

# SESTRAN GOVERNANCE SCHEME

## Document Version Control – Governance Scheme

| Date       | Author             | Version | Status         | Reason for Change   |
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| Aug 2017   | Andrew Ferguson    | 1.0     | Board Approval | Implementation  |
| Oct 2018   | Andrew Ferguson    | 1.1     | FINAL          | Adoption of version control   |
| June 2018  | Gavin King         | 1.2     | FINAL          | Standing Orders: Internal Audit recommendations adopted.  |
| Sept 2019  | Gavin King         | 1.3     | FINAL          | List of Committee Powers: Chair not permitted to substitute for representatives of Performance and Audit Committee. |
| March 2021 | Gavin King         | 1.4     | FINAL          | Changes to Parts 1, 2, 3, 4 and 5. (Refer to each document for specific details)                                    |
| Sept 2022  | Gavin King         | 1.5     | FINAL          | Changes to Part 1   |
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|--|-----------|--|--|-------------------|
|  | Strathern |  |  | specific details) |
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## **Introduction**

The SEStran Governance Scheme collects together the key documents which form the basis for South East Scotland Transport Partnership's (SEStran's) decision making. It is made up of the following documents:

### **Part 1: Standing Orders**

Meetings of the Partnership and its committees should be conducted in line with its standing orders, which are procedural rules covering such issues as who chairs the meeting, how debate is conducted, and how votes are taken.

### **Part 2: List of Committee Powers**

Whilst some SEStran's decisions need to be taken by the Partnership Board, i.e. a meeting of all its Members, others are delegated to specific committees. This document sets out the framework for decision making by the Partnership and its committees.

### **Part 3: List of Officer Powers**

Whilst major issues of policy and strategy are decided by Members at the Board or elsewhere in the committee framework, many day to day decisions are left to officers. This document sets out the type of decisions which officers can take, and what consultation they should carry out before doing so.

### **Part 4: Financial Rules**

This document covers the essential rules by which SEStran deals with its financial affairs, often in line with recommendations from Audit Scotland.

### **Part 5: Contract Standing Orders**

In its day to day operation, the SEStran enters into many contracts for goods, services and supplies with others. This document sets out the rules by which SEStran tenders for such contracts in line with procurement law.

### **Part 6: Corporate Procurement Strategy**

The Corporate Procurement Strategy builds on the framework set out by the Contract Standing Orders and ensures that SEStran procures goods and services in a transparent, equality-focused manner.

### **Part 7: Grant Standing Orders**

The Grant Standing Orders set out the governance processes that can underpin the award of grants by the Partnership. This document will build on the 2005 Act and Financial Rules by defining what is meant by a grant and setting out clearly how grant funds and awards will be approved and by whom.

**Standing Orders of  
The South-East of Scotland Transport  
Partnership**

**As amended September 2022**

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## Part 1: Standing Orders

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| Aug 2017       | Andrew Ferguson    | 1.0     | Board Approval | Implementation  |
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| June 2018      | Gavin King         | 1.2     | FINAL          | Implementation of Internal audit recommendations  |
| Sept 2019      | Gavin King         | 1.2     | FINAL          | Reviewed, no changes  |
| March 2021     | Gavin King         | 1.3     | FINAL          | Update to include submission of documentation electronically and removal of references to pre-2007 period   |
| September 2022 | Gavin King         | 1.4     | FINAL          | Annual Review: Changes to 6.4(1) Appointment of Deputy Chairpersons and 36(1) Changes to deadline for deputations to be submitted.  |
| December 2022  | Gavin King         | 1.4     | FINAL          | No change   |
| June 2025      | Anderson Strathern | 1.5     | FINAL          | Annual Review: The standing orders have been amended to remove the concept of a "solicitor" to one of "Legal Adviser". The definition of "Legal Adviser" has been amended. Changes to 6.1(7) & 6.1 (8) Appointment of Members; 6.5 Secretary of Partnership; 6.6 (1) & (6) Meetings and Quorum; 13 Order of Business; 28 (1) Method of Voting; 38 Responsibility of the Proper Officer; 52 Debt Recovery and 58 Property Register |

### Definitions

1. In these Standing Orders the following words and expressions have the following meanings:

"1973 Act" means the Local Government (Scotland) Act 1973 as amended;

"The 2005 Act" means the Transport (Scotland) Act 2005;

"The 2005 Order" means the Regional Transport Partnerships (Establishment, Constitution and Membership) (Scotland) Order 2005;

"constituent council" means constituent local authority as listed in paragraph 4;

"The Partnership" means the South-East of Scotland Transport Partnership;

"Chairperson" means the Chairperson of the South-East of Scotland Transport Partnership;

"Deputy Chairperson" means any deputy chairperson of the South-East of Scotland Transport Partnership;

"Partnership Director" means the officer appointed as Partnership Director by the Partnership and the "Treasurer", "Secretary", similarly refer to officers as appointed by the Partnership; "appropriate officer", as contained in these Standing Orders refers to any of the appointed officers of the Partnership;

"councillor member" in reference to the Partnership means a member appointed by the constituent councils, that is the City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian Councils.

"non-councillor member" means a member not appointed as a councillor member, that is to say, a member appointed by the Scottish Ministers in the first year of operation of the Partnership, and thereafter by the Partnership with the approval of the Scottish Ministers.

"working day" means any day which is not a Saturday, a Sunday, or a public holiday in any part of the area for which the Partnership is responsible.

"Governance Scheme" means the suite of governance documents for SEStran from time to time in force of which these standing orders form part, including the List of Committee Powers, List of Officer Powers, Financial Rules, Contract Standing Orders, and any other documents which the Partnership deems necessary for the proper governance of the organisation.

"Legal Adviser" means any legal persons appointed by the Partnership Director as per paragraph 6.5(2) of these standing orders.

**2. Applying the Interpretation Act**

The Interpretation Act 1978 applies to these Standing Orders in the same way as it applies to an Act of Parliament.

**3. Commencement**

These Standing Orders will apply from 22<sup>nd</sup> September, 2017. They shall constitute the Standing Orders of the Partnership under paragraph 6(5) of Schedule 2 of the 2005 Order, until otherwise amended or revoked.

**4. The Partnership - Constitution**

The Partnership was established under the 2005 Act and the 2005 Order which came into effect on 1 December 2005. The Order specifies the functions of the Partnership and its powers.

The Partnership is constituted under section 1(1) of the 2005 Act and comprises (Firstly) representatives of the constituent councils, as follows:-

| <b>Council</b>                | <b>Member</b> | <b>Weighting of votes</b> |
|-------------------------------|---------------|---------------------------|
| The City of Edinburgh Council | 5 members     | 2x                        |
| Clackmannanshire Council      | 2 members     | 1x                        |
| East Lothian Council          | 2 members     | 1x                        |
| Falkirk Council               | 2 members     | 2x                        |
| Fife Council                  | 3 members     | 2x                        |
| Midlothian Council            | 2 members     | 1x                        |
| Scottish Borders Council      | 2 members     | 1x                        |
| West Lothian Council          | 2 members     | 2x                        |

and (Secondly), between 7 and 9 other members.

**5. Appointment of Members and Other Membership Arrangements**

The provisions of paragraphs 1 and 2 of Schedule 2 of the 2005 Order are set out below at paragraph 6 and shall be held to be incorporated into these Standing Orders, subject always to:-

- a) such amendments, deletions or additions as may be made to the relevant part of the 2005 Order from time to time
- b) such minor amendments made herein for cross-referencing purposes, and
- c) such additional provisions as are set out in these Standing Orders insofar as the same do not contradict the requirements of the 2005 Order.

**6. Appointment of members and other matters**

**6.1./**



**6.1 Appointment of Members**

- (1) The Partnership shall have the number of councillor members appointed by and from each constituent council of the Partnership specified in Paragraph 4 of these Standing Orders opposite the name of that council (as shown in the second column).
- (2) The Partnership shall have such number of other members as they consider appropriate within the range specified in Paragraph 4, and each such member shall be appointed in accordance with sub paragraph(4) below.
- (3) each such other member shall be appointed by the Partnership, subject to the consent of the Scottish Ministers, in line with the policies from time to time in force, including those related to equality of opportunity.
- (4) The Partnership and the Scottish Ministers may each appoint such number of observers as they consider appropriate to the Partnership.
- (5) Observers may participate in proceedings of the Partnership in the same manner as councillor members and other members but may not hold office in it or participate in its decisions.
- (6) A person shall be disqualified from being appointed as a member or observer of the Partnership if that person is an employee of the Partnership.
- (7) Each constituent council of the Partnership shall:-
  - (a) at the first meeting of that council taking place after each ordinary election appoint as councillor members of the Partnership the number of persons specified in Paragraph 4 in respect of that constituent council; and
  - (b) on a vacancy occurring due to a person appointed by that council ceasing to be a member of the Partnership in the circumstances described in paragraph 6.2(2) to (6) below, appoint another person in that person's place unless the council, having regard to the length of time until the next ordinary election, consider it unnecessary to do so.
- (8) As soon as possible after making the first appointment of councillor members each constituent council of the Partnership shall intimate in writing to the Secretary of the Partnership, the names of those persons appointed.
- (9) Each constituent council may appoint persons as substitute councillor members to attend meetings of the Partnership, or of any of its committees or sub committees, in the absence of any councillor

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members appointed to the Partnership by that council, and where any such substitute councillor members are appointed:-

- (a) only one substitute councillor member may attend in place of a councillor member who is absent; and
  - (b) the substitute councillor member shall have the same powers as the councillor member who is absent.
- (10) Any person appointed as a councillor member, or substitute councillor member, of the Partnership must be a councillor for the area of the constituent council making the appointment.
- (11) A constituent council shall intimate in writing to the Secretary of the Partnership:-
- (a) as soon as possible after appointing any person as a councillor member or substitute councillor member of the Partnership, the name of that person; and
  - (b) as soon as possible after a vacancy has occurred due to a person appointed by that council ceasing to be a councillor member or substitute councillor member of the Partnership in the circumstances described in paragraph 6.2(2) or (4) below, the name of that person.
- (12) The proceedings of the Partnership shall not be invalidated by any vacancy or vacancies among its members or by any defects in the method of appointment of any of its members.

### **Duration and termination of membership**

- 6.2.** (1) Subject to sub paragraphs (2) to (6) below, any person appointed by a constituent council as a councillor member of the Partnership shall hold office until the first meeting of that council held after the next ordinary election following the date of that member's appointment.
- (2) If, prior to the next ordinary election following the date of the member's appointment, a councillor member of the Partnership ceases to be a councillor for the area of the constituent council which appointed the member, the member shall immediately cease to be a member of the Partnership.
- (3) A councillor member of the Partnership may resign their membership at any time by written intimation to that effect to:-
- (a) the Secretary of the Partnership; and
  - (b) the constituent council which appointed the councillor member.

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- (4) A constituent council may at any time terminate the membership of any person appointed by them as a councillor member of the Partnership if, immediately prior to this, the constituent council provides an explanation for the termination by written intimation to the Secretary of the Partnership, the Chairperson of the Partnership and that councillor member.
- (5) The Chairperson of the Partnership, following a vote to that effect by the Partnership, may write to a constituent council and request that the council terminates the membership of a councillor member.
- (6) Where the Chairperson of the Partnership writes to a constituent council in terms of sub paragraph (5) above, such a request shall not be refused unreasonably by the constituent council.
- (7) Subject to sub paragraphs (8) to (9) below, other members and observers appointed by the Partnership, or the Scottish Ministers as the case may be, shall hold office for a period of 4 years following the date of their appointment unless otherwise specified at the time of their appointment, or subsequently agreed by the Partnership. There is no limit to the number of times other members can be appointed, or the number of years they can serve. However, a balance between continuity and refreshment should be struck.
- (8) Other members of the Partnership and observers may resign their membership at any time by written intimation to that effect to the Secretary of the Partnership.
- (9) The Partnership may remove other members from office or observers if it is satisfied that:-
  - (a) the other member's or observer's estate has been sequestrated or the other member or observer has been adjudged bankrupt, has made an arrangement with creditors or has granted a trust deed for creditors or a composition contract; or
  - (b) the other member or observer:-
    - (i) is incapacitated by physical or mental illness;
    - (ii) has been absent from meetings of the Partnership for a period exceeding whichever is the longer of (a) three consecutive months or (b) two consecutive meetings of the full Partnership, such period starting from the date of any meeting, without the permission of the Partnership; or
    - (iii) is otherwise unable or unfit to discharge the member's functions as a member or is unsuitable to continue as another member or observer.

**Voting arrangements of Partnerships**

- 6.3.** (1) Where any decision of the Partnership is to be determined by a vote, each councillor member of the Partnership has a single vote and may vote on all matters.
- (2) Non-councillor members may vote on all matters with the exception of
- (a) questions arising under s.3(2)(a) of the 2005 Act, or on whether or not to make a request for the making of an order under s.10(1) of that Act, or any other matter excluded by law ;
- (b) those matters which would require expenditure outwith the Partnership's existing, approved budget;
- declaring that, in interpreting such exclusions, they will be so interpreted so as to give non-councillor members as full participation in decision-making as practicable.
- (3) Subject to sub paragraphs (4) and (5) below, where any decision of the Partnership is to be determined by a vote, it shall be determined by a simple majority of the votes cast.
- (4) Each councillor member of each constituent council within the Partnership shall have their vote weighted by making it count as one, two, three or four votes as specified in the third column of Paragraph 4.
- (5) The Partnership may determine by a two-thirds majority of the votes cast, subject to sub paragraph (4) above, to amend these Standing Orders to require that certain specified decisions be determined by a two thirds majority of the votes cast.

**Chairpersons and Deputy Chairpersons**

- 6.4.** (1) The Partnership shall appoint from its membership a Chairperson and such number of Deputy Chairpersons as they consider appropriate.
- (2) Subject to sub paragraph (3) below, the Chairperson and Deputy Chairpersons of the Partnership shall each hold office for a period to be determined by the Partnership not exceeding two full council terms.
- (3) If, prior to the end of their period of appointment, a Chairperson or Deputy Chairperson of the Partnership ceases to be a member of the Partnership, they shall immediately cease to hold office.
- (4) The Chairperson, or in the Chairperson's absence a Deputy Chairperson, shall preside at all meetings of the Partnership, but where both the Chairperson and all Deputy Chairpersons are absent from any meeting the members present shall appoint a Chairperson for that meeting.

- (5) In the event of an equality of votes at a meeting, the Chairperson of that meeting shall, subject to sub paragraph (6) below, have a casting vote as well as a deliberative vote.
- (6) Where there is an equality of votes at a meeting and the matter which is the subject of the vote relates to the appointment of a member of the Partnership to any particular office, committee or sub committee of the Partnership, the decision shall be by lot. Reference is also made to paragraph 28 on method of voting.
- (7) In the event of the Chair of the Performance & Audit Committee not being present, the Committee will appoint a temporary chair until the Chair returns or a new Chair is appointed.

### **Secretary of Partnership**

- 6.5.**
- (1) The Partnership shall appoint a Secretary, and a Treasurer, any of whom may also be an officer of one of the constituent councils.
  - (2) The Partnership Director shall ensure that the Partnership has appropriate legal advice as may be required to support the partnership in delivering its functions. In this regard the legal support can be through appointing external legal support or through the appointment of a legal adviser or solicitor.

### **Meetings and quorum**

- 6.6.**
- (1) The Partnership shall hold such meetings as it shall consider necessary for it to carry out its functions at such place or places as it may from time to time fix. Reference is made to paragraphs 7 to 41 for further provisions relating to meetings.
  - (2) The secretary of the Partnership shall send copies of the minutes of all its meetings to each of the constituent councils for their information. Reference is made to paragraphs 21 and 22 for further provisions relating to minutes of meetings.
  - (3) At a meeting of the Partnership one third of all members of the Partnership is a quorum.
  - (4) If, at any time during a meeting, a question arises on whether there is a quorum, the Chairperson shall instruct a count of the members who are present. If a quorum of members is not present, then the meeting shall be adjourned to a time and date decided by the Chairperson.
  - (5) If less than a quorum of members is entitled to vote on an item because of declarations of interest, then that item cannot be dealt with at that meeting.

- (6) For the avoidance of doubt, meetings may be held “in person” or remotely by way of appropriate digital media or on a hybrid basis (a combination of in-person and remotely).
- (7) In all matters connected with Board or committee meetings, every effort shall be made to ensure that all members can fully participate in the meeting, and that all issues relating to equality are addressed and reasonable adjustments made to existing procedures where possible.

### **Committees and Sub committees**

- 6.7.** (1) The Partnership may appoint from its membership such committees or sub committees as it may from time to time consider necessary or desirable and may refer to any such committee or sub committee such matters as the Partnership may from time to time specify.
- (2) The Partnership may delegate any of its functions to any committee established by the Partnership. Further reference is made to the provisions on delegation set out at paragraphs 31 and 32.

## **Meetings**

### **Arrangement of Meetings**

7. All meetings of the Partnership and its committees will be called and arranged in accordance with the 1973 Act, as amended by the 2005 Act and the 2005 Order.

