



Tay Road Bridge



## **TAY ROAD BRIDGE JOINT BOARD**

### **ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024**

**AUDITED**



**DECEMBER 2024**

**TAY ROAD BRIDGE JOINT BOARD  
ANNUAL ACCOUNTS 2023/2024  
CONTENTS**

	<u>PAGE NO</u>
<b>Members and Officials</b>	<b>3</b>
<b>Management Commentary</b>	<b>4</b>
<b>Annual Governance Statement</b>	<b>16</b>
<b>Annual Remuneration Report</b>	<b>22</b>
<b>Statement of Responsibilities for the Statement of Accounts</b>	<b>26</b>
<b>Expenditure and Funding Analysis</b>	<b>27</b>
<b>The Core Financial Statements:</b>	
Comprehensive Income & Expenditure Statement	<b>30</b>
Movement in Reserves Statement	<b>31</b>
Balance Sheet	<b>32</b>
Cash Flow Statement	<b>33</b>
<b>Notes to the Financial Statements</b>	<b>34</b>
<b>Independent Auditor's Report to the Members of the Tay Road Bridge Joint Board and the Accounts Commission</b>	<b>60</b>

## TAY ROAD BRIDGE JOINT BOARD MEMBERS AND OFFICIALS

Tay Road Bridge Joint Board ("the Board") comprises 12 elected members who are appointed by the three constituent local authorities to serve on the Board. Dundee City Council nominates 6 members, Angus Council has 1 member and Fife Council nominates the remaining 5 members. Following the Scottish Local Government Elections that were held in May 2022 it was agreed by the Board that Dundee City Council would continue to act as lead authority to the Board, and consequently, the Council are required to appoint officers to serve as officials of the Board. At the end of financial year 2023/2024, the Members and Officials of the Board were:

### Representing Dundee City Council

Councillor Fraser Macpherson (Vice-Chair)  
Councillor Lynne Short  
Councillor Ken Lynn  
Councillor Dorothy McHugh  
Councillor Steven Rome  
Councillor Wendy Scullin



### Representing Angus Council

Councillor Kenny Braes



### Representing Fife Council

Councillor Gary Holt (Chair)  
Councillor Jonny Tepp  
Councillor Altany Craik  
Councillor Louise Kennedy-Dalby  
Councillor Alan Knox



### Bridge Manager

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

### Engineer

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

### Clerk

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

### Treasurer

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

### Contact Details:

Tay Road Bridge Joint Board website: [www.tayroadbridge.co.uk](http://www.tayroadbridge.co.uk)

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

# TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

## INTRODUCTION

We are pleased to present the Annual Accounts for Tay Road Bridge Joint Board ("the Board") for the year ended 31st March 2024. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/2024 ("the Code"). This Management Commentary provides a context for the annual accounts and an analysis of the financial performance during the year. The principal risks and uncertainties facing the Board are identified, together with the potential impact and actions being taken.

The Board was established by the Tay Road Bridge Order Confirmation Act 1962 to construct and maintain the Tay Road Bridge. This Order was superseded by the Tay Road Bridge Order Confirmation Act 1991 ("the 1991 Act"). The Board's Business Model has been set up to meet the requirements of the 1991 Act.



## ORGANISATIONAL CHANGES

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

During 2023 we delivered the following training to help staff maintain confidence and competence in their individual roles:

- Heavy Goods Vehicle (HGV) Driving
- Impact Protection Vehicle (IPV) training
- Inspection Gantry training
- Applied Suicide Intervention Skills Training (ASIST)
- First Aid
- Institute of Health & Safety (IOSH) Working Safely
- Institute of Health & Safety (IOSH) Managing Safely
- Fire Steward training
- Wellbeing

## MANAGEMENT ARRANGEMENTS WITH SCOTTISH GOVERNMENT

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

## CONTRACTS

The management of traffic and pedestrian users of the Tay Road Bridge has benefitted from a number of successful projects delivered in 2023/2024.

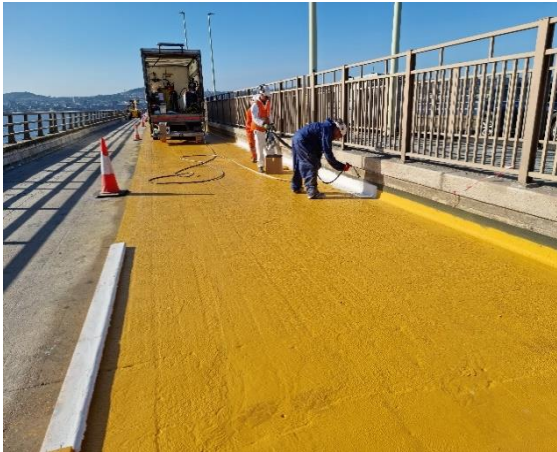
# TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

## Phase 1 Major Improvement Works to Carriageway

The Board's term consultant, WSP UK Limited, were appointed in December 2019 to provide expert advice to the Board of the most cost-effective time and means to carry out total resurfacing and movement joint replacement. This culminated in March 2023 when the Board agreed to the appointment of Volker Stevin Limited to deliver the project over two years (2023 and 2024). The Bridge Manager and Engineer are still working closely with WSP UK Limited to deliver this project and confirm that 2023 saw the successful completion of the phase 1 works to the northbound carriageway.



Works included carrying out concrete repairs to the soffit and surface of the concrete deck, the installation of forty-two new movement joints, careful fine milling preparation of the concrete deck to allow for the installation of new deck waterproofing before a new asphalt running surface was placed. Phase 1 of the project was scheduled to complete in November 2023 but was handed over to the Board approximately one month late, on 15 December 2023. Delays can be attributed to a combination of additional concrete repairs being instructed to the movement joint edges and a wet summer, which impacted the deck waterproofing operations, which must be carried out in dry weather.



## Phase 2 Major Improvement Works to Carriageway and Phase 2 Enabling Contract

An enabling contract to reprofile the bridgehead roundabout and the associated B946 access road to Newport-on-Tay and Tayport was finished in February 2024. This work arose after phase 2 consultation was completed with local bus companies and Fife Council, where a desire was expressed to maintain a left-hand turn when travelling southbound from the bridge to mitigate the impact on bus timetables and to stop traffic being directed through Newport-on-Tay. Tayside Contracts, through the Roads Maintenance Partnership, undertook this work.





# TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

To mitigate the weather delays experienced in phase 1, phase 2 works were brought forward from the original planned start date of April 2024 by one month, to a 4 March 2024 start date, so that waterproofing could be programmed for May 2024, when traditionally the weather is more settled. The phase 2 works are currently underway, with a contraflow traffic management arrangement installed on the northbound carriageway. Works are programmed for completion at the end of September 2024 and are currently progressing well.



## New Traffic Lights At Northbound Carriageway Approach (Fife)

The Board replaced the aging Wigwag signals that were used to stop traffic from entering the bridge on the northbound carriageway with new traffic lights in February 2024. It had been regularly observed that stopping traffic using a wig-wag signal was difficult at times because the signals were being ignored by some drivers. It was suspected that this is because Wigwags are common at railway crossings, but not in other locations and this was confusing some motorists. It was observed that compliance with the traffic lights on the Dundee approach was much better and thus the decision to replace the wigwags with traffic lights was taken. Compliance monitoring will take place once the major roadworks finish later in 2024.



## New Mini-matrix Signs (Variable Messaging)

In June 2022 the Board agreed to the installation of fourteen new variable message signs on the walkway. These new signs were delivered in 2023. These signs are used to good effect for safety messaging during our major works because they allow us to be reactive to traffic conditions, with the signs automatically changing speed limit messaging to "Slow Down" when drivers are recorded as driving above the speed limit. They are also used to display "Two-Way" traffic signs and "Stay in Lane" messaging. After the major works are complete, these signs will be very useful for the Board to make sure that we display consistent speed limit and other road condition warnings across the bridge, for use at times of weather restrictions, accidents, or debris, for example.



# TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

## New Mini Tractor and Flat Bed Van

In March 2024 the Board received delivery of a new Iveco flat bed van. This replaced a van that was not compliant with the new Low Emission Zone (LEZ) in Dundee.

A new mini tractor was also purchased to help us maintain the Fife landfall area in the summer and to spread salt on pavements in the winter. This replaced a tractor that was over 13 years old and corroding.



## Consulting Engineering Services

In 2023/2024 WSP UK Limited continued to work on the following capital projects:

Gantry Replacement:

The Engineer to the Board and the Bridge Manager have continued to work closely with WSP UK Limited to deliver new inspection gantries. Investigation and design work has developed and has culminated in the production of a detailed Design Specification and Activity Schedule that will be tendered on the open market in 2024. This project was originally planned to be tendered in 2023, but Scottish Government grant availability has deferred the project, with the anticipation that the project will commence construction in 2025, with handover to the Board in 2026. A future Board report will be brought to the Board for advanced approval of any project award.

Carriageway Concrete Repairs, Waterproofing, Resurfacing and Replacement Joints:

WSP UK Limited continue to provide technical support for the delivery of this project.

## TRAFFIC

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

Wind speed > 80mph	Wind speed > 60mph	Wind speed > 45mph	Works Full Closures	Breakdowns and Minor Accidents	Operational, Miscellaneous
Closed to all Vehicles	Cars Only	No Double Deck buses			
1	11	45	3	42	434
<b>Comparator figures for 2022/2023:</b>					
1	9	40	2	18	625
<b>Comparator figures for 2021/2022:</b>					
2	9	44	5	22	460
<b>Comparator figures for 2020/2021:</b>					
1	4	33	3	12	434

The works closures in 2023/2024 related to closures required for the major works contractor to safely install and remove traffic management related to the major carriageway improvement works project.

# TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

## STRATEGIC PLAN AND PERFORMANCE SUMMARY

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

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

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

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

The remaining KPI is reported quarterly to the Board:

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

**KPIs for the full calendar years 2015 to 2023 are as follows:**

### Safe Services

Years	Accidents Involving Members of the Public
	(Target = Reduction Year on Year)
2015	6
2016	2
2017	9
2018	9
2019	2
2020	0
2021	0
2022	3
2023	5

Years	Reportable Incidents Involving Employees	Minor Accidents Involving Employees	Time Lost – Employees (Hrs)
	(Target = 0)	(Target = 0)	(Target = 0)
2015	0	2	0
2016	0	2	24
2017	0	2	0
2018	0	3	16
2019	2	1	376
2020	0	1	0
2021	0	3	0
2022	0	3	0
2023	0	1	0



## TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

The Police are called to the majority of Road Traffic Collision's (RTC's) on the bridge, when more than an exchange of insurance details is deemed appropriate. I confirm that all five accidents on the bridge in 2023 occurred within the contraflow traffic management arrangement, which was in place on the southbound carriageway between 12 June and 15 December 2023. This traffic management arrangement was required to facilitate full closure of the northbound carriageway to allow contractor, Volker Stevin, to safely carry out a major upgrade to the northbound carriageway. All but one RTC were minor, and all were deemed to be a result of driver error. Unfortunately, there was one accident on the A92 within the contraflow that resulted in a serious injury and a Police incident inquiry.

The Board had no lost working hours due to accidents at work in 2023. All accidents are investigated and, if appropriate, mitigation measures are put in place to avoid repeat occurrences. A separate Health and Safety report is reported to the Board annually.

### Effective and Efficient Services: Complaints and Enquiries

Years	Complaints Received & Responses			Enquiries Received & Responses		
	Complaints Received	Complaints Responded To	Complaints Responded to within 10 Working Days	Enquiries Received	Enquiries Responded To	Enquiries Responded to within 10 Working Days
	Target = 10% Reduction Year on Year	Target = 100% of Complaints Responded to	Target = 100% of Complaints Responded to	Target = 10% Reduction Year on Year	Target = 100% of Enquiries Responded to	Target = 100% of Enquiries Responded to
2015	7	7	7	36	36	36
2016	10	10	10	77	77	77
2017	4	4	4	28	28	28
2018	6	6	6	50	50	50
2019	1	1	1	28	28	28
2020	1	1	1	21	21	20
2021	1	1	1	36	36	35
2022	0	0	0	23	23	23
2023	10	10	10	47	47	47

In the four years between the start of January 2015 and the end of December 2019 we received on average seven complaints from the public per year regarding our services. These generally related to concerns regarding bridge availability during closures, or concerns related to our sharing of information during such closures. Subsequently, we gained Board agreement to refresh our website to improve information sharing and it appears that this has been instrumental in reducing the number of public complaints in 2020 and 2021 to one per year, with no complaints received in 2022. However, ten complaints were received in 2023 and three complaints were received in the period 1 January to 22 April 2024. One complaint related to potholes on the southbound carriageway, which are being addressed by the major works in 2024, and the other complaints were related to traffic delays resulting from the traffic management associated with the major works.

The board will continue to pursue every opportunity to reflect upon and improve service delivery.

## TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

### Effective and Efficient Services: Staff Absence

Calendar Years	Staff Sickness (Average Days per Annum)
	<b>Target = &lt;5</b>
2015	17.45
2016	5.76
2017	6.98
2018	7.55
2019	29.5
2020	11.8
2021	14.2
2022	13.75
2023	9.7

The Board lost an average 9.7 days per employee per year in 2023 due to sickness. This is an improvement from 2022, when an average 13.75 days per employee was lost. The average sickness days per employee in 2024 is currently recorded as 3.48, and it is hoped that this remains below our KPI target of an average of five days per employee per year. The Board will look to deliver more health and wellbeing training in 2024 and continue to make sure that our staff are aware of the support services available to them through our Occupational Health provider.

### Effective and Efficient Services: Payment of Invoices

Years	Payment of Invoices within 30 days of Invoice Date
	<b>Target = 100%</b>
2015/16	98.06%
2016/17	98.81%
2017/18	98.86%
2018/19	98.85%
2019/20	99.68%
2020/21	99.28%
2021/22	99.20%
2022/23	97.77%
2023/24	99.63%

The board continues to pay invoices timeously and aim to do this within thirty days, with 99.63% of payments made within 30 days of invoice date in 2023/2024. This is an improvement over the 97.77% of invoices paid within 30 days of invoice in 2022/23. Although this improvement is encouraging, our KPI target for this metric remains at 100%.

### DATA PROTECTION

There have been no known data breaches in the period from 1 April 2023 to 31 March 2024. The Bridge Manager meets annually with the Data Protection Officer at Dundee City Council to review all the Board's data protection documentation. The last review meeting took place on 1 July 2024.

# TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

## STAFFING ISSUES

### Staff Establishment

Staffing levels and the existing establishment stands as follows:-

	2023/2024		2022/2023	
	Current	Establishment	Current	Establishment
Administration	3	3	3	3
Operational	17	18	17	18
<b>Total</b>	<b>20</b>	<b>21</b>	<b>20</b>	<b>21</b>

## FINANCIAL PERFORMANCE REVIEW

### Revenue Expenditure

The Tay Road Bridge Joint Board, at its meeting on 5 December 2022, approved the 2023/2024 Revenue Budget. The final budget was projected to break-even. The projected General Reserve balance as at 31 March 2024 would be £1,160,591.

The Board received quarterly Revenue Monitoring reports during 2023/2024 in order to keep the members fully appraised as to the projected revenue outturn position.

The following table shows the Revenue Budget approved by the Board on 5 December 2022 against the actual expenditure and income in the format used for monitoring purposes at Board level. The actual outturn for 2023/2024 was a break-even position. The detailed variance analysis is set out on page 12. This gives a total General Reserve balance of £1,160,591 as at 31 March 2024 which is unchanged from the corresponding figure at 31 March 2023.

### Financial Issues

The grant application letter for 2023/2024 from the Board to Transport Scotland requested a capital grant of £7,109,000 and a revenue grant of £1,918,680. The amounts in the 2023/2024 grant offer letters from Transport Scotland were a capital grant of £6,530,000 and a revenue grant of £1,612,000. The reduced capital grant was mitigated for by reprofiling the capital projects to be undertaken during 2023/2024. The reduced revenue grant would have required general reserves to be used to fund the deficit to ensure that a continued safe and reliable service to bridge users is maintained. Given the current inflationary pressures this would have resulted in the Board using £306,680 of General Reserves to fund the budgeted expenditure resulting in a projected General Reserve Balance of £853,911 as at 31st March 2024. The Board continued to liaise with Transport Scotland to explore further actions to alleviate these issues and in February 2024 Transport Scotland sent a supplementary Revenue Grant Offer letter to cover the projected outturn overspend at that time of £284,780.

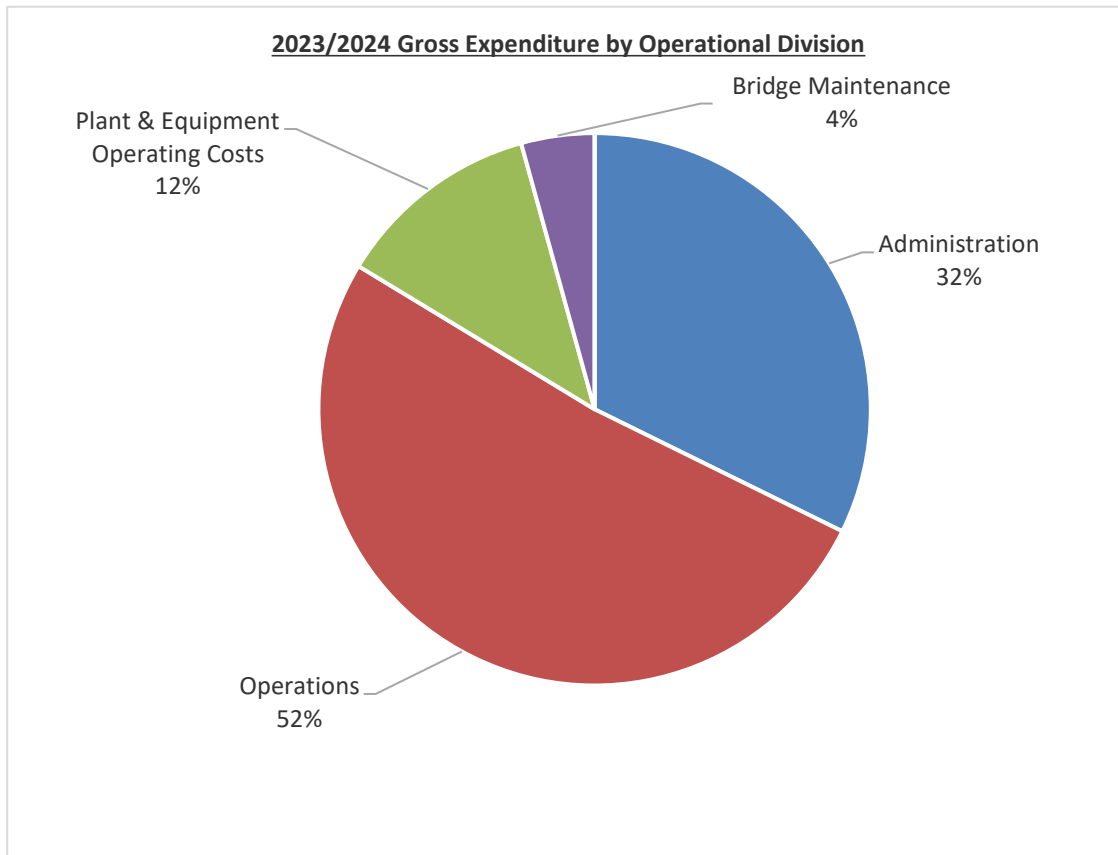
### Future Financial Issues

The Board will continue to liaise with Transport Scotland officers to ensure that the Board's future funding requirements continue to be met to ensure that a continued safe and reliable service to bridge users is maintained.

