
Summary of Number of Evaluations					14	14

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

Further Guidance:

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

PRINCIPLE E		Developing the entity's capacity, including the capability of its leadership and the individuals within it				
		Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
1	Developing the entity's capacity	1.1	Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness.	<ul style="list-style-type: none"> Regular reviews of activities, outputs and planned outcomes Quarterly review meetings between Bridge Manager and Engineer to the Board to monitor and manage resources to ensure compliance with TRBJB Asset Management Plan and national and published structural inspection requirements. Compliance with CIPFA's Financial Management Code. Organisation restructure implemented in July 2021 to improve operations, after review of staff structure and shift patterns, and to improve staff welfare and bridge user expectations. Organisational structure amended following discussion with staff and trade unions to provide working rota certainty and internal staff support improvements. 	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	<ul style="list-style-type: none"> Utilisation of research and benchmarking exercises The Board's Financial Regulations require that all contracts entered into shall, where practicable, comply with the organisation's Tendering Procedures. These state 'the 	4	

			effectively and efficiently.	<p>underlying spirit of the procedures is to provide openness, accountability and Best Value in the Board's procurement of goods, services and works.</p> <ul style="list-style-type: none"> Compliance with CIPFA's Financial Management Code. 		
		1.3	Recognising the benefits of partnerships and collaborative working where added value can be achieved.	<ul style="list-style-type: none"> <i>Effective operation of partnerships which deliver agreed outcomes</i> Service Level Agreements with Dundee City Council for services provision, and annual review meeting to assess success needs for both parties. 	3	Annual Service Reviews have recommenced but remain inconsistent.
		1.4	Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.	<ul style="list-style-type: none"> <i>Workforce plan</i> <i>Organisational development plan</i> A structural bridge inspection plan is in-place and monitored by the Deputy Bridge Manager. Strategic Plan 2019-2024 A routine maintenance plan for the bridge and bridge property was delivered in 2021 and is being implemented and monitored by the Deputy Bridge Manager. An Annual Development plan is in place. 	4	

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

PRINCIPLE E (Continued)		Developing the entity's capacity, including the capability of its leadership and the individuals within it				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
2	Developing the capability of the entity's leadership and other individuals	2.1	Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles	<ul style="list-style-type: none"> <i>Job descriptions</i> <i>Chief executive and leader pairings have considered how best to establish and maintain effective communication</i> Standing Orders Scheme of Delegation <p>Compliance with CIPFA's Financial Management</p>	4	

			and objectives is maintained.	Code.		
		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"> • <i>Scheme of delegation reviewed at least annually in the light of legal and organisational changes</i> • <i>Standing orders and financial regulations which are reviewed on a regular basis</i> • Standing Orders Scheme of Delegation Tender Procedures Financial Regulations 	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 in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority.	<ul style="list-style-type: none"> • <i>Clear statement of respective roles and responsibilities and how they will be put into practice</i> • TRBJB does not have these distinct roles within its structure due to the size and function of the organisation. 	N/A	

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

PRINCIPLE E (Continued)		Developing the entity's capacity, including the capability of its leadership and the individuals within it					
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance		Evaluation Level (1 - 4)	Areas Requiring Improvement
		2.4	Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:	<ul style="list-style-type: none"> • <i>Access to courses/information briefings on new legislation</i> • Continuous Professional Development for Bridge Manager and his staff. • Induction training for new members. • Equalities and Human Rights Training delivered to all staff 2019. • Maintaining Service Level Agreement (SLA) with DCC Legal. 	3	Roll-out Equality and Diversity and Human Rights training updates to all staff via e-learning.	

			<ul style="list-style-type: none"> Compliance with CIPFA's Financial Management Code. 		
	2.4 a)	ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.	<ul style="list-style-type: none"> <i>Induction programme</i> <i>Personal development plans for members and officers</i> Staff Training Plan. Employee Appraisal process. Training Matrix that links to job competence and H&S requirements for all roles is monitored by Bridge Management and monies set aside in revenue budget every year to ensure this is an ongoing process. Review of staff training undertaken at management meetings. Induction training for new members. Equalities and Human Rights Training delivered to all staff 2019. Compliance with CIPFA's Financial Management Code. 	3	<p>Staff Appraisals are behind schedule.</p> <p>Roll-out Equality and Diversity and Human Rights training updates to all staff via e-learning.</p>
	2.4 b)	ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis.	<ul style="list-style-type: none"> <i>For example, for members this may include the ability to:</i> <ul style="list-style-type: none"> <i>scrutinise and challenge</i> <i>recognise when outside expert advice is required</i> <i>promote trust</i> <i>work in partnership</i> <i>lead the organisation</i> <i>act as a community leader</i> <i>Efficient systems and technology used for effective support</i> Staff Training Plan. Employee Appraisal process. Induction training for new members. Equalities and Human Rights Training delivered to all staff 2019. Compliance with CIPFA's Financial Management Code. Team Charter introduced to coincide with organisation staffing changes and boost morale by providing clear expectations to improve focus and support to help staff manage the change successfully. 	3	<p>Roll-out Equality and Diversity and Human Rights training updates to all staff via e-learning.</p>

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

PRINCIPLE E (Continued)		Developing the entity's capacity, including the capability of its leadership and the individuals within it				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		2.4	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"> • <i>Arrangements for succession planning</i> • Annual Governance Statement's Continuous Improvement Agenda. • Local Code of Corporate Governance • Recommendations from Internal and External Audit reviews are acted upon. • Compliance with CIPFA's Financial Management Code. 	4	
		2.5	Ensuring that there are structures in place to encourage public participation.	<ul style="list-style-type: none"> • <i>Residents' panels</i> • <i>Stakeholder forum terms of reference</i> • <i>Strategic partnership frameworks</i> • Members of the public can contact the bridge with any queries through www.tayroadbridge.co.uk or through elected members, whether represented on the board or otherwise. • A public questionnaire was issued on social media during 2020 with the aim of gathering information to help improve the website. 	4	
		2.6	Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections.	<ul style="list-style-type: none"> • <i>Reviewing individual member performance on a regular basis taking account of their attendance and considering any training or development needs</i> • <i>Peer reviews</i> • Appraisal process for Bridge Manager. 	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"> • <i>Training and development plan</i> • <i>Staff development plans linked to appraisals</i> • <i>Implementing appropriate human resource policies and ensuring that they are working effectively</i> • Employee Appraisal process. • Staff Training Plan. 	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"> • <i>Human resource policies</i> • Service Level Agreement (SLA) with People Asset Management (PAM) Occupational Health Provider. • Mindfulness and Stress Management Courses were introduced in 2018/2019 and will form part of the regular staff training programme. 	3	Further courses are planned for 2023 to cover Recognising Stress and Staff Resilience.
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Developing the entity’s capacity, including the capability of its leadership and the individuals within it	n/a	1	2	3	4	TOTAL
Summary of Number of Evaluations	1			5	9	15

Have there been any significant / critical events relating to Principle 5 during the financial year? If yes, please provide details.	
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Are there any examples of best practice (or exceeding best practice) in the Board? If yes, please provide details.	
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Links to relevant Tay Road Bridge Policies, Procedures and Guidelines:

Further Guidance:

- [Commissioner for Ethical Standards in Public Life in Scotland](#)
- [The Standards Commission for Scotland](#)
- [Councillors' Code of Conduct](#)
- [Code of Ethics for Public Services Senior Managers](#) (Solace)
- [Equality and Human Rights Commission's Public Sector Advice and Guidance](#)
- Equality Act 2010 – Fact Sheet: [Equality Act 2010 - Factsheet](#)
- Equality Act 2010 – Easy Read Version: [Equality Act 2010 - Easy Read Version](#)
- Equality Act 2010 – Explanatory Notes: [Equality Act 2010 - Explanatory Notes](#)
- Equality Legislation – Summary: [Equality Legislation - Summary](#)

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

PRINCIPLE F		Managing risks and performance through robust internal control and strong public financial management				
		<p>Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision-making activities.</p> <p>A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.</p> <p>It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.</p>				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
1	Managing Risk	1.1	Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making.	<ul style="list-style-type: none"> • <i>Risk management protocol</i> • Risk Management Strategic Plan and Strategic Risk Register • Compliance with CIPFA's Financial Management Code. 	4	
		1.2	Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.	<ul style="list-style-type: none"> • <i>Risk management strategy/ policy formally approved, adopted, reviewed and updated on a regular basis</i> • Risk Management Strategic Plan and Strategic Risk Register • Compliance with CIPFA's Financial Management Code. 	4	
		1.3	Ensuring that responsibilities for managing individual risks are clearly allocated.	<ul style="list-style-type: none"> • <i>Risk management protocol</i> • Risk Management Strategic Plan and Strategic Risk Register 	4	
2	Managing Performance	2.1	Monitoring service delivery effectively including planning, specification, execution and independent post-implementation review.	<ul style="list-style-type: none"> • <i>Performance map showing all key activities have performance measures</i> • <i>Benchmarking information</i> • <i>Cost performance (using inputs and outputs)</i> • <i>Calendar of dates for submitting, publishing</i> 	4	

				<p><i>and distributing timely reports that are adhered to</i></p> <ul style="list-style-type: none"> • Contract spreadsheet has a column for the responsible officer to make comment on performance. On larger contracts meetings are held annually with service providers to discuss needs for both parties. • Strategic Plan 2019-2024 • Compliance with CIPFA's Financial Management Code. 		
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE F (Continued)		Managing risks and performance through robust internal control and strong public financial management					
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance		Evaluation Level (1 - 4)	Areas Requiring Improvement
		2.2	Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook.	<ul style="list-style-type: none"> • <i>Discussion between members and officers on the information needs of members to support decision making</i> • <i>Publication of agendas and minutes of meetings</i> • <i>Agreement on the information that will be needed and timescales</i> • Board Meeting Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk • Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. • Appointing professional Consultants to advise on projects/ maintenance requirements to gain independent advice. • Compliance with CIPFA's Financial Management Code. 	4		

		2.3	<p>Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible.</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"> • <i>The role and responsibility for scrutiny has been established and is clear</i> • <i>Agenda and minutes of scrutiny meetings</i> • <i>Evidence of improvements as a result of scrutiny</i> • <i>Terms of reference</i> • <i>Training for members</i> • <i>Membership</i> • External Audit reports are reported to the Board and recommendations are acted upon. • Internal Auditors comply with Public Sector Internal Audit Standards. • Internal Audit reviews are reported to the Board and recommendations are acted upon. • Internal Audit Follow Up reports on progress against recommendations are reported to the Board. • Compliance with CIPFA's Financial Management Code. 	4	
		2.4	<p>Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.</p>	<ul style="list-style-type: none"> • <i>Calendar of dates for submitting, publishing and distributing timely reports that are adhered to</i> • Calendar of reporting deadlines provided by Committee Services at the beginning of each calendar year. • Regular reports Board Meeting Minutes submitted to the Board include Revenue and Capital Monitoring, Engineer's report, Operational Restrictions and Closures. • Strategic Plan 2019-2024 • Compliance with CIPFA's Financial Management Code. 	4	

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

PRINCIPLE F (Continued)		Managing risks and performance through robust internal control and strong public financial management				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		2.5	Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements).	<ul style="list-style-type: none"> • <i>Financial standards, guidance</i> • <i>Financial regulations and standing orders</i> • Standing Orders Scheme of Delegation Tender Procedures Financial Regulations • Revenue and Capital Budgets, Revenue and Capital Monitoring, and Annual Accounts have consistency in how they are presented. • Major Capital projects are reported against budget within Engineer's reports. • Compliance with CIPFA's Financial Management Code. 	4	
3	Robust Internal Control	3.1	Aligning the risk management strategy and policies on internal control with achieving objectives.	<ul style="list-style-type: none"> • <i>Risk management strategy</i> • <i>Audit plan</i> • <i>Audit reports</i> • Risk Management Strategic Plan and Strategic Risk Register • External Auditor's Annual Audit Plan reported to Board and any recommendations are acted upon. • Internal Audit produce an Audit Needs Assessment and Strategic Plan at the start of their three yearly contract and update their Audit Plan annually. • Internal Audit reviews are reported to the Board and recommendations are acted upon. • Internal Audit Follow Up reports on progress against recommendations are reported to the Board. • Compliance with CIPFA's Financial Management Code. 	4	

		3.2	Evaluating and monitoring risk management and internal control on a regular basis.	<ul style="list-style-type: none"> • <i>Risk management strategy/ policy has been formally approved and adopted and is reviewed and updated on a regular basis</i> • Risk Management Strategic Plan and Strategic Risk Register • Bridge Manager meets annually with Risk Manager for Dundee City Council to review Risk Management Register. • Compliance with CIPFA's Financial Management Code. 	4	
		3.3	Ensuring effective counter fraud and anti-corruption arrangements are in place.	<ul style="list-style-type: none"> • <i>Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)</i> • Fraud Guidelines • Anti-Bribery Policy • Whistle blowing Policy • Compliance with CIPFA's Financial Management Code. 	3	Revise Fraud Guidelines.
		3.4	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.	<ul style="list-style-type: none"> • <i>Annual governance statement</i> • <i>Effective internal audit service is resourced and maintained</i> • Annual Governance Statement • Local Code of Corporate Governance • Internal Audit provision is outsourced, via a tender process, to a private sector audit firm. • Compliance with CIPFA's Financial Management Code. 	4	

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

PRINCIPLE F (Continued)		Managing risks and performance through robust internal control and strong public financial management				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		3.5	<p>Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body:</p> <ul style="list-style-type: none"> ○ provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment. ○ that its recommendations are listened to and acted upon. 	<ul style="list-style-type: none"> • <i>Audit committee complies with best practice – see Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013) (Cost £175)</i> • <i>Terms of reference</i> • <i>Membership</i> • <i>Training</i> • TRBJB does not have a separate audit committee or equivalent group due to size and function of the organisation. The Board fulfils this role. 	N/A	
4	Managing Data	4.1	<p>Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data.</p>	<ul style="list-style-type: none"> • <i>Data management framework and procedures</i> • <i>Designated data protection officer</i> • <i>Data protection policies and procedures</i> • Data Protection Policy • Freedom of Information Policy • Data Protection and CCTV Procedures • Service Level Agreement (SLA) with Dundee City Council IT Services to include all up to date safeguards with respect to data security. Individual work drives secured requiring login and all personal data is locked for senior management access only. • Guidance on Information, Records Management and Preservation of Archival Records • Subject Access Request (SAR) Procedures, Data Breach Flow Chart, and Data Breach Procedures have been developed and are 	3	<p>Training on Data Protection to be rolled-out to all staff.</p> <p>Bridge Manager to carry out review with DCC Information Governance Manager in 2023. Last meeting was in 2021.</p>

			<ul style="list-style-type: none"> available on TRBJB website. A CCTV Policy and Privacy Statement and a Privacy Notice for the TRBJB website has also been introduced, along with a Cookies Policy Cookie Policy. A Privacy Statement for the Complaint Handling Procedure is also in place. 		
	4.2	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.	<ul style="list-style-type: none"> <i>Data sharing agreement</i> <i>Data sharing register</i> <i>Data processing agreements</i> Data Protection Policy Freedom of Information Policy Data Protection and CCTV Procedures Guidance on Information, Records Management and Preservation of Archival Records 	3	Training on Data Protection to be rolled-out to all staff.