### **Special Meetings**

8. A special meeting of the Partnership may be called at any time by: -
- the Chairperson requesting the Secretary to do so, or
  - a written requisition, signed by at least one quarter of the members, and specifying the business to be transacted at the meeting. In such case, the meeting is to be held within 14 days of receipt of the requisition by the Secretary.

### **Notice of Meetings**

9. (1) At least 7 clear working days before a meeting of the Partnership, or, if in the opinion of the Secretary, a meeting needs to be called at shorter notice in circumstances of extreme urgency, then at the time it is called, the following must occur: -
- the Secretary must publish the time and place of the intended meeting at the offices of the Partnership, the Partnership

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website and the headquarters of the constituent councils. If the meeting is called by members, then the notice must be signed by those members and must set out the business they want to deal with there;

- a summons to attend the meeting must be sent to every member at his usual address. The summons must set out the business that is to be dealt with, and the Secretary must sign it.
- (2) Any summons issued under paragraph (1) must give a note of the business and the proposed order for dealing with business at the meeting. No other business may be dealt with unless it is brought before the Board as a matter of urgency. However, if members requisition a meeting, only the business listed in the requisition may be considered.
  - (3) If 3 clear working days' notice has not been given for any item, the item may be considered at the meeting if the Chairperson rules that there are special reasons why it is a matter of urgency. The Chairperson must give those reasons. The item must be made known at the start of the meeting when the order of business is decided. If the Chairperson rules that the matter is not urgent, then it will be included as an item for the next ordinary meeting of the Partnership, unless it is dealt with before then.
  - (4) If a summons is not served on any member the meeting will still be valid.
  - (5) Publication and service of notices in relation to meetings, may be by written or electronic means except to the extent that any member has specified in writing to the contrary to the Secretary.

### Chair

10. (1) The Chairperson will chair a meeting of the Partnership when they are present.
- (2) If the Chairperson is absent, the Deputy Chairperson will take the chair. If the Chairperson and Deputy Chairperson are both absent, then another member (chosen by the members present) will chair the meeting. Any person presiding over a meeting will have the same powers and duties as Chairperson of the Partnership in relation to any meeting and its business.
- (3) The Chairperson (or other person presiding at the meeting) will have a casting vote, as defined in Standing Order 6.4(5).

## **Attendance**

11. The Secretary will record the names of the members present at each meeting.

## **Access for the Public and Press**

12. (1) Except where this Standing Order says otherwise, every meeting of the Partnership and its committees shall be open to the public and the press.
- (2) The Partnership may keep any members of the public out of a meeting, or cause them to leave, if they are hindering or are likely to hinder the work of the Partnership. If a member of the public interrupts any meeting, the Chairperson may warn that person and, if the person continues with the interruption, the Chairperson may order the person to be removed from the meeting room. If there is general disturbance in any part of the meeting room, the Chairperson may order that part to be cleared.
- (3) For the avoidance of doubt, sections 50A to 50F inclusive of the 1973 Act shall be imported into these Standing Orders as applying with the necessary changes to the Partnership.
- (4) The public will be kept out of a meeting when an item of business is being considered if it is likely that they will hear confidential information. Nothing in this Standing Order authorises or requires confidential information to be disclosed in breach of the obligation of confidence as defined in the 1973 Act.
- (5) The Partnership may decide to keep the public out of a meeting when an item of business is to be considered if it is likely that they will hear information that is defined as 'exempt' in the 1973 Act.
- (6) This Standing Order does not require the Partnership to allow the taking of photographs or access for radio or television broadcasting. Such access is at the discretion of the Chairperson or the person presiding at the meeting of the Partnership or any of its Committees.

## **Order of Business**

13. The business of the Partnership at ordinary meetings will normally take place in the following order:-

the Chairperson or in their absence one of the Deputy Chairpersons or in absence of the Chair a member appointed in accordance with paragraph 6.4 (4) shall take the chair.



- (2) Declaration of Interests by members.
- (3) Order of business.
- (4) Deputations.
- (5) Questions.
- (6) Minutes of previous meetings.
- (7) Motions of which notice has been given.
- (8) Election business, including any matters of appointments.
- (9) Special business (relating to annual estimates or budgets).
- (10) Ordinary business.
- (11) Motions given in at the start of the meeting, if the Chairperson rules they are matters of urgency, to be dealt with at that meeting.

Any item on the agenda may be taken out of its order if:-

- the Chairperson decides this; or
- a member suggests it and those at the meeting agree.

### Chairperson - Powers and Duties

14. On all points of order the Chairperson's decision is final. If asked, the Chairperson must explain the reasons for decisions. When the Chairperson speaks, any member who is addressing the meeting must stop. The Chairperson must keep order and make sure that members have a fair hearing. The Chairperson will decide all matters of order, competence and relevance arising at meetings. If two or more members want to speak, the Chairperson will decide who is to be first. If there is disorder at any meeting the Chairperson may adjourn the meeting to any other time or day that they may fix at the time or afterwards. In these circumstances, by simply leaving, the Chairperson will adjourn the meeting. The Chairperson may make a statement at the start of the meeting on any matter that affects the Partnership's interests.

### Adjourning Meetings

15. (1) The Partnership may adjourn any meeting to any other time or day that the Chairperson may fix at the time or afterwards.
- (2) The Partnership may adjourn any meeting for a reasonable interval. This adjournment will be made if:-
  - the Chairperson says so; or
  - a member proposes it, another seconds it, and the members vote in favour of it. There will be no amendments or discussion.

### Order of Debate

16. A member who wants to speak will, when called on, address the chair. The member shall speak directly on the motion or amendment that is being

proposed, seconded or discussed, or on a question of order. No member can speak more than once on any subject that is being discussed, except for a point of order or (with the permission of the Chairperson) to give an explanation. However, the person proposing a motion has a right of reply. A member who is speaking when a question of order is raised will stop speaking until the Chairperson has dealt with the question of order.

### Motion “That the Question Be Now Put”

17. Any member who has not spoken on the question before the meeting may propose “that the question be now put”. If this is seconded and the Chairperson thinks the question has been discussed enough, the Chairperson will order a vote on the motion (without amendment or discussion) by a show of hands. If the motion is carried, the proposer of the original motion will have a right to reply, and the question itself will then be put to the meeting. If the motion “that the question be now put” is not carried, a similar motion may be made after every two further members have spoken.

### Length of Speeches

18. Except with the Chairperson’s permission, the proposer and the seconder of a motion or an amendment must not speak for more than five minutes and all other speakers for not more than three minutes. The proposer of the original motion may speak for up to five minutes in reply, and the reply must not introduce any new matter into the debate. After that the discussion will finish and the question will then be put by the Chairperson.

### Obstructive or Offensive Conduct

19. If any member at any meeting disregards the Partnership or the Chairperson, or behaves obstructively or offensively, a motion may then be proposed and seconded to suspend the member for the rest of the meeting. The motion will be put without discussion. If it is carried, the Chairperson will order the member to leave the meeting.

### Revoking a Resolution

20. A decision of the Partnership cannot be changed within 6 months unless: -
  - the Chairperson rules that there has been a material change of circumstances; and
  - notice has been given of the proposed change.

### Minutes of Meetings

21. The Secretary (or a person nominated by him or her in writing to do so in his or her absence) will take the minutes of all Partnership meetings. The minutes will be, circulated among members at least seven working days before the

next ordinary meeting of the Partnership. There they will be presented and corrected if necessary. If the minutes are held to be a true record of the proceedings of the meeting they relate to, the person chairing the next meeting will sign them as a correct record.

### Validating the Proceedings

22. The proceedings at a meeting may be challenged on the ground that the meeting was not called properly. Confirming the minutes of the meeting at the next meeting will validate proceedings.

### Questions in Writing

23. (1) At any meeting of the Partnership, a member may put a question to the Chairperson about any relevant and competent business not already on the summons for the meeting. However, the question must have been given in writing to the Secretary by 12 noon on the seventh working day before the meeting.
- (2) A member may put a question to the Chairperson at a meeting of the Partnership about any matter that is on the summons for that meeting. They must give the question in writing to the Secretary by 10 am on the third working day before the meeting. The Chairperson will decide whether it will be answered verbally or in writing at the meeting.
- (3) Arising from each verbal or written answer, the member who put the written question may put one supplementary question. These will be answered verbally by the Chairperson.
- (4) The Chairperson may decide to disallow any supplementary question if:-
- the Chairperson rules the supplementary question is not relevant to the subject of any written questions answered at the meeting; or
  - the Chairperson gives another reason.
- (5) No discussion will be allowed on any verbal, written or supplementary questions or their answers.

### Motions must be in Writing and Signed

24. Every motion and amendment except where the context otherwise requires must be put into writing. It must be signed by the person proposing it and submitted electronically or handed to the Secretary.

### Motions Intended for Consideration at the End of a Meeting

- 25.** If there is a motion that does not relate to the business of the meeting, and the meeting has not been given adequate notice of the motion, it may be considered at the end of the meeting. However, this can only happen if the Chairperson rules there are special reasons why it is a matter of urgency. The Chairperson must give these reasons. Before the start of the meeting, the motion must be given to the Secretary who will read it to the meeting when the order of business is decided. If the Chairperson rules the matter is not urgent, it will be included as an item of business for the next ordinary meeting of the Partnership (unless it is dealt with before then).

### **Motions Intended for Consideration at the Next Meeting**

- 26.** (1) Notice of motions intended for consideration at a meeting of the Partnership must be given in writing. The notice must be signed by the member or members giving notice and submitted electronically or delivered to the Secretary by 12 noon on the tenth working day before the next ordinary meeting of the Partnership. (This does not apply if it is a matter of urgency dealt with under Standing Order 25). All such motions will be included in the summons for the next meeting in the order in which they are received.
- (2) If the Chairperson rules that more than one such motion deals with the same subject, only the motion that was proposed first will be considered.

### **Motions – Procedures**

- 27.** (1) All motions and amendments will be proposed and seconded and then given in writing to the Secretary as soon as they are moved. This does not apply to motions simply seeking to approve or disapprove of any matter, purely negative amendments, amendments proposing further consideration and reports, and motions and amendments that are fully set out in a minute of a meeting.
- (2) Every amendment must be relevant to the motion in question.
- (3) The proposer with the permission of the seconder may withdraw a motion or amendment.
- (4) A motion to approve a report or a minute of the Partnership or a Committee will be considered as an original motion. Any motion that involves altering or rejecting such a report or minute or any part of it will be dealt with as an amendment.
- (5) The Chairperson of the Partnership or a Committee will have the right to move the approval of the report or minute of the Partnership or that Committee.

## **Part 1: Standing Orders**

- (6) Motions or amendments that are not seconded will not be discussed or recorded in the minutes. However, the proposer can ask for his dissent to be minuted. This does not apply if the vote is taken by roll call.
- (7) The mover of the motion or amendment may agree to add to it all or part of an amendment moved and seconded by other members, provided that:-
  - his/her seconder consents;
  - the mover and seconder of the added amendment consents; and
  - the agreement takes place before the mover of the motion has replied.

### **Method of Voting**

28. (1) In a meeting of the Partnership or any Committee, the vote on any matter will be taken by calling the roll or by way of a show of hands.
- (2) If a vote has been taken and someone immediately challenges the accuracy of the count the Chairperson will decide whether to have a recount.
- (3) Reference is also made to Standing Order 6.4 in relation to voting matters.

### **How Motions Must Be Put**

29. Where one or more amendments are made upon a motion, the vote shall be taken among the amendments and the motion in that order. In the event that the motion or any amendments, which shall include any motion or amendment relating to the appointment of a member to any particular office or Committee, receives an absolute majority of votes of the members present and voting, then that proposition shall be carried. Where no such absolute majority obtained the proposition with the least number of votes shall be eliminated and a further vote (or further votes as may be required) taken until an absolute majority of votes is received for a proposition.

### **Taking a Vote**

30. After the Secretary has started to take the vote, no member will be allowed to offer an opinion, ask a question, or interrupt the proceedings until the result of the vote has been announced.

### **Delegating to Committees and Officers**

31. (1) The Partnership may appoint such committees as it considers necessary or desirable and to refer to such committees such matters

as it may specify. Any committee may deal only with those matters referred to it from the Partnership.

- (2) The Partnership's committees, their terms of reference and functions, are set out in the List of Committee Powers which also forms part of the Council's overall Governance Scheme.
- (3) The Chairperson of any committee shall be appointed by the committee itself. Should the Chairperson be absent, then the members present will appoint someone from amongst themselves to chair the meeting.
- (4) The Partnership may delegate powers to officers of the Partnership as may be set out in any List of Officer Powers as might be approved by the Partnership.
- (5) The Partnership may delegate powers to a sub group comprised of members and/or officers in relation to specific matters.

### **Exceptions from Delegation**

**32.** Subject to the terms of any law, the following will not be delegated to any committee: -

- (1) Introduction of new policies or changes in policies which might have a significant impact on the resources of the Partnership.
- (2) Any matter involving expense not in accordance with financial regulations.

### **Attendance of Members of the Partnership at Committee Meetings**

- 33.**
- (1) If a motion is referred to a committee, the proposer of the motion will be appointed as a member of the committee for that motion and any later consideration by the committee that directly relates to the motion.
  - (2) A member of the Partnership cannot be present at a meeting of a committee of which they are not a member when: -
    - the meeting is considering a matter where the decision may affect the interests of any person as an individual; and
    - the decision is made after a hearing by the committee where the person has a right to be heard (in person or through a representative).

### **Quorum for Committees**

34. For the avoidance of doubt, the quorum for the Performance and Audit Committee shall be 4.

## **Application of Standing Orders to Committees**

35. These Standing Orders shall apply to committees as they do to meetings of the Partnership, subject to the immediately preceding paragraph.

## **Deputations**

36. (1) The Partnership or any committee can decide whether to hear any deputations from members of the public, staff or other interested parties on any matter that is referred or delegated to it. Any application for a deputation to speak to the meeting must be in submitted electronically or in writing, signed by a representative of the organisation or group wishing to be heard and submitted to the Secretary no later than at 5pm, one working day before the meeting concerned. However, the Chairperson can waive this requirement.
- (2) When the Partnership is considering whether to hear a deputation, it must not discuss the merits of the case itself. Unless the meeting agrees unanimously to hear or to refuse to hear the deputation, a vote will be taken without discussion on whether to hear the deputation. A deputation will have 10 minutes to present its case.
- (3) Any member can put a question to the deputation that is relevant to the subject but members must not discuss the merits of the case.

## **Code of Conduct**

37. Members of the Partnership should comply with the Model Code of Conduct for Members of Boards of Devolved Public Bodies (2014), made under the Ethical Standards in Public Life etc. (Scotland) Act 2000

## **Partnership Business - Responsibility of the Proper Officer**

38. Subject to the provisions of paragraph 43(2) where the Treasurer has been appointed as the Proper Officer, the Partnership Director shall be the Proper Officer for the Partnership for the purposes of sections 190 (the service of legal proceedings – where legal proceedings are appropriately served if served on the proper officer), 191 (for signing and dealing with any claims on behalf of SEStran regarding sequestration/liquidation) and 193 (authentication of documents). The Partnership Director shall ensure that they takes appropriate advice from the appropriate officer or Legal Adviser to the Partnership.

## **Financial Arrangements**

- 39.** The Partnership will adopt such protocols for the financial administration of the Partnership and including all arrangements for budgeting and financial planning of the Partnership as are necessary for the proper financial administration of the Partnership and the delivery of Best Value in terms of the Local Government in Scotland Act 2003.

### **Items of Urgency**

- 40.** If a decision which would normally be made by the Partnership requires to be made urgently between meetings of the Board, the Partnership Director, in consultation with the Chairperson (whom failing, the Deputy Chairperson(s)), can take action subject to the matter being reported to the next meeting of the Partnership.

### **Suspending or Altering Standing Orders**

- 41.** (1) A Standing Order can only be suspended or abolished at any meeting if three-quarters of the Partnership members present agree.
- (2) None of the Standing Orders can be cancelled or altered unless a resolution to do so is passed after notice has been given at a previous ordinary meeting of the Partnership.
- (3) if the Secretary considers that any decision of the Partnership, on the conduct of its business, has altered Standing Orders, they should report this to the Partnership.

## **Contracts and Tenders**

### **General Procedures**

- 42.** (1) In these Standing Orders the word “contractor” means a works contractor, a supplier of consultancy services and a supplier of goods and services.
- (2) All procedures for approval of contractors, inviting and receiving tenders and all other arrangements affecting contracts shall -
- comply with relevant legal requirements, and associated Statutory Instruments and Regulations; and
  - seek to ensure that tenders are genuinely competitive and that best value is achieved for the Partnership.
- (3) Subject to the above, detailed procedures relating to all such procedures shall be set out in the Contract Standing Orders from time to time in force, which shall be observed by all members and officers of



the Partnership, and are hereby deemed to be incorporated into these Standing Orders.