## TAY ROAD BRIDGE JOINT BOARD MANAGEMENT COMMENTARY

	Approved Budget £000	Actual Expend/ (Income) £000	Over / (Under) Spend £000
Administration	586	617	31
Operations	993	982	(11)
Plant and Equipment Operating Costs	277	230	(47)
Bridge Maintenance	83	82	(1)
<b>Gross Expenditure</b>	<b>1,939</b>	<b>1,911</b>	<b>(28)</b>
Scottish Government Resource Grant	(1,919)	(1,893)	26
Interest on Revenue Balances	(10)	-	10
Kiosk Rent	(10)	(10)	-
Miscellaneous Income	-	(8)	(8)
<b>Gross Income</b>	<b>(1,939)</b>	<b>(1,911)</b>	<b>28</b>
<b>Total Net Deficit / (Surplus) met from General Reserve Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>General Reserve Balance brought forward</b>	<b>(1,161)</b>	<b>(1,161)</b>	<b>-</b>
<b>General Reserve Balance carried forward</b>	<b>(1,161)</b>	<b>(1,161)</b>	<b>-</b>

Figure 1: 2023/2024 Gross Expenditure by Operational Division:



**TAY ROAD BRIDGE JOINT BOARD  
MANAGEMENT COMMENTARY**

*Administration (Overspend £31,000)*

This reflects higher than anticipated expenditure in relation to increased energy costs, insurance premiums, Police Scotland fees, structural engineer fees, and a new Service Level Agreement for Scottish Road Works Noticing, offset by lower than anticipated expenditure in relation to salary costs due to vacancies and restructuring.

*Operations (Underspend £11,000)*

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

*Plant & Equipment (Underspend £47,000)*

This reflects lower than anticipated expenditure on the hire of a safety boat, on the materials budget for generators, offset by increased energy costs and higher than anticipated expenditure in relation to equipment maintenance on the gantries due to increased repairs due to the age and condition of the existing gantries.

*Bridge Maintenance (Underspend £1,000)*

This reflects lower than anticipated expenditure on de-icing materials, miscellaneous Inspections and Repairs offset by increased energy costs.

*Interest on Revenue Balances (Overspend £10,000)*

This reflects lower than anticipated income from interest on revenue balances due to lower than anticipated average monthly balances due to the effect of paying large invoices for major capital projects and not being able to claim for the associated grant claim until after the end of the relevant month, offset by higher than anticipated interest rates.

*Miscellaneous Income (Underspend £8,000)*

This reflects higher than anticipated income due to receiving a reimbursement of £5,000 for initial legal and surveying work in relation to the installation of a fibre optic cable on bridge property as well as £2,500 annual wayleave income from the operator of the fibre optic cable.

*Non-Specific Grant Income (Reduced Grant Income £26,000)*

Reflects the net underspend on other budget heads, as detailed above.

**Capital Expenditure and Financing**

The Board, at its meeting on 5 December 2022, approved the 2023/2024 Capital Plan of £7,109,000. This would be funded from Capital Grants.

The Board received quarterly Capital Monitoring reports during 2023/2024 in order to keep the members fully apprised as to the projected capital outturn position. Actual gross capital expenditure for the year was £6,306,000. The following table compares the actual outturn position with budget for capital expenditure and the associated funding. The underspend against the original capital budget was due to budget adjustments and slippage across a range of projects:-

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Capital Expenditure:</b>			
Carriageway Resurfacing	6,100	6,156	56
Cathodic Protection Hardware	150	-	(150)
Advanced Warning Signs	34	17	(17)
New Gantries	670	19	(651)
New Vehicles	30	39	9
Other Projects	125	75	(50)
	<b>7,109</b>	<b>6,306</b>	<b>(803)</b>



**TAY ROAD BRIDGE JOINT BOARD  
MANAGEMENT COMMENTARY**

<b>Capital expenditure was funded as follows:</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Capital Grant from the Scottish Government	7,109	6,270	(839)
Capital Receipts	-	6	6
Insurance Receipts	-	30	30
	<b>7,109</b>	<b>6,306</b>	<b>(803)</b>

**Control of Revenue and Capital Expenditure**

The control of both the revenue and capital expenditure of the Board is an on-going and substantial exercise which requires a positive contribution from staff and elected members to ensure that the Board's financial objectives are achieved and that the financial resources are fully utilised.

**Pension Liability (IAS 19)**

Under IAS 19 (Employee Benefits) the Board is required to include figures in its Statement of Accounts relating to the assets, liabilities, income and expenditure of the pension schemes for its employees. It has been estimated that the Board had a net pension asset of £260,000 as at 31 March 2024. The estimated restated net pension liability at 31 March 2023 was £261,000. The overall increase was due to an decrease in the value of liabilities arising from Returns on Assets less Interest and Actuarial Gains.

**PRINCIPAL RISKS AND UNCERTAINTIES**

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

- Legislative changes e.g. Health and Safety, environmental, procurement. The Board maintains awareness of changes to legislation and amends policies and procedures timeously.
- Effects of changes to the economy impacting grant funding. The Board maintains financial planning, monitoring and control systems.
- Loss of structure / operational capacity through ship impact, etc. The Board has Insurance cover, has provided a pier protection system at navigation spans and maintains security through CCTV and 24 hour site attendance. In addition, Dundee Port Authority has controls and procedures governing navigation of vessels on the river.
- Loss of operational capacity through loss of bridge / buildings. The Board maintains a regular inspection programme and maintenance of assets.
- Losses through poor governance. The Board continues to review and apply recognised good governance policies.
- Failure to deliver projects to time and / or cost. The Board adopts robust project management procedures.
- Lack of financial resources. The Board's submission of applications for grant income includes robust estimates as back up. There is regular monitoring and control of expenditure against agreed budgets. Reserves are reviewed and maintained at prudent levels.
- Lack of staff resources, e.g. from pandemic, industrial action, recruitment issues. The Board maintains and reviews it's Business Continuity Plans, consults with staff and trade unions on employment matters, manages staff absences, plans recruitment requirements in advance, and maintains a programme of staff training.

**FUTURE DEVELOPMENTS**

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

**TAY ROAD BRIDGE JOINT BOARD  
MANAGEMENT COMMENTARY**

**CONCLUSIONS**

Sound financial management and effective risk management have enabled the Board to successfully manage its financial and operational performance during 2023/2024. However, significant risks surrounding future uncertainties continue to affect plans for the Board to effectively manage budgetary pressures.

**Acknowledgements**

During the 2023/2024 financial year the Board's financial position has required continuous scrutiny and strict budgetary control. We would like to thank the Bridge Engineer and the Bridge staff for their assistance in controlling the Board's expenditure and income. In addition, we wish to mention our appreciation of the help and co-operation provided during the financial year by the elected members and by Roger Mennie, Clerk to the Board.

Finally, we would conclude our report by thanking all staff who contributed to the preparation of the Board's 2023/2024 Annual Accounts.



---

**Robert Emmott, BSc, CPFA**

**Treasurer  
Tay Road Bridge  
Joint Board  
02 December 2024**



---

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

**Bridge Manager  
Tay Road Bridge  
Joint Board  
02 December 2024**



---

**Councillor Gary Holt**

**Chair  
Tay Road Bridge  
Joint Board  
02 December 2024**

# TAY ROAD BRIDGE JOINT BOARD ANNUAL GOVERNANCE STATEMENT

## Scope of Responsibility

Tay Road Bridge Joint Board is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards. This is to ensure that public funds and assets at its disposal are safeguarded, properly accounted for and used economically, efficiently, effectively, and ethically. The Joint Board also has a duty to make arrangements to secure continuous improvement in the way its functions

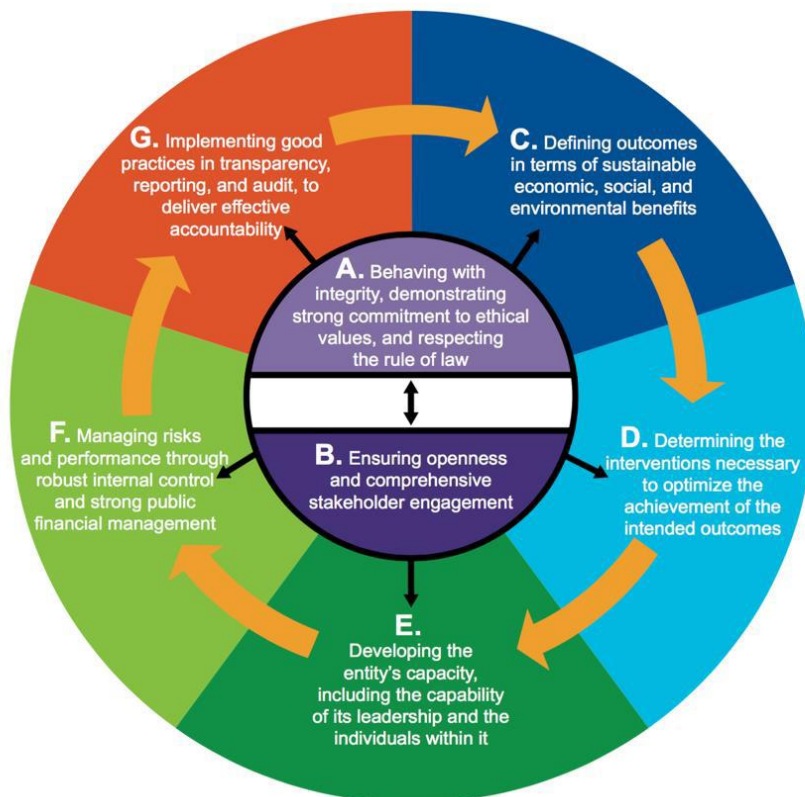
In discharging these responsibilities elected members and senior officers are responsible for implementing effective arrangements for governing the Joint Board's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

To this end the Joint Board will be asked to approve and adopt an updated Local Code of Corporate Governance that is consistent with the principles of the CIPFA/SOLACE (Chartered Institute of Public Finance & Accountancy / Society of Local Authority Chief Executives) framework *Delivering Good Governance in Local Government (2016)*. This statement explains how Tay Road Bridge Joint Board delivers good governance and reviews the effectiveness of these arrangements.