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

PRINCIPLE F (Continued)		Managing risks and performance through robust internal control and strong public financial management				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		4.3	Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.	<ul style="list-style-type: none"> <i>Data quality procedures and reports</i> <i>Data validation procedures</i> Annual Accounts process subject to External Audit. A programme of Internal Audit reviews covering a wide range of systems and processes. Compliance with CIPFA's Financial Management Code. 	4	
5	Strong Public Financial Management	5.1	Ensuring financial management supports both long-term achievement of outcomes and short-term	<ul style="list-style-type: none"> <i>Financial management supports the delivery of services and transformational change as well as securing good stewardship</i> 	4	

		financial and operational performance.	<ul style="list-style-type: none"> Senior management receive regular financial reports to enable financial management. Regular meetings are held to support the Revenue and Capital Monitoring and reporting process. Tender Procedure Waiver form implemented. This allows DCC procurement to approve / challenge decisions to waive tender procedures to provide a third-party check and balance on TRBJB. Compliance with CIPFA's Financial Management Code. 		
	5.2	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.	<ul style="list-style-type: none"> <i>Budget monitoring reports</i> Regular Revenue and Capital Monitoring Reports are reported to the Board and published on the website Board Meeting Minutes Compliance with CIPFA's Financial Management Code. 	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			3	14	18

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

Further Guidance:

National Fraud Initiative: [National Fraud Initiative](#)
[From Bolt-on to Built-in: Managing Risk as an Integral Part of Managing an Organization](#) (IFAC, 2015)
[Code of Practice on Managing the Risk of Fraud and Corruption](#) (CIPFA, 2014)
[Whole System Approach to Public Financial Management](#) (CIPFA, 2012)
[The Role of the Head of Internal Audit in Public Service Organisations](#) (CIPFA, 2019)
[Following the Public Pound](#) (Audit Scotland, 2004)
[Safeguarding Public Money: Are you getting it right?](#) (Audit Scotland, 2019)
Information Commissioner's Office (ICO): <https://ico.org.uk/>
ICO Guide to Data Protection: <https://ico.org.uk/for-organisations/guide-to-data-protection/>
Scottish Information Commissioner: <http://www.itspublicknowledge.info/home/ScottishInformationCommissioner.aspx>
Records Retention Schedules from Scottish Council on Archives: <https://www.scottisharchives.org.uk/resources/scars/>
Freedom of Information Act: <http://www.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"> Website Board Meeting Minutes and relevant documents Board Documents are published on the Board's website: www.tayroadbridge.co.uk Annual Accounts 2021-2022 Audited Accounts includes the Bridge Manager's report which provides an outline of the Board's activities. Compliance with CIPFA's Financial Management Code. 	4	
		1.2	Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.	<ul style="list-style-type: none"> Annual Report Annual Accounts 2021-2022 Audited Accounts Compliance with CIPFA's Financial Management Code. 	4	
2	Implementing Good Practices in Reporting	2.1	Reporting at least annually on performance, value for money and the stewardship of its resources.	<ul style="list-style-type: none"> Formal annual report which includes key points raised by external scrutineers and service users' feedback on service delivery Annual financial statements Annual Accounts 2021-2022 Audited Accounts Annual Report by Internal Audit. Regular reports Board Meeting Minutes 	4	

			submitted to the Board include Revenue and Capital Monitoring, Engineer's report, Operational Restrictions and Closures.			
		2.2	Ensuring members and senior management own the results.	<ul style="list-style-type: none"> • <i>Appropriate approvals</i> • Reports to the Board are submitted for approval from Board Members Board Meeting Minutes • Compliance with CIPFA's Financial Management Code. 	4	

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

PRINCIPLE G (Continued)		Implementing good practices in transparency, reporting, and audit to deliver effective accountability				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
		2.3	Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement).	<ul style="list-style-type: none"> • <i>Annual governance statement</i> • Annual Governance Statement reported to Board and published on website Board Meeting Minutes • Local Code of Corporate Governance • Compliance with CIPFA's Financial Management Code. 	4	
		2.4	Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate.	<ul style="list-style-type: none"> • <i>Annual governance statement</i> • N/A. 	N/A	

		2.5	Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations.	<ul style="list-style-type: none"> • <i>Format follows best practice</i> • Annual Accounts are published in accordance with statutory regulations. • Compliance with CIPFA's Financial Management Code. 	4	
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Tay Road Bridge Joint Board: SELF ASSESSMENT FOR LOCAL CODE OF CORPORATE GOVERNANCE

PRINCIPLE G (Continued)		Implementing good practices in transparency, reporting, and audit to deliver effective accountability				
Sub-Principle		Behaviours and actions that demonstrate good governance in practice.		Examples of systems, processes, documentation and other evidence demonstrating compliance	Evaluation Level (1 - 4)	Areas Requiring Improvement
3	Assurance and Effective Accountability	3.1	Ensuring that recommendations for corrective action made by external audit are acted upon.	<ul style="list-style-type: none"> • <i>Recommendations have informed positive improvement</i> • External Audit reports are reported to the Board and recommendations are acted upon. • Compliance with CIPFA's Financial Management Code. 	4	
		3.2	Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon.	<ul style="list-style-type: none"> • <i>Compliance with CIPFA's Statement on the Role of the Head of Internal Audit (2019)</i> • <i>Compliance with Public Sector Internal Audit Standards</i> • Internal Auditors comply with Public Sector Internal Audit Standards. • Internal Audit reviews are reported to the Board and recommendations are acted upon. • Internal Audit Follow Up reports on progress against recommendations are reported to the Board. • Compliance with CIPFA's Financial Management Code. 	4	

		3.3	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.	<ul style="list-style-type: none"> • <i>Recommendations have informed positive improvement</i> • External Auditors are appointed. • Compliance with CIPFA's Financial Management Code. 	4	
		3.4	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.	<ul style="list-style-type: none"> • <i>Annual governance statement</i> • N/A. 	N/A	
		3.5	Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met.	<ul style="list-style-type: none"> • <i>Community strategy</i> • N/A. 	N/A	

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

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

Further Guidance:

[The Role of the Head of Internal Audit in Public Service Organisations](#) (CIPFA, 2019)
[Following the Public Pund](#) (Audit Scotland, 2004)

[CIPFA Insights...Devolution webpage including Building Partnerships](#) (CIPFA / Grant Thornton)
[Whole System Approach to Public Financial Management](#) (CIPFA, 2012)
[Good Governance Principles for Partnership Working](#) (Audit Scotland, 2011)
[Arm's-length External Organisations \(ALEOs\): Are you getting it right?](#) (Audit Scotland, 2011)
[Safeguarding Public Money: Are you getting it right?](#) (Audit Scotland, 2019)

ITEM No ...9.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 19 JUNE 2023

REPORT ON: ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31 MARCH 2023

REPORT BY: TREASURER

REPORT NO: TRB 11-2023

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 2023 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 2023.

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.
 - vii. A specific statement on whether the Joint Board's financial management arrangements conform with the principles and standards of the CIPFA *Financial Management Code (2019)*, 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 2023 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**

None.

ROBERT EMMOTT
TREASURER

23 MAY 2023

**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.

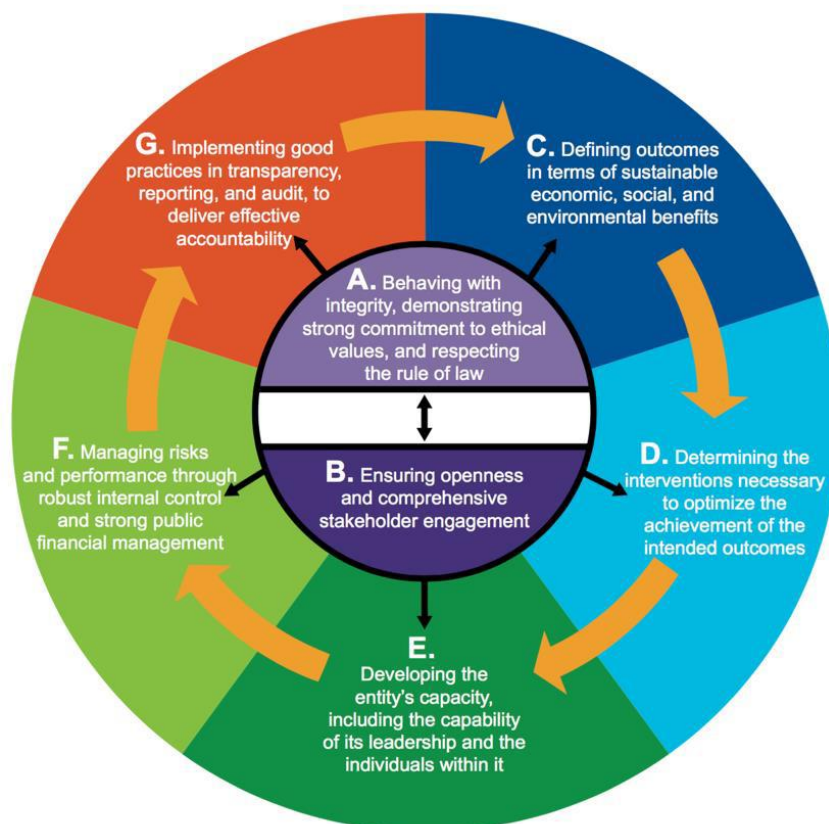
In discharging these responsibilities elected members and senior officers are responsible for implementing effective arrangements for governing the Joint Board's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

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 and Accountancy / Society of Local Authority Chief Executives) framework *Delivering Good Governance in Local Government (2016)*. This statement explains how Tay Road Bridge Joint Board delivers good governance and reviews the effectiveness of these arrangements.

The Joint Board's Governance Framework

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

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



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

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

The overall control arrangements include:

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

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

The new CIPFA's *Financial Management Code (2019)* (FM Code) is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. For the first time the FM Code sets out the standards of financial management for local authorities. Local government finance in the UK is governed by primary legislation, regulation and professional standards as supported by statutory provision. The general financial management of a local authority, however, has not until now been supported by a professional code. The FM Code has been introduced because the exceptional financial circumstances faced by local authorities have revealed concerns about fundamental weaknesses in financial management, particularly in relation to organisations that may be unable to maintain services in the future. The board complies with the principles and standards set out in CIPFA's FM Code (2019).

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 75-point checklist covering eight 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; Partnerships; and Information Governance. This again indicated a high level of compliance.

The Joint Board's Internal Audit provider conforms with Public Sector Internal Audit Standards and reports to the Joint Board. Internal Audit undertakes an annual programme of work, which is reported to the Joint Board. The Internal Auditor provides an independent opinion on the adequacy and effectiveness of the system of internal control. In the opinion of the Joint Board's Internal Auditor, overall the Board operates adequate internal control systems as defined in the Audit Needs Assessment. The audit and assurance work has not identified any significant gaps in the Board's control environment that would increase the risk of financial loss. This opinion was arrived at by taking into consideration the internal audit, risk management and other assurance work that has been undertaken during 2022/2023 and in previous years since the internal auditor's original appointment in 2010.

Impact of Coronavirus Pandemic on Corporate Governance

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

implemented and were updated continuously to reflect changing circumstances. As the impact of the pandemic reduced the board continued to take steps to ensure adherence to Scottish Government advice in relation to Covid-19 restrictions / guidelines and, when safe and practicable to do so, re-introduced normal working practices.

The Annual Governance Statement assesses governance in place during 2022/2023 so the majority of the year was not affected by coronavirus. The conclusion on whether or not governance is fit for purpose should reflect the normal operations. However, coronavirus has impacted on governance since March 2020 and the Annual Governance Statement has to reflect the circumstances at the time of publication and the impact on governance.

The impact on governance affected the Board in 2022/2023, for example changes to decision making arrangements whereby emergency decision-making and governance procedures were implemented for Board business from 23 March 2020 until the resumption of normal Board meetings in September 2020, albeit virtually. Virtual Board meetings have continued throughout 2022/2023.

Continuous Improvement Agenda

The Joint Board's progress against the Continuous Improvement Agenda items for 2022/2023 are detailed in Appendix 1. One item is still in progress and has been carried forward to be actioned in 2023/2024. 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 2023/2024. 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 2023/2024 steps will be taken to address the outstanding items identified in the Continuous Improvement Agenda to further enhance the Joint Board's governance arrangements.