## **Financial Regulations**

### **General Financial Regulations**

- 43.** (1) These regulations are made in terms of Section 95 of the 1973 Act, as applied to the Partnership by Section 106(1)(ba) of the said Act.
- (2) Section 95 of the 1973 Act empowers the Partnership to make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the Partnership has responsibility for the administration of those affairs. The Partnership has appointed the Treasurer to be the proper officer. The Local Authority Accounts (Scotland) Regulations 2014 lay down that the system of accounting control, the form of the accounts and supporting records should be determined by the Treasurer. The Regulations also provide that the Treasurer should ensure that the system of accounting control is observed and that the accounts and supporting records are kept up-to-date.

### **Accounts**

- 44.** The Treasurer, as proper officer, is statutorily responsible for all financial matters in which the Partnership is involved. As such the Treasurer, will provide means for procedural control which ensure that:

- all expenditure is a proper charge;
- all income due to the Partnership is collected;
- all assets are protected;
- all liabilities are accounted for; and
- proper financial reports are prepared.

The supervision and control of accounting, costing and other financial systems, records and operations together with the production of financial management information and the closing of accounts will be done in accordance with procedures and instructions issued by the Treasurer. The Treasurer will ensure that the accounts are properly maintained and prepared in accordance with Partnership policy, relevant legislation and appropriate Codes of Practice.

### **Budgets**

45. The preparation of financial plans and budgets and their form will be done in accordance with procedures and instructions issued by the Treasurer in so far as such procedures and instructions do not exist in Standing Orders or any protocols that might be agreed by the Partnership.

### **Expenditure Authorised**

46. The authorisation of expenditure and operation of budgetary control will be done in accordance with procedures approved by the Treasurer insofar as such procedures do not exist in Standing Orders.

### **Audit**

47. The Treasurer will make arrangements for the internal audit of the accounts of the Partnership. The Partnership Director and other officers of the Partnership are to make available for inspection by internal auditors such cash, vouchers, documents, correspondence or other items as may be deemed necessary by the Treasurer. The Treasurer will ensure that arrangements for the carrying out of the Statutory Audit, in terms of Section 96 of the 1973 Act, are in order.

### **Irregularities**

48. Any member of the Partnership or of its staff discovering any suspected fraud or irregularity in the financial transactions of the Partnership is to immediately inform the Treasurer. In consultation with the Partnership Director, they will then conduct such investigation as they considers necessary and will take such action as may appear to be appropriate.

### **Invoices, Salaries, etc.**

49. The incurring of expenditure, the verification, certification, submission and payment of invoices, salaries, wages and pensions will be done in accordance with procedures and instructions issued by the Treasurer.

### **Travelling Claims, etc.**

50. The submission and processing of travelling, subsistence, financial loss claims, and attendance allowances will be done in accordance with procedures and instructions issued by the Treasurer, including any travel policy from time to time in force.

### **Revenues**

51. The collection of all revenues accruing to the Partnership is to be arranged by or in consultation with the Treasurer.

## **Debt Recovery**

- 52.** The Treasurer may after consultation with the Partnership Director , settle or authorise the Legal Adviser to settle or compromise any action of payment where the amount compromised does not reduce the amount recovered by more than £5,000.

## **Bad Debts**

- 53.** The Treasurer will have authority, having exhausted recognised means of debt collection, to authorise the writing off of bad debts up to a maximum of £1,000 in any case and for any sum where the debtor: -

- (a) is a company in liquidation; or
- (b) is untraceable.

Subject in the case of (a) above to an appropriate claim against the liquidator having been lodged. The Treasurer will report all other irrecoverable debts to the Partnership for authority to write off.

## **Charges**

- 54.** The Treasurer will ensure that charges are reviewed annually by the Partnership.

## **Bank Accounts**

- 55.** The Treasurer will operate all bank accounts on behalf of the Partnership.

## **Advances**

- 56.** The Treasurer will advance such amounts to such persons as is deemed necessary in order that such persons may defray petty expenditure. The Treasurer, in consultation with the Partnership Director, will determine the conditions relating to such advances.

## **Inventories**

- 57.** Records of stocks and stores will be kept in such form as shall be approved by the Partnership. The Partnership Director will be responsible for ensuring that up-to-date inventories of furnishings, office equipment, machinery, scientific apparatus, silverware, works of art and other valuable property are maintained.

## **Property Register**

58. The Partnership Director shall be responsible for ensuring that there is an up-to-date register of all land and heritable property owned by or leased by the Partnership, whether in its own right or in trust and will ensure that all such property is readily identifiable at any time.

### Insurance

59. The Treasurer will arrange for the insurance of all such risks as may be required to be covered and will negotiate all claims in respect of such insurance.

### Staff Records, Pay etc

60. The Treasurer will give instructions regarding the maintenance of such staff records as are necessary for pay and superannuation purposes.

### Signing

61. The Partnership Director is designated in terms of the 1973 Act as proper officer for the purposes of sections 193 (authentication of documents) and 194 (execution of Deeds) for signing (where necessary) of financial instruments or instruments effecting the transfer of any securities or otherwise giving effect to the powers of borrowing delegated to the Treasurer. In execution of such deeds the Partnership Director shall ensure that they take appropriate advice from the Treasurer or, in the event of there being no Treasurer, such other appropriate adviser to the Partnership.

### Investments

62. The Treasurer can undertake any function, which might reasonably be deemed to be investment business and decide on specific purchases and sales of stocks, shares or any other allowable investments, as long as the Treasurer takes appropriate advice where necessary.

### Treasury Management

63. The Partnership's treasury management will be carried out according to the Partnership's annually approved Treasury Management Strategy. Where practical, all Partnership money will be aggregated for the purposes of treasury management and will be under the control of the Treasurer. All executive decisions on the approved treasury management activities will be delegated to the Treasurer. The Treasurer will act according to CIPFA's *Code for Treasury Management in Public Service*. The Treasurer will arrange to borrow such sums as may be required from time to time by the Partnership in

## **Part 1: Standing Orders**

accordance with the Annual Treasury Management Strategy and within the terms of section 3 of the 2005 Act. The signatories to any document or agreement relating to, constituting the security for, or acknowledging the existence of or receipt of any loan arranged under the terms of the Annual Treasury Management Strategy and the foregoing powers will be those nominated by the Partnership in respect of the signing of cheques. Mortgage deeds in the name of the Partnership will be signed and sealed in accordance with Section 194 of the 1973 Act. The Treasurer will report to the Partnership each financial year on the activities of the treasury management operation.

## LIST OF COMMITTEE POWERS

### Document Version Control – List of Committee Powers

| <b>Date</b>    | <b>Author</b>   | <b>Version</b> | <b>Status</b>  | <b>Reason for Change</b>   |
|----------------|-----------------|----------------|----------------|--|
| Aug 2017       | Andrew Ferguson | 1.0            | Board Approval | Implementation   |
| Oct 2018       | Andrew Ferguson | 1.1            | FINAL          | Adoption of version control  |
| June 2018      | Gavin King      | 1.2            | FINAL          | Succession Planning Committee remitted to prepare contingency and succession plans |
| September 2019 | Gavin King      | 1.3            | FINAL          | Change to membership removing Chair's entitlement to substitute for any member.    |
| March 2021     | Gavin King      | 1.4            | FINAL          | Minor amendment to correct grammar   |
| September 2022 | Gavin King      | 1.4            | FINAL          | Reviewed, no changes   |
| December 2022  | Gavin King      | 1.5            | FINAL          | Addition of Appointments Committee   |

**List of Committee Powers**

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### **Introduction**

The following List of Committee Powers sets out what powers the South of Scotland Transport Partnership (SEStran) has delegated to specific committees. It should be read along with SEStran's Standing Orders and the other documents in the overall Governance Scheme.

### **Performance and Audit Committee**

The Terms of Reference and functions of the Performance and Audit Committee are to deal with the following matters:-

#### **1. SCRUTINY**

- 1.1. To scrutinise any matter relating to the Partnership having regard to the Partnership's responsibility for Best Value and continuous improvement.

#### **2. STAFFING**

- 2.1. To take decisions on all staffing matters which are not otherwise delegated to the Partnership Director, including performance appraisal and remuneration matters related to the Partnership Director, and changes to terms and conditions.
- 2.2. To consider and determine, with powers, appeals submitted by any employee who is entitled to appeal to the Partnership under any statutory provision, contract of employment, condition of service or any partnership policy or procedure on employment.
- 2.3. To act as the Disputes Committee of the Partnership in determining, with powers, the Partnership's position on any matter which is the subject for the formal dispute (except in so far as the decision has already been taken by the Partnership).

#### **3. STANDARDS**

- 3.1. Promoting and maintaining high standards of conduct by members
- 3.2. Assisting members and co-opted members to observe the Member's Code of Conduct and any Partnership Code of Conduct or protocol.
- 3.3. Advising the Partnership on the adoption or revision of any Code of Conduct for members including training or arranging for training to be provided.
- 3.4. Considering any report by the Standards Commission for Scotland and any Hearing held under the Ethical Standards in Public Life etc. (Scotland) Act.
- 3.5. Considering all matters concerning the establishment, maintenance and public availability of a register of interests that have been declared by members or employees of the Partnership including guidance for the assistance of members and employees on the registration of interests, gifts and hospitality.



## **Part 2: List of Committee Powers**

- 3.6.** Considering and updating where appropriate the Partnership's Code of Conduct for employees.
- 3.7.** Considering any protocol to guide members and officers in their relations with one another.
- 3.8.** Considering guidelines on the standards of conduct required of agents and contractors acting for and on behalf of the Partnership.
- 3.9.** Considering the Partnership's Customer Care and Complaints policies.
- 3.10.** Considering all reports made by external bodies with a regulatory function in respect of the Partnership.

### **4. AUDIT**

- 4.1.** Reviewing with management the adequacy of the following matters:-
  - 4.1.1.** internal control systems;
  - 4.1.2.** policies and practices to ensure compliance with relevant statutes, directions, guidance and policies;
  - 4.1.3.** financial information presented to the Partnership;
  - 4.1.4.** risk assessment arrangements and procedures.
- 4.2.** Reviewing with management the Partnership's financial statements, management letters or reports in compliance with Codes of Corporate Governance.
- 4.3.** Ensuring that the internal audit function is properly resourced and has appropriate standing within the Partnership.
- 4.4.** Reviewing the activities of the internal audit function, including its annual work programme, co-ordination with the external auditors, the reports setting out the investigations and the responses of management to specific recommendations.
- 4.5.** Scrutinising and investigating any particular matter which the Committee consider requires further examination.

### **Membership**

The Committee shall comprise 8 councillor members, one from each authority; and 4 non-councillor members, chosen (in the event of disagreement) by the Partnership. Each councillor member shall be entitled to nominate a substitute from their own authority. The Chair of the Partnership shall not be entitled to substitute for any member of the committee.

The Committee's quorum shall be 4.

### **Succession Planning Committee**

#### **Purpose**

Inclusive and diverse Boards are more likely to be effective, to be better able to understand their stakeholders and benefit from fresh perspectives, new ideas, vigorous challenge and broad experience.

The role of the SEStran Succession Planning Committee is to:

- lead on meeting the Board's responsibilities in relation to planning for succession through appointments and Board member development;
- offer advice to the Board on future appointments and reappointments;
- review and evaluate the skills, knowledge, expertise, diversity (including protected characteristics) of current Board members, and requirements of future members, on an annual basis; and
- monitor the development and continuous improvement a succession plan that can be presented to the Board.
- to prepare, for Partnership Board approval, operational contingency and succession plans for the Partnership.

#### **Constitution**

1. The Succession Planning Committee shall consist of the Chair, two Board members, the Partnership Director, the Secretary and representative from SEStran's Human Resources advisers. Other officers may be invited to attend for all or part of any meeting as and when appropriate.
2. The Chair of the Committee will be the Chair of the Board.
3. The quorum required to be present at any meeting of the Committee shall comprise no fewer than three members.
4. The Committee will meet at least biennially. The meeting will be timed to align with the Board planning cycle. The Committee will also convene on an ad hoc basis to deal with issues such as unanticipated Board member departures and changes to the operating environment.
5. The Committee will report to the Board. A copy of the minutes will normally form the basis of the report.
6. The Committee will review its own effectiveness and provide an overview report to the Board annually on the Committee's work and key considerations.
7. The Succession Planning Committee may co-opt additional members for a period not exceeding one year to provide specialist input.

#### **Remit**

1. Review and evaluate skills, knowledge, experience and diversity (including in relation to protected characteristics) of the Board including the attributes required for all or the majority of Board members (both now and in the future).
2. Identify skills and diversity gaps and shortages in light of SEStran's long-term strategy.
3. Further develop, monitor and continuously improve a succession plan in response to the skills and diversity needs that have been identified, and in so doing, ensuring that new members appointed to the Board reflect the needs

## Part 2: List of Committee Powers

identified, thus avoiding appointments being made in the image of the current Board members.

4. Consider how SEStran can best meet its obligations under the Equality Act 2010 and subsidiary regulations.
5. Consult and seek advice from various sources on ways of attracting the type of applicant required, identify and advise on different methods and approaches to recruitment including the application process, information pack and interviews.
6. Give consideration to participation of users of services or members of the SEStran Equalities/Healthcare Forum in the recruitment process.
7. Consider recommending one or more committee members taking part in the assessment of applicants.
8. Keep the Board apprised of the committee's work and prepare an annual report to the Board.
9. Involve, as appropriate, the executive resources of the body such as HR and legal professionals, to enhance and support appointment activity and to ensure that it is aligned with the body's brand, values and other corporate communications.
10. Adhere at all times to the relevant Code of Practices and appropriate guidance and advice from the office of the Commissioner for Ethical Standards in Public Life in Scotland.

### General

1. The work of the Committee needs to be fully informed by:
  - Strategic planning,
  - Business planning,
  - Risk register,
  - Information presented to the Board on its composition in accordance with the Equality Act 2010 (Specific Duties) (Scotland) Amendment Regulations 2016, and
  - Performance assessment (which will also be linked to external and internal audit).

### Appointments Committee

#### Purpose

- 1 In terms of the Governance Scheme, the Performance and Audit Committee is to take decisions on all staffing matters which are not otherwise delegated to the Partnership Director. This includes performance appraisal and remuneration matters related to the Partnership Director, and changes to terms and conditions.
- 2 In March 2022, the Board agreed to the creation of an Appointments Committee. The Appointments Committee is a permanent Committee in its own right and will solely be concerned with the recruitment of a Partnership Director. Its permanency will make sure that recruitment can take place quickly in the future without the need for the step of creation of a special committee or sub-committee each time.
- 3 The Appointments Committee's remit, therefore, will be to assess candidates for the post of Partnership Director in line with a process set out by the Performance and Audit Committee, and make a decision on appointment on completion of that process.

#### Membership

- 4 The Appointments Committee will comprise the Partnership Chair, the Chair of Performance and Audit Committee, and a non-councillor member nominated by the Board.
5. The quorum for the Appointments Committee shall be 2.

## LIST OF OFFICER POWERS

### Document Version Control – List of Officer Powers

| Date           | Author             | Version | Status         | Reason for Change  |
|----------------|--------------------|---------|----------------|--|
| August 2017    | Andrew Ferguson    | 1.0     | Board Approval | Implementation   |
| Oct 2018       | Andrew Ferguson    | 1.1     | FINAL          | Adoption of version control  |
| June 2018      | Gavin King         | 1.2     | FINAL          | Inclusion of section 7 and amendments to Use of delegated powers   |
| Sept 2019      | Gavin King         | 1.2     | FINAL          | Reviewed, no change  |
| March 2021     | Gavin King         | 1.3     | FINAL          | Minor changes to terminology   |
| September 2022 | Gavin King         | 1.3     | FINAL          | Reviewed, no changes   |
| December 2022  | Gavin King         | 1.3     | FINAL          | Reviewed, no changes   |
| June 2025      | Anderson Strathern | 1.4     | FINAL          | Changes to 1.4.4 – Rules of Delegated Powers, 2.1 – Urgent Matters, 2.2 Appointments, 2.5 Performance Appraisal and Pay Scales, 2.6 – Other Personnel Matters, 2.9 Contracts, 2.10, 3 – Delegations to the Partnership Director, 3.4, 3.10, 5.6, 6 – Legal Adviser, 7 - Partnership Operational Contingency Plan |

**List of Officer Powers**

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**1.0 APPLICATION OF LIST OF OFFICER POWERS**

**1.1 Commencement**

This List of Officer Powers replaces SEStran's Scheme of Delegation and shall have effect from 22<sup>nd</sup> August, 2017.

**1.2 Interpretation**

1.2.1 In this document the following words shall have the meanings assigned to them, that is to say:-

“Act” means the Transport (Scotland) Act 2005;

“Sustran” means the South East of Scotland Transport Partnership, constituted in terms of the Act and having their principal offices at Area 3D (Bridge) Victoria Quay, Edinburgh EH6 6QQ;

“Officer” means an official employed to carry out a function of Sustran, whether directly employed, seconded, or otherwise;

“Legal Adviser” means a solicitor who has been instructed by the Partnership Director to carry out the legal functions of the Partnership;

“Partnership Director,” “Treasurer,” “Secretary,” “Solicitor,” “Chairperson” and “Deputy Chairperson” have the meanings ascribed to them respectively by the Standing Orders;

“Standing Orders” means the current Standing Orders of Sustran as from time to time amended.

“Contract Standing Orders” means the current Contract Standing Orders of Sustran as from time to time amended.