## The Joint Board's Governance Framework

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

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



## **TAY ROAD BRIDGE JOINT BOARD ANNUAL GOVERNANCE STATEMENT**

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

The overall control arrangements include:

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

Additionally, in order to support Chief Financial Officers in the fulfilment of their duties and to ensure that local authority organisations have access to effective financial advice of the highest level, CIPFA's *Role of the Chief Financial Officer (2016)* has introduced a "comply or explain" requirement in the Annual Accounts. The Treasurer complies with the principles set out in CIPFA's *Role of the Chief Financial Officer*. The new CIPFA's *Financial Management Code (2019)* (FM Code) is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. For the first time the FM Code sets out the standards of financial management for local authorities. Local government finance in the UK is governed by primary legislation, regulation and professional standards as supported by statutory provision. The general financial management of a local authority, however, has not until now been supported by a professional code. The FM Code has been introduced because the exceptional financial circumstances faced by local authorities have revealed concerns about fundamental weaknesses in financial management, particularly in relation to organisations that may be unable to maintain services in the future. The board complies with the principles and standards set out in CIPFA's FM Code (2019).

### **Review of Effectiveness**

Members and officers of the Joint Board are committed to the concept of sound governance and the effective delivery of Joint Board services and take into account comments made by internal and external auditors and prepare action plans as appropriate. The effectiveness of the governance framework is reviewed annually by senior officers. Their review of the Local Code of Corporate Governance, includes the completion of a self-assessment of their own arrangements. This involved the completion of a 94-point checklist covering the seven supporting principles defined in CIPFA/SOLACE's *Delivering Good Governance in Local Government (2016)*. This indicated a high level of compliance.

In addition, as part of the Annual Governance Statement process the Bridge Manager completes a self-assessment checklist of the Board's own governance, risk management and internal control arrangements. This involved the completion of a 75-point checklist covering seven key governance areas of Service Planning and Performance Management; Internal Control Environment; Fraud Prevention and Detection; Budgeting, Accounting and Financial Control; Risk Management and Business Continuity; Asset Management; Partnerships; and Information Governance. This again indicated a high level of compliance.

## **TAY ROAD BRIDGE JOINT BOARD ANNUAL GOVERNANCE STATEMENT**

The Joint Board's Internal Audit provider conforms with Public Sector Internal Audit Standards and reports to the Joint Board. Internal Audit undertakes an annual programme of work, which is reported to the Joint Board. The Internal Auditor provides an independent opinion on the adequacy and effectiveness of the system of internal control. In the opinion of the Joint Board's Internal Auditor, overall the Board operates adequate internal control systems as defined in the Audit Needs Assessment. The audit and assurance work has not identified any significant gaps in the Board's control environment that would increase the risk of financial loss. This opinion was arrived at by taking into consideration the internal audit, risk management and other assurance work that has been undertaken during 2023/2024 and in previous years since the internal auditors original appointment in 2010.

### **Continuous Improvement Agenda**

The Joint Board's progress against the Continuous Improvement Agenda items for 2023/2024 is detailed in Table 1. Several items are still in progress and have been carried forward to be actioned in 2024/2025. Additional areas for improvement have also been identified by Joint Board officers and these are included in Table 2 and form the Continuous Improvement Action Plan for 2024/2025. These were identified in the self-assessment checklists that were completed as part of the Joint Board's assurance gathering process and also from Internal Audit reviews.

During 2024/2025 steps will be taken to address the outstanding items identified in the Continuous Improvement Agenda to further enhance the Joint Board's governance arrangements.

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



---

**Councillor Gary Holt  
Chair  
Tay Road Bridge Joint Board  
02 December 2024**



---

**Alan Hutchison, BEng (Hons), MSc, CEng,  
FICE, MCIHT. Bridge Manager  
Tay Road Bridge Joint Board  
02 December 2024**



**ANNUAL GOVERNANCE STATEMENT**

**TABLE 1 - IMPROVEMENT AGENDA FOR 2023/2024**

Original Improvement Agenda					Progress Update		
	Improvement	Source	Source Date	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
1	Review all Board Human Resource policies to provide comfort that the Board's policies are aligned with DCC and up-to-date with legislation.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	Carried forward from 2022/2023. In progress.	Bridge Manager	31/03/2023		All TRBJB Employee / HR policies have been updated and now align with DCC. TRBJB will be appointing a new Operations Manager in Summer 2024 and this person will have experience of HR procedures along with staff and union consultation experience. Once this position is filled, the Bridge Manager will instruct formal consultation with staff and Trade Unions regarding the new policies before they are introduced. Some progress but carry forward. *
2	Revise Fraud Guidelines.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics) and Annual Governance Statement self-assessment checklist, section 3: Fraud Prevention and Detection.	New for 2023/2024.	Treasurer	31/03/2024	04/03/2024	New <a href="#">Counter Fraud and Corruption Policy</a> was approved at March 2024 Board meeting and circulated to staff.
3	Induction training for new board members.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics).	New for 2023/2024.	Bridge Manager / Treasurer	31/03/2024		Not completed due to resource constraints. *
4	Equality and Diversity and Human Rights training to be rolled-out to all staff.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics).	New for 2023/2024.	Bridge Manager	31/03/2024		Some staff have completed E-learning and the remainder will complete during 2024. *

5	Data Protection training to be rolled-out to all staff.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics and Principle F: Managing Risks and Performance).	New for 2023/2024.	Bridge Manager	31/03/2024		Some staff have completed E-learning and the remainder will complete during 2024. *
6	Improve communication of Risk Assessments Method Statements (RAMS) to staff.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	New for 2023/2024.	Bridge Manager	31/03/2024		In progress. The plan is to create video of day-to-day RAMS so that they are more easily understood by all. Also planning to create "RAMS" champions to further develop safety culture. Bridge Manager to cover Health and Safety issues that might arise at regular staff face-to-face presentations. *
7	Meetings with service providers to assess the quality of services provided under Service Level Agreements (SLAs).	Local Code of Corporate Governance 2022/2023 (Principle E: Developing the Entity's Capacity) and Annual Governance Statement self-assessment checklist, section 7: Partnerships.	New for 2023/2024.	Bridge Manager	31/03/2024		No progress due to resource constraints. *

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

## ANNUAL GOVERNANCE STATEMENT

**TABLE 2 - IMPROVEMENT AGENDA FOR 2024/2025**

	<b>Improvement</b>	<b>Source</b>	<b>Source Date</b>	<b>Responsible Officer</b>	<b>Target Completion Date</b>
1	Review all Board Human Resource policies to provide comfort that the Board's policies are aligned with DCC and up-to-date with legislation.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	Carried forward from 2022/2023. In progress.	Bridge Manager	31/12/2024
2	Induction training for new board members.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics).	Carried forward from 2023/2024.	Bridge Manager / Treasurer	31/03/2025
3	Equality and Diversity and Human Rights training to be rolled-out to all staff.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics).	Carried forward from 2023/2024. In progress.	Bridge Manager	31/03/2025
4	Data Protection training to be rolled-out to all staff.	Local Code of Corporate Governance 2022/2023 (Principle A: Integrity and Ethics and Principle F: Managing Risks and Performance).	Carried forward from 2023/2024. In progress.	Bridge Manager	31/03/2025
5	Improve communication of Risk Assessments Method Statements (RAMS) to staff.	Annual Governance Statement self-assessment checklist, section 2: Internal Control Environment.	Carried forward from 2023/2024. In progress.	Bridge Manager	31/03/2025
6	Meetings with service providers to assess the quality of services provided under Service Level Agreements (SLAs).	Local Code of Corporate Governance 2022/2023 (Principle E: Developing the Entity's Capacity) and Annual Governance Statement self-assessment checklist, section 7: Partnerships.	Carried forward from 2023/2024. In progress.	Bridge Manager	31/03/2025
7	New Strategic Plan required for 2025 to 2030.	Local Code of Corporate Governance 2023/2024 (Principles A to G).	New for 2024/2025.	Bridge Manager	31/03/2025

# TAY ROAD BRIDGE JOINT BOARD ANNUAL REMUNERATION REPORT

## INTRODUCTION

The Board is required to prepare and publish within its Annual Accounts an annual Remuneration Report under the Local Authority Accounts (Scotland) Amendment Regulations 2014. The report sets out the remuneration of the Chair and Vice-Chair and Senior Employees of the Board and accrued pension benefits of the Senior Employees of the Board. The report also provides information on the number of Board employees (including Senior Employees) whose total actual remuneration was £50,000 or more, this information being disclosed in salary bandings of £5,000 above £50,000. The following report has been prepared in accordance with the aforementioned Regulations and also in accordance with other relevant guidance.