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

Councillor Gary Holt
Chair
Tay Road Bridge Joint Board
11 September 2023

Alan Hutchison
Bridge Manager
Tay Road Bridge Joint Board
11 September 2023

TAY ROAD BRIDGE JOINT BOARD**IMPROVEMENT AGENDA FOR 2022/2023 WITH PROGRESS UPDATES**

ORIGINAL IMPROVEMENT AGENDA						PROGRESS UPDATE	
	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
1	Update Bridge Byelaws.	Local Code of Corporate Governance 2019/2020 (Principle A: Integrity and Ethics) and Internal Audit Report (2019/2) Compliance with Legislation.	Carried forward from 2019/2020.	Clerk / Bridge Manager	31/03/2023	06/04/2023	Byelaws 2022 were approved by Scottish Ministers and came into effect on 6 April 2023. The new byelaws are available on the TRBJB website and were posted at the Dundee access to the bridge on the passenger lift foyer wall in April 2023.
2	Revise Whistle-Blowing Policy.	Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).	Carried forward from 2019/2020.	Bridge Manager	31/12/2022	18/11/2022	New Whistle-blowing policy and employee guidance notes issued to staff on 18 November 2022 and awareness poster installed in Administration Office foyer.
3	Ensure that a formal programme of reporting of data protection issues to the Joint Board.	Internal Audit Report 2020/05 Data Protection.	Carried forward from 2020/2021.	Clerk / Bridge Manager	31/03/2023	19/6/2023	The Board officers have agreed that Data Protection reporting will form part of the Management Commentary in the annual accounts presented to the June Board meeting, commencing 2023.
4	Transport and Works Manager and Administration Officer to attend training course on Recruitment and Interviewing to enable the Board to recruit more effectively at all levels.	Annual Governance Self-Assessment Checklist.	Carried forward from 2020/2021.	Bridge Manager	31/12/2022	16/11/2022	Formal training was not available through DCC but the Bridge Manager has provided guidance and knowledge through one-to-one sessions of best practice and the two employees have joined the Bridge Manager in a recruitment exercise in November 2022. The Bridge Manager is comfortable that this action can now be considered complete.
5	Review the Board's response to the Covid 19 crisis.		Carried forward from 2020/2021.	Bridge Manager	31/12/2022	31/12/2022	Management took immediate action to safeguard employees and bridge users. These actions were taken to maintain resilience and ensured bridge availability and the continued safety of employees

							and bridge users. Business Continuity Planning / Incident Response meetings were held between key personnel and guidance issued to all staff on a regular basis. The actions detailed in the Business Continuity Plan were implemented were updated continuously to reflect changing circumstances. As the impact of the pandemic reduced the board continued to take steps to ensure adherence to Scottish Government advice in relation to Covid-19 restrictions / guidelines and, when safe and practicable to do so, re-introduced normal working practices.
6	Revise Communications Policy.	Local Code of Corporate Governance 2020/2021 (Principle B: Openness).	Carried forward from 2021/2022.	Bridge Manager	31/12/2022	30/06/2022	New Communication Strategy completed and issued to staff.
7	Establish a formal business case process for all major capital projects.	Internal Audit Report 2021/03 Capital Projects.	Carried forward from 2021/2022.	Bridge Manager	31/03/2023	19/06/2023	Additional information on project stages, timelines, progress, spend profile, and implications to Bridge users will be included in Engineering Update Board reports on the current major projects, Carriageway Resurfacing and Expansion Joint Replacement, and Gantry Replacement and for future major projects.
8	Review all Board Human Resource policies to provide comfort that the Board's policies are aligned with DCC and up-to-date with legislation.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	New for 2022/2023. In progress.	Bridge Manager	31/03/2023		The Bridge Manager has reviewed all the latest DCC HR policies/procedures and will share with the trade unions in 2023 before implementing to the TRBJB staff. *
9	Improve communication of Risk Assessments and re-introduce regular Health and Safety meetings.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	New for 2022/2023.	Bridge Manager	31/03/2023	31/10/2022	Health and Safety meetings recommenced. The Bridge Manager continually assesses better ways of communicating Risk Assessments Method Statements (RAMS) to staff.

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

TAY ROAD BRIDGE JOINT BOARD**IMPROVEMENT AGENDA FOR 2023/2024**

	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Details
1	Review all Board Human Resource policies to provide comfort that the Board's policies are aligned with DCC and up-to-date with legislation.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	Carried forward from 2022/2023. In progress.	Bridge Manager	31/12/2023	Carried forward from 2022/2023. In progress.
2	Revise Fraud Guidelines.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics) and Annual Governance Statement self-assessment checklist, section 3: Fraud Prevention and Detection.	New for 2023/2024.	Treasurer	31/03/2024	New for 2023/2024.
3	Induction training for new board members.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics).	New for 2023/2024.	Bridge Manager / Treasurer	31/03/2024	New for 2023/2024.
4	Equality and Diversity and Human Rights training to be rolled-out to all staff.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics).	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.
5	Data Protection training to be rolled-out to all staff.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics and Principle F: Managing Risks and Performance).	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.
6	Improve communication of Risk Assessments Method Statements (RAMS) to staff.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.
7	Meetings with service providers to assess the quality of services provided under Service Level Agreements (SLAs).	Local Code of Corporate Governance 2022/2023 (Principle E: Developing the Entity's Capacity) and Annual Governance Statement self-assessment checklist, section 7: Partnerships.	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.

ITEM No ...10.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 19 JUNE 2023

REPORT ON: UNAUDITED ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

REPORT BY: TREASURER

REPORT NO: TRB 12-2023

1 PURPOSE OF REPORT

To provide some additional commentary on the unaudited Annual Accounts for the year ended 31 March 2023 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 2022/2023 Movement in Reserves Statement shows that there was a break-even position during the year after the required accounting adjustments. This gives a total General Reserve Balance of £1,160,591 as at 31 March 2023.

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 2022/2023 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 2022/2023 Movement in Reserves Statement shows that there was a balanced budget during the year. The main variances were as follows:

	£000
Administration underspend	(52)
Operations underspend	(2)
Plant and Equipment overspend	49
Bridge Maintenance overspend	21
Other Operating Income and Expenditure underspend	(2)
Financing and Investment Income and Expenditure underspend	(7)
Other accounting adjustments underspend	(7)
TOTAL	—

Further details of the other areas of under and overspend together with reasons for these variances are included on page 13 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 2023.

- 4.5 On 6 December 2021, the Joint Board approved a 2022/2023 Capital Expenditure Programme (Report TRB 24-2021) for various works on the bridge and other miscellaneous capital purchases totalling £1,310,000 which would be funded by capital grant from the Scottish Government. The Joint Board received quarterly capital monitoring reports to keep members fully apprised as to the actual spend-to-date and the projected capital expenditure outturn position. The last projected outturn on the capital programme of £1,117,000 was reported to the Joint Board on 6 March 2023, (report TRB 2-2023 refers).

During the financial year 2022/2023, the Joint Board incurred capital expenditure of £971,000, i.e. an underspend of £339,000 against the approved capital budget. The variance against the original budget relates to decreases in net budget adjustments during the year of £241,000 and slippage to 2023/2024 of £184,000, offset by slippage from 2022/2023 of £86,000.

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

5 **POLICY IMPLICATIONS**

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

6 CONSULTATIONS

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

7 BACKGROUND PAPERS

None.

**ROBERT EMMOTT
TREASURER**

23 MAY 2023

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Tay Road Bridge



TAY ROAD BRIDGE JOINT BOARD

**ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

UNAUDITED



JUNE 2023

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**TAY ROAD BRIDGE JOINT BOARD
ANNUAL ACCOUNTS 2022/2023
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TAY ROAD BRIDGE JOINT BOARD MEMBERS AND OFFICIALS

Tay Road Bridge Joint Board ("the Board") comprises 12 elected members who are appointed by the three constituent local authorities to serve on the Board. Dundee City Council nominates 6 members, Angus Council has 1 member and Fife Council nominates the remaining 5 members. Following the Scottish Local Government Elections that were held in May 2022 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 2022/2023, the Members and Officials of the Board were:

Representing Dundee City Council

Councillor Fraser Macpherson (Vice-Chair from 13 June 2022)
Councillor Lynne Short (Chair until 13 June 2022)
Councillor Ken Lynn
Councillor Dorothy McHugh
Councillor Steven Rome
Councillor Wendy Scullin



Representing Angus Council

Councillor Kenny Braes



Representing Fife Council

Councillor Gary Holt (Chair from 13 June 2022)
Councillor Jonny Tepp (Vice-Chair until 13 June 2022)
Councillor Altany Craik
Councillor Louise Kennedy-Dalby
Councillor Alan Knox



Bridge Manager

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

Engineer

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

Clerk

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

Treasurer

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

Contact Details:

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

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

TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

INTRODUCTION

We are pleased to present the Annual Accounts for Tay Road Bridge Joint Board ("the Board") for the year ended 31st March 2023. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/2023 ("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

The Tay Road Bridge Joint Board employ 20 staff members, comprising fifteen operational shift workers and five standard Monday to Friday workers. The Tay Road Bridge team all contribute to our aim of providing a safe and reliable journey for the average 26,000 daily vehicle crossings. Our staff undertake bridge inspections and maintenance, fleet management, electrical maintenance, and administrative duties alongside breakdown recovery and debris removal.

The staffing structure was reorganised on 1 July 2021 to create five operational teams to monitor the bridge 24 hours a day, 365 days a year. Four teams of two, comprising one supervisor and one operative, worked on a 12-hour shift rota pattern, with absences and additional day shift cover provided by a "relief" or "reserve" team of six. In July 2022, the shift staff and the Administration and Resources Officer advised that this team make-up was leading to rota insecurity for relief team members. For example, a staff member phoning in sick at short notice relied on a member of the relief team changing from their allocated shift pattern. It was also noted that during and following some bridge incidents on night shifts, staff members felt that peer-to-peer support was missing due to the two person teams.

The Bridge Manager consulted with staff and Trade Unions to address these concerns and thus made a recommendation to further restructure the existing five teams to comprise one supervisor and two operatives. This proposal was approved by the TRBJB in September 2022. A further operative post was introduced to the organisational structure to fulfil the minimum staffing required to achieve the new team make-up. A new member of staff was appointed as an operative in late December 2022. The new "three-member" teams commenced operationally in January 2023 and no further concerns have been raised by staff since this change was made.

The Covid-19 pandemic impacted the ability of the team to undertake training in 2021/22, but this is now getting back to "normal", and we have managed to deliver the following training to help staff maintain confidence and competence in their individual roles:

- Heavy Goods Vehicle (HGV) Driving
- Traffic Management
- Inspection Gantry Training
- Applied Suicide Intervention Skills Training (ASIST)
- First Aid
- Institute of Health & Safety (IOSH) Working Safely
- Mobile Elevated Working Platforms (MEWP)

Further courses around helping staff manage their own and colleagues' wellbeing will be delivered by Dundee City Council Learning and Development team in 2023.

MANAGEMENT ARRANGEMENTS WITH SCOTTISH GOVERNMENT

During this period, the main point of contact with the Scottish Government continued to be the Roads Directorate of Transport Scotland. Virtual meetings have been held on a regular basis between Board Officers and officers from the Roads Directorate of Transport Scotland to discuss financial matters and future projects.

TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

CONTRACTS

The management of traffic and pedestrian users of the Tay Road Bridge has benefitted from a number of successful projects delivered in 2022/2023, with more projects due for delivery in 2023/2024 that will add resilience to the bridge's infrastructure.

New Winter Maintenance Storage Tank

In September 2022, the Board agreed to the purchase and installation of a new 20,000 litre, double skinned, electric powered de-icing liquid storage tank. This replaced a 30-year-old 10,000 litre single skinned tank that was showing signs of corrosion. The new tank removes the risk of accidental discharge of the potassium acetate solution used to de-ice the carriageway. The larger tank allows the Board to take advantage of bulk purchase savings and makes sure that stocks are sufficient in times of prolonged adverse weather.



New Winter Maintenance De-icing Applicator

In November 2022, the Board purchased a new vehicle mounted de-icing liquid sprayer to replace an aging and generator powered towed bowser that had been used to apply de-icing fluid onto the carriageways for the last 25 years. This has reduced the risk associated with staff towing a trailer and permits a more efficient application of liquid. The Hilltip 500 Spray Striker is electrically operated from within the cab of the vehicle and its inbuilt technology adjusts the application to accommodate the varying speed of the vehicle. This makes sure that the fluid is applied efficiently and provides comfort that the correct amount of de-icing agent has been applied. A GPS plan of where the fluid has been applied is also available through a website app that can be used to check that all areas have been correctly treated.



New Defibrillator

In 2022 a new defibrillator was installed in the Fife car park. This life saving equipment was supplied by Robertson Construction as a community benefit following on from the fire alarm and electrical distribution projects.



New Storage Container

In September 2022, the Board agreed to the purchase and installation of a new 12m steel storage container, bought to replace three similar containers that were more than 30 years old and were no longer watertight. This new watertight and electrical lit container is crucial to the bridge's operations and securely stores an array of maintenance related equipment and products.

TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

New Fire Alarm and Electrical Distribution Board

In May 2022, following TRBJB approval in March 2022, a new wireless fire alarm system was installed in the Administration Office, bridge abutments, and Fife Kiosk. This replaced an aging system and provides the TRBJB with a modern and reliable early warning system to protect staff and assets. A new electrical distribution board was also installed in 2022 and this reduces the risk of electrical system failure to protect business continuity and enhance business resilience.

New Signage on Shared Path and Lift

In March 2023, a collaborative project with Dundee City Council's Communication team, culminated with the installation of new safety messaging on the Tay Road Bridge shared path and within the Lift area. The new signage delivers user friendly clear and bright messages to make it clear to our different user groups that the path and lift is shared and to encourage a "look-out-for-each-other" attitude from everyone who uses the crossing.