1.2.2 Any reference to any Act of Parliament shall be construed as a reference to the Act of Parliament as from time to time amended, extended or re-enacted and to include any byelaws, statutory instruments, rules, regulations, orders, notices, directions, consents or permissions made thereunder. Any reference to any statutory instrument, regulation or order shall be construed as a reference to that instrument, regulation or order (as the case may be) as from time to time amended, extended or re-enacted.

- 1.2.3 Subject to the foregoing provisions of this paragraph, the Interpretation Act 1978 shall apply to this document's interpretation as it applies to the interpretation of an Act of Parliament.

### 1.3 **Alteration**

Subject to the provisions of the Act, Sestran shall be entitled to amend, vary or revoke this List of Officer Powers from time to time.

### 1.4 **Rules Regulating Use of Delegated Powers**

- 1.4.1 Officers must use the authority delegated to them according to the policies of Sestran. Sestran will decide new policy.

- 1.4.2 Where the Partnership Director has delegated authority the principle of subsidiarity should be applied and decisions should be further delegated to as close to the point of service delivery as is appropriate in the circumstances.

- 1.4.2 If the Partnership Director is not available, his or her nominated depute or other senior officer(s) can use the authority delegated, unless they cannot do so by law or because of this document.

- 1.4.3 All delegated powers must be exercised subject to adequate budgetary provision being available and having regard to the terms of Sestran's statutory powers, Standing Orders, Financial Rules and current policies.

1.4.4 An officer must not make any decision or take any action in accordance with powers conferred by this List of Officer Powers if the decision or outcome could create the perception that an officer is not strictly adhering to the key principles of public life as set out in the relevant Code of Conduct. These principles are selflessness, integrity, objectivity, accountability, openness, honesty, respect and leadership. Delegated powers must not be used where either the interests of the officer, the matter to which the decision relates or the identity of any other person involved could lead a member of the public to conclude that the powers had been used to avoid scrutiny by Sestran or a Committee of Sestran.

- 1.4.5 The provisions of this List of Officer Powers to officers are intended to assist in the efficient and effective management of Sestran's activities and to foster a culture of responsiveness to customers and service users. In applying it, it is important that officers pay due regard to the need for appropriate periodic reporting of delegated decisions to members of Sestran, both for information purposes and to allow Members to properly discharge their scrutiny role.

- 1.4.6 Interpreting policy: if there is a question on whether a decision taken by or action authorised by an officer sets up or alters policy on any matter, it will be decided by the Partnership Director in consultation with the Chairperson. Any such decision shall be subject to review by the



Performance and Audit Committee, who will report their findings to Sestran for approval.

- 1.4.7 Disputes: The Partnership Director in consultation with the Chairperson will decide on all disputes on whether an issue is delegated to a particular officer. Any such decision shall be subject to review by the Performance and Audit Committee.
- 1.4.8 Reports will be submitted to Sestran on substantive decisions taken and actions authorised under delegated authority. These will be in the form and under the arrangements as determined by the Partnership Director.
- 1.4.9 Where a decision or action proposed to be taken under delegated powers is likely to be regarded as politically controversial or is a decision that will have or is likely to have:
  - i) A significant effect on financial, reputational or operational risk; and/or
  - ii) A significant impact on service delivery or performance

The Chair and Vice-Chairs will be consulted before any decision is made.

## **2. DELEGATION TO PARTNERSHIP DIRECTOR:**

### **GENERAL DELEGATION**

**The Partnership Director is authorised:-**

#### **2.1 Urgent matters**

If a decision which would normally be made by the Partnership requires to be made urgently between meetings of the Board, to take, in consultation with the Chairperson (whom failing, a Deputy Chairperson), action subject to the matter being reported to the next meeting of the Partnership. Where such action involves incurring expenditure, the Treasurer shall be consulted.

#### **2.2 Appointments**

to appoint officers within expenditure levels.

#### **2.3 Discipline**

to conduct disciplinary and grievance proceedings for officers under Sestran's approved procedures.

#### **2.4 Changes to the Establishment**

to amend structures or gradings below the level of Partnership Director.

### 2.5 **Performance Appraisal and Pay Scales**

Within agreed expenditure levels, and subject to existing terms and conditions, carry out such performance appraisals and implement such performance related pay schemes as from time to time may be appropriate.

### 2.6 **Other Personnel Matters**

- (a) in relation to staffing matters, to instruct the immediate implementation of any circular from any officially recognised body which allows no discretion to Sestran. Where there is a choice of action, the circular should normally be referred to Sestran.
- (b) to decide in accordance with approved schemes and to take such decisions relating to terms & conditions e.g.:
  - paid or unpaid leave for special circumstances, secondment or leave to work or visit abroad
  - closing down early for a festive season/ public holiday
  - approval of transfer of annual leave
  - extending sickness allowance
  - approval of applications for car loans/leasing schemes
  - to approve the voluntary termination, early retiral or ill-health retiral of any officer in Sestran's service provided the terms and conditions relating to the termination or retirement are in accordance with the relevant Partnership policy
  - to administer and manage the various approved policies and procedures including disciplinary, grievance and absence management.
  - the authorisation of overtime, leave, acting up etc.

For the avoidance of doubt, the examples given in the above list in 2.6(b) are not exhaustive.

- (c) can authorise the appointment of sessional, temporary, and agency staff where there is an allocated budget.

### 2.7 **Health & Safety Legislation**

to manage Sestran's Health & Safety policy and arrangements.

### 2.8 **Transferring funds (Virements)**

## Part 3 List of Officer Powers

Subject to any policies and directions issued by the Treasurer, to authorise:-

- (a) transfer of funds between headings within their approved revenue budgets.
- (b) transfer of funds between capital budgets included in the capital budget.

In carrying out transfers, the Partnership Director must

- (1) report to Sustran if a change in Partnership policy is involved.
- (2) report to the Treasurer if the transfer will affect revenue or capital budgets for future years.
- (3) tell the Treasurer when a transfer is approved under delegated powers.

### 2.9 **Contracts**

- (a) to exercise the power to purchase goods, services (including specialist support services) or works for Sustran in accordance with the provisions in the Contract Standing Orders.
- (b) subject to compliance with Contract Standing Orders, the power to appoint consultants/specialist advisers as appropriate.
- (c) the management of the tender process in terms of the Contract Standing Orders.

### 2.10 **Other Delegations in terms of Standing Orders**

In addition to the delegations set out in this List of Officers Powers, each officer including the Partnership Director and the Treasurer or other specific officer mentioned shall be entitled to exercise the powers conferred on them as set out in the SEStran scheme of delegation.

### 2.11 **Miscellaneous**

#### (a) **Hospitality**

to approve reasonable hospitality to representatives of other authorities, external organisations and for official internal/staff functions e.g. Long Service Awards in accordance with the Financial Rules.

#### (b) **Use of Land and Buildings**

to approve, subject to compliance with any approved scheme of charges, the use, by appropriate organisations and bodies, of any land or premises owned by Sustran and under their sole operational control.

(c) Access

to regulate the use and conduct of persons on or in any land owned, occupied or managed by Sestran or otherwise under its control and to which the public have access, whether on payment or not.

(d) Stock "Write-off"

In general, to be responsible for the management of stocks and equipment, and to write off of any such stores, plant, furniture and equipment which has become unfit for use and are unsaleable after consultation with the Treasurer.

(e) Stock Re-Valuations

following consultation with the Treasurer, to write down value of obsolete or slow moving stock to a realistic value, lower of cost or net realisable value.

(f) Disposal of capital items

following consultation with the Treasurer, to authorise obsolete plant items and equipment to be sold at public auction with the highest offer accepted.

### **3. SPECIFIC DELEGATION TO THE PARTNERSHIP DIRECTOR:**

#### **The Partnership Director is authorised:-**

- 3.1 to represent the interests of Sestran in communications with the media.
- 3.2 to pay valid claims for damage to, or loss of, property of third parties in circumstances where Sestran is deemed to be liable and the amount involved is less than Sestran's insurance excess.
- 3.3 to accept tenders in terms of Contract Standing Orders.
- 3.4 to terminate on behalf of Sestran any contract which Sestran is entitled to terminate under the appropriate conditions of contract and where they are satisfied that it is in the interests of Sestran to do so and following consultation with the Legal Adviser.
- 3.5 to assess which capital projects are submitted to Sestran's capital budget plans.
- 3.6 in consultation with the Treasurer, to prepare reports on procurement and funding of transport projects (including the most appropriate method of procurement and funding) for Sestran.

### Part 3 List of Officer Powers

- 3.7 in consultation with the Treasurer, to develop criteria to determine the form of agreement for delivery of contracts and the financial relationships flowing from these.
- 3.8 to expend the approved budget.
- 3.9 to make payment of all sums to all creditors subject to the certification and authorisation of appropriate officers, and to make arrangements for further delegation to other officers for payment of invoices up to limits to be specified by the Partnership Director, notifying the Treasurer in terms of the Financial Rules.
- 3.10 Where a claim for compensation has been submitted to Sustran then it must be assessed by the Legal Adviser or by Sustran's claim handlers to determine whether Sustran has any legal liability to meet the claim. In those cases where Sustran has no legal liability, the Partnership Director may decide that the circumstances giving rise to the claim merit the making of an ex gratia payment. The Partnership Director is authorised to make such payments up to the value of £5,000. Such payments require to be made in consultation with the Legal Adviser.
- 3.11 to authorise the acceptance of sponsorship and/or advertising in respect of Partnership controlled media in accordance with approved Partnership policies.
- 3.12 to delegate authority to allow monitoring of start/leave dates, performance and timekeeping, in terms of the Financial Rules.
- 3.13 to approve all technical decisions in relation to operational matters.
- 3.14 to respond as required to consultations from the Scottish or U.K. Government, local authorities or other bodies on matters relevant to Sustran, where Members have not indicated a preference to consider matters at a Partnership meeting. In each case the Partnership Director shall so far as possible take into account the views of individual Members, and consult with the Chairperson and Deputy Chairperson(s).

#### 4. **SECRETARY**

The Secretary is authorised:-

- 4.1 to act as the proper officer for the following purposes of the Local Government (Scotland) Act 1973 –
  - Section 43 and Schedule 7 (Meetings and Proceedings)
  - Section 50B (Access to agenda and connected reports)
  - Section 50C (Inspection of Minutes and other documents)
  - Section 50D (Inspection of Background Papers)
  - Section 50F (Additional rights of access to documents for members of the Partnership)

- Section 193 (Authentication of documents)
- 4.2 to act as Monitoring Officer for Sustran. To act as the designated officer for Ethical Standards in Public Life.

### 5. **TREASURER**

The Treasurer is authorised:

- 5.1 to establish a financial framework, including Financial Rules, which provide for effective managerial control and review and satisfactory monitoring and reporting procedures; and to maintain all financial records. Reference is made to Standing Orders 43 to 63 and the Financial Rules.
- 5.2 to establish proper arrangements in respect of Treasury Management, Pensions and the safeguarding of assets including risk management and insurance.
- 5.3 to authorise effective insurance cover in consultation with the Treasurer in accordance with the Financial Rules.
- 5.4 to act as proper officer for the purposes of the Local Government (Scotland) Act 1973, section 95;
- 5.5 to create, operate and close any bank accounts on behalf of Sustran.
- 5.6 to authorise bad debts to be written off in accordance with Standing Order 53.
- 5.7 to deal with claims in sequestrations and liquidations (Section 191 of the Act of 1973).
- 5.8 to review the financial limits given in Standing Orders or Financial Regulations every year, in line with the relevant inflation indexes.
- 5.9 to exercise all borrowing and lending that Sustran needs in accordance with the Annual Treasury Management Strategy. Any document or agreement which relates to, is the security for, confirms the existence of or is a receipt for any loan/lease arranged under the terms of the Annual Treasury Management Strategy will be signed by those people who are nominated by Sustran to sign cheques. Mortgage deeds in the name of Sustran will be signed and sealed according to Section 194 of the Local Government (Scotland) Act 1973.
- 5.10 to use any suitable banking and advisory services and deciding on specific purchases and sales of stocks, shares or any other allowable investments as long as the Treasurer takes the appropriate advice where necessary. Reference is made to Standing Order 62.
- 5.11 to sign all claims, returns or written submissions relating to grants and financial statistics.

- 5.12 to administer the Partnership's scheme of allowances and expenses in terms of the Financial Rules.

**6. LEGAL ADVISER**

- 6.1 The Legal Advisor may on instruction from [the Partnership Director]:

6.1(a) carry out legal procedures necessary to implementing any matters delegated to the Partnership Officers.

6.1(b) sign missives and other conveyancing documents and to sign notices and orders in connection with compulsory purchase orders.

- 6.2 The Partnership Director may instruct the Legal Advisor to:

6.2(a) engage private legal firms or engage counsel when appropriate and it is in Sustran's interest.

6.2(b) start, defend and appear in any legal or tribunal proceedings or any inquiry when appropriate and it is in Sustran's interest, where there has been clear instruction from the Partnership Director.

6.2(c) settle any action or claim against Sustran up to the level of £5,000. This power to be exercised in consultation with the Treasurer.

**7. PARTNERSHIP OPERATIONAL CONTINGENCY PLAN**

- 7.1 To assign operational and procedural responsibilities to appropriate staff levels, in the event of absence at a senior level.

**Operational & Procedural Responsibilities**

| <b>Responsibility</b>  | <b>Currently Assigned to</b> | <b>Delegated Level</b>      |
|--|------------------------------|-----------------------------|
| <u>In absence of the Partnership Director, all of the matters delegated to the Partnership Director in the SEStran Scheme of Governance may be exercised by the post holders identified in this table as the "Delegated Level"</u> | Partnership Director         | Senior Partnership Manager  |
| Management of Projects   | Senior Partnership Manager   | Individual Project Officers |

### Part 3 List of Officer Powers

| <b>Responsibility</b>                            | <b>Currently Assigned to</b> | <b>Delegated Level</b>     |
|--|------------------------------|----------------------------|
| Management of Budget                             | Senior Partnership Manager   | Business Manager           |
| Management of Admin Facilities                   | Business Manager             | Senior Partnership Manager |
| Administration & Organisation of Formal Meetings | Business Manager             | Business Support Officer   |



**SESTRAN FINANCIAL RULES**

**Document Version Control – Governance Scheme**

| <b>Date</b> | <b>Author</b>      | <b>Version</b> | <b>Status</b> | <b>Reason for Change</b>                        |
|-------------|--------------------|----------------|---------------|---|
| April 2006  | SEStran            | 1.0            | Implemented   |   |
| Jun 2014    | SEStran            | 1.1            | FINAL         | Annual review                                   |
| Oct 2018    | SEStran            | 1.2            | FINAL         | Adoption of version control                     |
| Sept 2019   | Gavin King         | 1.2            | FINAL         | Reviewed, no changes                            |
| March 2021  | Gavin King         | 1.3            | FINAL         | Inclusion of paragraph on use of purchase cards |
| Sept 2022   | Gavin King         | 1.3            | FINAL         | Reviewed, no changes                            |
| Dec 2022    | Gavin King         | 1.3            | FINAL         | No changes                                      |
| June 2025   | Anderson Strathern | 1.4            | FINAL         | Changes to the Approved Financial Rules         |

**Authorising Expenditure**

- 1 Arrangements for authorising expenditure will be in accordance with the procedures adopted by the City of Edinburgh Council.
- 2 No official may let the Partnership's spending (whether revenue or capital) exceed its budget.
- 3 No official may incur any expenditure unless it is an expense which has been approved by the Partnership.
- 4 Proposals to incur expenditure which can be contained within the overall approved budget - but which have not been provided for therein - can be financed by means of budget transfers (or virements). Subject to any policies and directions issued by the Treasurer, power is delegated to Partnership Director to authorise transfer of funds between headings within their approved budgets. In carrying out transfers, the Director must:
  - i. report to the Partnership if a change in policy is involved;
  - ii. report to the Partnership if the transfer will affect revenue budgets for future years;
  - iii. advise the Treasurer when a transfer is approved under delegated powers.
- 5 Where capital grant is awarded for a specific project, no transfer to alternative projects is permitted without the formal consent of the funder.
- 6 The Partnership Director, in consultation with the Chair, may submit a request for expenditure of an emergency nature. In such circumstances

the expenditure concerned may be incurred on the authorisation of the Treasurer. The Director shall arrange for the matter to be reported to the Partnership.

- 7 All claims, returns or written submissions relating to grants and financial statistics must be signed by the Treasurer. Any exception to this must be agreed by the Treasurer.
- 8 Financial records shall not be disposed of other than in accordance with arrangements approved by the Treasurer.