The Board's External Auditor is required to audit certain parts of the Remuneration Report and give a separate opinion in his report on the Annual Accounts as to whether the Remuneration Report has been properly prepared in accordance with the Regulations. All of the tables, the Remuneration Bands and Exit Packages in this report are subject to audit, and the remainder of the report is subject to review.

## REMUNERATION ARRANGEMENTS

### Senior Board Members

The remuneration of Councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2023 (SSI No. 2023/21) and subsequent amendment regulations with further guidance being provided in Scottish Government circulars 8-2011 and 7-2014. The Regulations set out the remuneration payable to Councillors with the responsibility of a Chair or Vice-Chair of a Joint Board. The Regulations require the remuneration to be paid by the Council of which the Chair or Vice-Chair is a member. The Board has an arrangement with each Council which remunerates the Chair and Vice-Chair, to reimburse the Council for the additional costs of that councillor arising from them being a Chair or Vice-Chair of the Board. The disclosures made in this report are limited to the amounts paid to the Council by the Board for reimbursement and do not reflect the full value of the remuneration that may be paid to the councillor. The reimbursement details for the Chair and Vice-Chair of Tay Road Bridge Joint Board are set out in Table 1.

### Senior Employees

The salary of Senior Employees is set by reference to national agreements. The salaries of senior employees of the Board take into account the duties and responsibilities of their posts. The Board is responsible for agreeing the salaries of senior employees. All Board employees are entitled to participate in Dundee City Council's Contract Car Hire Scheme, subject to meeting certain criteria. The Council's Policy & Resources Committee is responsible for agreeing the terms of the Contract Car Hire Scheme.

For the purposes of the Remuneration Report, the Regulations set out the following criteria for designation as a Senior Employee of the Board:

- (i) has responsibility for management of the Board to the extent that the person has power to direct or control the major activities of the Board (including activities involving the expenditure of money), during the year to which the Report relates, whether solely or collectively with other persons;
- (ii) holds a post that is politically restricted by reason of section 2(1)(a), (b) or (c) of the Local Government and Housing Act 1989; or
- (iii) annual remuneration, including any remuneration from a local authority subsidiary body, is £150,000 or more.

The Board has determined that one employee met the criteria for designation as a Senior Employee in 2023/2024, with the employee falling into category (i) above. The remuneration details for the Senior Employees of the Board are set out in Table 2.

The Regulations also require information to be published on the total number of Board employees (including Senior Employees) whose total actual remuneration was £50,000 or more. This information is to be disclosed in salary bandings of £5,000 above £50,000 and is shown in the following table.

Remuneration Bands	No of	No of
	Employees	Employees
	2023/2024	2022/2023
£60,000 - £64,999	0	1
£65,000 - £69,999	1	0
<b>Total</b>	<b>1</b>	<b>1</b>

## TAY ROAD BRIDGE JOINT BOARD ANNUAL REMUNERATION REPORT

### EXIT PACKAGES

There were no exit packages agreed during 2023/2024 (2022/2023: None).

### TRADE UNION (Facility Time Publication Requirements) REGULATIONS 2017

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on the 1st April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. The board does not have any union representatives that are given paid time off to carry out union activity (2022/2023: none).

### ACCRUED PENSION BENEFITS

Pension benefits for Local Government Employees are provided through the Local Government Pension Scheme (LGPS). A new Local Government Pension Scheme (Scotland) came into effect on 1 April 2015 based on career average related earnings (CARE Scheme).

From 1 April 2009 a five tier contribution system was introduced with contributions from scheme members being based on how much pay falls into each tier. This is designed to give more equality between the cost and benefits of scheme membership. Prior to 2009, contribution rates were set at 6% for all non-manual employees. The members' contribution rates for 2023/2024 remain at the 2009/2010 rates although the pay bandings have been adjusted. The tiers and contribution rates are as follows:

Whole Time Pay	Contribution Rate 2023/2024	Whole Time Pay	Contribution Rate 2022/2023
On earnings up to and including £25,300	5.50%	up to and including £23,000	5.50%
On earnings above £25,301 and up to £31,000	7.25%	above £23,001 and up to £28,100	7.25%
On earnings above £31,001 and up to £42,500	8.50%	above £28,101 and up to £38,600	8.50%
On earnings above £42,501 and up to £56,000	9.50%	above £38,601 and up to £51,400	9.50%
On earnings above £56,001	12%	above £51,401	12%

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

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

### Senior Employees

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

### Assumptions and Contextual Information

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



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

In considering the accrued pension benefits figures the following contextual information should be taken into account:

- (i) the figures for pension and lump sum are illustrative only in light of the assumptions set out above and do not necessarily reflect the actual benefits that any individual may receive upon retirement.
- (ii) the accrued benefits figures are reflective of the pension contributions that both the employer and the scheme member have made over a period of time. In 2023/2024, the scheme member contribution rate for Senior Employees of the Board was 8.0% of pensionable pay (2022/2023: 8.0%). In 2023/2024, the employer contribution rate was 17% of pensionable pay for Senior Employees (2022/2023: 17%).



---

**Councillor Gary Holt  
Chair  
Tay Road Bridge Joint Board  
02 December 2024**



---

**Alan Hutchison, BEng (Hons), MSc, CEng,  
FICE, MCIHT. Bridge Manager  
Tay Road Bridge Joint Board  
02 December 2024**

**TABLE 1 – REIMBURSEMENT OF COUNCILLORS WHO ARE CHAIR AND VICE-CHAIR OF TAY ROAD BRIDGE JOINT BOARD**

<b>Councillor Name</b>	<b>Responsibility</b>	<b>Total Reimbursement 2023/2024</b>	<b>Total Reimbursement 2022/2023</b>
		<b>£</b>	<b>£</b>
Gary Holt	Chair, Tay Road Bridge Joint Board (from 13 June 2022)	5,015	3,756
Fraser Macpherson	Vice-Chair, Tay Road Bridge Joint Board (from 13 June 2022)	3,773	2,755
Lynne Short	Chair, Tay Road Bridge Joint Board (up to 13 June 2022)	-	486
Jonny Tepp	Vice-Chair, Tay Road Bridge Joint Board (up to 13 June 2022)	-	1,127
<b>Total</b>		<b>8,788</b>	<b>8,124</b>

**TABLE 2 – REMUNERATION OF SENIOR EMPLOYEES**

<b>Employee Name</b>	<b>Post Title</b>	<b>Salary, Fees &amp; Allowances</b>	<b>Total Remuneration 2023/2024</b>	<b>Total Remuneration 2022/2023</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Alan Hutchison	Bridge Manager	66,740	66,740	62,933
<b>Total</b>		<b>66,740</b>	<b>66,740</b>	<b>62,933</b>

**TABLE 3 – SENIOR EMPLOYEES ACCRUED PENSION BENEFITS**

<b>Employee Name</b>	<b>Post Title</b>	<b>Pension as at 31 March 2024</b>	<b>Pension Difference from 31 March 2023</b>	<b>Lump Sum as at 31 March 2024</b>	<b>Lump Sum as at 31 March 2023</b>	<b>Pension Contribution 2023/2024</b>	<b>Pension Contribution 2022/2023</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Alan Hutchison	Bridge Manager	22	3	10	10	11	11
<b>Total</b>		<b>22</b>	<b>3</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>11</b>

# TAY ROAD BRIDGE JOINT BOARD

## STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

### The Board's responsibilities

The Board is required to:

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

I confirm that these Annual Accounts were approved for signature by the Joint Board at its meeting on 2 December 2024.

Signed on behalf of Tay Road Bridge Joint Board



---

**Councillor Gary Holt**  
**Chair**  
**Tay Road Bridge Joint Board**  
**02 December 2024**

### The Treasurer's responsibilities

The Treasurer is responsible for the preparation of the Board's Annual Accounts in accordance with proper practices as required by legislation and set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing the Annual Accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with legislation; and
- complied with the Code of Practice (in so far as it is compatible with legislation).

The Treasurer has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the Annual Accounts give a true and fair view of the financial position of the Board at the reporting date and the transactions of the Board for the year ended 31 March 2024.



---

**Robert Emmott, BSc, CPFA**  
**Treasurer**  
**Tay Road Bridge Joint Board**  
**02 December 2024**

## TAY ROAD BRIDGE JOINT BOARD EXPENDITURE AND FUNDING ANALYSIS

The objective of the Expenditure and Funding Analysis is to demonstrate how the funding available to the Board (i.e. government grants) for the year has been used in providing services in comparison with those resources consumed or earned by the Board in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Board's operational divisions. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

<b>2022/2023</b>			<b>2023/2024</b>		
Net Expenditure Chargeable to General Fund £000	Adjustments between the Funding and Accounting Basis £000	Net Expenditure in the CIES £000	Net Expenditure Chargeable to General Fund £000	Adjustments between the Funding and Accounting Basis £000	Net Expenditure in the CIES £000
					<b>Expenditure</b>
471	32	503	617	(4)	613
896	140	1,036	982	39	1,021
					Administration
290	-	290	230	-	230
127	(10)	117	82	(3)	79
-	1,983	1,983	-	2,110	2,110
					Operations
<b>1,784</b>	<b>2,145</b>	<b>3,929</b>	<b>1,911</b>	<b>2,142</b>	<b>4,053</b>
					Plant and Equipment
					Operating Costs
					Bridge Maintenance
					Corporate Costs
					<b>Net Cost Of Services</b>
(1,784)	(968)	(2,752)	(1,911)	(6,234)	(8,145)
					Other Operating Income & Expenditure
-	<b>1,177</b>	<b>1,177</b>	-	<b>(4,092)</b>	<b>(4,092)</b>
					<b>(Surplus) or Deficit</b>
1,161			1,161		Opening General Reserve Balance
					<b>Less / Add Surplus or (Deficit) on General Reserve Balance in year</b>
-			-		<b>Closing General Reserve Balance at 31 March</b>
<b>1,161</b>			<b>1,161</b>		