Biodiversity Project

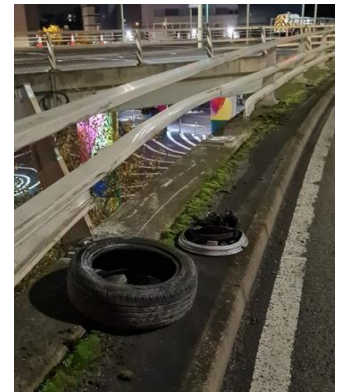
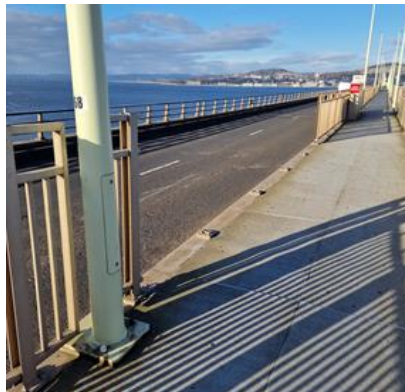
In February and March 2023, work started on a biodiversity project at the Fife landfall area with the tidying up of overgrown banking. This project is being delivered in conjunction with the St. Andrews Botanical Garden and aims to create a diverse habitat for native trees and plants that will be used for education purposes and will hopefully attract school trips and be an area of interest for visitors and locals alike. The trees are due to be planted this spring and summer by local volunteers and community groups organised by the St. Andrews Botanical Garden.



TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

Damage to Shared Path Railings and West Bound Off Ramp Barrier Containment

Unfortunately, in November 2022, two separate vehicle accidents on the bridge resulted in significant damage to the railings of the shared path and the west bound off ramp containment barriers. We are pleased to note that no one was injured but the accidents did result in significant spend to replace the damaged infrastructure, with replacement railings and barriers completed in March 2023. This work is subject to an insurance claim from third parties and claims are ongoing.



Consulting Engineering Services

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

In 2022/2023 WSP Limited continued to work on the following capital projects:

Gantry Replacement:

The Engineer to the Board and the Bridge Manager have continued to work closely with WSP to deliver new inspection gantries. Investigation and design work has developed and has culminated in the production of a detailed Design Specification and Activity Schedule that will be tendered on the open market in 2023. A future Board report will be brought to the Board for advanced approval of any project award. The project is on target to be delivered in Spring 2025.

Carriageway Concrete Repairs, Waterproofing, Resurfacing and Replacement Joints:

In September 2022, Tayside Contracts completed the laying of asphalt trial mixes on Carlunie Road, located in the Dunsinane Industrial Estate in Dundee. This involved placing two different asphalt mixes on a road that has a concrete sub-base and which was also in need of resurfacing. This trial proved successful and allowed us to understand how the two mixes would behave during placing and this helped us to determine the most appropriate asphalt surfacing specification for the resurfacing project. In March 2023, the Board gave the authority for the Board officers to negotiate with and appoint Volker Stevin over a two-year period to deliver the project, based on design specifications and drawings prepared by WSP on the Board's behalf. The resurfacing project is still on target to commence in 2023 and 2024.



TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

TRAFFIC

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

Wind speed > 80mph	Wind speed > 60mph	Wind speed > 45mph	Works Full Closures	Breakdowns and Minor Accidents	Operational, Miscellaneous and Police
Closed to all Vehicles	Cars Only	No Double Deck buses			
1	9	40	2	18	625
Comparator figures for 2021/2022:					
2	9	44	5	22	460
Comparator figures for 2020/2021:					
1	4	33	3	12	434
Comparator figures for 2019/2020:					
2	9	53	1	8	540

The works closures in 2022/2023 related to movement joint and carriageway pothole repairs that required a full closure to facilitate a safe staff and contractor working environment.

STRATEGIC PLAN AND PERFORMANCE SUMMARY

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

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

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

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

The remaining KPI is reported quarterly to the Board:

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

TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

KPIs for the full calendar years 2015 to 2022 are as follows:

Safe Services

Years	Accidents Involving Members of the Public	Years	Reportable Incidents Involving Employees	Minor Accidents Involving Employees	Time Lost – Employees (Hrs)
	(Target = Reduction Year on Year)		(Target = 0)	(Target = 0)	(Target = 0)
2015	6	2015	0	2	0
2016	2	2016	0	2	24
2017	9	2017	0	2	0
2018	9	2018	0	3	16
2019	2	2019	2	1	376
2020	0	2020	0	1	0
2021	0	2021	0	3	0
2022	3	2022	0	3	0

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

The three accidents on the bridge in 2022 involved vehicles and that these were investigated and found to be unrelated to the bridge's infrastructure. I am pleased to confirm that there were no serious injuries resulting from the accidents on the bridge in 2022.

During 2022 there were no lost working hours due to accidents at work. All accidents are investigated and, if appropriate, mitigation measures are put in place to avoid repeat occurrences. During 2019 the time lost by employees due to accidents was 376 hours, with one employee accounting for the majority of this absence. All employees have recovered and are back at work. A separate Health and Safety report is presented to the Board annually.

Effective and Efficient Services: Complaints and Enquiries

Years	Complaints Received & Responses			Enquiries Received & Responses		
	Complaints Received	Complaints Responded To	Complaints Responded to within 10 Working Days	Enquiries Received	Enquiries Responded To	Enquiries Responded to within 10 Working Days
	Target = 10% Reduction Year on Year	Target = 100% of Complaints Responded to	Target = 100% of Complaints Responded to	Target = 10% Reduction Year on Year	Target = 100% of Enquiries Responded to	Target = 100% of Enquiries Responded to
2015	7	7	7	36	36	36
2016	10	10	10	77	77	77
2017	4	4	4	28	28	28
2018	6	6	6	50	50	50
2019	1	1	1	28	28	28
2020	1	1	1	21	21	20
2021	1	1	1	36	36	35
2022	0	0	0	23	23	23

TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

In the four years between the start of January 2015 and the end of December 2019 the board received on average seven complaints from the public per year regarding our services. These generally related to concerns regarding bridge availability during closures, or concerns related to our sharing of information during such closures. Subsequently, we gained Board agreement to refresh our website to improve information sharing and it appears that this has been instrumental in reducing the number of public complaints in 2020 and 2021 to one per year, with no complaints received in 2022.

The board will continue to pursue every opportunity to reflect upon and improve service delivery. All complaints are responded to in a timely manner and within ten working days.

Effective and Efficient Services: Staff Absence

Calendar Years	Staff Sickness (Average Days per Annum)
	Target = <5
2015	17.45
2016	5.76
2017	6.98
2018	7.55
2019	29.5
2020	11.8
2021	14.2
2022	13.75

The board lost an average 13.75 days per employee per year in 2022 due to sickness, including illness related to Covid-19. This is a small decrease from 2021, when we recorded an average employee sickness of 14.2 days. The target sickness of 5 days per employee per year has not been achieved but it is hoped that the health and wellbeing presentations being delivered to staff in 2023 will bring the sickness rate down towards our target.

Effective and Efficient Services: Payment of Invoices

Years	Payment of Invoices within 30 days of Invoice Date
	Target = 100%
2015/16	98.06%
2016/17	98.81%
2017/18	98.86%
2018/19	98.85%
2019/20	99.68%
2020/21	99.28%
2021/22	99.20%
2022/23	97.77%

The board continues to pay invoices timeously and aim to do this within thirty days, with 97.77% of payments made within 30 days of invoice date in 2022/2023. Although this figure is lower than the 99.2% figure achieved in 2021/2022, I am happy to report that 95.26% of payments are actually made within 14 days.

DATA PROTECTION

There have been no known data breaches in the period from 1 April 2022 to 31 March 2023. The Bridge Manager meets annually with the Data Protection Officer at Dundee City Council to review all the Board's data protection documentation. The last review meeting took place on 27 April 2023.

TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

STAFFING ISSUES

Staff Establishment

Staffing levels and the existing establishment stands as follows:-

	2022/2023	2022/2023	2021/2022	2021/2022
	Current	Establishment	Current	Establishment
Administration	3	3	3	3
Operational	17	17	17	17
Total	20	20	20	20



FINANCIAL PERFORMANCE REVIEW

Revenue Expenditure

The Tay Road Bridge Joint Board, at its meeting on 6 December 2021, approved the 2022/2023 Revenue Budget. The final budget was projected to break-even. The projected General Reserve balance as at 31 March 2023 would be £1,160,591.

The Board received quarterly Revenue Monitoring reports during 2022/2023 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 6 December 2021 to the revised budget figures that are included in the Comprehensive Income and Expenditure Statement shown on page 31. The actual outturn for 2022/2023 was a net overspend against budget of £7,000 before the application of accounting adjustments. The detailed variance analysis is set out on page 12. After the required accounting adjustments this gives a total General Reserve balance of £1,160,591 as at 31 March 2023 which is unchanged from the corresponding figure at 31 March 2022.

Future Financial Issues

The grant application letter for 2023/2024 from the Board to Transport Scotland requested a capital grant of £7,109,000 and a revenue grant of £1,918,680. The amounts in the 2023/2024 grant offer letters from Transport Scotland were a capital grant of £6,530,000 and a revenue grant of £1,612,000. The reduced capital grant can be mitigated by reprofiling the capital projects to be undertaken during 2023/2024. The reduced revenue grant will require general reserves to be used to fund the deficit to ensure that a continued safe and reliable service to bridge users is maintained. Given the current inflationary pressures this will result in the Board using £306,680 of General Reserves to fund the budgeted expenditure resulting in a projected General Reserve Balance of £853,911 as at 31st March 2024. The Board continues to liaise with Transport Scotland to explore further actions to alleviate these issues.

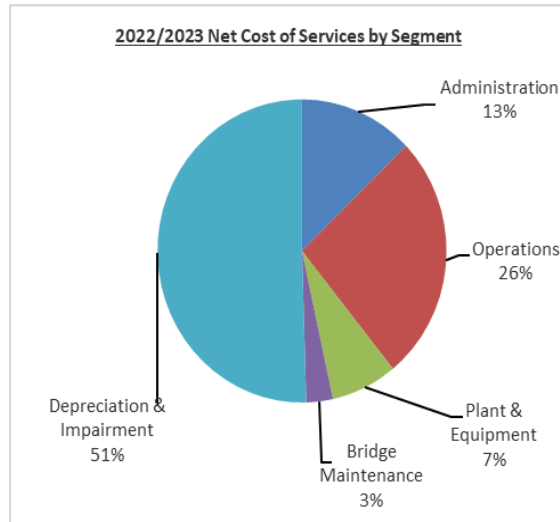
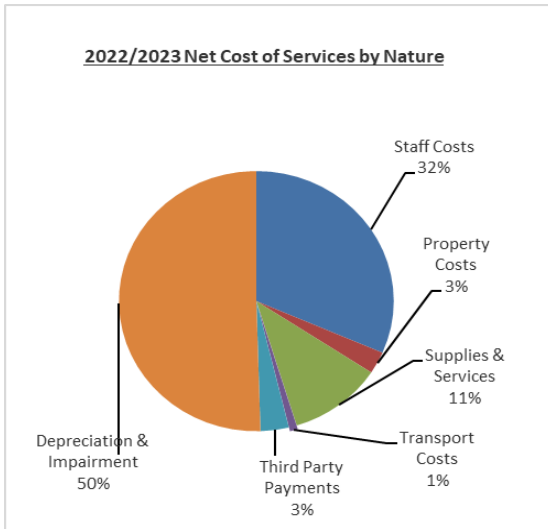
**TAY ROAD BRIDGE JOINT BOARD
MANAGEMENT COMMENTARY**

	Approved Budget £000	Net Depreciation & Impairment Allocation £000	Reallocate Investment Property Inc & Exp £000	Employee Benefits Adjustment £000	Revaluation of PPE Assets £000	Recognised Capital Grant £000	IAS 19 Adjs £000	Revised Budget £000	Actual Expend/ (Income) £000	Over / (Under) Spend £000
Administration	535	-	-	(2)	-	-	22	555	503	(52)
Operations	896	-	-	-	-	-	142	1,038	1,036	(2)
Plant & Equipment Operating Costs	241	-	-	-	-	-	-	241	290	49
Bridge Maintenance	99	-	(3)	-	-	-	-	96	117	21
Corporate Costs	-	2,165	-	-	(182)	-	-	1,983	1,983	-
Net Cost of Services	1,771	2,165	(3)	(2)	(182)	-	164	3,913	3,929	16
Other Operating Income & Expenditure	(11)	-	10	-	-	-	-	(1)	(3)	(2)
Financing & Investment Income & Expenditure	(1)	-	(7)	-	(6)	-	2	(12)	(19)	(7)
Non-Specific Grant Income	(1,759)	-	-	-	-	(971)	-	(2,730)	(2,730)	-
(Surplus) / Deficit on Provision of Service	-	2,165	-	(2)	(188)	(971)	166	1,170	1,177	7
(Surplus) / Deficit on Revaluation of PPE	-	-	-	-	109	-	-	109	109	-
Actuarial (Gains) / Losses on Pension Assets / Liabilities	-	-	-	-	-	-	(1,376)	(1,376)	(1,376)	-
Total Comprehensive Income & Expenditure	-	2,165	-	(2)	(79)	(971)	(1,210)	(97)	(90)	7
IAS 19 Adjustments	-	-	-	-	-	-	1,210	1,210	1,203	(7)
Other IFRS Code Accounting Adjustments	-	(2,165)	-	2	79	971	-	(1,113)	(1,113)	-
Total (Surplus)/ Deficit	-	-	-	-	-	-	-	-	-	-
General Reserve Balance b/fwd	(1,161)	-	-	-	-	-	-	(1,161)	(1,161)	-
General Reserve Balance c/fwd	(1,161)	-	-	-	-	-	-	(1,161)	(1,161)	-

The following two charts show how the total 2022/2023 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: 2022/2023 Net Cost of Services by Nature:

Figure 2: 2022/2023 Net Cost of Services by Segment:



Administration (Underspend £52,000)

This reflects lower than anticipated expenditure in relation to salary costs due to vacancies and restructuring offset by increased energy costs.