### Reporting Requirements

- 9 Every Partnership report is required to include the financial consequences of proposals for the current and future years to be stated.
- 10 In the event that reports do not meet the above criteria, or insufficient time is given to the Treasurer to allow proper consideration of the matter, the Treasurer may request the Secretary to withdraw such an item from the agenda.
- 11 The Treasurer, in conjunction with the Partnership Director, is required to submit detailed monitoring reports to the Partnership at the 6-, 9- and 12-month stages of each financial year. These reports will compare actual expenditure to date and projected outturn expenditure with the budget position. Both revenue and capital expenditure and key service issues will be reported.
- 12 The financial content of Partnership reports cannot be determined by a universal set of rigidly applied rules. An element of judgement is required. However, this needs to be based on best professional practice and advice. Reports with financial implications should be prepared having regard to the following considerations:
  - i. Cost - the full revenue and/or capital cost per annum arising directly from the proposal;
  - ii. Budget Provision - whether the proposal will be funded from a specific and identified budget area or from a specified substitution;
  - iii. Income/Savings - details of any additional income or savings arising from the proposal which are available to offset costs, and a clear indication of whether these are sustainable in future years or one-off;
  - iv. An explanation of the assumptions used in determining costs, savings and/or income be stated;
  - v. Where costs, income or savings will be incurred over a number of years, an analysis over the period to assist with forward financial planning;

## Part 4: Financial Rules

- vi. External Funding - details of any external funding or contributions from other sources and the timing of the receipt of these funds;
  - vii. All figures to be shown using a consistent price base, with the price base clearly stated (for example, 'using April 2021 prices);
  - viii. Where a project will be delivered over a number of years, an annual cash-flow projection should be provided;
  - ix. A comparison of the financing options that have been considered, for example, acquisition, finance lease, operating lease, etc.;
  - x. A sensitivity analysis of the project to key variables to be set out, including a risk analysis.
- 13 These should be treated as guidelines to be applied dependent on the particular content of reports and the materiality of the financial implications. Not all these considerations will be relevant to every proposal or project with financial implications. Together with the provision of professional financial advice, however, these measures are intended to strengthen the Partnership's control of its finances and to enable the Partnership to demonstrate that financial information is prepared on a robust, transparent and consistent basis.

### Salaries and Wages

- 14 Appointments of all employees shall be made in accordance with the procedures approved by the Partnership and the approved establishment, grade and rates of pay.
- 15 The processing and payment of salaries and wages shall be done in accordance with procedures adopted by the City of Edinburgh Council and instructions issued by the Treasurer from time to time.
- 16 The payment of salaries, wages, compensations and other emoluments to all employees or retiring allowances to former employees shall be made by the Treasurer, who shall also be responsible for transmitting superannuation contributions to the Pension Fund and tax and national insurance contributions to HM Revenue & Customs.
- 17 The Partnership Director is responsible for keeping the staff number within approved structures and budgets.
- 18 The control objectives to be achieved by operation of the Partnership's payroll procedures are to demonstrably ensure that:
- i. all payments are made timeously according to entitlement;
  - ii. all deductions on behalf of third parties are appropriate and remitted timeously;
  - iii. all transactions are accounted for in the ledger.

## Part 4: Financial Rules

- 19 The duties of payroll preparation, verification and payment must be segregated.
- 20 The Partnership Director carries the responsibility for the security of such records, and for implementing such procedures, which demonstrably ensure both compliance with Partnership Policy, and the accuracy of the information used as the basis for payroll input.
- 21 These procedures will include proper delegation of authority which allows monitoring of start/leave dates, performance and timekeeping, evidenced by signature or password and independent verification of the whole of the information submitted.
- 22 The Partnership Director carries the responsibility for ensuring that submission of the information necessary for payroll input meets the prescribed deadlines set to enable timeous payroll production.
- 23 The Partnership Director is responsible for providing the Treasurer with such information as is required for the completion of Partnership and statutory returns.
- 24 For persons such as consultants engaged by the Partnership for specific tasks, but who are not regarded as having full employee status, special care should be taken with respect to their tax and National Insurance treatment. Every case which might fall into this category, should be referred to the Treasurer for advice.
- 25 Legitimate hospitality, or expenses incurred in the course of duty, shall be reimbursed through the Payroll in accordance with procedures agreed by the Treasurer.

### Audit

- 26 The Treasurer, through the offices of the Chief Internal Auditor of the City of Edinburgh Council, shall arrange for a continuous internal audit, to carry out an examination of accounting, financial and other operations of the Partnership.
- 27 The Chief Internal Auditor shall review, appraise and report on:
  - i. the adequacy of internal control as a matter of probity and as a contribution to the economic, efficient and effective use of resources;
  - ii. compliance with approved Partnership policies, plans or procedures;
  - iii. whether the Partnership's assets are properly accounted for and safeguarded from losses arising from theft, fraud, waste, inefficient administration or poor value for money;
  - iv. the suitability and reliability of management data produced within the Partnership;

- v. how effectively managers perform their responsibility with assistance from the Chief Internal Auditor to achieve value for money;
- 28 The Chief Internal Auditor shall have authority, subject to any necessary prior consultations to:
- i. enter at all reasonable times on any Partnership premises or land;
  - ii. have access to all records, documents and correspondence relating to any financial and related transactions of the Partnership;
  - iii. require and receive such explanations as are necessary concerning any matter under examination; and
  - iv. require any employee of the Partnership to produce cash, stores or any other Partnership property under their control.
- 29 If members of the Partnership or its staff discover any suspected fraud or irregularity that affects the affairs of the Partnership, they must immediately inform the Treasurer who will, in consultation with the Partnership Director, make enquiries and take any action deemed appropriate.
- 30 The Treasurer will ensure that proper arrangements are made for carrying out the statutory audit of the Partnership.
- 31 The Chief Internal Auditor will submit an annual report to the Partnership.

### **Allowances and Expenses**

- 32 The Treasurer shall be responsible for the payment of such allowances and reimbursement of such expenses as the Partnership determines.
- 33 The Treasurer shall be responsible for administering the Partnership's scheme of allowances and expenses in accordance with any relevant statutory provisions.
- 34 The Partnership Director is required to ensure that:
- i. claims are submitted in accordance with conditions of service, Partnership policies and other statutory provisions, together with relevant supporting information such as receipts;
  - ii. claims are submitted on the appropriate form and certified by an authorised officer;
  - iii. the Treasurer is advised of the officers authorised to sign claim forms on their behalf;
  - iv. the Treasurer is provided with such information as is required to complete Partnership and statutory returns.

## **Part 4: Financial Rules**

- 35 A report on Members' allowances will be published annually, incorporating all details of allowances paid and expenses reimbursed.

### **Insurance**

- 36 Through the offices of the Insurance Manager of the City of Edinburgh Council, the Treasurer shall effect such insurance covers as may be required and negotiate with the Partnership's insurers all claims, in consultation with the other Partnership Officers where necessary. The Treasurer shall review all insurances as appropriate and report thereon to the Partnership.
- 37 The Partnership Director shall give prompt notification to the Treasurer of all new risks, properties, etc. which require to be insured, and of any alterations or material facts which may affect existing insurances.
- 38 The Partnership Director shall notify the Treasurer, immediately in writing, of any loss, liability or damage or any event likely to lead to a claim and should inform the police where appropriate.
- 39 The Partnership Director shall consult with the Treasurer regarding the terms of any indemnity which may be required. The Treasurer shall consult with the Legal Advisor and Insurance Manager regarding the relevant insurance requirements.
- 40 The Partnership Director shall take due account of any recommendations proposed by the Partnership's insurers arising from a risk survey and inform the Treasurer where it is not possible to carry out the recommendations within the timescales specified by the Insurers. The Treasurer shall advise on risk management issues in consultation with the Partnership Director, the appointed insurance adviser and the relevant insurer(s).
- 41 The Treasurer is responsible for preparing, developing and co-ordinating the Partnership's risk management policy.
- 42 The Partnership Director is responsible for ensuring the implementation and effectiveness of the risk management policy and for its review.

### **Purchasing**

- 43 The Partnership Director is responsible for ensuring that all purchasing activity is undertaken in accordance with guidance issued by the Treasurer.

- 44 The Partnership Director carries the responsibility for enforcing compliance with credit purchase procedures which demonstrably ensure that:
- i. all goods and services ordered are necessary to carry out the Partnership's functions and comply with Partnership policies;
  - ii. sufficient funds are available in the appropriate budget;
  - iii. all goods and services supplied are of the necessary standard, are in accordance with the order details and, where relevant, are properly recorded in stock and inventory records;
  - iv. all invoices authorised for payment are submitted on time, are in accordance with the goods and services supplied, and are properly accounted for in the financial ledger;
  - v. unused order stationery is stored securely;
  - vi. there is adequate segregation of duties at least between authorisation of payment and receipt of goods, and ideally between each of these two and authorisation of the order.

### Payment of Accounts

#### Suppliers' Invoices

- 45 The arrangements for processing invoices for payment shall be in accordance with the procedures adopted by the City of Edinburgh Council.
- 46 The Partnership Director will be responsible for certifying invoices for payment and for approving other officers who may authorise invoices and the limits of their authority.
- 47 The Treasurer must be notified of:
- i. the names of officers who have the facility to authorise invoice payment and the limits of their authority;
  - ii. any change to (i) must be notified within five working days.
- 48 Certification of invoices for payment will incorporate the following checks:
- i. that the invoice is correctly addressed to the Partnership;
  - ii. that the payment is a true liability of the Partnership and that the goods or services have been properly ordered;
  - iii. that the goods have been received, examined and accepted as to quality and quantity;
  - iv. that the work done or service rendered has been satisfactorily carried out;
  - v. that prices are in accordance with the contract or quotation. Where no contract or quotation exists, that the prices are reasonable;
  - vi. that the account is arithmetically correct;

## Part 4: Financial Rules

- vii. that deductions have been made for discounts where applicable;
  - viii. that, where appropriate, goods have been recorded on stores or inventory records;
  - ix. that both expenditure and VAT are correctly coded to the financial ledger.
- 49 The Treasurer may withhold payment if any of the above conditions are not met.
- 50 Payments must not be made prior to receipt of goods, without approval of the Treasurer.
- 51 Where an original invoice is unavailable, a copy must be requested from the supplier. All copies of original invoices must be endorsed as a certified copy by the supplier and signed by the suppliers' representatives. Endorsed copies are acceptable for audit and VAT recovery purposes.
- 52 When an invoice contains a VAT error, e.g. an arithmetical error, the invoice must not be changed manually. The supplier should be contacted in order that a credit note might be issued and a new invoice issued for the correct amount.

### Regular and Non-Regular Miscellaneous Payments

- 53 Miscellaneous Payments include capital grants, refunds to individuals, payroll corrections, etc.
- 54 The payment of regular and non-regular miscellaneous payments will be made through special applications in accordance with procedures laid down by the Treasurer. The following conditions apply:-
  - i. payments shall not relate to a contract for supplies and services;
  - ii. the Treasurer must approve the format of customised miscellaneous payment forms;
  - iii. the payment must be within the statutory and discretionary responsibilities of the Partnership.

### Payment by Bank Transfer

- 55 The Treasurer may pay invoices or make miscellaneous payments by bank transfer (BACS) and shall be provided by the Partnership Director with the appropriate bank information. Urgent transactions (not invoices) may be paid by CHAPS at the discretion of the Treasurer.



### Control Objectives

- 56 The aim of these procedures is to demonstrate that all payments are:
- i. made timeously once and only once;
  - ii. in accordance with the Partnership's needs;
  - iii. in accordance with the Partnership's policies;
  - iv. properly accounted for.
- 57 Ideally, all payment procedures should be arranged in such a way that the duties of:
- i. authorising purchase;
  - ii. receiving goods and services;
  - iii. authorising payment;
  - iv. making payment;
  - v. verification;

are segregated, all evidenced by password control or signature and date. Any situation where this cannot be achieved should be discussed with the Chief Internal Auditor.

### **Payment of Grants**

- 58 The Partnership Director is responsible for ensuring that each grant award complies with the corporate criteria and is subject to any such conditions as the Partnership deems appropriate to the particular award.
- 59 The Partnership Director is responsible for project evaluation and the monitoring and evaluation procedures adopted in each case.
- 60 The Partnership Director is required to contain total grants paid within budget provisions for the current year.
- 61 The arrangements for processing grant payments will be in accordance with procedures adopted by the City of Edinburgh Council.

### **Purchase Card Use**

- 62 The Partnership approved rules and procedures for the use of purchase cards at its meeting on 2nd December 2016. Purchase Cards should be used in accordance with the approved Rules and Procedures.

### **Further Information**

- 63 For further information regarding these Financial Rules, please contact Iain Shaw, Principal Finance Manager, City of Edinburgh Council. Tel. 0131-469 3117. [iain.shaw@edinburgh.gov.uk](mailto:iain.shaw@edinburgh.gov.uk)

Reviewed March 2021

**EXPENSES CLAIM FORM (OTHER MEMBERS)**

Date of Meeting.....

|                           |
|---------------------------|
| <b>Name of Claimant :</b> |
| <b>Address</b>            |
|                           |
| <b>Post Code</b>          |

|   |
|---|
| <b><u>To whom cheque should be made payable if different from above</u></b> |
| <b>Payee</b>  |
| <b>Address</b>  |
|   |
| <b>Post Code</b>  |

Your expenses will be paid as soon as possible after you submit this form. Payment cannot be made on the date of the Partnership meeting. **In support of SESTRAN's commitment to sustainable transport, please consider where practicable, travel by foot, bicycle or public transport in preference to travel by car. Thank you.**

**DETAILS OF EXPENSES INCURRED**

|   |                                    |   |
|---|------------------------------------|---|
| <b>PUBLIC TRANSPORT</b><br>Bus, Rail etc. |                                    | £ |
| <b>CAR MILEAGE</b><br>(45p per mile)      | <b>Number of<br/>miles claimed</b> | £ |
| <b>ACCOMMODATION /<br/>SUBSISTENCE</b>    |                                    | £ |
| <b>OTHER - PARKING<br/>CHARGES, ETC.</b>  |                                    | £ |

Amount payable £ \_\_\_\_\_

**Part 4: Financial Rules**

**RECEIPTS MUST BE ATTACHED FOR ALL EXPENSES OTHER THAN CAR MILEAGE**

*Rail fares should be based on the cheapest rate available, including special arrangements currently in operation by rail franchises e.g. APEX, Supersavers, Savers etc.*

I declare that I have incurred the above expenses attending this SESTRAN meeting

**Signature of claimant..... Date.....**

***For Office Use Only***

|   |   |   |  |
|---|---|---|--|
| <b>Authorised by .....</b>  |   | <b>Date.....</b>  |  |
| <b>Ledger Code to be charged</b>  | <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> | <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> | <input type="text"/> <input type="text"/> <input type="text"/> |
| <b>Please return to: Iain Shaw, The City of Edinburgh Council, Department of Finance, Waverley Court (Level 2.6 ), 4 East market Street , Edinburgh, EH8 8BG Telephone: 0131 469 3117</b> |   |   |  |

## Part 5: Contract Standing Orders

### Document Version Control – Contract Standing Orders

| Date       | Author             | Version | Status         | Reason for Change   |
|------------|--------------------|---------|----------------|---|
| Aug 2017   | Andrew Ferguson    | 1.0     | Board Approval | Implementation  |
| Oct 2018   | Andrew Ferguson    | 1.1     | FINAL          | Adoption of version control   |
| Sept 2019  | Gavin King         | 1.1     | FINAL          | Reviewed, no changes  |
| March 2021 | Andrew Ferguson    | 1.2     | Amended        | Changes to reflect EU law, electronic tendering and increase to limits for obtaining quotes |
| Sept 2022  | Gavin King         | 1.2     | FINAL          | Reviewed, no changes  |
| Dec 2022   |                    | 1.3     | Draft          | Update to tender and FTS threshold values   |
| June 2024  | Anderson Strathern | 1.4     | FINAL          | Amended to bring framework agreements into the Contract Standing Orders                     |

### **SESTRAN CONTRACT STANDING ORDERS**

#### **1. Introduction**

- 1.1. These Contract Standing Orders set out how the Partnership deals with the award of contracts for the supply of goods, works and services. The purpose of the Contract Standing Orders is to ensure that contracts are procured in an open and transparent way that demonstrates compliance with the law and the Partnership's policies and procedures. These are the Contract Standing Orders referred to in Standing Order 42 of the SEStran Governance Scheme, Part 1: Standing Orders.
- 1.2. These Contract Standing Orders must be applied in accordance with the following principles:
  - 1.2.1. Any procurement must be conducted in accordance with the principles of transparency, equal treatment, non-discrimination, and proportionality;
  - 1.2.2. Unless the Contract Standing Orders are suspended or the contracts are exempt pursuant to paragraph 2, all contracts must be awarded in accordance with the SEStran Governance Scheme including without prejudice to the foregoing generality, these Contract Standing Orders;

## **Part 5: Contract Standing Orders**

- 1.2.3. That the requirements of all applicable legislation and statutory guidance related to public sector procurement shall apply; and
- 1.2.4. Of the duty to secure Best Value in terms of section 1 of the Local Government in Scotland Act 2003.
- 1.3. Except where the SEStran Governance Scheme does not permit the further delegation of any power, the Partnership Director may nominate a delegated representative to exercise the powers delegated to him under the SEStran Governance scheme including the matters delegated in Appendix 1 to these Contract Standing Orders.
- 1.4. Any breach or non-compliance with these Contract Standing Orders must be reported to the Partnership Director who shall have the power to determine the appropriate action to be taken.
- 1.5. The Partnership Director may develop further procedures and practices in respect of the procurement and award of contracts for the supply of goods, works and services without reference to the Partnership, provided that the procedures and the practices comply with the SEStran Governance Scheme.
- 1.6. The Partnership Director may update these Contract Standing Orders without further reference to the Partnership insofar as:
  - 1.6.1. To change job titles or deal with amendments to the structure; and
  - 1.6.2. To amend the thresholds for each of the relevant procurement processes where either (i) these are amended as a matter of law or (ii) to increase the thresholds by no more than 5% annually.