## TAY ROAD BRIDGE JOINT BOARD EXPENDITURE AND FUNDING ANALYSIS

### ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS

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

**2023/2024**

Adjustments from General Reserve to arrive at Comprehensive Income & Expenditure Statement Amounts	Adjustments between Funding & Accounting Basis				
	Adjustments for Capital Purposes <i>Explanatory Notes:</i>	Net Change			Total Adjustments
		for the	Pensions	Other	
		Adjustment	Adjustment	Differences	
(1)	(2)	(3)	(3)		
	£000	£000	£000	£000	
Administration	-	(5)	1	(4)	
Operations	-	38	1	39	
Plant & Equipment Operating Costs	-	-	-	-	
Bridge Maintenance	-	-	(3)	(3)	
Corporate Costs	2,110	-	-	2,110	
<b>Net Cost of Services</b>	<b>2,110</b>	<b>33</b>	<b>(1)</b>	<b>2,142</b>	
<b>Other Operating Income &amp; Expenditure from the Expenditure &amp; Funding Analysis</b>	<b>(6,253)</b>	<b>11</b>	<b>8</b>	<b>(6,234)</b>	
<b>Difference between General Reserve Surplus or Deficit and CIES (Surplus) or Deficit on the Provision of Services</b>	<b>(4,143)</b>	<b>44</b>	<b>7</b>	<b>(4,092)</b>	

**2022/2023**

Adjustments from General Reserve to arrive at Comprehensive Income & Expenditure Statement Amounts	Adjustments between Funding & Accounting Basis				
	Adjustments for Capital Purposes <i>Explanatory Notes:</i>	Net Change			Total Adjustments
		for the	Pensions	Other	
		Adjustment	Adjustment	Differences	
(1)	(2)	(3)	(3)		
	£000	£000	£000	£000	
Administration	-	32	-	32	
Operations	-	140	-	140	
Plant & Equipment Operating Costs	-	-	-	-	
Bridge Maintenance	-	-	(10)	(10)	
Corporate Costs	1,983	-	-	1,983	
<b>Net Cost of Services</b>	<b>1,983</b>	<b>172</b>	<b>(10)</b>	<b>2,145</b>	
<b>Other Operating Income &amp; Expenditure from the Expenditure &amp; Funding Analysis</b>	<b>(978)</b>	<b>2</b>	<b>8</b>	<b>(968)</b>	
<b>Difference between General Reserve (Surplus) or Deficit and CIES Surplus or Deficit on the Provision of Services</b>	<b>1,005</b>	<b>174</b>	<b>(2)</b>	<b>1,177</b>	

## TAY ROAD BRIDGE JOINT BOARD EXPENDITURE AND FUNDING ANALYSIS

### Explanatory Notes:

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

### EXPENDITURE AND INCOME ANALYSED BY NATURE

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

	2022/2023 Net Expenditure / (Income) £000	2023/2024 Net Expenditure / (Income) £000
<b>Expenditure:</b>		
Staff Costs	1,237	1,196
Property Costs	108	147
Supplies & Services	433	350
Transport Costs	37	33
Third Party Payments	131	217
Corporate Costs	1,983	2,110
<b>Total Expenditure</b>	<b>3,929</b>	<b>4,053</b>
<b>Income:</b>		
Fees, Charges & Other Service Income	(3)	13
Interest & Investment Income	(19)	5
Government Grants & Contributions	(2,730)	(8,163)
<b>Total Income</b>	<b>(2,752)</b>	<b>(8,145)</b>
<b>(Surplus) or Deficit on Provision of Services</b>	<b>1,177</b>	<b>(4,092)</b>



## TAY ROAD BRIDGE JOINT BOARD MOVEMENT IN RESERVES STATEMENT

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

	<b>Revenue Reserves</b>			<b>Total Board Reserves</b>
	General Fund Balance £000	<b>Total Usable Reserves</b> £000	Unusable Reserves £000	
<b>Balance at 31 March 2022</b>	<b>(1,161)</b>	<b>(1,161)</b>	<b>(63,262)</b>	<b>(64,423)</b>
<b><u>Movement in Reserves during 2022/2023 (Restated)</u></b>				
<b>Total Comprehensive Expenditure and Income</b>	<b>1,177</b>	<b>1,177</b>	<b>169</b>	<b>1,346</b>
Adjustments to Usable Reserves Permitted by Accounting Standards	(6)	(6)	6	-
Adjustments between accounting basis & funding basis under regulations (note 5)	(1,171)	(1,171)	1,171	-
<b>Net (Increase) / Decrease before Transfers to Earmarked Reserves</b>	<b>-</b>	<b>-</b>	<b>1,346</b>	<b>1,346</b>
Transfers to / (from) Earmarked Reserves	-	-	-	-
<b>(Increase) / Decrease in 2022/2023</b>	<b>-</b>	<b>-</b>	<b>1,346</b>	<b>1,346</b>
<b>Balance at 31 March 2023 carried forward (Restated)</b>	<b>(1,161)</b>	<b>(1,161)</b>	<b>(61,916)</b>	<b>(63,077)</b>
<b>Total Comprehensive Expenditure and Income</b>	<b>(4,092)</b>	<b>(4,092)</b>	<b>(565)</b>	<b>(4,657)</b>
Adjustments to Usable Reserves Permitted by Accounting Standards	(6)	(6)	6	-
Adjustments between accounting basis & funding basis under regulations (note 5)	4,098	4,098	(4,098)	-
<b>Net (Increase) / Decrease before Transfers to Earmarked Reserves</b>	<b>-</b>	<b>-</b>	<b>(4,657)</b>	<b>(4,657)</b>
Transfers to / (from) Earmarked Reserves	-	-	-	-
<b>(Increase) / Decrease in Year</b>	<b>-</b>	<b>-</b>	<b>(4,657)</b>	<b>(4,657)</b>
<b>Balance at 31 March 2024 carried forward</b>	<b>(1,161)</b>	<b>(1,161)</b>	<b>(66,573)</b>	<b>(67,734)</b>



## TAY ROAD BRIDGE JOINT BOARD BALANCE SHEET

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

<b>Restated</b> <b>31 March 2023</b>		<b>Note</b>	<b>31 March 2024</b>
<b>£000</b>			<b>£000</b>
62,174	Property, Plant & Equipment	20	66,311
75	Investment Property	19	75
-	Pension Asset - Funded Scheme	15	531
<b>62,249</b>	<b>Total Long Term Assets</b>		<b>66,917</b>
44	Inventories	22	56
751	Short Term Debtors	23	1,332
717	Cash and Cash Equivalents	13	611
<b>1,512</b>	<b>Total Current Assets</b>		<b>1,999</b>
(423)	Short Term Creditors	24	(911)
<b>(423)</b>	<b>Total Current Liabilities</b>		<b>(911)</b>
(261)	Pension Liability - Unfunded Scheme	15	(271)
<b>(261)</b>	<b>Total Long Term Liabilities</b>		<b>(271)</b>
<b>63,077</b>	<b>Net Assets</b>		<b>67,734</b>
1,161	Usable reserves	9	1,161
61,916	Unusable Reserves	10	66,573
<b>63,077</b>	<b>Total Reserves</b>		<b>67,734</b>



\_\_\_\_\_  
Robert Emmott, BSc, CPFA  
Treasurer  
Tay Road Bridge Joint Board

The unaudited accounts were issued on 10 June 2024 and the audited accounts were authorised for issue on 2 December 2024.

## TAY ROAD BRIDGE JOINT BOARD CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Board during the reporting period. The statement shows how the Board generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Board are funded by way of grant income or from the recipients of services provided by the Board. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Board's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Board.

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
1,177	Net deficit / (surplus) on the provision of services	(4,092)
(2,027)	Adjust net surplus or deficit on the provision of services for non cash movements	(1,748)
	Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	
680		6,245
<b>(170)</b>	<b>Net cash flows from Operating Activities</b>	<b>405</b>
269	Investing Activities (note 11)	(287)
(1)	Financing Activities (note 12)	(12)
<b>98</b>	<b>Net Decrease in cash and cash equivalents</b>	<b>106</b>
815	Cash and cash equivalents at the beginning of the reporting period	717
<b>717</b>	<b>Cash and cash equivalents at the end of the reporting period (note 13)</b>	<b>611</b>

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

## **1 ACCOUNTING POLICIES**

### **A General Principles**

The Annual Accounts summarise the Board's transactions for the 2023/2024 financial year and its position at the year-end of 31 March 2024. The Board is required to prepare Annual Accounts by the Local Authority Accounts (Scotland) Regulations 2014. Section 12 of the Local Government in Scotland Act 2003 requires that they be prepared in accordance with proper accounting practices. These practices under Section 21 of the 2003 Act primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2023/2024 and the Service Reporting Code of Practice 2023/2024, and International Financial Reporting Standards (IFRS) and statutory guidance issued under Section 12 of the 2003 Act. The accounting convention adopted in the Annual Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets.

### **B Accruals of Income and Expenditure**

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including those rendered by the Board's employees) are recorded as expenditure when the services are received, rather than when payments are made.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

### **C Cash and Cash Equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents comprise short term lending that is repayable on demand or within 3 months of the Balance Sheet date and that is readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Board's cash management.

### **D Changes in Accounting Policies and Estimates and Prior Period Errors**

Changes in accounting policies are only made when required by proper accounting practices or when the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Board's financial position or financial performance. Where a change is made and it is material to the financial statements, it is applied retrospectively (unless otherwise stated) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

### **E Charges to Revenue for Non-Current Assets**

The Comprehensive Income and Expenditure Statement is debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the Board; and

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

- revaluation and impairment losses on assets used by the Board where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.

