

**TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP****24 APRIL 2007****CORPORATE GOVERNANCE ARRANGEMENTS****REPORT BY SECRETARY****ABSTRACT**

**This report recommends a Scheme of Delegation and Financial Regulations for approval by the Partnership and also addresses other governance issues for the information of members.**

**1. RECOMMENDATIONS**

1.1 It is recommended that the Partnership agrees:-

- (a) to approve the Scheme of Delegation for the Partnership as contained at Appendix 1 to this report;
- (b) to approve the Financial Regulations for the Partnership as contained at Appendix 2 to this report;
- (c) to note the position with regard to membership of the Partnership as set out in Paragraphs 3.3 - 3.5 of this report;
- (d) to note the position with regard to the payment of remuneration to members of the Partnership as set out in Paragraphs 3.6 and 3.7 of this report;
- (e) to approve the position with regards to the payment of expenses to members of the Partnership as set out in Paragraph 3.8 of this report; and
- (f) to defer consideration of the appointment of Advisors/Observers to the Partnership until after the appointment of Councillor members of the Partnership following the Local Government Elections on 3 May 2007.

**2. INTRODUCTION AND BACKGROUND**

- 2.1 At the Partnership meeting on 19 December 2006 it was noted that CDU Limited, in consultation with Partnership officers, was drafting corporate governance documentation for approval by the Partnership including a Scheme of Delegation and Financial Regulations and a policy on members' expenses. At that meeting, it was also agreed to defer consideration of the appointment of Advisors/Observers to the Partnership until after the appointment to the non-Councillor vacancy which existed at that time.
- 2.2 At that meeting it was further agreed that the partial suite of employment policies be deferred for further legal clarification and a separate report on that topic has been submitted to this meeting of the Partnership.

- 2.3 Following the Partnership meeting in December 2006, further meetings were held between Partnership officers and CDU Limited, and this report presents a Scheme of Delegation and Financial Regulations for approval and addresses other corporate governance issues.

### **3. PROPOSALS**

#### **Scheme of Delegation.**

- 3.1 The draft Scheme of Delegation proposes the powers to be delegated by the Partnership to the Chair, to Committees, to the Partnership Director and Proper Officers. Since some arrangements relating to the governance and management of the Partnership have still to be finalised, e.g. scrutiny and challenge; performance management etc, it is likely that the Scheme will require to be amended as these arrangements are finalised. However, the draft Scheme contained at **Appendix 1** to this report is submitted for approval at this time.

#### **Financial Regulations.**

- 3.2 The draft Financial Regulations have been derived from Perth and Council's Financial Regulations. Whilst the Partnership's Regulations require to be robust in terms of good governance, because the Partnership is very much smaller than a local authority and has fewer powers and functions, the documentation can be much more succinct and straightforward than that from which it is derived. The draft Regulations contained at **Appendix 2** to this report are submitted for approval.

#### **Membership of the Partnership**

##### **Councillor Members**

- 3.3 It is already known that a number of the present 10 Councillor members of the Partnership will be retiring at the forthcoming Local Government Elections on 3 May 2007. However, it should be noted that notwithstanding whether a Councillor member retires or is defeated at the Elections, all Councillor members will continue to be members of the Partnership until such time as a constituent Council has appointed replacement members at the first meeting of the Council following the Elections – thus ensuring continuity during the election period.

##### **Non-Councillor Members**

- 3.4 At its meeting on 20 March 2007, the Partnership noted that the Minister for Transport, Tavish Scott MSP, had recently appointed Mr Gavin Roser to the non-Councillor vacancy on the Partnership.
- 3.5 Since that completes the appointment of non-Councillor members of the Partnership, it is perhaps helpful to record in this report the periods of office of the non-Councillor members:-

- Mr Robert Andrew; Professor Malcolm Horner and Mr Bill Wright – appointed from 20 April 2006 until 19 April 2008
- Ms Margaret Duffy – appointed from 11 September 2006 until 10 September 2008
- Mr Gavin Roser – appointed from 13 March 2007 until 12 March 2009

### **Members' Remuneration and Expenses**

- 3.6 The Transport (Scotland) Act 2005 allows for Scottish Ministers to provide for the payment by a Regional Transport Partnership (RTP) of remuneration to its members, or some of them. The Guidance on Membership of Regional Transport Partnerships document produced by the Scottish Executive in December 2005 made it clear that no provision would be made for members to be remunerated at that time, but that the position would be reviewed in the light of the arrangements for Councillors' remuneration. The Guidance also stated that in the meantime arrangements would be put in place to allow office-bearers' responsibilities to be reflected.
- 3.7 The Scottish Executive has published interim guidance on Councillors' remuneration which advises *inter alia* on the position in relation to remuneration of Conveners and Vice Conveners of Joint Boards, such as Police and Fire & Rescue, and also on Senior Councillor representatives on RTPs. As the interim guidance deals with Councillors' remuneration there is no provision with regard to the position of non-Councillor members of RTPs. However it is understood from the Scottish Executive that the position with regard to the remuneration of members of RTPs will be clarified by a review of legislation regarding Joint Boards and it is assumed that this will address the position of both Councillor and non-Councillor members.
- 3.8 It is likely that the review of legislation will not only address the payment of remuneration, but also the payment of expenses. Accordingly it is recommended that until such time as this has been clarified, members' claims for expenses should continue to be submitted to their own Councils in the case of Councillor Members, or to the Secretary to the Partnership in the case of non-Councillor Members.

### **Advisors / Observers**

- 3.9 As was reported to the Partnership on 19 December 2006, expressions of interest in becoming Advisors/Observers to the Partnership have been received, including from individuals with a background in freight and logistics and community/public transport. Fife Council has also requested Observer status. In the interests of ensuring a balance of expertise and representative interests on the Partnership, it was agreed that consideration of the appointment of Advisors/Observers should be deferred pending the appointment of the remaining non-Councillor member. Although this appointment has now been made, it is recommended that the consideration be further deferred until the appointment of Councillor members to the Partnership following the Local Government Elections.

#### **4. CONSULTATION**

4.1 The Director, Treasurer and Legal Adviser have been consulted in the preparation of this report.

#### **5. RESOURCE IMPLICATIONS**

5.1 There are no resource implications arising directly from this report.

#### **6. CONCLUSION**

6.1 This report recommends a Scheme of Delegation and Financial Regulations for approval by the Partnership. The report also addresses other governance issues for the information and agreement of the Partnership.

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**NOTE:** No background papers as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than those containing confidential or exempt information) were relied on to any material extent in preparing the above report.