Where the Contract Standing Orders are amended in this way, the Partnership Director shall issue the updated Contract Standing Orders to the Partnership for noting retrospectively.

## **2. Exemptions from the Contracts Standing Orders**

- 2.1. The Contract Standing Orders do not apply to the following contracts:
  - 2.1.1. Any contract of employment or secondment, but not including contracts for the employment of staff on an agency basis;
  - 2.1.2. Any contract relating to the transfer, acquisition, disposal or lease or licence of heritable property or an interest in the heritable property including a licence to occupy or use any heritable property;

## **Part 5: Contract Standing Orders**

- 2.1.3. A contract between two or more contracting authorities provided that the terms of the Regulations are met; and
- 2.1.4. Grant awards being made by the Partnership to other bodies which are dealt with under the Grant Standing Orders and The SEStran Governance Scheme, Part 4: Financial Rules.

### **3. Suspension of the Contract Standing Orders**

- 3.1. These Contract Standing Orders may be suspended by the Partnership or set aside temporarily by the Partnership Director in the case of emergency where immediate action is required to protect the interests of the Partnership.
- 3.2. The Partnership Director is authorised to take such measures as may be required in emergency situations including for example to enter into an emergency contract where such contract would avert or deal with the potential effects of an actual or potential emergency/disaster. This emergency/disaster could include without prejudice to the foregoing generality, danger to life or health or serious damage to or destruction of property.
- 3.3. If the Partnership Director does temporarily set aside the Contract Standing Orders, the Partnership Director requires to:
  - 3.3.1. advise the Chairperson of the Partnership as soon as practicable; and
  - 3.3.2. report the use of this power to the Partnership at the next meeting, explaining why this action was taken.

### **4. Declaration and Registers of Interest**

- 4.1. A member of the Partnership (whether a Councillor Member or an Other Member) who has either a financial interest or non-financial interest in a contract which is being considered must declare an interest as soon as the interest becomes apparent. The members of the Partnership in determining what is an interest should have regard to and comply with the relevant code of conduct/Ethical Standards in Public Life (Scotland) Act 2000.
- 4.2. Employees must take appropriate steps to ensure that they identify and prevent conflicts of interest. In taking appropriate steps, employees should have regard to the Anti-Bribery Policy. <sup>1</sup>
- 4.3. In respect of employees of the Partnership, any employee who has an actual or potential conflict of interest, or a direct or indirect

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<sup>1</sup> [SEStran Anti-Bribery Policy](#)

## **Part 5: Contract Standing Orders**

pecuniary interest in a tender/contract, should notify the Partnership Director in writing (email counts as writing).

- 4.4. If a conflict has been declared or otherwise identified, the person concerned should not be involved in any way in the tendering process including for the avoidance of doubt, the drafting, evaluation or approval of tenders, the management of any contracts which have been awarded or the issue of variations to the contract.

### **5. Framework Contracts**

- 5.1. The Partnership Director may determine that the appropriate route for procurement may be the utilisation of a framework.
- 5.2. The Partnership Director may arrange for the Partnership to become a member of, registered user of or to otherwise use a framework agreement which has been set up in compliance with the relevant legal requirements and which the Partnership is entitled to use.
- 5.3. A contract to be awarded under the framework may be awarded in line with the rules set out as part of that framework agreement.
- 5.4. Where the framework permits a direct award (i.e. without requiring a further mini-competition) the Partnership Director should approve the use of that procedure.
- 5.5. Notwithstanding the terms of paragraph 5 – the limits in paragraph 2 of Appendix 1 will still apply.

## Part 5: Contract Standing Orders

### 6. Procurement Procedures

- 6.1. The procedure for the award of any contract shall be determined upon the estimated value of that contract. The relevant values and the associated tendering procedure that must be applied are detailed in table below. These values are exclusive of VAT and relate to the full potential life of the contract (i.e. including possible extension periods).

| <b>Tender Procedure</b>                                | <b>Works</b>  | <b>Services</b>  | <b>Supplies</b>  |
|--|---|--|--|
| Low Value Contracts – Paragraph 7                      | Below £6,000 (excluding VAT)  | Below £6,000 (excluding VAT) for services except consultancy. For consultancy the limit shall be below £25,000 (excluding VAT).  | Below £6,000 (excluding VAT)   |
| Unregulated Contracts – Paragraph 8                    | £6,000 or over and less than £2 million (excluding VAT)                       | For services contracts (other than consultancy contracts £6,000 or over and less than £50,000 (excluding VAT) and for consultancy contracts £25,000 or over and less than £50,000. | £6,000 or over and less than £50,000 (excluding VAT)                       |
| Regulated Contracts– Contract Paragraph 9 <sup>2</sup> | £2 million or above (excluding VAT) but less than the Find a Tender Threshold | £50,000 or above (excluding VAT) but less than the Find a Tender Threshold   | £50,000 or above (excluding VAT) but less than the Find a Tender Threshold |

<sup>2</sup> The thresholds may be amended by order – link to current thresholds [Procurement threshold values - gov.scot \(www.gov.scot\)](http://www.gov.scot/procurement-threshold-values)



## Part 5: Contract Standing Orders

|  |                                      |                                    |                                    |
|--|--------------------------------------|------------------------------------|------------------------------------|
| Find a Tender Threshold (as at 1 January 2024) – Paragraph 10 <sup>3</sup> | £5,372,609 (including VAT) and above | £214,904 (including VAT) and above | £214,904 (including VAT) and above |
|--|--------------------------------------|------------------------------------|------------------------------------|

- 6.2. The disaggregation of a single requirement to circumvent or avoid the requirements of these Contract Standing Orders or any legal requirement is expressly prohibited.

### 7. Low Value Contracts below £6,000 excluding VAT

- 7.1. In the interest of efficient management of the Partnership, tenders or quotations need not be invited in respect of:

7.1.1. any contracts which have a value below £6,000 excluding VAT (for any type of contract); and

7.1.2. any consultancy contracts of below £25,000 excluding VAT.

### 8. Unregulated Works Contracts with a value of £6,000 or over but less than £2 million excluding VAT and; Unregulated Services and Supplies Contracts between with a value of £6,000 or over excluding VAT (for all services contracts excluding consultancy) and £25,000 or over excluding VAT for consultancy contracts but in both cases less than £50,000 excluding VAT

- 8.1. Advertising shall not be mandatory and a contract may be awarded after obtaining a minimum of three quotations from suitable suppliers identified by market research as having the necessary expertise to meet the requirements of SEStran. When obtaining three quotations, it should be determined how bids will be assessed. For example for the higher end of the range it may be appropriate to obtain the most economically advantageous tender. In these circumstances, the assessment criteria should include quality/pricing criteria.

- 8.2. Quotations may be invited by

8.2.1. approaching prospective contractors directly;

8.2.2. using the Quick Quote system; or

8.2.3. open advertisement on the PCS portal.

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<sup>3</sup> The thresholds are updated on 1 January every two years – link to current thresholds [Procurement threshold values - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/procurement-threshold-values/pages/2/). SEStran is an “other body” or “all sector” for the purpose of the thresholds.

## Part 5: Contract Standing Orders

The Partnership Director shall be consulted and approve the most appropriate route, having regard to the nature of the Contract, the nature of the market and equal access to opportunities.

- 8.3. Where three quotations cannot be obtained, a written record must be kept detailing the reasons for this. If only one quote has been obtained, the procedure set out in paragraph 11 of these Contract Standing Orders shall be adopted. If more than one quote has been obtained, the Partnership Director has the discretion to award the contract with only two quotations.
- 8.4. Where quotations are received, except where the Partnership Director agrees otherwise, the contract will be awarded to:
  - 8.4.1. the tenderer who submitted the lowest quotation where the basis of assessment was solely pricing; or
  - 8.4.2. the tenderer who submitted the most economically advantageous tender based on the quality/price split set out.
9. **Regulated Works Contracts £2 million or over (excluding VAT) but less than the Find a Tender threshold and Regulated Services and Supplies Contracts £50,000 or over (excluding VAT) but less than the Find a Tender threshold**
  - 9.1. In order to assess the contract value in order to determine whether the contract falls within this paragraph, the estimated value of a contract shall be assessed in accordance with Regulation 3 of the Procurement (Scotland) Regulations 2016 <sup>4</sup>
  - 9.2. All such contracts require to be advertised in a manner that is sufficient to enable open competition and to meet the requirements of the principles detailed in 1.2 and except where the provisions of 2.2 (exemption from electronic tendering) of Appendix 2 apply, they will be advertised electronically on the Public Contracts Scotland portal [Home – Public Contracts Scotland](#).
  - 9.3. Timescales for the return of Tenders shall take account of the complexity of the requirement and allow adequate time for Tenderers to respond.
  - 9.4. The General Requirements in respect of tenders set out in Appendix 2 shall apply.
10. **Contracts at or above the Find a Tender Threshold.**

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<sup>4</sup> [The Procurement \(Scotland\) Regulations 2016 \(legislation.gov.uk\)](#)

## **Part 5: Contract Standing Orders**

- 10.1. In order to assess the contract value in order to determine whether the contract falls within this paragraph, the estimated value of a contract shall be assessed in accordance with Regulation 6 of the Public Contracts (Scotland) Regulations 2015.<sup>5</sup>
- 10.2. Before undertaking a procurement in this category:
  - 10.2.1. an assessment should be made as to whether there are already frameworks in existence which are capable of being used for the particular requirement; and
  - 10.2.2. approval of the Partnership Director will require to be sought.
- 10.3. The Partnership Director (at their discretion) may instruct that a procurement is carried out either:
  - 10.3.1. using an existing framework; or
  - 10.3.2. by asking another contracting authority to procure the works, goods and services on the Partnership's behalf; or
  - 10.3.3. by the Partnership using this route.

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<sup>5</sup> [The Public Contracts \(Scotland\) Regulations 2015 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

## Part 5: Contract Standing Orders

- 10.4. Where it is determined that the procurement will be carried out by the Partnership using this route
  - 10.4.1. all such contracts require to be advertised in a manner that is sufficient to enable open competition and to meet the requirements of the principles detailed in 1.2 and except where the provisions of paragraph 2.2 (exemption from electronic tendering) of Appendix 2 apply, they will be advertised electronically on the Public Contracts Scotland portal [Home – Public Contracts Scotland](#) which ultimately posts procurements on the Find a Tender Service;
  - 10.4.2. Timescales for the return of Tenders shall take account of the complexity of the requirement and allow adequate time for Tenderers to respond; and
  - 10.4.3. The General Requirements in respect of tenders set out in Appendix 2 shall apply.
- 10.5. The procedure to be adopted, for example, whether open, restricted etc shall be approved by the Partnership Director.
11. **Single Source/Non-competitive Procurement Procedure – New Contracts**
  - 11.1. **Contracts £6,000 or over excluding VAT (for services excluding consultancy) £25,000 or over excluding VAT in respect of consultancy and in both cases less than £50,000 excluding VAT in value**
    - 11.1.1. Where it can be demonstrated that Best Value will be served by the appointment of a contractor without competition, then the Single Source Approval Form Appendix 3 must be completed and submitted to the Partnership Director.
    - 11.1.2. If the Partnership Director approves the Single Source Approval Form, then the award without advertising the opportunity may be progressed.
  - 11.2. **Contracts £50,000 or over excluding VAT**
    - 11.2.1. Where:
      - 11.2.1.1. it can be demonstrated that Best Value will be served by the appointment of a contractor without competition;
      - 11.2.1.2. the circumstances set out in paragraph 11.2.3 apply; and

## **Part 5: Contract Standing Orders**

11.2.1.3. it is intended to award the contract to a single contractor

then the Request for a Single Source Equal to or greater than £50,000 Approval Form – Appendix 4 must be completed and submitted to the Partnership Director for approval.

11.2.2. If the Partnership Director approves the Single Source Approval Form, then the award without advertising the opportunity may be progressed.

11.2.3. The circumstances for the purpose of paragraph 11.2.3 are:

11.2.3.1. where no tenders, no suitable tenders, no requests to participate or no suitable requests to participate have been submitted in response to the publication of a contract notice, provided that the initial conditions of the contract are not substantially altered; or

11.2.3.2. where the works, supplies or services can be supplied only by a particular economic operator for any of the following reasons:

11.2.3.2.1. the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance; or

11.2.3.2.2. competition is absent for technical reasons; or

11.2.3.2.3. the protection of exclusive rights, including intellectual property rights;

but only, in the case of paragraphs 11.2.3.2.2 and 11.2.3.2.3, where no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement; or

11.2.3.3. where (but only if it is strictly necessary) for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the authority considers it must proceed to award a contract without delay; or

11.2.3.4. Where all of the following conditions apply:

## **Part 5: Contract Standing Orders**

- 11.2.3.4.1. it is for new works, services or both, consisting of the repetition of similar works or services entrusted to the economic operator to which the contracting authority awarded an original contract, provided that such works or services are in conformity with the project for which the original contract was awarded;
  - 11.2.3.4.2. the project indicated the extent of possible additional works or services and the conditions under which they would be awarded;
  - 11.2.3.4.3. the possible use of this procedure was disclosed in the procurement documents and the total estimated cost of subsequent works or services was taken into consideration by the contracting authority when determining the estimated value of the original contract; and
  - 11.2.3.4.4. not more than three years has elapsed following the conclusion of the original contract.
- 11.2.3.5. Where, for supply contracts only, a change of supplier would oblige the Partnership to obtain goods of a different characteristic which would result in incompatibility or disproportionate technical difficulties in the operation or maintenance of current goods supplied; or
- 11.2.3.6. Where goods are being purchased from a supplier being wound up or directly from the liquidator, where these are offered on advantageous terms.
- 11.3. Note that any contract awarded £50,000 or over(excluding VAT) may require an award notice to be published which sets out the grounds for entering that contract. The reasons given in the completed Request for a Single Source Equal £50,000 or over Approval Form may be used for a justification on the notice.

## **12. Contract Modifications and Extension**

- 12.1. If any modification, extension or variation of a contract is required and is not provided for in the original contract, a Request for

## **Part 5: Contract Standing Orders**

Modification Form requires to be completed and submitted to the Partnership Director for approval in line with their delegated limits.

- 12.2. If approved by the Partnership Director, the necessary amendments will be made to the Contract.
- 12.3. For the avoidance of doubt all variations which cannot be contained within approved budgets require to be approved by the Partnership or the relevant Committee of the Partnership.
- 12.4. All modifications or variations will be reported to the Partnership retrospectively on a 6 monthly basis if the cumulative effect of these is to increase the value of the contract by 50% of the award price.
- 12.5. In respect of any contracts which are above the Find a Tender threshold or where the variation would put them above the Find a Tender threshold, the Partnership Director will take legal advice as appropriate on any of the amendments.

### **Appendix 1 – Specific Powers delegated to the Partnership Director in relation to Contracts**

The following powers/functions are delegated to the Partnership Director:

1. To determine and manage the appropriate tendering arrangements in relation to the purchase of works, goods and services for the Partnership including:
  - 1.1. The determination of the most appropriate route for the procurement of the goods, services and works;
  - 1.2. Determining the most appropriate qualification and award criteria;
  - 1.3. Assessing and rejecting tenders;
  - 1.4. Taking all such steps necessary to carry out the procurement process in line with these Contracts Standing Orders including arranging for the evaluation of the tenders; and
  - 1.5. Exercising all powers delegated in terms of the Standing Orders
2. To approve entering into a contract with the total value of the contract being up to £1,000,000 (excluding VAT);
3. To approve varying a contract which has already been entered into provided that the variation is no greater than the higher of (i) £200,000 (excluding VAT) or (ii) 50% of the original contract value;
4. To make arrangements with another contracting authority to undertake procurement exercises on behalf of the Partnership;
5. Determining the appropriate form of contract to be used in respect of the procurement of a contract; and
6. To agree to settle claims from contractors in respect of matters or items not clearly within the terms of any relative contract up to a value of £200,000 (excluding VAT) on a cumulative basis.



**Appendix 2 – General Tendering procedures for all Regulated Contracts or Contracts at or over the Find a Tender Threshold.**

**1. Pre-Tender Requirements**

Prior to advertising the opportunity:

- 1.1. Tender and contract documentation will be prepared and will set out clearly:
  - 1.1.1. The scope/ quality of the works, goods and/or services;
  - 1.1.2. The required quality and standards;
  - 1.1.3. Any service levels required; and
  - 1.1.4. Any key dates for delivery.
- 1.2. The selection criteria for the procurement exercise, taking account all of the legal requirements. This will be restricted to suitability to pursue the relevant activity; economic and financial standing; and technical and professional ability. This should be determined by using the Single Procurement Document (SPD)<sup>6</sup>.
- 1.3. The award criteria should be set. They must be clearly set out within the notice or the tender documentation. The method of evaluation should be the Most Economically Advantageous Tender with the ratio between quality and price having been agreed with the Partnership Director having regard to the market, risk, nature and value of the relevant requirement.
- 1.4. Will have assessed what level of sustainability would be proportionate to include in order to meet any sustainable procurement duty.
- 1.5. As part of the procurement obligations consideration should be given to whether a contract can or should be split into lots. After considering the appropriate route, the reasons for your decision should be documented.

