

## **Legal Officer's Report – Review of Governance Documentation**

### **1 Introduction**

**1.1** The following governance documents are due for review in Spring 2016:

- standing orders (including contract standing orders);
- financial regulations;
- scheme of delegation;
- committee structure;
- Liaison Group Structures
- Anti-Fraud and Corruption policy

**1.2** Financial regulations and Anti-Fraud and Corruption policy will be the subject of separate reports to the September Board, to allow greater scrutiny by the new Partnership Director.

**1.3** This report was presented to the Performance and Audit Committee on 3<sup>rd</sup> June, to give them an opportunity to scrutinise the current governance documents, and discuss any changes which they think appropriate to bring to the next Board meeting. The Committee's specific recommendations regarding the issue of diversity is noted below at 2.6.

### **2 Issues**

**2.1** The standing orders were last modified in June 2012, where the main modification was to incorporate the remit of the Performance and Audit Committee into them following a recommendation by external auditor that we do so. Normally the remit of a Committee would be incorporated into a separate scheme of administration, but as there is currently only one committee of SEStran, it is reasonably appropriate to incorporate it into standing orders.

**2.2** The contract standing orders were separated out into a separate document in 2012, to reflect the increasing complexity of procurement rules. These have been reviewed by legal colleagues with a procurement expertise. This has identified that the Orders should be revised in the light of the provisions of the Public Contracts(Scotland) Regulations 2015 and the Procurement (Scotland) Regulations 2016. Many of these revisions are likely to be of a fairly technical nature, but the legal advisers have recommended the opportunity be taken to consult with the staff conducting procurements as well before finalising these revisions.

**2.3** It is some time since the scheme of delegation was changed. It is relatively simple in its construction and appears to have served its purpose well. There are no changes to legislation which would necessitate a change. However, I will be discussing its terms with the new Partnership Director and any changes deemed necessary by officers will be brought forward for approval to the Partnership Board.

- 2.4** The current committee structure consists of the Performance and Audit Committee, which reports to the Partnership Board, itself a creation of statute. Again, it has not been seen as necessary to change the structure since this committee was created shortly after the Partnership came into existence. However, I will again be discussing the current structure with the new Partnership Director.
- 2.5** The new Partnership Director has also indicated that he intends to review the other 'background' policies such as those relating to HR matters and organisational structure/job evaluation over the summer. This will give the organisation an opportunity to see if such policies require to be brought into line with those of the constituent councils and other regional transport partnerships. Accordingly, Members with any views on such matters are invited to feed back comments to the Partnership Director in the first instance.
- 2.6** The Board is asked to consider as part of a review of governance to consider a number of opportunities to further gender balance and diversity through the Partnership's standing orders, in light of the new Scottish Government's continuing commitment to greater diversity and equality of representation on public boards, and also the recent recommendation of the Independent Review of Planning Panel to review the governance of transport in Scotland at national and regional levels. This issue was raised verbally with the Performance and Audit Committee on 3<sup>rd</sup> June, and led to their recommendation that the issue of gender and other diversity be explored as part of the review
- 2.7** It is suggested that the Partnership Board may wish to utilise the Standing Order 31(5) to convene a working group of officers and/or members to examine the issue of diversity of representation within SEStran. This working group would be tasked with reporting back initially to the Board in September, with options on how the diversity of representation on the board could be enhanced across a number of currently under-represented groups and outline a possible approach to SEStran enhancing its current diversity of representation by 2020, given the nomination of new council members in 2017 and the appointment of non-councillor members in 2018. Members may wish to express an interest in participating in this group at or after the meeting to the Partnership Director.
- 2.8** The Partnership Director has also recognised that the current Equality and Diversity Policy has a requirement for annual reporting of its operation and effectiveness as a policy and the need to submit a report to the Board of SEStran. It is proposed that a report will be provided to the next Board meeting given that an Equalities Outcome report was submitted to the Board as part of the Regional Transport Strategy review in March 2015 but it was March 2013 when a substantive Equalities monitoring and evaluation report was presented in its own right to the Board.

### **3 Conclusions**

- 3.1** The current governance documents have served the Partnership reasonably well. However, that is not to say that they are not capable of improvement, and the advent of the new Partnership Director is a good opportunity for a review to be carried out.

3.2 The documents referred to above can be accessed at the following link:  
<http://www.sestran.gov.uk/publications/22/governance/>

#### 4 **Recommendations**

4.1 It is recommended that the Committee:

4.1.1 Comment, as appropriate, on the current governance documents;

4.1.2 Suggest any changes deemed necessary;

4.1.3 Note the ongoing review work which will be taking place over the next few months; and

4.1.4 Agree that the Partnership Director and Legal Adviser should be tasked with convening a working group to examine the potential options for enhancing the diversity of representation on the SEStran Board by 2020.

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Policy Implications	None
Financial Implications	None
Race Equalities Implications	None
Gender Equalities Implications	None
Disability Equalities Implications	None.
Climate Change Implications	None