Operations (Underspend £2,000)

This reflects lower than anticipated expenditure on salary costs due to restructuring and new working patterns reducing the need for overtime costs as well as lower training costs, offset by additional expenditure on a new operative post and higher pay award than originally anticipated.

Plant & Equipment (Overspend £49,000)

This reflects higher than anticipated expenditure in relation to increased expenditure on maintenance contracts for the gantries, Variable message signs and cathodic protection equipment. There was also increased energy costs and additional hire of the safety boat after the end of the normal contract period to provide cover for the principal inspection the bridge paintwork.

Bridge Maintenance (Overspend £21,000)

This reflects higher than anticipated expenditure due to increased energy costs offset by decreased expenditure on cleaning costs at the toilets at Fife car park following the end of Covid-level cleaning requirements.

Other Operating Income and Expenditure (Underspend £2,000)

This reflects higher than anticipated income due to receiving an insurance receipt for damage to the wind anemometer by a contractor in 2021/2022.

Financing and Investment Income and Expenditure (Underspend £2,000)

This reflects higher than anticipated income from interest on revenue balances and revaluation gains on investment properties offset by increased expenditure on the Fife Kiosk building.

Other Accounting Adjustments (Underspend £7,000)

Reflects underspends on IFRS Code Accounting adjustments and IAS 19 adjustments.

Capital Expenditure and Financing

The Board, at its meeting on 6 December 2021, approved the 2022/2023 Capital Plan of £1,310,000. This would be funded from Capital Grants.

The Board received quarterly Capital Monitoring reports during 2022/2023 in order to keep the members fully apprised as to the projected capital outturn position. Actual gross capital expenditure for the year was £971,000. The following table compares the actual outturn position with budget for capital expenditure and the associated funding. The underspend against the original capital budget was due to budget adjustments and slippage across a range of projects:-

Capital Expenditure:	Budget £000	Actual £000	Variance £000
Carriageway Resurfacing	100	184	84
Cathodic Protection Hardware	200	18	(182)
Advanced Warning Signs	400	193	(207)
Replacement of Expansion Joints	25	15	(10)
New Gantries	100	79	(21)
Fife Landfall Improvements	150	17	(133)
New Distribution Board	100	70	(30)
Winter Maintenance Equipment	75	100	25
Other Projects	160	295	135
	1,310	971	(339)

Capital expenditure was funded as follows:

	£000	£000	£000
Capital Grant from the Scottish Government	1,310	971	(339)
	1,310	971	(339)

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 asset of £1,175,000 as at 31 March 2023. The estimated net pension liability at 31 March 2022 was £27,000. The overall increase was due to an decrease in the value of liabilities arising from changes in financial assumptions.

PRINCIPAL RISKS AND UNCERTAINTIES

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

- Legislative changes e.g. Health and Safety, environmental, procurement. The Board maintains awareness of changes to legislation and amends policies and procedures timeously.
- Effects of changes to the economy impacting grant funding. The Board maintains financial planning, monitoring and control systems.
- Loss of structure / operational capacity through ship impact, etc. The Board has Insurance cover, has provided a pier protection system at navigation spans and maintains security through CCTV and 24 hour site attendance. In addition, Dundee Port Authority has controls and procedures governing navigation of vessels on the river.
- Loss of operational capacity through loss of bridge / buildings. The Board maintains a regular inspection programme and maintenance of assets.

- Losses through poor governance. The Board continues to review and apply recognised good governance policies.
- Failure to deliver projects to time and / or cost. The Board adopts robust project management procedures.
- Lack of financial resources. The Board's submission of applications for grant income includes robust estimates as back up. There is regular monitoring and control of expenditure against agreed budgets. Reserves are reviewed and maintained at prudent levels.
- Lack of staff resources, e.g. from pandemic, industrial action, recruitment issues. The Board maintains and reviews its Business Continuity Plans, consults with staff and trade unions on employment matters, manages staff absences, plans recruitment requirements in advance, and maintains a programme of staff training.

FUTURE DEVELOPMENTS

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

CONCLUSIONS

Sound financial management and effective risk management have enabled the Board to successfully manage its financial and operational performance during 2022/2023. However, significant risks surrounding future uncertainties continue to affect plans for the Board to effectively manage budgetary pressures.

Acknowledgements

During the 2022/2023 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.

Finally, we would conclude our report by thanking all staff who contributed to the preparation of the Board's 2022/2023 Annual Accounts.

Robert Emmott, BSc, CPFA

**Treasurer
Tay Road Bridge
Joint Board
11 September 2023**

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

**Bridge Manager
Tay Road Bridge
Joint Board
11 September 2023**

Councillor Gary Holt

**Chair
Tay Road Bridge
Joint Board
11 September 2023**

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.

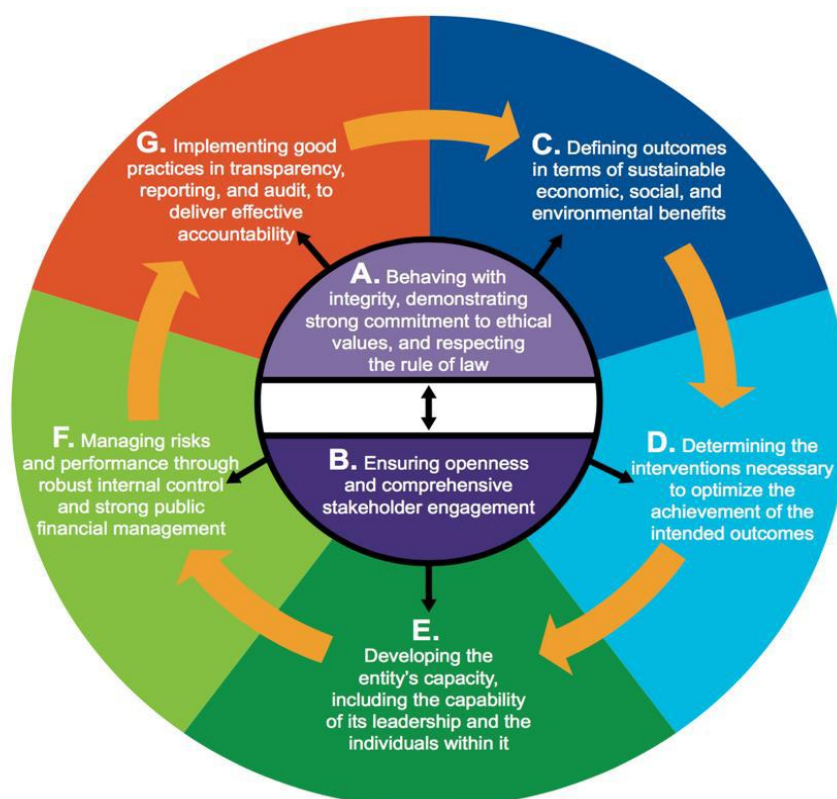
In discharging these responsibilities elected members and senior officers are responsible for implementing effective arrangements for governing the Joint Board's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

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.

TAY ROAD BRIDGE JOINT BOARD ANNUAL GOVERNANCE STATEMENT

The overall control arrangements include:

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

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

The new CIPFA's *Financial Management Code (2019)* (FM Code) is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. For the first time the FM Code sets out the standards of financial management for local authorities. Local government finance in the UK is governed by primary legislation, regulation and professional standards as supported by statutory provision. The general financial management of a local authority, however, has not until now been supported by a professional code. The FM Code has been introduced because the exceptional financial circumstances faced by local authorities have revealed concerns about fundamental weaknesses in financial management, particularly in relation to organisations that may be unable to maintain services in the future. The board complies with the principles and standards set out in CIPFA's FM Code (2019).

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 75-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; Partnerships; and Information Governance. This again indicated a high level of compliance.

The Joint Board's Internal Audit provider conforms with Public Sector Internal Audit Standards and reports to the Joint Board. Internal Audit undertakes an annual programme of work, which is reported to the Joint Board. The Internal Auditor provides an independent opinion on the adequacy and effectiveness of the system of internal control. In the opinion of the Joint Board's Internal Auditor, overall the Board operates adequate internal control systems as defined in the Audit Needs Assessment. The audit and assurance work has not identified any significant gaps in the Board's control environment that would increase the risk of financial loss. This opinion was arrived at by taking into consideration the internal audit, risk management and other assurance work that has been undertaken during 2022/2023 and in previous years since the internal auditors original appointment in 2010.

TAY ROAD BRIDGE JOINT BOARD ANNUAL GOVERNANCE STATEMENT

Impact of Coronavirus Pandemic on Corporate Governance

The UK Government announced a lockdown on 23 March 2020 in response to the Covid 19 pandemic. This had a major impact on the management and operations of the bridge. Management took immediate action to safeguard employees and bridge users. These actions were taken to maintain resilience and ensured bridge availability and the continued safety of employees and bridge users. Business Continuity Planning / Incident Response meetings were held between key personnel and guidance issued to all staff on a regular basis. Their actions detailed in the Business Continuity Plan were implemented and were updated continuously to reflect changing circumstances. As the impact of the pandemic reduced the board continued to take steps to ensure adherence to Scottish Government advice in relation to Covid-19 restrictions / guidelines and when safe and practicable to do so, re-introduced normal working practices.

The Annual Governance Statement assesses governance in place during 2022/2023 so the majority of the year was not affected by coronavirus. The conclusion on whether or not governance is fit for purpose should reflect the normal operations. However, coronavirus has impacted on governance since March 2020 and the Annual Governance Statement has to reflect the circumstances at the time of publication and the impact on governance.

The impact on governance affected the Board in 2022/2023, for example changes to decision making arrangements whereby emergency decision-making and governance procedures were implemented for Board business from 23 March 2020 until the resumption of Board meetings in September 2020, albeit virtually. Virtual Board meetings have continued throughout 2022/2023.

Continuous Improvement Agenda

The Joint Board's progress against the Continuous Improvement Agenda items for 2022/2023 is detailed in Table 1. Several items are still in progress and have been carried forward to be actioned in 2023/2024. 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 2023/2024. 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 2023/2024 steps will be taken to address the outstanding items identified in the Continuous Improvement Agenda to further enhance the Joint Board's governance arrangements.

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

Councillor Gary Holt
Chair
Tay Road Bridge Joint Board
11 September 2023

Alan Hutchison, BEng (Hons), MSc, CEng,
FICE, MCIHT. Bridge Manager
Tay Road Bridge Joint Board
11 September 2023

ANNUAL GOVERNANCE STATEMENT

TABLE 1 - IMPROVEMENT AGENDA FOR 2022/2023

Original Improvement Agenda						Progress Update	
	Improvement	Source	Source Date	Respons-ible Officer	Target Comple-tion Date	Actual Comple-tion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
1	Update Bridge Byelaws.	Local Code of Corporate Governance 2019/2020 (Principle A: Integrity & Ethics) & Internal Audit Report (2019/2) Compliance with Legislation.	Carried forward from 2019/2020. In progress.	Clerk / Bridge Manager	31/03/2023	06/04/2023	Byelaws 2022 were approved by Scottish Ministers and came into effect on 6 April 2023. The new byelaws are available on the TRBJB website and were posted at the Dundee access to the bridge on the passenger lift foyer wall in April 2023.
2	Revise Whistle-Blowing Policy.	Whistle-Blowing Policy (Report 12-2016 at June 2016 Board meeting).	Carried forward from 2019/2020. In progress.	Bridge Manager	31/12/2022	18/11/2022	New Whistle-blowing policy and employee guidance notes issued to staff on 18 November 2022 and awareness poster installed in Administration Office foyer.
3	Ensure that a formal programme of reporting of data protection issues to the Joint Board.	Internal Audit Report 2020/05 Data Protection.	Carried forward from 2020/2021. In progress.	Clerk / Bridge Manager	31/03/2023	19/06/2023	The Board officers have agreed that Data Protection reporting will form part of the Management Commentary in the annual accounts presented to the June Board meeting, commencing 2023.
4	Transport and Works Manager and Administration Officer to attend training course on Recruitment and Interviewing to enable the Board to recruit more effectively at all levels.	Annual Governance Self-Assessment Checklist.	Carried forward from 2020/2021. In progress.	Bridge Manager	31/12/2022	16/11/2022	Formal training was not available through DCC but the Bridge Manager has provided guidance and knowledge through one-to-one sessions of best practice and the two employees have joined the Bridge Manager in a recruitment exercise in November 2022. The Bridge Manager is comfortable that this action can now be considered complete.