**2. Electronic Tendering and process for opening tenders.**

- 2.1. All procurements to which these general rules apply shall be conducted using electronic means through the Public Contracts Scotland portal and except as set out in paragraph 2.2 of this appendix there shall be a requirement for all tenders so be submitted electronically.

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<sup>6</sup> Information and the current version of the SPD can be found here [Single Procurement Document \(SPD\) | Supplier Journey](#)

## **Part 5: Contract Standing Orders**

- 2.2. The Partnership is not obliged to require electronic means of communication in the submission process where:
  - 2.2.1. due to the specialised nature of the procurement, the use of electronic means of communication would require specific tools, devices or file formats that are not generally available or supported by generally available applications;

## **Part 5: Contract Standing Orders**

- 2.2.2. the applications supporting file formats that are suitable for the description of the tenders use file formats that cannot be handled by any other open or generally available applications or are under a proprietary licencing scheme and cannot be made available by the Partnership for downloading or remote use;
  - 2.2.3. the use of electronic means of communication would require specialised office equipment that is not generally available to the Partnership; or
  - 2.2.4. the procurement documents require the submission of physical or scale models which cannot be transmitted using electronic means.
- 2.3. In the circumstances set out in paragraph 2.2, communication must be carried out by:
- 2.3.1. post or by other suitable carrier; or
  - 2.3.2. a combination of post or other suitable carrier and,
  - 2.3.3. to the extent that electronic means of communication is possible, by such means.
- 2.4. It can also consider not using electronic means of communication in the submission process to the extent that the use of means of communication other than electronic means is necessary: because of a breach of security of the electronic means of communication; or for the protection of information of a particularly sensitive nature which requires such a high level of protection that it cannot properly be ensured by using electronic tools and devices.

### **3. Opening and recording of Tenders.**

- 3.1. Notwithstanding the process whether electronic or otherwise, the process should be such that bids can only be accessible and opened only following the deadline set for the return of tenders. Public Contracts Scotland complies with these procedures.
- 3.2. When bids are opened, the name of the person accessing the tenders as well as the time and date for opening the tenders should be recorded automatically within the system or otherwise recorded where tenders are not being submitted through an electronic system.

### **4. Confidentiality**

- 4.1. During the period between the opening and evaluation of tenders through to the standstill period/award of the contract when the content becomes publicly known, an absolute obligation of preserving confidentiality exists.

**5. Late Tenders**

- 5.1. All tenders received after the time and date specified for the return of tenders to the Partnership will only be accepted where the bidder can provide verifiable evidence from the provider of the electronic procurement system that there has been a provider system issue which directly prevented the submission of the bid by the date and time of return stated. Any bid made after the date and time of tender submission where this evidence cannot be provided will be rejected.

### 6. Evaluation of Tenders including corrections, clarifications and amendments

- 6.1. **Arithmetical Checks:** Arithmetical checks will be limited to verification that the rates submitted and any extensions and totals pertaining to those rates have been correctly entered by the bidder. Rates and totals may only be corrected where an obvious error has been made and can be clearly seen without ambiguity from the information provided. The relevant employee of the Partnership will examine all tenders for arithmetical errors, and any found shall be advised to the bidder through the clarification process. Only after the clarification process has been completed shall a revised tender price be accepted and the bid altered accordingly.
- 6.2. **Abnormally Low Tenders:** Where tenders are found to be abnormally low in relation to either the pre-tender cost estimate and/or in relation to all other bids, the bidder should be asked to provide a detailed breakdown of their bid to include all costs, overheads and profit together with a written explanation in order that an assessment be made as to its validity and short/long term sustainability. Any bid found following these checks to be invalid or unsustainable may be rejected and the bidder informed.
- 6.3. **Clarifications:** Between the last date and time for the receipt of tenders and the date on which a decision is taken as to which, if any, tender is to be accepted, there may be a process of clarification in order to confirm or clarify the terms of the tender and any information within the bid which may be ambiguous. No entirely new information must be sought where the bidder has provided a clear and unambiguous response or where no response has been made to any part of the tender where the submission of new information may fundamentally affect the evaluation. No information concerning any tender other than their own will be disclosed to the bidder. A full record will be retained of all such clarifications and held on the contract file.
- 6.4. **Non-Arithmetical Checks:** All tenders will be examined for the purpose of evaluating technical and professional issues in order to establish the tender representing the best value for money in accordance/ compliance with the stated award criteria. Evaluation panels consist of no fewer than two employees although the actual number should be dependent on the value and complexity of the contract in question.
- 6.5. **Post Tender Clarification (PTC):** PTC as part of the competitive tendering process may be used to refine the bid(s) following evaluation to clarify any matters which are unclear. Competition must not be distorted by allowing a bidder not clearly ranked first after evaluation a chance to improve its offer to change their position in the bidding process. No changes should in addition be

## **Part 5: Contract Standing Orders**

made which would result in a contract being awarded on terms more favourable to the bidder.

### **7. Award of Contract**

- 7.1. Contracts should not be awarded on the basis of lowest cost only and should always represent Best Value. The Most Economically Advantageous Tender (MEAT) criteria should be used in deciding to award a Contract.

## **Part 5: Contract Standing Orders**

- 7.2. Details of the award of the contract must be published on the Public Contracts Scotland unless publication would:
  - 7.2.1. Impede law enforcement or be contrary to public interest;
  - 7.2.2. Prejudice the commercial interests of another party; or
  - 7.2.3. Prejudice fair competition
- 7.3. Notice of the award to unsuccessful Tenderers must include:
  - 7.3.1. The name of the successful Tenderer;
  - 7.3.2. The criteria used to award the Contract; and
  - 7.3.3. The scoring of the successful Tender as well as scoring of the unsuccessful Tender.

## **8. Reporting Arrangements**

- 8.1. The Partnership Director will arrange for all contracts accepted with an estimated value exceeding £50,000 or such lower amount as agreed with the Partnership Director to be publicly displayed on the Partnership's externally facing website. This will be in the form of a Register of Contracts awarded and will contain the following information:
  - 8.1.1. the date the contract was awarded;
  - 8.1.2. the name of the contractor(s) the contract has been awarded to;
  - 8.1.3. the subject matter of the contract;
  - 8.1.4. the estimated value of the contract;
  - 8.1.5. the start date of the contract;
  - 8.1.6. the end date of the contract (excluding contract extensions). If the date is not provided, a description of the circumstances when the contract will end; and
  - 8.1.7. the duration of any contract extension periods.

Information can be withheld if disclosing information would: impede law enforcement; be contrary to public interest; prejudice commercial interests of any person; or prejudice fair competition between suppliers.

## **9. Data Protection**

- 9.1. All contracts and processes must be compliant with the Data Protection Act 2018.

## Part 5: Contract Standing Orders



## **Part 5: Contract Standing Orders**

### **10. Terms and conditions to be applied to the contract**

- 10.1. Whilst where appropriate the preferred position is that the Partnership's appropriate standard form contract is adopted, the Partnership Director will have discretion, in consultation with advisers as appropriate, to determine that an alternative form of contract be adopted for a particular procurement.
- 10.2. The Partnership Director requires to determine whether any security or performance bond is required in respect of the contract. This will depend on factors including the risks in delivery of the contract or risks in respect of the company with whom the contract is to be entered into.
- 10.3. If there is an inherent risk of delay which may materially impact on the Partnership it should be considered whether liquidated damages should be included. This should be approved by the Partnership Director before issuing the contract.

## Part 5: Contract Standing Orders

### Appendix 3 – Single Source Approval Form for contracts £6,000 or over excluding VAT (for all services excluding consultancy and £25,000 or over excluding VAT for Consultancy) and less than £50,000

Please complete

|   |  |
|---|--|
| <b>Contract/Project name/brief description:</b>                               |  |
| <b>Estimated value:</b>   | [Drafting Note: this is the whole value of the contract including extension periods – attach email/correspondence if you have an estimate]   |
| <b>Estimated Duration:</b>  | [Drafting Note: This should cover the whole period of the contract to be entered into including any extension periods]   |
| <b>Name and company number (if any) of Proposed Contractor:</b>               |  |
| <b>Describe the Goods, Services or Works required.</b>                        | [Drafting Note: this should provide the background, current position and details of what you are seeking to purchase under the contract]   |
| <b>Explanation of why there is a request for a single source.</b>             | [Drafting Note: this should say why this needs to be a single source, what steps have you taken to see if there are other suppliers out there, what difficulties would there be if you did not award the contract to this supplier]. |
| <b>Explanation as to how the approach delivers Best Value/value for money</b> | [Drafting Note: you should include discussions you have had with the contractor and what value has been secured in these discussions in terms of both price and/or quality].   |

|                                 |  |
|---------------------------------|--|
| <b>Name of the requestor:</b>   |  |
| <b>Signed by the requestor:</b> |  |
| <b>Date:</b>                    |  |

**Part 5: Contract Standing Orders**

Approved by the Partnership Director

|  |  |
|--|--|
| <b>Signed by the Partnership Director:</b> |  |
| <b>Date:</b>                               |  |

## Part 5: Contract Standing Orders

### Appendix 4 Request for Single Source Contracts £50,000 or over excluding VAT

Please complete

|   |   |
|---|---|
| <b>Contract/Project name/brief description:</b>                               |   |
| <b>Estimated value:</b>   | [Drafting Note: this is the whole value of the contract including extension periods – attach email/correspondence if you have an estimate]  |
| <b>Estimated Duration:</b>  | [Drafting Note: This should cover the whole period of the contract to be entered into including any extension periods]  |
| <b>Name and company number (if any) of Proposed Contractor:</b>               |   |
| <b>Describe the Goods, Services or Works required.</b>                        | [Drafting Note: this should provide the background, current position and details of what you are seeking to purchase under the contract]  |
| <b>Explanation of why there is a request for a single source.</b>             | [Drafting Note: this should identify which of the grounds set out in 11.2.3 you consider apply. You should identify why they specifically apply to the contract you want to award. You should note that these grounds are very narrowly interpreted. You should therefore be clear in your explanation why they apply and why there are no other alternatives – which make it clear that you are for example not unreasonably narrowing down the field of competition by being unduly restrictive about what you want]. |
| <b>Explanation as to how the approach delivers Best Value/value for money</b> | [Drafting Note: you should include discussions you have had with the contractor and what value has been secured in these discussions in terms of both price and/or quality].  |

|                                 |  |
|---------------------------------|--|
| <b>Name of the requestor:</b>   |  |
| <b>Signed by the requestor:</b> |  |

Part 5: Contract Standing Orders

|       |  |
|-------|--|
| Date: |  |
|-------|--|

**Part 5: Contract Standing Orders**

Approved by the Partnership Director

|  |  |
|--|--|
| <b>Signed by the Partnership Director:</b> |  |
| <b>Date:</b>                               |  |

## Part 5: Contract Standing Orders

### Appendix 5 – Request for a contract modification

Please complete

|   |   |
|---|---|
| <b>Original Contract/Project name/brief description:</b>                      |   |
| <b>Original Value of the contract:</b>  |   |
| <b>Estimated value of the variation:</b>                                      | [Drafting Note: this is the whole value of the variation/amendment – attach email/correspondence if you have an estimate] |
| <b>Estimated value of any variations which have been previously approved:</b> |   |
| <b>Cumulative Total of all variations:</b>                                    |   |
| <b>Estimated Duration:</b>  | [Drafting Note: This should cover the whole period of the contract to be entered into including any extension periods]    |
| <b>Describe the variation and why is required.</b>                            | [Drafting Note: this should provide the background, current position and details of what you are seeking to vary and why] |
| <b>What changes are needed to the contract.</b>                               |   |

|                                 |  |
|---------------------------------|--|
| <b>Name of the requestor:</b>   |  |
| <b>Signed by the requestor:</b> |  |
| <b>Date:</b>                    |  |

Approved by the Partnership Director

**Part 5: Contract Standing Orders**

|  |  |
|--|--|
| <b>Signed by the Partnership Director:</b> |  |
| <b>Date:</b>                               |  |



## Part 6: Corporate Procurement Strategy

### Document Version Control

| Date          | Author          | Version | Status         | Reason for Change  |
|---------------|-----------------|---------|----------------|--|
| Aug 2017      | Andrew Ferguson | 1.0     | Board Approval | Implementation   |
| March 2021    | Gavin King      | 1.0     | FINAL          | Reviewed, no changes   |
| December 2022 | Anna Herriman   | 1.1     | FINAL          | Removes reference to historic procedures<br><br>Meets requirements for a CP Strategy |
| March 2023    | Gavin King      | 1.2     | FINAL          | Adds specific reference to equalities duties.  |

### **SEStran Corporate Procurement Strategy**

#### **1. Introduction**

This procurement strategy has been prepared in response to the changing procurement agenda where it is now recognised that there is a need to further emphasise the importance of the role in the delivery of efficient and effective public services. SEStran is a body governed by public law and therefore defined as a contracting authority for the purposes of the regulations as specified in Part 1 Section 1 (1) (b) of the 2014 Act.

The SEStran Procurement Strategy sits within the framework of the Scottish Government's Public Services Reform Agenda and complies with Procurement Reform (Scotland) Act 2014 the Public Contracts (Scotland) Regulations 2015 and Procurement (Scotland) Regulations 2016. The Procurement Strategy ensures that the procurement activities support the key objectives of SEStran and contribute to the achievement of best value in line with SEStran's existing contract standing orders.

SEStran is committed to ensuring that its procurement activity maximises its contribution towards the delivery of efficient and effective public services. To achieve this, procurement processes and procedures must be open, robust and continuously improved to reflect recognised best practice.

This strategy sets out our approach to procurement and provides a clear framework for linking the procurement function to the delivery of the Regional Transport Strategy as well as supporting SEStran's duties as a public body in improving services and outcomes for all. Specifically, this includes demonstrating commitment to the obligations of the Public Sector Equality Duty. The strategy links to and complements the SEStran Contract Standing Orders. The strategy applies to all aspects of procurement: purchasing supplies, services and works, ranging from contracting a whole service to the purchase of day-to-day consumables.

## **2. Vision**

SEStran's vision for procurement is to ensure best value for SEStran and support the delivery of the Regional Transport Strategy with high quality outcomes.

## **3. Strategy Principles**

- To support the wider context of SEStran's Regional Transport Strategy and Scheme of Governance.
- Take account of national developments, the Public Services Reform agenda and the needs of the SEStran area.
- Operate within the legislative framework imposed by the Public Procurement Directives, national legislation and SEStran Standing Orders and recognise the accounting requirements
- Adhere to the principles of best value (Challenge, Compare, Consult and Compete) whenever appropriate.
- Set out the reasons and justification for the approach taken to procurement and issues such as awarding a contract without competition.
- Meet SEStran's needs for goods, services and works in a way that generates benefits to the organisation, and to society, economy and environment.
- Consider how procurement can improve the economic, social, and environmental wellbeing of the SEStran area with reference to reducing inequality in the SEStran area, facilitating the involvement of small and medium enterprises, third sector bodies and supported business, and promoting innovation.
- Give due regard within procurement processes to the relevance of all contracts in supporting SEStran's commitment to meet its statutory duties under the Equality Act (2010) and the Public Sector Equality Duty to:
  - a. eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
  - b. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it: and

- c. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- Abide by the highest standards and treat all relevant economic operators without discrimination and act in a transparent and proportionate manner for all procurement activity.
- Protect public spending, ensuring integrity and accountability.

#### **4. Use of Competition and Best Value**

The aim of our procurement strategy is to use competition where this is both appropriate and necessary to improve the delivery of goods, works and services and where the risks and benefits of competition have been clearly established.

SEStran operates on behalf of partner councils, a number of regulated contracted services which have been awarded following a competitive tendering process. There are some instances where best value may be achieved by the continued delivery of an existing contract without competition and in these situations SEStran will clearly outline the rationale for this in line with relevant Regulations.

#### **5. Contract Standing Orders**

As a public body, all SEStran procurement activity follows relevant legislation and the rules set out within SEStran Contract Standing Orders<sup>1</sup>. Their purpose is to ensure accountability, openness, and transparency in the way that we do business with suppliers and to protect SEStran and its employees from any legal challenge or allegation of impropriety in the way we conduct our business.

#### **6. Advertisement, Application and Award**

Procurement contract awards will be announced on Public Contracts Scotland as appropriate, and all procured contracts and values are reported annually to the Partnership's Performance and Audit Committee and the Partnership Board, as part of the Public Services Reform (Scotland) Act 2010 duties. In awarding any tender, SEStran officers will comply with the General Duties of the Procurement Reform (Scotland) Act 2014, and, if applicable, The Public Contracts (Scotland) Regulations 2015, and the Sustainable Procurement Duty outlined within the 2014 Act. This will be done in a proportionate way but applied to all regulated procurements undertaken by SEStran.