The Board is not required to apply revenue grant receipts to fund depreciation, revaluation and impairment losses. Depreciation, revaluation and impairment losses are therefore reversed by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement.

## **F Employee Benefits**

### Benefits Payable During Employment

Short-term employee benefits (those that fall due wholly within 12 months of the year-end), such as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, are recognised as an expense in the year in which employees render service to the Board. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the remuneration rates applicable in the following financial year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

### Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Board to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits and are charged on an accruals basis to the appropriate service segment or, where applicable, to the Corporate Costs line in the Comprehensive Income and Expenditure Statement at the earlier of when the Board can no longer withdraw the offer of those benefits or when the Board recognises costs for a restructuring. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Reserve balance to be charged with the amount payable by the Board to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

### Post Employment Benefits

Employees of the Board are members of a separate pension scheme being the Local Government Pension Scheme (Tayside Pension Fund), a defined benefits scheme which is administered by Dundee City Council. The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Board.

The Local Government Pension Scheme is accounted for as a defined benefits scheme:

- The assets / liabilities of the Tayside Pension Fund attributable to the Board are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of earnings for current employees. The actuaries have incorporated an impact of asset ceiling to comply with IFRIC 14. The asset ceiling is the present value of any economic benefit available to the Employer in the form of refunds or reduced future employer contributions. After discussions with the Fund, we have taken the approach to restrict the surplus with an asset ceiling. The asset ceiling is calculated as the difference between the accounting surplus attributable to the Employer and the surplus limit. The surplus limit is calculated as the expected future cost of accrual, calculated in line with the discount rate, minus the present value of the certified contributions payable by the Employer.
- Liabilities are discounted to their value at current prices, using a discount rate based on the indicative rate of return on high quality corporate bond, iBoxx AA rated over 15 year corporate bond index.
- The assets of the Tayside Pension Fund attributable to the Board are included in the Balance Sheet at their fair value:
  - quoted securities – current bid price

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

- unquoted securities – professional estimate
- unitised securities – current bid price
- property – market value.

The change in the net pensions asset / liability is analysed into the following components:

- Service cost comprising:
  - current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to relevant operating areas;
  - past service cost – the increase in liabilities arising as a result of a scheme amendment or curtailment the effect of which relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Corporate Costs; and
  - net interest on the defined benefit liability / (asset), i.e. net interest expense for the Board – the change during the period in the net defined benefit liability / (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability / (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contribution and benefit payments.
- Re-measurements comprising:
  - the return on plan assets – excluding amounts included in the net interest on the net defined benefit liability / (asset) – charged to the Pension Reserve as Other Comprehensive Income and Expenditure; and
  - actuarial gains and losses – changes in the net pensions liability that arise because events have not co-incided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- contributions paid to the Tayside Pension Fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Reserve balance to be charged with the amount payable by the Board to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. If a negative balance arises on the Pensions Reserve it thereby measures the beneficial impact on the General Reserve of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

*Discretionary Benefits*

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

**G Events After the Reporting Period**

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

- those that provide evidence of conditions that existed at the end of the reporting period – the Annual Accounts are adjusted to reflect such events; and

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

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

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

#### **H Government Grants and Contributions**

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

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

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

#### **I Inventories and Long Term Contracts**

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

#### **J Investment Properties**

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

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

### **K Leases**

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

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

#### The Board as Lessor

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

### **L Property, Plant and Equipment**

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

#### Recognition

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

#### Measurement

Assets are initially measured at cost, comprising:

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

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

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

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

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

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

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

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

### Impairment

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

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

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

### Assets Held for Sale / Disposals

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

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



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

### Depreciation

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

Depreciation is calculated on the following bases:

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

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

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

### **M Reserves**

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

### **N VAT**

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

### **O FAIR VALUE MEASUREMENT**

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

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

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

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

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Board can access at the measurement date;

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

- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; or
- Level 3 - unobservable inputs for the asset or liability.

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

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

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

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. This applies to the adoption of the following new or amended standards within the 2024/2025 Code:

- IFRS 16 Leases (mandatory adoption in 2024/2025)

In 2024/2025, the Board will apply IFRS 16 Leases as adopted by the Code of Accounting Practice. As the Board does not currently lease any assets, this is not expected to have an impact on the 2024/25 Annual Accounts.

## **3 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

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

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

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

The items in the Board's Balance Sheet at 31 March 2024 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

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

<b>Item</b>	<b>Uncertainties</b>	<b>Effect if Actual Results Differ from Assumptions</b>
Property, Plant and Equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Board will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for property, plant and equipment would increase by £88,146 for every year that useful lives had to be reduced.
Pension Asset / Liability	Estimation of the net asset / liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Board with expert advice about the assumptions to be applied.	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £197,000. However, the assumptions interact in complex ways. During 2023/2024, the Board's actuaries advised that the net pensions assets had increased by £1,497,000 as a result of an increase in the return on assets less interest and net pension liabilities had increased by £1,143,000 attributable to updating of the assumptions. The actuaries have incorporated £2,693,000 as an impact of asset ceiling to comply with IFRIC 14.

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

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

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

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

	<u>Revenue Reserve</u>	<u>Capital Reserve</u>	<b>Movement in Unusable Reserves</b>	<b>Total 2023/2024</b>
<b>2023/2024</b>	<b>General Fund Balance £000</b>	<b>Capital Receipts Reserve £000</b>	<b>£000</b>	<b>£000</b>
<b>Adjustments involving the Capital Adjustment Account:</b>				
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>				
Charges for depreciation and impairment of non current assets	(2,104)	-	2,104	-
Revaluation Gains on Property, Plant & Equipment	-	-	-	-
Movements in the fair value of Investment Properties	-	-	-	-
Capital grants and contributions that have been applied to capital financing	6,270	-	(6,270)	-
Amounts of non-current assets written-off on disposal or sale as part of the gain/loss on disposal to the CIES	(58)	-	58	-
Insurance Receipts utilised	30	-	(30)	-
<b>Adjustments involving the Capital Receipts Reserve:</b>				
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	6	(6)	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure	-	6	(6)	-
<b>Adjustments involving the Pensions Reserve:</b>				
Reversal of items relating to post employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 15)	(210)	-	210	-
Employer's pensions contributions and direct payments to pensioners payable in the year	166	-	(166)	-
<b>Adjustment involving the Accumulating Compensated Absences Adjustment Account:</b>				
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(2)	-	2	-
<b>Total Adjustments</b>	<b>4,098</b>	<b>-</b>	<b>(4,098)</b>	<b>-</b>

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

<b>2022/2023</b>	<b><u>Revenue Reserve</u></b>	<b><u>Capital Reserve</u></b>	<b>Movement in Unusable Reserves</b>	<b>Total 2022/2023</b>
	<b>General Fund Balance</b>	<b>Capital Receipts Reserve</b>	<b>in Reserves</b>	
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Adjustments involving the Capital Adjustment Account:</b>				
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>				
Charges for depreciation and impairment of non current assets	(2,159)	-	2,159	-
Revaluation Gains on Property, Plant & Equipment	112	-	(112)	-
Movements in the fair value of Investment Properties	6	-	(6)	-
Capital grants and contributions that have been applied to capital financing	971	-	(971)	-
Amounts of non-current assets written-off on disposal or sale as part of the gain/loss on disposal to the CIES	71	-	(71)	-
<b>Adjustments involving the Capital Receipts Reserve:</b>				
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-	-	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure	-	-	-	-
<b>Adjustments involving the Pensions Reserve:</b>				
Reversal of items relating to post employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 15)	(326)	-	326	-
Employer's pensions contributions and direct payments to pensioners payable in the year	152	-	(152)	-
<b>Adjustment involving the Accumulating Compensated Absences Adjustment Account</b>				
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	2	-	(2)	-
<b>Total Adjustments</b>	<b>(1,171)</b>	<b>-</b>	<b>1,171</b>	<b>-</b>

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

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

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
(3)	Miscellaneous Income	(8)
-	Insurance Receipts	(30)
-	(Gains) / Losses on the disposal of non current assets	(6)
-	(Gains) / Losses on the derecognition of non current assets	57
<b>(3)</b>	<b>Total</b>	<b>13</b>

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

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
2	Net interest on the defined benefit liability (asset)	11
(12)	Interest receivable and similar income	-
(7)	Changes in the fair value of investment properties	-
(2)	Net Income & Expenditure on investment properties	(6)
<b>(19)</b>	<b>Total</b>	<b>5</b>

**8 COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT - NON SPECIFIC GRANT INCOME**

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
(1,759)	Non-ring fenced government grants	(1,893)
(971)	Capital grants and contributions	(6,270)
<b>(2,730)</b>	<b>Total</b>	<b>(8,163)</b>

**9 BALANCE SHEET - USABLE RESERVES**

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement and note 5.