5	Review the Board's response to the Covid 19 crisis.		Carried forward from 2020/2021. In progress.	Bridge Manager	31/12/2022	31/12/2022	Management took immediate action to safeguard employees and bridge users. These actions were taken to maintain resilience and ensured bridge availability and the continued safety of employees and bridge users. Business Continuity Planning / Incident Response meetings were held between key personnel and guidance issued to all staff on a regular basis. The actions detailed in the Business Continuity Plan were implemented were updated continuously to reflect changing circumstances. As the impact of the pandemic reduced the board continued to take steps to ensure adherence to Scottish Government advice in relation to Covid-19 restrictions / guidelines and, when safe and practicable to do so, re-introduced normal working practices.
6	Revise Communications Policy.	Local Code of Corporate Governance 2020/2021 (Principle B: Openness).	Carried forward from 2021/2022. In progress.	Bridge Manager	31/12/2022	30/06/2022	New Communication Strategy completed and issued to staff.
7	Establish a formal business case process for all major capital projects.	Internal Audit Report 2021/03 Capital Projects.	Carried forward from 2021/2022. In progress.	Bridge Manager	31/03/2023	19/06/2023	Additional information on project stages, timelines, progress, spend profile, and implications to Bridge users will be included in Engineering Update Board reports on the current major projects, Carriageway Resurfacing and Expansion Joint Replacement, and Gantry Replacement and for future major projects.
8	Review all Board Human Resource policies to provide comfort that the Board's policies are aligned with DCC and up-to-date with legislation.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	New for 2022/2023.	Bridge Manager	31/03/2023		The Bridge Manager has reviewed all the latest DCC HR policies/procedures and will share with the trade unions in 2023 before implementing to the TRBJB staff. *

9	Improve communication of Risk Assessments & re-introduce regular Health and Safety meetings.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	New for 2022/2023.	Bridge Manager	31/03/2023	31/10/2023	Health and Safety meetings recommenced. The Bridge Manager continually assesses better ways of communicating Risk Assessments Method Statements (RAMS) to staff.
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* Carried forward items have been included in Table 2 with new target completion dates.

ANNUAL GOVERNANCE STATEMENT

TABLE 2 - IMPROVEMENT AGENDA FOR 2023/2024

	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Details
1	Review all Board Human Resource policies to provide comfort that the Board's policies are aligned with DCC and up-to-date with legislation.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	Carried forward from 2022/2023. In progress.	Bridge Manager	31/12/2023	Carried forward from 2022/2023. In progress.
2	Revise Fraud Guidelines.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics) and Annual Governance Statement self-assessment checklist, section 3: Fraud Prevention and Detection.	New for 2023/2024.	Treasurer	31/03/2024	New for 2023/2024.
3	Induction training for new board members.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics).	New for 2023/2024.	Bridge Manager / Treasurer	31/03/2024	New for 2023/2024.
4	Equality and Diversity and Human Rights training to be rolled-out to all staff.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics).	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.
5	Data Protection training to be rolled-out to all staff.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics and Principle F: Managing Risks and Performance).	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.

6	Improve communication of Risk Assessments Method Statements (RAMS) to staff.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.
7	Meetings with service providers to assess the quality of services provided under Service Level Agreements (SLAs).	Local Code of Corporate Governance 2022/2023 (Principle E: Developing the Entity's Capacity) and Annual Governance Statement self-assessment checklist, section 7: Partnerships.	New for 2023/2024.	Bridge Manager	31/03/2024	New for 2023/2024.

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, the Remuneration Bands and Exit Packages 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) Amendment Regulations 2021 (SSI No. 2021/18). 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 2022/2023, 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
	2022/2023	2021/2022
£60,000 - £64,999	1	1
Total	1	1

TAY ROAD BRIDGE JOINT BOARD ANNUAL REMUNERATION REPORT

EXIT PACKAGES

There were no exit packages agreed during 2022/2023 (2021/2022: None).

TRADE UNION (Facility Time Publication Requirements) REGULATIONS 2017

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on the 1st April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. The board does not have any union representatives that are given paid time off to carry out union activity (2021/2022: 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 2022/2023 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 2022/2023	Whole Time Pay	Contribution Rate 2021/2022
On earnings up to and including £23,000	5.50%	up to and including £22,300	5.50%
On earnings above £23,001 and up to £28,100	7.25%	above £22,301 and up to £27,300	7.25%
On earnings above £28,101 and up to £38,600	8.50%	above £27,301 and up to £37,400	8.50%
On earnings above £38,601 and up to £51,400	9.50%	above £37,401 and up to £49,900	9.50%
On earnings above £51,401	12%	above £49,901	12%

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

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

Senior Employees

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

Assumptions and Contextual Information

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

**TAY ROAD BRIDGE JOINT BOARD
ANNUAL REMUNERATION REPORT**

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 2022/2023, the scheme member contribution rate for Senior Employees of the Board was 8.0% of pensionable pay (2021/2022: 8.0%). In 2022/2023, the employer contribution rate was 17% of pensionable pay for Senior Employees (2021/2022: 17%).

Councillor Gary Holt
Chair
Tay Road Bridge Joint Board
11 September 2023

Alan Hutchison, BEng (Hons), MSc, CEng,
FICE, MCIHT. Bridge Manager
Tay Road Bridge Joint Board
11 September 2023

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 2022/2023	Total Remuneration 2021/2022
		£	£	£	£
Gary Holt	Chair, Tay Road Bridge Joint Board (from 13 June 2022)	3,756	-	3,756	-
Fraser Macpherson	Vice-Chair, Tay Road Bridge Joint Board (from 13 June 2022)	2,755	-	2,755	-
Lynne Short	Chair, Tay Road Bridge Joint Board (up to 13 June 2022)	486	-	486	4,654
Jonny Tepp	Vice-Chair, Tay Road Bridge Joint Board (up to 13 June 2022)	1,127	-	1,127	3,482
Total		8,124	-	8,124	8,136

TABLE 2 – REMUNERATION OF SENIOR EMPLOYEES

Employee Name	Post Title	Salary, Fees & Allowances	Total Remuneration 2022/2023	Total Remuneration 2021/2022
		£	£	£
Alan Hutchison	Bridge Manager	62,933	62,933	60,084
Total		62,933	62,933	60,084

TABLE 3 – SENIOR EMPLOYEES ACCRUED PENSION BENEFITS

Employee Name	Post Title	Pension as at 31 March 2023	Pension Difference from 31 March 2022	Lump Sum as at 31 March 2023	Lump Sum as at 31 March 2023	Pension Contribution 2022/2023	Pension Contribution 2021/2022
		£000	£000	£000	£000	£000	£000
Alan Hutchison	Bridge Manager	19	1	10	10	11	10
Total		19	1	10	10	11	10

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

The Board's responsibilities

The Board is required to:

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

I confirm that these Annual Accounts were approved for signature by the Joint Board at its meeting on 11 September 2023.

Signed on behalf of Tay Road Bridge Joint Board

Councillor Gary Holt
Chair
Tay Road Bridge Joint Board
11 September 2023

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 2023.

Robert Emmott, BSc, CPFA
Treasurer
Tay Road Bridge Joint Board
19 June 2023

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.

2021/2022			2021/2022		
Net Expenditure Chargeable to General Fund £000	Adjustments between the Funding and Accounting Basis £000	Net Expenditure in the CIES £000	Net Expenditure Chargeable to General Fund £000	Adjustments between the Funding and Accounting Basis £000	Net Expenditure in the CIES £000
Expenditure					
464	22	486	471	32	503
503	107	610	896	140	1,036
223	-	223	290	-	290
402	63	465	117	-	117
-	2,109	2,109	-	1,983	1,983
1,592	2,301	3,893	1,774	2,155	3,929
			Net Cost Of Services		
(1,592)	(537)	(2,129)	(1,774)	(978)	(2,752)
-	1,764	1,764	-	1,177	1,177
			(Surplus) or Deficit		
1,161			1,161		
			Opening General Reserve Balance		
-			-		
			Less / Add Surplus or (Deficit) on General Reserve Balance in year		
1,161			1,161		
			Closing General Reserve Balance at 31 March		

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

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ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS

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

2022/2023

Adjustments from General Reserve to arrive at Comprehensive Income & Expenditure Statement Amounts	Adjustments between Funding & Accounting Basis			
	Adjustments for Capital Purposes	Net Change for the		Total Adjustments
		Pensions Adjustment	Other Differences	
<i>Explanatory Notes:</i>	(1)	(2)	(3)	
	£000	£000	£000	£000
Administration	-	32	-	32
Operations	-	140	-	140
Plant & Equipment Operating Costs	-	-	-	-
Bridge Maintenance	-	-	-	-
Corporate Costs	1,983	-	-	1,983
Net Cost of Services	1,983	172	-	2,155
Other Operating Income & Expenditure from the Expenditure & Funding Analysis	(978)	2	(2)	(978)
Difference between General Reserve Surplus or Deficit and CIES Surplus or Deficit on the Provision of Services	1,005	174	(2)	1,177

2021/2022

Adjustments from General Reserve to arrive at Comprehensive Income & Expenditure Statement Amounts	Adjustments between Funding & Accounting Basis			
	Adjustments for Capital Purposes	Net Change for the		Total Adjustments
		Pensions Adjustment	Other Differences	
<i>Explanatory Notes:</i>	(1)	(2)	(3)	
	£000	£000	£000	£000
Administration	-	22	-	22
Operations	-	107	-	107
Plant & Equipment Operating Costs	-	-	-	-
Bridge Maintenance	-	63	-	63
Corporate Costs	2,109	-	-	2,109
Net Cost of Services	2,109	192	-	2,301
Other Operating Income & Expenditure from the Expenditure & Funding Analysis	(550)	15	(2)	(537)
Difference between General Reserve Surplus or Deficit and CIES Surplus or Deficit on the Provision of Services	1,559	207	(2)	1,764

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

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Explanatory Notes:

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

EXPENDITURE AND INCOME ANALYSED BY NATURE

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

	2021/2022	2022/2023
	Net	Net
Expenditure:	Expenditure /	Expenditure /
	(Income)	(Income)
	£000	£000
Staff Costs	1,177	1,237
Property Costs	78	108
Supplies & Services	370	433
Transport Costs	33	37
Third Party Payments	126	131
Corporate Costs	2,109	1,983
Total Expenditure	3,893	3,929
Income:		
Fees, Charges & Other Service Income	(6)	(3)
Interest & Investment Income	8	(19)
Government Grants & Contributions	(2,131)	(2,730)
Total Income	(2,129)	(2,752)
(Surplus) or Deficit on Provision of Services	1,764	1,177

**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.

2021/2022			2022/2023			
Gross Expenditure £000	Gross Income £000	Net Expenditure/ (Income) £000	Budgeted Net Expenditure (unaudited) £000	Gross Expenditure £000	Gross Income £000	Net Expenditure/ (Income) £000
						Expenditure
486	-	486	555	503	-	503
610	-	610	1,038	1,036	-	1,036
223	-	223	241	290	-	290
465	-	465	96	117	-	117
2,109	-	2,109	1,983	1,983	-	1,983
3,893	-	3,893	3,913	3,929	-	3,929
						Net Cost Of Services
-	(6)	(6)	(1)	-	(3)	(3)
19	(11)	8	(12)	3	(22)	(19)
-	(2,131)	(2,131)	(2,730)	-	(2,730)	(2,730)
3,912	(2,148)	1,764	1,170	3,932	(2,755)	1,177
						Net Deficit on Provision of Services
-	(1)	(1)	109	192	(83)	109
17	(825)	(808)	(1,376)	2,976	(4,352)	(1,376)
17	(826)	(809)	(1,267)	3,168	(4,435)	(1,267)
						Other Comprehensive Income and Expenditure
3,929	(2,974)	955	(97)	7,100	(7,190)	(90)
						Total Comprehensive Income and Expenditure

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

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

	Revenue Reserves			
	General Fund Balance £000	Total Usable Reserves £000	Unusable Reserves £000	Total Board Reserves £000
Balance at 31 March 2021	(1,161)	(1,161)	(64,217)	(65,378)
<u>Movement in Reserves during 2021/2022</u>				
Total Comprehensive Expenditure and Income	1,764	1,764	(809)	955
Adjustments between accounting basis & funding basis under regulations (note 5)	(1,764)	(1,764)	1,764	-
Net (Increase) / Decrease before Transfers to Earmarked Reserves	-	-	955	955
Transfers to / (from) Earmarked Reserves	-	-	-	-
(Increase) / Decrease in 2021/2022	-	-	955	955
Balance at 31 March 2022 carried forward	(1,161)	(1,161)	(63,262)	(64,423)
Total Comprehensive Expenditure and Income	1,177	1,177	(1,267)	(90)
Adjustments between accounting basis & funding basis under regulations (note 5)	(1,177)	(1,177)	1,177	-
Net (Increase) / Decrease before Transfers to Earmarked Reserves	-	-	(90)	(90)
Transfers to / (from) Earmarked Reserves	-	-	-	-
(Increase) / Decrease in Year	-	-	(90)	(90)
Balance at 31 March 2023 carried forward	(1,161)	(1,161)	(63,352)	(64,513)

**TAY ROAD BRIDGE JOINT BOARD
BALANCE SHEET**

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

31 March 2022		Note	31 March 2023
£000			£000
63,295	Property, Plant & Equipment	20	62,174
68	Investment Property	19	75
-	Net Pension Assets	15	1,175
63,363	Total Long Term Assets		63,424
45	Inventories	22	44
319	Short Term Debtors	23	671
815	Cash and Cash Equivalents	13	717
1,179	Total Current Assets		1,432
(92)	Short Term Creditors	24	(343)
(92)	Total Current Liabilities		(343)
(27)	Net Pension Liabilities	15	-
(27)	Total Long Term Liabilities		-
64,423	Net Assets		64,513
1,161	Usable reserves	9	1,161
63,262	Unusable Reserves	10	63,352
64,423	Total Reserves		64,513

Robert Emmott, BSc, CPFA
Treasurer

Tay Road Bridge Joint Board
19 June 2023

**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.

2021/2022		2022/2023
£000		£000
1,764	Net deficit on the provision of services	1,177
(2,283)	Adjust net surplus or deficit on the provision of services for non cash movements	(2,027)
619	Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	680
100	Net cash flows from Operating Activities	(170)
(74)	Investing Activities (note 11)	269
(6)	Financing Activities (note 12)	(1)
20	Net (Increase) in cash and cash equivalents	98
835	Cash and cash equivalents at the beginning of the reporting period	815
815	Cash and cash equivalents at the end of the reporting period (note 13)	717

1 ACCOUNTING POLICIES

A General Principles

The Annual Accounts summarise the Board's transactions for the 2022/2023 financial year and its position at the year-end of 31 March 2023. 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 2022/2023 and the Service Reporting Code of Practice 2022/2023, 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 assets / 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 asset / 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. If a negative balance arises on the Pensions Reserve it thereby measures the beneficial impact on the General Reserve of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

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

G Events After the Reporting Period

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

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

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

H Government Grants and Contributions

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

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

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

I Heritage Assets

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

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

Heritage Assets Not Recognised in the Balance Sheet

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

J Inventories and Long Term Contracts

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

K Investment Properties

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

L Leases

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

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

The Board as Lessor

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

M Property, Plant and Equipment

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

Recognition

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

Measurement

Assets are initially measured at cost, comprising:

- the purchase price; and

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

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

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

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

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

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

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

Impairment

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

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

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

Assets Held for Sale / Disposals

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

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

Depreciation

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

Depreciation is calculated on the following bases:

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

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

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

N Reserves

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

O VAT

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

P FAIR VALUE MEASUREMENT

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

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

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

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

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

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

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

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

The deferral of implementation of IFRS 16 Leases to the 2024/2025 Code of Practice has meant that the 2023/2024 Code has not yet completed its full due process. There are no other relevant accounting standards that have been issued but that are not yet adopted in the 2023/2024 Code of Practice.