Compliance with the general duties and sustainable procurement duties have aided compliance with the Equality Act, specific Scottish duties, the Climate Change Act 2009 and associated Public Bodies Reporting duties.

## **7. Monitoring and Review**

The Procurement Strategy will be kept under review to ensure that it continues to meet the needs of SEStran and delivers measurable contributions towards the achievement of SEStran objectives. Member scrutiny is provided through SEStran's Performance and Audit Committee.

March 2023

## Document Version Control – Corporate Procurement Strategy

| Date          | Author          | Version | Status         | Reason for Change  |
|---------------|-----------------|---------|----------------|--|
| Aug 2017      | Andrew Ferguson | 1.0     | Board Approval | Implementation   |
| March 2021    | Gavin King      | 1.0     | FINAL          | Reviewed, no changes   |
| December 2022 | Anna Herriman   | 1.1     | For review     | Removes reference to historic procedures<br>Meets requirements for a CP Strategy |

### **SEStran Corporate Procurement Strategy**

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This procurement strategy has been prepared in response to the changing procurement agenda where it is now recognised that there is a need to further emphasise the importance of the role in the delivery of efficient and effective public services. SEStran is a body governed by public law and therefore defined as a contracting authority for the purposes of the regulations as specified in Part 1 Section 1 (1) (b) of the 2014 Act.

The SEStran Procurement Strategy sits within the framework of the Scottish Government's Public Services Reform Agenda and complies with Procurement Reform (Scotland) Act 2014 the Public Contracts (Scotland) Regulations 2015 and Procurement (Scotland) Regulations 2016. The Procurement Strategy ensures that the procurement activities support the key objectives of SEStran and contribute to the achievement of best value in line with SEStran's existing contract standing orders.

SEStran is committed to ensuring that its procurement activity maximises its contribution towards the delivery of efficient and effective public services. To achieve this, procurement processes and procedures must be open, robust and continuously improved to reflect recognised best practice.

This strategy sets out our approach to procurement and provides a clear framework for linking the procurement function to the delivery of the Regional Transport Strategy as well as supporting SEStran's duties as a public body in improving services and outcomes for all. The strategy links to and complements the SEStran Contract Standing Orders. The strategy applies- to all aspects of procurement: purchasing supplies, services and works, ranging from contracting a whole service to the purchase of day-to-day consumables.

## **2. Vision**

SEStran's vision for procurement is ensure best value for SEStran and support the delivery of the Regional Transport Strategy with high quality outcomes.

## **3. Strategy Principles**

- to support the wider context of SEStran's Regional Transport Strategy and Scheme of Governance.
- Take account of national developments, the Public Services Reform agenda and the needs of the SEStran area.
- Operate within the legislative framework imposed by the Public Procurement Directives, national legislation and SEStran Standing Orders and recognise the accounting requirements and efficiencies of Best Value.
- Adhere to the principles of best value (Challenge, Compare, Consult and Compete) whenever appropriate.
- Set out the reasons and justification for the approach taken to procurement and issues such as awarding a contract without competition.
- Meet SEStran's needs for goods, services and works in a way that generates benefits to the organisation, and to society, economy and environment.
- Consider how procurement can improve the economic, social, and environmental wellbeing of the SEStran area with reference to reducing inequality in the SEStran area, facilitating the involvement of small and medium enterprises, third sector bodies and supported business, and promoting innovation.
- Give due regard within procurement processes to the relevance of all contracts in supporting SEStran's commitment to meet its statutory duties.
- Abide by the highest standards and treat all relevant economic operators without discrimination and act in a transparent and proportionate manner for all procurement activity.
- Protect public spending, ensuring integrity and accountability.

## **4. Use of Competition and Best Value**

The aim of our procurement strategy is to use competition where this is both appropriate and necessary to improve the delivery of goods, works and services and where the risks and benefits of competition have been clearly established.

SEStran operates, on behalf of constituent council members, a number of regulated contracted services which have been awarded following a competitive tendering process. There are some instances where best value may be achieved by the

continued delivery of an existing contract without competition and in these situations SEStran will clearly outline the rationale for this in line with relevant Regulations.

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## **6. Advertisement, Application and Award**

Procurement contract awards will be notified on Public Contracts Scotland as appropriate, and all procured contracts and values are reported annually to the Partnership's Performance and Audit Committee and the Partnership Board, as part of the Public Services Reform (Scotland) Act 2010 duties. In awarding any tender, SEStran officers will comply with the General Duties of the Procurement Reform (Scotland) Act 2014, and, if applicable, The Public Contracts (Scotland) Regulations 2015, and the Sustainable Procurement Duty outlined within the 2014 Act. This will be done in a proportionate way but applied to all regulated procurements undertaken by SEStran.

Compliance with the general duties and sustainable procurement duties have aided compliance with the Equality Act, specific Scottish duties, the Climate Change Act 2009 and associated Public Bodies Reporting duties.

## **7. Monitoring and Review**

The Procurement Strategy will be kept under review to ensure that it continues to meet the needs of SEStran and delivers measurable contributions towards the achievement of SEStran objectives. Member scrutiny is provided through SEStran's Performance and Audit Committee.

**December 2022**

**Document Version Control – Grant Standing Orders**

| <b>Date</b> | <b>Author</b>      | <b>Version</b> | <b>Status</b>  | <b>Reason for Change</b>                    |
|-------------|--------------------|----------------|----------------|---|
| March 2024  | Michael Melton     | 1.0            | Board Approval | Implementation                              |
| June 2025   | Anderson Strathern | 1.1            | FINAL          | Change to 6.6 cross referencing and wording |

**Introduction**

These Grant Standing Orders (GSOs) of the South East of Scotland Transport Partnership (“SEStran”) apply from 15<sup>th</sup> March 2024 and apply (with certain exceptions outlined below) to all grants made by or on behalf of SEStran.

**1. Explanatory Note – What are Grants?**

- 1.1. Grants are financial contributions to a third party which contribute towards the Regional Transport Strategy.
- 1.2. Properly constituted grants will not normally be subject to the procurement rules. Further guidance can be found in the Scottish Public Finance Manual, however the following characteristics will help determine whether a grant is the suitable funding route or whether it should be treated as a Public Contract and be subject to normal procurement rules:
  - 1.2.1. Grants are financial contributions to a third party and tend to be an offer to a third party of funds or a financial contribution for a discretionary project or objective which contribute towards the Regional Transport Strategy. The grant should not be for services which SEStran receives.
  - 1.2.2. Grant funding will normally be given subject to desired outcomes being met but SEStran will not normally receive services itself.
  - 1.2.3. SEStran is providing funding to support activities that will contribute towards the Regional Transport Strategy and where the grant recipient does not have sufficient resources to deliver those activities on a self-sustaining basis itself.
  - 1.2.4. In contrast, Public Contracts are normally a request by SEStran for a specific requirement or service with no discretionary objective for which an agreed price is paid.
- 1.3. There is no financial threshold above which a grant becomes a contract but if the investment is significant this may reflect a significant need in which case greater control and/or a more defined specification may be advisable.
- 1.4. References to ‘Public Contract’ in this paragraph 1 means a contract which is subject to the Procurement Reform (Scotland) Act 2014, the Public Contracts (Scotland) Regulations 2015, the Utilities Contracts (Scotland) Regulations 2016, the Concessions Contracts (Scotland) Regulations 2016 or the Procurement (Scotland) Regulations 2016.

**2. General Principles and Application**



## **Part 7: Grant Standing Orders**

- 2.1. Grants are subject to the requirements to secure Best Value (as defined in the Local Government in Scotland Act 2003).
- 2.2. Grant funding is for objectives which contribute towards the Regional Transport Strategy.
- 2.3. SEStran is committed to ensuring grant funding is outcome driven, accessible and transparent, supporting projects that meet the needs of the region.
- 2.4. Subject to Board approval, SEStran may use arms-length bodies or other appropriate organisations or community networks to carry out grant disbursement activities on its behalf. SEStran should have an agreement in place with such bodies that sets out the nature of the relationship, the form of accountability, how the assessment panel will be constituted, how the organisation or network is funded or will be funded, and details of the activities they will engage in. Such bodies will be subject to the standards set out in these Grant Standing Orders unless expressly agreed by the Partnership Board.
- 2.5. All grant arrangements must comply with the requirements of the Subsidy Control Act 2022. At the outset of any grant process the relevant Partnership Director shall ensure that the Subsidy Control Act 2022 is considered, and appropriate advice sought. The specific grant agreement must contain provisions ensuring both SEStran's and the recipient's compliance with the requirements of the Subsidy Control Act 2022 as applicable to the grant.
- 2.6. For each grant fund, the Partnership Director shall appoint a named officer to oversee the process, manage any issues with individual recipients and ensure outcomes are achieved and managed. The process and management required shall be proportionate to the amount of grant funding.
- 2.7. Prior to award, all grants paid should have specific grant agreements in place which should be suitable and proportionate to the level of funding and reflect the activities and outcomes to be delivered.
- 2.8. Sections 3 and 4 will not apply to grants to Local Authorities, which are covered under section 6.

### **3. Eligibility and Assessment Criteria for Grant Funds (for grants to non-Local Authorities)**

- 3.1. The overarching eligibility criteria and the overarching assessment criteria:
  - 3.1.1. For each grant fund under £50,000 shall be approved in advance by the Partnership Director
  - 3.1.2. For each grant fund in excess of £50,000 shall be developed by the Partnership Director and approved in advance by the Partnership Board.
- 3.2. Changes to the eligibility or assessment criteria, process and the amount of the grant fund may be approved by the Partnership Director where the total annual fund or the amount by which the total annual fund is to change is less than or equal to

## **Part 7: Grant Standing Orders**

£50,000. Any other changes to the eligibility criteria, process and the amount of the grant fund shall be approved by the Partnership Board.

- 3.3. Grant funds where the total annual fund value is less than or equal to £50,000 shall be either open or closed as determined by the Partnership Director.  
Grant funds where the total annual fund value exceeds £50,000 per annum shall be open to all eligible applicants (as agreed under 3.1.2).
- 3.4. In certain circumstances, a restricted process i.e. restricted to existing grant recipients may be appropriate but must be agreed by the Board in advance.
- 3.5. Notwithstanding 3.3-3.4, where grant funding is from a source other than SEStran (such as the Scottish Government) then this requirement to be open to all eligible applicants shall still apply but be subject to any requirements of the funding body or third party as appropriate that may stipulate restrictions on eligibility. The Partnership Director may approve any changes to the eligibility criteria, process or the amount of the fund to take account of these third-party requirements, reporting back to the Board as appropriate.

### **4. Assessment Process and Award of Grants (for grants to non-Local Authorities)**

- 4.1. For grants where the total annual fund value is equal to or less than £50,000:
  - 4.1.1. Applications shall be assessed and evaluated against the agreed assessment criteria.
  - 4.1.2. Grant awards shall be delegated to the Partnership Director for approval (within the agreed annual budget) based on the outcome of this assessment and reported to the Board for noting at its next meeting.
- 4.2. For grants where the total annual fund value is greater than £50,000 and the individual grant value does not exceed £100,000:
  - 4.2.1. Applications shall be assessed and evaluated by at least 2 SEStran officers against the agreed assessment criteria.
  - 4.2.2. Grant awards shall be delegated to the Partnership Director for approval (within the agreed annual budget) based on the outcome of this assessment and reported to the Board for noting at its next meeting.
- 4.3. For grants of £100,000 up to £1million:
  - 4.3.1. Applications shall be assessed and evaluated by at least 2 SEStran officers against the agreed assessment criteria.
  - 4.3.2. A panel will be formed, chaired by the Partnership Director, to review the assessments in line with the agreed criteria.
  - 4.3.3. Grant awards shall be delegated to the Partnership Director for approval (within the agreed annual budget) based on the advice of the panel and reported to the Board for noting at its next meeting.

## **Part 7: Grant Standing Orders**

### **4.4. For grants of £1million up to £3million:**

- 4.4.1. Applications shall be assessed and evaluated by at least 2 SEStran officers against the agreed assessment criteria
- 4.4.2. A panel will be formed, chaired by the Partnership Director, to review the assessments in line with the agreed criteria
- 4.4.3. Grant awards shall be delegated to the Performance and Audit Committee) for approval (within the agreed annual budget) based on the advice of the panel and reported to the Board for noting at its next meeting

### **4.5. For grants over £3million:**

- 4.5.1. Applications shall be assessed and evaluated by at least 2 SEStran officers against the agreed assessment criteria
- 4.5.2. A panel will be formed, chaired by the Partnership Director, to review the assessments in line with the agreed criteria
- 4.5.3. Grant awards shall be reported to the Partnership Board for approval based on the advice of the panel

### **4.6. If an agreed grant varies such as it passes one of the above thresholds, approval must be sought in line with the relevant thresholds above prior to issuing any grant variation.**

## **5. Funding and Sustainability**

- 5.1. SEStran will not normally provide grant funding of more than 95% of an organisation's turnover in the year the grant is given.
- 5.2. Prior to any award of a grant exceeding £25,000 the financial sustainability of the applicant organisation shall be assessed.

## **6. Grants to Local Authorities**

- 6.1. SEStran will work in partnership with Local Authorities with respect to grant awards to them.
- 6.2. Grant funds designated for Local Authorities will be closed to all other applicants.
- 6.3. For grant funds to Local Authorities where awards will not exceed £1million:
  - 6.3.1. The overarching eligibility criteria and the overarching assessment criteria for such grant funds shall be approved by the Partnership Director having been developed in partnership with Local Authorities.
  - 6.3.2. Grant awards shall be delegated to the Partnership Director for approval (within the agreed annual budget) and reported to the Board for noting at its next meeting.

## **Part 7: Grant Standing Orders**

6.4. For grant funds to Local Authorities where awards will range from £1million up to £3million:

6.4.1. The overarching eligibility criteria and the overarching assessment criteria for such grants shall be developed by the Partnership Director and approved in advance by the Partnership Board having been developed in partnership with Local Authorities.

6.4.2. Grant awards shall be delegated to the Performance and Audit Committee for approval (within the agreed annual budget) and reported to the Board for noting at its next meeting.

6.5. For grant funds to Local Authorities where awards will exceed £3million:

6.5.1. The overarching eligibility criteria and the overarching assessment criteria for such grants shall be developed by the Partnership Director and approved in advance by the Partnership Board having been developed in partnership with Local Authorities.

6.5.2. Grant awards shall be reported to the Partnership Board for approval.

### **7. Derogation from Process**

7.1. In the event that a change is required to the eligibility criteria or assessment process set out above which cannot (for reasons of urgency) wait until the next meeting of the Partnership Board, the Partnership Director in consultation with the Chairperson may agree to approve the change.

7.2. With reference to delegations to the Partnership Director, where the prescribed authority is not available and approval is required urgently, the grant award may be approved by their nominated depute or other senior officer(s).

7.3. In such instances where paragraph 7.1. or 7.2 are relied upon, all decisions and approvals must be reported to the Board at its next meeting.

### **8. Review of Grant Standing Orders**

8.1. These Grant Standing Orders shall be reviewed every 2 years.

## Part 7: Grant Standing Orders

### Appendix – Delegation Summaries

For grants to non-Local Authorities:

| <b>Grant Funding Pot Value</b> | <b>Individual Grant Value</b> | <b>Open/Closed round</b> | <b>Eligibility Criteria Approval</b> | <b>Assessment Process Approval</b> | <b>Award of grant Approval</b>              |
|--------------------------------|-------------------------------|--------------------------|--------------------------------------|------------------------------------|---|
| <b>Under £50k</b>              | <b>Under £50k</b>             | Either                   | Partnership Director                 | Partnership Director               | Partnership Director                        |
| <b>Any</b>                     | <b>Up to £100k</b>            | Open                     | Board                                | Board                              | Partnership Director                        |
| <b>Any</b>                     | <b>£100k-£1mil</b>            | Open                     | Board                                | Board                              | Partnership Director (on advice of a Panel) |
| <b>Any</b>                     | <b>£1mil-£3mil</b>            | Open                     | Board                                | Board                              | P&A (on advice of a Panel)                  |
| <b>Any</b>                     | <b>£3mil+</b>                 | Open                     | Board                                | Board                              | Board (on advice of a Panel)                |

For grants to Local Authorities:

| <b>Grant Funding Pot Value</b> | <b>Individual Grant Value</b> | <b>Open/Closed round</b> | <b>Eligibility Criteria Approval</b> | <b>Assessment Process Approval</b> | <b>Award of grant Approval</b> |
|--------------------------------|-------------------------------|--------------------------|--------------------------------------|------------------------------------|--------------------------------|
| <b>Any</b>                     | <b>Up to £1mil</b>            | Closed                   | Partnership Director                 | Partnership Director               | Partnership Director           |
| <b>Any</b>                     | <b>£1mil-£3mil</b>            | Closed                   | Board                                | Board                              | P&A                            |
| <b>Any</b>                     | <b>£3mil+</b>                 | Closed                   | Board                                | Board                              | Board                          |