



Tay Road Bridge

TAY ROAD BRIDGE JOINT BOARD

The Annual Governance Statement

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Date: 19 June 2023	Bridge Manager

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.

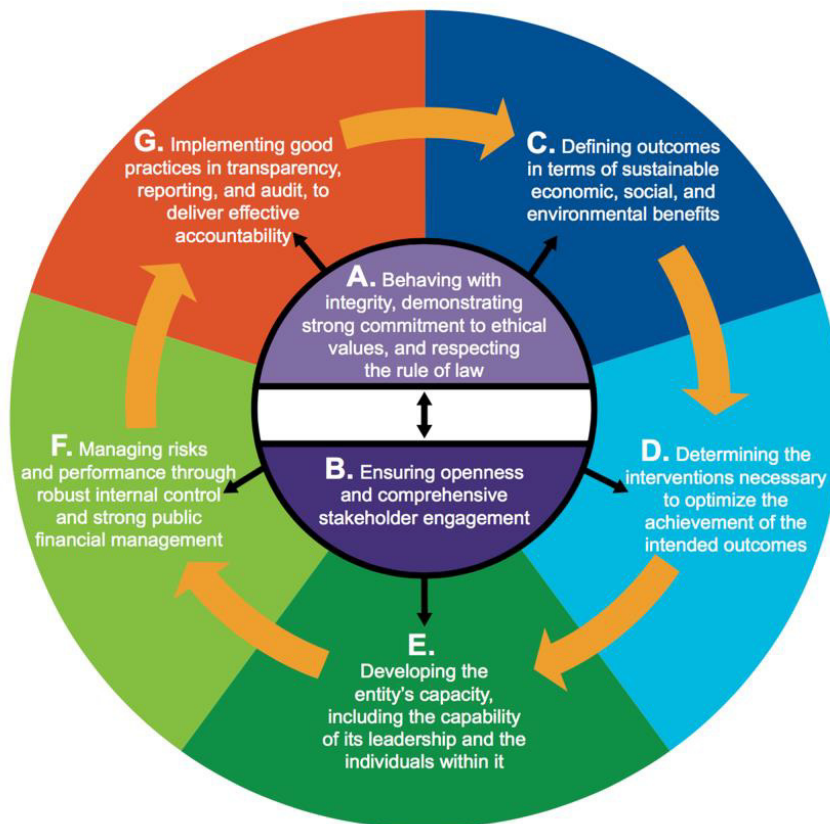
In discharging these responsibilities elected members and senior officers are responsible for implementing effective arrangements for governing the Joint Board's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

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	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

		Control Environment.					Method Statements (RAMS) to staff.
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* 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.