3 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

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

The items in the Board's Balance Sheet at 31 March 2023 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Property, Plant and Equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Board will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for property, plant and equipment would increase by £32,479 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 £160,000. However, the assumptions interact in complex ways. During 2022/2023, the Board's actuaries advised that the net pensions assets had decreased by £1,641,000 as a result of an increase in the return on assets less interest and net pension liabilities had decreased by £4,352,000 attributable to updating of the assumptions. the actuaries have incorporated £1,335,000 as an impact of asset ceiling to comply with IFRIC 14.

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

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

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

	<u>Revenue</u> <u>Reserve</u>	<u>Capital</u> <u>Reserve</u>	<u>Capital</u> <u>Reserve</u> <u>Capital</u> <u>Grants</u>	Movement in Unusable Reserves	Total 2022/2023
	General Fund Balance £000	Capital Receipts Reserve £000	Unapplied Account £000	£000	£000
2022/2023					
Adjustments involving the Capital Adjustment Account:					
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>					
Charges for depreciation and impairment of non current assets	(2,165)	-	-	2,165	-
Revaluation Gains on Property, Plant & Equipment	112	-	-	(112)	-
Movements in the fair value of Investment Properties	6	-	-	(6)	-
Capital grants and contributions that have been applied to capital financing	971	-	-	(971)	-
Amounts of non-current assets written-off on disposal or sale as part of the gain/loss on disposal to the CIES	71	-	-	(71)	-
<u>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>					
Capital expenditure charged against the General Reserve	-	-	-	-	-
Adjustments involving the Capital Receipts Reserve:					
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-	-	-	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure	-	-	-	-	-
Adjustments involving the Capital Grants Unapplied Account:					
Reversal of unapplied capital grant and contributions credited to the Comprehensive Income and Expenditure Statement	-	-	-	-	-
Adjustments involving the Pensions Reserve:					
Reversal of items relating to post employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 15)	(326)	-	-	326	-
Employer's pensions contributions and direct payments to pensioners payable in the year	152	-	-	(152)	-
Adjustment involving the Accumulating Compensated Absences Adjustment Account:					
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	2	-	-	(2)	-
Total Adjustments	(1,177)	-	-	1,177	-

	<u>Revenue</u> <u>Reserve</u>	<u>Capital</u> <u>Reserve</u>	<u>Capital</u> <u>Reserve</u>	Movement in	Total
2021/2022	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied Account £000	Unusable Reserves £000	2021/2022 £000
Adjustments involving the Capital Adjustment Account:					
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>					
Charges for depreciation and impairment of non current assets	(2,110)	-	-	2,110	-
Revaluation Gains on Property, Plant & Equipment	1	-	-	(1)	-
Movements in the fair value of Investment Properties	-	-	-	-	-
Capital grants and contributions that have been applied to capital financing	550	-	-	(550)	-
<u>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>					
Capital expenditure charged against the General Reserve	-	-	-	-	-
Adjustments involving the Capital Receipts Reserve:					
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-	-	-	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure	-	-	-	-	-
Adjustments involving the Capital Grants Unapplied Account:					
Reversal of unapplied capital grant and contributions credited to the Comprehensive Income and Expenditure Statement	-	-	-	-	-
Adjustments involving the Pensions Reserve:					
Reversal of items relating to post employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 15)	(348)	-	-	348	-
Employer's pensions contributions and direct payments to pensioners payable in the year	141	-	-	(141)	-
Adjustment involving the Accumulating Compensated Absences Adjustment Account					
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	2	-	-	(2)	-
Total Adjustments	(1,764)	-	-	1,764	-

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

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

2021/2022		2022/2023
<u>£000</u>		<u>£000</u>
(6)	Miscellaneous Income	(3)
-	(Gains) / Losses on the disposal of non current assets	-
<u>(6)</u>	Total	<u>(3)</u>

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

2021/2022		2022/2023
<u>£000</u>		<u>£000</u>
15	Net interest on the defined benefit liability (asset)	2
(1)	Interest receivable and similar income	(12)
0	Changes in the fair value of investment properties	(7)
<u>(6)</u>	Net Income & Expenditure on investment properties	<u>(2)</u>
<u>8</u>	Total	<u>(19)</u>

8 COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT - NON SPECIFIC GRANT INCOME

2021/2022		2022/2023
<u>£000</u>		<u>£000</u>
(1,581)	Non-ring fenced government grants	(1,759)
(550)	Capital grants and contributions	(971)
-	Repayment of Capital grants and contributions	-
<u>(2,131)</u>	Total	<u>(2,730)</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

31 March 2022		31 March 2023
<u>£000</u>		<u>£000</u>
749	Revaluation Reserve	640
62,547	Capital Adjustment Account	61,542
(27)	Pensions Reserve	1,175
<u>(7)</u>	Accumulating Compensated Absences Adjustment Account	<u>(5)</u>
<u>63,262</u>	Total Unusable Reserves	<u>63,352</u>

Revaluation Reserve

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

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

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

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

2021/2022		2022/2023
<u>£000</u>		<u>£000</u>
749	Balance at 1 April	749
-	Upward Revaluation of assets	83
-	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	(192)
-	Accumulated gains on assets sold or scrapped	-
-	Amount written off to the Capital Adjustment Account	-
<u>749</u>	Balance at 31 March	<u>640</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.

2021/2022		2022/2023
<u>£000</u>		<u>£000</u>
64,105	Balance at 1 April	62,547
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(2,109)	• Charges for depreciation and impairment of non current assets	(2,165)
1	• Revaluation losses on Property, Plant & Equipment	182
<u>(2,108)</u>	Net written out amount of the cost of non current assets consumed in the year	<u>(1,983)</u>
	Capital financing applied in the year:	
-	• Use of the Capital Receipts Reserve to finance new capital expenditure	-
550	• Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	971
-	• Capital expenditure charged against the General Reserve	-
<u>550</u>	Total Capital Financing Applied during the year	<u>971</u>
-	Movements in the market value of Investment Properties debited or credited to the CIES	7
<u>62,547</u>	Balance at 31 March	<u>61,542</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>2021/2022</u> <u>£000</u>		<u>2022/2023</u> <u>£000</u>
(628)	Balance at 1 April	(27)
-	Actuarial gains or (losses) on pensions assets and liabilities	-
808	Re-measurements of the net defined benefit liability / (asset)	2,711
(348)	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	(326)
141	Employer's pensions contributions and direct payments to pensioners payable in the year	152
-	Impact of Asset Ceiling	(1,335)
<u>(27)</u>	Balance at 31 March	<u>1,175</u>

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>2021/2022</u> <u>£000</u>		<u>2022/2023</u> <u>£000</u>
(9)	Balance at 1 April	(7)
-	Settlement or cancellation of accrual made at the end of the preceding year	-
<u>2</u>	Amounts accrued at the end of the current year	<u>2</u>
2	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
<u>(7)</u>	Balance at 31 March	<u>(5)</u>

11 CASH FLOW STATEMENT - INVESTING ACTIVITIES

<u>2021/2022</u> <u>£000</u>		<u>2022/2023</u> <u>£000</u>
539	Purchase of property, plant and equipment, investment property and intangible assets	948
-	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	-
<u>(613)</u>	Other receipts from investing activities	<u>(679)</u>
<u>(74)</u>	Net cash flows from investing activities	<u>269</u>

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

12 CASH FLOW STATEMENT - FINANCING ACTIVITIES

2021/2022		2022/2023
£000		£000
<u>(6)</u>	Other receipts from financing activities	<u>(1)</u>
<u>(6)</u>	Net cash flows from financing activities	<u>(1)</u>

13 CASH FLOW STATEMENT - CASH AND CASH EQUIVALENTS

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

31 March 2022		31 March 2023
£000		£000
<u>815</u>	Bank current account	<u>717</u>
<u>815</u>	Total cash and cash equivalents	<u>717</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:

	2021/2022	2022/2023
	£000	£000
Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor for the year	<u>13</u>	<u>14</u>
Total	<u>13</u>	<u>14</u>

TAY ROAD BRIDGE JOINT BOARD NOTES TO THE FINANCIAL STATEMENTS

15 DEFINED BENEFIT PENSION SCHEMES

Participation in pension schemes

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

The Board participates in two post employment schemes:

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

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

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

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

Transactions relating to post employment benefits

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

	Local Government Pension Scheme	
	2021/2022	2022/2023
	£000	£000
Comprehensive Income and Expenditure Statement:		
<i>Cost of Services:</i>		
• current service cost	333	324
• past service cost	-	-
• curtailment	-	-
<i>Financing and Investment Income and Expenditure</i>		
• net interest on the defined liability (asset)	11	(1)
• administration expenses	4	3
Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services	348	326
<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)	(386)	844
• Other actuarial (gains) / losses on assets	-	-
• Actuarial gains and losses arising on changes in demographic assumptions	-	-
• Actuarial gains and losses arising on changes in financial assumptions	(439)	(4,352)
• Other (if applicable)	17	797
• Impact of Asset Ceiling	-	1,335
Total Re-measurements	(808)	(1,376)
Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement	(460)	(1,050)
Movement in Reserves Statement:		
• reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code	(348)	(326)
<i>Actual amount charged against the General Fund Balance for pensions in the year:</i>		
• employers' contributions payable to scheme	141	152

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

Pension assets and liabilities recognised in the Balance Sheet

Local Government Pension Scheme

	2020/2021	2021/2022	2022/2023
	£000	£000	£000
Net pension liabilities as at March:			
Present value of funded obligation	11,216	11,057	7,908
Fair value of scheme assets	(10,944)	(11,369)	(10,679)
Net liability	272	(312)	(2,771)
Present value of unfunded obligation	356	339	261
Impact of Asset Ceiling	-	-	1,335
Net liability arising from defined benefit obligation	628	27	(1,175)

Assets and liabilities in relation to post employment benefits

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

	Funded liabilities: Local Government Pension Scheme	
	2021/2022	2022/2023
	£000	£000
Opening balance at 1 April	11,572	11,396
Current service cost	333	324
Interest cost	223	293
Contributions by scheme participants	47	50
<i>Re-measurement (gains) and losses:</i>		
o change in financial assumptions	(439)	(4,352)
o change in demographic assumptions	-	-
Experience gain on defined benefit obligation	17	797
Benefits paid	(357)	(339)
Past service costs, including curtailments	-	-
Closing balance at 31 March	11,396	8,169

Reconciliation of fair value of the scheme assets:

	Local Government Pension Scheme	
	2021/2022	2022/2023
	£000	£000
Opening balance at 1 April	10,944	11,369
Interest income on assets	212	294
Re-measurement gain: return on assets less interest	386	(844)
Actuarial gains and (losses)	-	-
Administration expenses	(4)	(3)
Employer contributions	141	152
Contributions by scheme participants	47	50
Benefits paid	(357)	(339)
Closing balance at 31 March	11,369	10,679

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 / (loss) on scheme assets in the year was £(550,000) (2021/2022: £598,000).

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

The liabilities show the underlying commitments that the Board has in the long run to pay post employment (retirement) benefits. The total asset of £1.175m 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 2022.

The principal assumptions used by the actuary have been:

	Local Government Pension Scheme	
	2021/2022	2022/2023
Long-term expected rate of return on assets in the scheme:		
Mortality assumptions:		
Longevity at 65 for current pensioners (years):		
Men	18.9	19.0
Women	22.3	22.4
Longevity at 65 for future pensioners (years):		
Men	20.3	20.4
Women	23.9	23.9
Rate of inflation (RPI)	4.35%	3.85%
Rate of inflation (CPI)	3.35%	2.85%
Rate of increase in salaries	4.35%	3.85%
Rate of increase in pensions	3.35%	2.85%
Rate of discounting scheme liabilities	2.60%	4.80%

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

Impact on the defined benefit obligation in the Scheme:

	Local Government Pension Scheme		
	£000 +0.1%	£000 0%	£000 -0.1%
Adjustment to discount rate:			
o Present value of total obligation	8,067	8,169	8,272
o Projected service cost	160	164	168
Adjustment to long term salary increase:			
o Present value of total obligation	8,184	8,169	8,154
o Projected service cost	164	164	164
Adjustment to pension increases and deferred re-valuation:			
o Present value of total obligation	8,259	8,169	8,081
o Projected service cost	168	164	160
Adjustment to mortality age rating assumption:	+ 1 year	None	- 1 year
o Present value of total obligation	8,590	8,169	7,771
o Projected service cost	170	164	158

TAY ROAD BRIDGE JOINT BOARD NOTES TO THE FINANCIAL STATEMENTS

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

	31 March 2022 £000	31 March 2022 %	31 March 2023 £000	31 March 2023 %
Equity investments	8,051	71	7,638	71
Gilts	535	5	213	2
Other Bonds	1,357	12	1,481	14
Property	1,240	11	1,055	10
Cash and alternatives	186	1	292	3
Total	11,369	100	10,679	100

Impact on the Board's cash flows

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

The Board anticipated to pay £135,000 expected contributions to the scheme in 2023/2024.

16 EVENTS AFTER THE BALANCE SHEET DATE

There were no events that occurred between 1 April 2022 and 19 June 2023 that required adjustment to the 2022/2023 financial statements. The latter date is the date on which the unaudited accounts were authorised for issue by the Treasurer.

17 RELATED PARTIES

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

Central Government

Central government has effective control over the general operations of the Board. It is responsible for providing the statutory framework within which the Board operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Board has with other parties. There are £527,000 of grant receipts outstanding at 31 March 2023 (2021/2022: £219,000) (see note 23).

Other Local Authorities

Angus, Dundee City and Fife Councils are considered to be related parties of the Board. Further detail on the nature of the relationship with these local authorities is provided on page 3 of these accounts under 'Members and Officials'. However, there are no agreements between the three local authorities for the sharing of control over the Board, decisions do not require unanimous consent of the three authorities or all twelve members, and veto power does not exist. During 2022/2023, the Board entered into a number of transactions with Dundee City Council and Fife Council, as detailed below:

2021/2022			2022/2023	
Income £000	Expenditure £000		Income £000	Expenditure £000
(1)	-	Dundee City Council:	(12)	-
-	86	Interest Receivable	-	90
-	5	Central Support Services	-	5
-	35	Grounds Maintenance	-	52
-	183	Professional Fees	-	101
-	69	Capital Works	-	52
-	-	Miscellaneous	-	-
(1)	378	Total Dundee City Council	(12)	300

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

		Fife Council:		
-	5	Miscellaneous	-	6
-	<u>5</u>	Total Fife Council	-	<u>6</u>

The following balances existed between the Board and Dundee City Council as at 31 March 2023:

2021/2022			2022/2023	
Asset	Liability		Asset	Liability
£000	£000		£000	£000
		Dundee City Council:		
(1)	-	Interest Receivable	(12)	-
-	-	Professional Fees	-	9
-	1	Miscellaneous	-	243
<u>(1)</u>	<u>1</u>	Total Dundee City Council	<u>(12)</u>	<u>252</u>

18 LEASES

The Board as Lessee

The Board held no assets on finance or operating lease during 2022/2023 and, accordingly, there were no lease rentals paid to lessors during the year (2021/2022: None) or commitments due to lessors in 2022/2023 (2021/2022: 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 2022/2023 the Board received rent of £10,213 from this agreement (2021/2022: £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:

	2021/2022	2022/2023
	£000	£000
Rental income from investment property	10	10
Direct operating expenses arising from investment property	(4)	(8)
Net gain/(loss)	<u>6</u>	<u>2</u>

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.

	2021/2022	2022/2023
	£000	£000
Balance at start of the year	68	68
Net gains / (losses) from changes in fair value	-	7
Balance at end of the year	<u>68</u>	<u>75</u>

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 2022/2023:

	Other Land and Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure Assets £000	Total Property, Plant & Equipment £000
Cost or Valuation				
At 1 April 2022	1,310	2,218	87,001	90,529
Additions	-	566	405	971
Expenditure Not Adding Value	-	(7)	(82)	(89)
Revaluation Increase / (Decrease) recognised in Revaluation Reserve	(110)	-	-	(110)
Revaluation Increases / (Decreases) recognised in the Surplus / Deficit on the Provision of Services	112	-	-	112
At 31 March 2023	1,312	2,777	87,324	91,413
Accumulated Depreciation and Impairment				
At 1 April 2022	71	1,028	26,135	27,234
Depreciation charge	25	148	1,903	2,076
Derecognition - Disposals	(71)	-	-	(71)
At 31 March 2023	25	1,176	28,038	29,239
Net Book Value:				
At 31 March 2023	1,287	1,601	59,286	62,174
At 31 March 2022	1,239	1,190	60,866	63,295

Comparative Movements in 2021/2022:

	Other Land and Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure Assets £000	Total Property, Plant & Equipment £000
Cost or Valuation				
At 1 April 2021	1,309	2,094	86,642	90,045
Additions	-	140	410	550
Expenditure Not Adding Value	-	(16)	(51)	(67)
Revaluation Increases / (Decreases) recognised in the Surplus / Deficit on the Provision of Services	1	-	-	1
At 31 March 2022	1,310	2,218	87,001	90,529
Accumulated Depreciation				
At 1 April 2021	36	855	24,301	25,192
Depreciation charge	35	173	1,834	2,042
At 31 March 2022	71	1,028	26,135	27,234
Net Book Value:				
At 31 March 2022	1,239	1,190	60,866	63,295
At 31 March 2021	1,273	1,239	62,341	64,853

TAY ROAD BRIDGE JOINT BOARD NOTES TO THE FINANCIAL STATEMENTS

Capital Commitments

At 31 March 2023, the Board has entered into a number of contracts for the construction or enhancement of Property, Plant and Equipment in 2023/2024 and future years, budgeted to cost £11.829m (Similar commitments at 31 March 2022 were £0.182m).

The major commitments are for:

- Carriageway Resurfacing: £5.633m in 2023/2024 and £6.196m in 2024/2025.

Revaluations

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

21 CAPITAL EXPENDITURE AND CAPITAL FINANCING

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

	2021/2022 £000	2022/2023 £000
<i>Capital investment:</i>		
Property, Plant and Equipment	550	971
Total Capital Investment	550	971
<i>Sources of finance:</i>		
Government grants and other contributions	550	971
Total Sources of Finance	550	971

22 INVENTORIES

	Maintenance Materials		Total	
	2021/2022 £000	2022/2023 £000	2021/2022 £000	2022/2023 £000
Balance outstanding at start of year	50	45	50	45
Recognised as an expense in the year	(1)	(1)	(1)	(1)
Other adjustments	(4)	-	(4)	-
Balance outstanding at year-end	45	44	45	44

23 SHORT-TERM DEBTORS

	31 March 2022 £000	31 March 2023 £000
Central government bodies	219	527
Local authorities	46	128
Other entities and individuals	53	16
Total	318	671

24 SHORT-TERM CREDITORS

	31 March 2022 £000	31 March 2023 £000
Central government bodies	29	10
Local authorities	8	252
Other entities and individuals	55	81
Total	92	343

**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 2022/2023:

	2021/2022	2022/2023
	£000	£000
Credited to Taxation and Non Specific Grant Income		
Scottish Government Revenue Grant	1,581	1,759
Scottish Government Capital Grant	550	971
Repayment of Scottish Government Capital Grant	-	-
Total	2,131	2,730

The Board has £nil revenue grants, contributions and donations that have yet to be recognised as income due to them having conditions attached to them that requires the monies or property to be returned to the grant provider (2021/2022: £nil).

26 CONTINGENT LIABILITIES

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

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

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

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

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

Goodwin Case

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

TAY ROAD BRIDGE JOINT BOARD NOTES TO THE FINANCIAL STATEMENTS

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

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

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

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

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

**Richard Smith CPFA
Senior Audit Manager
Audit Scotland
4th Floor, 8 Nelson Mandela Place
Glasgow
G2 1BT**

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 19 JUNE 2023

REPORT ON: REDUCED 2023/2024 GRANT INCOME

REPORT BY: TREASURER

REPORT NO: TRB 18-2023

1 PURPOSE OF REPORT

To advise the Board of the reduced grant funding for 2023/2024.

2 RECOMMENDATIONS

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

3 FINANCIAL IMPLICATIONS

The impact of the reduced grant income during 2023/2024 will result in:

- i. The re-profiling of the 2023/2024 Capital Plan.
- ii. The use of general reserves to fund the deficit in the 2023/2024 Revenue Budget.

4 MAIN TEXT

- 4.1 The 2023/2024 grant application letter from the Board to Transport Scotland of 22nd February 2023 requested a capital grant of £7,109,000 and a revenue grant of £1,918,680 and these figures were previously shared with Transport Scotland officers as early as the liaison meeting on 29th August 2022 for inclusion in the Scottish Government's 2023/2024 budget setting process.
- 4.2 The amounts in the grant offer letters from Transport Scotland dated 31st March 2023 of capital grant of £6,530,000 and revenue grant of £1,612,000 were significantly lower than requested.
- 4.3 The reduced capital grant can be mitigated by reprofiling the capital projects to be undertaken during 2023/2024.
- 4.4 The reduced revenue grant will require general reserves to be depleted below a prudent level to ensure that a continued safe and reliable service to bridge users is maintained. Given the current inflationary pressures this will result in the Board using £306,680 of General Reserve to fund the budgeted expenditure resulting in a projected General Reserve Balance of £853,911 as at 31st March 2024.
For some context the 2022/2023 revenue grant was £1,758,960, therefore the 2023/2024 revenue grant offer amounts to a reduction of almost £150,000 or over 8%. General Reserve Balance was £1,160,591 as at 31st March 2023.
- 4.5 The Treasurer has raised his concerns in writing to Transport Scotland, including the reasoning behind the reduced grants, an explanation of how the Board is expected to maintain a safe and reliable service to bridge users with reduced funding, an explanation of whether additional revenue grant funding will be provided in 2023/2024 to ensure general reserves are not depleted, and a commitment to ensure that TRBJB is fully funded in future financial years. The Board is awaiting their response.

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 the Engineer to the Board have been consulted in the preparation of this report and are in agreement with the contents.

7 BACKGROUND PAPERS

None

ROBERT EMMOTT
TREASURER

8 JUNE 2023

REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 19 JUNE 2023

REPORT ON: 2023/2024 INSURANCE PROGRAMME

REPORT BY: TREASURER

REPORT NO: TRB 13-2023

1 PURPOSE OF REPORT

This report provides an overview of the insurance arrangements for the financial year 2023/2024.

2 RECOMMENDATIONS

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

3 FINANCIAL IMPLICATIONS

The financial implications of the 2023/2024 insurance programme are detailed in Appendix A. Covers have been negotiated within the provision contained in the approved 2023/2024 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.

Dundee City Council's Insurance section use Marsh as the broker for the Board due to the specialist nature of the insurance that is required and they have access to broker only markets which the Council could not access directly. Prior to each renewal, Marsh go out to the market each year to obtain the most competitive prices for Tay Road Bridge.

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 is £15.6m for damage to the bridge and £1.8m for damage to the administration office. The increased premium for 2023/2024 is due to an increase in the first loss sum insured declared values by 20% which takes into account current inflationary pressures and general property market insurance guidance at the present time, in regard to increased materials and construction costs. There had been no increase in this declared value for many years. The increase to the first loss limit applies to both the Bridge and the administration building. Additionally, the property insurance market is the most difficult it has been in forty years, coupled with the increased insured values, has resulted in the significant premium increase this year.

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 and Officers:

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

4.4 Fidelity Guarantee:

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

- 4.5 Personal Accident:
This policy covers personal accident and travel exposures. Variable injury benefits cover lump sum payments for death, permanent disablement, and permanent disfigurement. The travel insurance is applicable for any travel undertaken primarily for business purposes and includes cover for medical expenses, personal belongings, business equipment, cash, travel documents, travel disruption, and personal liability.
- 4.6 Hired in Plant:
This policy responds to loss of or damage to small plant hired in by the Joint Board.
- 4.7 Engineering Combined:
The principal cover afforded by this policy relates to inspection of gantries, associated infrastructure and other owned plant in compliance with statutory requirements.
- 4.8 Motor Fleet:
Covers any employee of the Joint Board for vehicles that are the property of the Bridge Board and any that are on hire, loaned or leased to the Joint Board. An excess of £100 is applicable on each claim.
- 4.9 Marine:
Provides cover for damage to Joint Board owned vessels and any liabilities resulting from their use.
- 4.10 Death in Service:
Provides additional life cover to employees over and above that provided by the Local Government Pension Scheme (LGPS). At present this is a contractual benefit for all current employees who were in post at 31 December 2011 but was closed to new employees after 31 December 2011 (see Report TRB26-2011 at Joint Board Meeting on 12 December 2011).

5 **BACKGROUND**

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

6 **POLICY IMPLICATIONS**

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

7 **CONSULTATIONS**

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

ROBERT EMMOTT
TREASURER

23 MAY 2023

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TAY ROAD BRIDGE JOINT BOARD**PREMIUM SUMMARY 2023/2024**

CLASS	<u>2018/19</u> £	<u>2019/20</u> £	<u>2020/21</u> £	<u>2021/22</u> £	<u>2022/23</u> £	<u>2023/24</u> £
Property	40,388	40,388	40,508	40,799	44,227	57,304
Combined Liability	16,800	16,800	24,349	23,775	23,554	21,367
Excess Public Liability	3,490	4,832	5,073	3,920	4,200	4,424
Directors and Officers	1,434	1,434	1,434	2,696	2,990	2,990
Fidelity	952	1,051	1,051	1,419	1,916	2,107
Personal Accident	906	891	906	854	879	750
Hired in Plant	866	875	883	906	840	882
Engineering Combined	11,807	11,726	12,102	11,841	10,315	10,981
Motor Fleet	8,688	8,949	8,369	8,788	8,920	8,921
Marine	1,344	1,344	1,422	1,534	2,124	2,348
Death in Service	2,557	2,022	2,361	2,594	2,623	2,331
TOTAL	<u>89,232</u>	<u>90,312</u>	<u>98,458</u>	<u>99,126</u>	<u>102,588</u>	<u>114,405</u>

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