**10 BALANCE SHEET - UNUSABLE RESERVES**

<b>Restated</b>		<b>31 March 2024</b>
<b>31 March 2023</b>		<b>£000</b>
634	Revaluation Reserve	628
61,548	Capital Adjustment Account	65,692
(261)	Pensions Reserve	260
(5)	Accumulating Compensated Absences Adjustment Account	(7)
<b>61,916</b>	<b>Total Unusable Reserves</b>	<b>66,573</b>

Revaluation Reserve

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

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

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

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

2022/2023 £000		2023/2024 £000
749	<b>Balance at 1 April</b>	634
83	Upward Revaluation of assets	-
(192)	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	-
-	Accumulated gains on assets sold or scrapped	-
-	Amount written off to the Capital Adjustment Account	-
(6)	Difference between fair value depreciation and historic cost depreciation	(6)
<b>634</b>	<b>Balance at 31 March</b>	<b>628</b>

### Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation and impairment losses are charged to the Comprehensive Income and Expenditure Statement. The Account is credited with the amounts set aside by the Board as finance for the costs of acquisition, construction and enhancement. The Account contains accumulated gains and losses on Investment Properties that have yet to be consumed by the Board. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains. Note 5 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

2022/2023 £000		2023/2024 £000
62,547	<b>Balance at 1 April</b>	61,548
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(2,159)	• Charges for depreciation and impairment of non current asset	(2,104)
182	• Revaluation losses on Property, Plant & Equipment	-
-	• Amounts of non current assets written off on disposal or sale as part of the gain / loss on disposal to the CIES	(58)
<b>(1,977)</b>	<b>Net written out amount of the cost of non current assets consumed in the year</b>	<b>(2,162)</b>
	Capital financing applied in the year:	
-	• Use of the Capital Receipts Reserve to finance new capital expenditure	6
971	• Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	6,270
-	• Use of Insurance Receipts	30
-	• Capital expenditure charged against the General Reserve	-
<b>971</b>	<b>Total Capital Financing Applied during the year</b>	<b>6,306</b>
7	Movements in the market value of Investment Properties debited or credited to the CIES	-
<b>61,548</b>	<b>Balance at 31 March</b>	<b>65,692</b>

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

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Board accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Board makes employer's contributions to pensions funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Board has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

<b>Restated</b>		<b>2023/2024</b>
<b>2022/2023</b>		<b>£000</b>
<b>£000</b>		<b>£000</b>
<b>(27)</b>	<b>Balance at 1 April</b>	<b>(261)</b>
-	Actuarial gains or (losses) on pensions assets and liabilities	553
2,711	Re-measurements of the net defined benefit liability / (asset)	(199)
(326)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(210)
152	Employer's pensions contributions and direct payments to pensioners payable in the year	166
(2,771)	Impact of Asset Ceiling	211
<b>(261)</b>	<b>Balance at 31 March</b>	<b>260</b>

Accumulating Compensated Absences Adjustment Account

The Accumulating Compensated Absences Adjustment Account absorbs the differences that would otherwise arise on the General Reserve Balance from accruing for compensated absences earned but not taken in the year. Statutory arrangements require that the impact on the General Reserve Balance is neutralised by transfers to or from the Account.

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
<b>(7)</b>	<b>Balance at 1 April</b>	<b>(5)</b>
-	Settlement or cancellation of accrual made at the end of the preceding year	-
2	Amounts accrued at the end of the current year	(2)
2	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(2)
<b>(5)</b>	<b>Balance at 31 March</b>	<b>(7)</b>



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

**11 CASH FLOW STATEMENT - INVESTING ACTIVITIES**

<b>2022/2023</b>		<b>2023/2024</b>
<u>£000</u>		<u>£000</u>
948	Purchase of property, plant and equipment, investment property and intangible assets	5,650
-	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(8)
<u>(679)</u>	Other receipts from investing activities	<u>(5,929)</u>
<u>269</u>	<b>Net cash flows from investing activities</b>	<u>(287)</u>

**12 CASH FLOW STATEMENT - FINANCING ACTIVITIES**

<b>2022/2023</b>		<b>2023/2024</b>
<u>£000</u>		<u>£000</u>
<u>(1)</u>	Other receipts from financing activities	<u>(12)</u>
<u>(1)</u>	<b>Net cash flows from financing activities</b>	<u>(12)</u>

**13 CASH FLOW STATEMENT - CASH AND CASH EQUIVALENTS**

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

<b>31 March 2023</b>		<b>31 March 2024</b>
<u>£000</u>		<u>£000</u>
<u>717</u>	Bank current account	<u>611</u>
<u>717</u>	<b>Total cash and cash equivalents</b>	<u>611</u>

**14 EXTERNAL AUDIT COSTS**

The Board has incurred the following costs in relation to the audit of the Annual Accounts provided by the Board's external auditors:

	<b>2022/2023</b>	<b>2023/2024</b>
	<u>£000</u>	<u>£000</u>
Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor for the year	15	16
<b>Total</b>	<u>15</u>	<u>16</u>

## 15 DEFINED BENEFIT PENSION SCHEMES

### Participation in pension schemes

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

The Board participates in two post employment schemes:

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

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

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

## Transactions relating to post employment benefits

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

	<b>Local Government Pension Scheme</b>	
	<b>Restated</b>	
	<b>2022/2023</b>	<b>2023/2024</b>
	<b>£000</b>	<b>£000</b>
<b>Comprehensive Income and Expenditure Statement:</b>		
<i>Cost of Services:</i>		
• current service cost	324	199
• past service cost	-	-
• curtailment	-	-
<i>Financing and Investment Income and Expenditure</i>		
• net interest on the defined liability (asset)	(1)	8
• administration expenses	3	3
<b>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</b>	<b>326</b>	<b>210</b>
<i>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>		
Re-measurement of the net defined benefit liability comprising:		
• Return on plan assets (excluding amount included in the net interest expense)	844	(944)
• Other actuarial (gains) / losses on assets	-	(553)
• Actuarial gains and losses arising on changes in demographic assumptions	-	(80)
• Actuarial gains and losses arising on changes in financial assumptions	(4,352)	115
• Other (if applicable)	797	1,108
• Impact of Asset Ceiling	2,771	(211)
<b>Total Re-measurements</b>	<b>60</b>	<b>(565)</b>
<b>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</b>	<b>386</b>	<b>(355)</b>
<b>Movement in Reserves Statement:</b>		
• reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code	(326)	(210)
<i>Actual amount charged against the General Fund Balance for pensions in the year:</i>		
• employers' contributions payable to scheme	152	166

## Pension assets and liabilities recognised in the Balance Sheet

	Local Government Pension Scheme		
		Restated	
	2021/2022	2022/2023	2023/2024
	£000	£000	£000
Net pension liabilities as at March:			
Present value of funded obligation	11,057	7,908	9,129
Fair value of scheme assets	(11,369)	(10,679)	(12,353)
Impact of asset ceiling	-	2,771	2,693
<b>Net liability / (asset) funded obligation</b>	<b>(312)</b>	<b>-</b>	<b>(531)</b>
<b>Net liability of unfunded obligation</b>	<b>339</b>	<b>261</b>	<b>271</b>

## Assets and liabilities in relation to post employment benefits

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

	Local Government Pension Scheme	
	2022/2023	2023/2024
	£000	£000
Opening balance at 1 April	11,396	8,169
Current service cost	324	199
Interest cost	293	380
Contributions by scheme participants	50	131
<i>Re-measurement (gains) and losses:</i>		
○ change in financial assumptions	(4,352)	115
○ change in demographic assumptions	-	(80)
Experience gain on defined benefit obligation	797	1,108
Benefits paid	(339)	(622)
Past service costs, including curtailments	-	-
<b>Closing balance at 31 March</b>	<b>8,169</b>	<b>9,400</b>

## Reconciliation of fair value of the scheme assets:

	Local Government Pension Scheme	
	2022/2023	2023/2024
	£000	£000
Opening balance at 1 April	11,369	10,679
Interest income on assets	294	505
Re-measurement gain: return on assets less interest	(844)	944
Actuarial gains and (losses)	-	553
Administration expenses	(3)	(3)
Employer contributions	152	166
Contributions by scheme participants	50	131
Benefits paid	(339)	(622)
<b>Closing balance at 31 March</b>	<b>10,679</b>	<b>12,353</b>

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

The liabilities show the underlying commitments that the Board has in the long run to pay post employment (retirement) benefits. The total asset of £0.260m is reflected in the Board's Balance Sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Board remains healthy. The deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees (i.e. before payments fall due), as assessed by the scheme actuary.

### Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The Tayside Pension Fund has been assessed by Barnett Waddingham, an independent firm of actuaries, being based on the latest full valuation of the scheme as at 31 March 2024.

The principal assumptions used by the actuary have been:

	<b>Local Government Pension Scheme</b>	
	<b>2022/2023</b>	<b>2023/2024</b>
Long-term expected rate of return on assets in the scheme:		
Mortality assumptions:		
Longevity at 65 for current pensioners (years):		
Men	19.0	18.9
Women	22.4	21.6
Longevity at 65 for future pensioners (years):		
Men	20.4	20.2
Women	23.9	23.1
Rate of inflation (RPI)	3.85%	4.00%
Rate of inflation (CPI)	2.85%	3.00%
Rate of increase in salaries	3.85%	4.00%
Rate of increase in pensions	2.85%	3.00%
Rate of discounting scheme liabilities	4.80%	4.85%

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

Impact on the defined benefit obligation in the Scheme:

	<b>Local Government Pension Scheme</b>		
	<b>£000</b>	<b>£000</b>	<b>£000</b>
	<b>+0.1%</b>	<b>0%</b>	<b>-0.1%</b>
Adjustment to discount rate:			
o Present value of total obligation	9,275	9,400	9,528
o Projected service cost	197	202	207
Adjustment to long term salary increase:			
o Present value of total obligation	9,410	9,400	9,390
o Projected service cost	202	202	202
Adjustment to pension increases and deferred re-valuation:			
o Present value of total obligation	9,520	9,400	9,282
o Projected service cost	207	202	197
Adjustment to mortality age rating assumption:	<b>+ 1 year</b>	<b>None</b>	<b>- 1 year</b>
o Present value of total obligation	9,835	9,400	8,986
o Projected service cost	209	202	194

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

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

	31 March 2023 £000	31 March 2023 %	31 March 2024 £000	31 March 2024 %
Equity investments	7,638	71	8,908	72
Gilts	213	2	779	6
Other Bonds	1,481	14	812	7
Property	1,055	10	1,095	9
Cash and alternatives	292	3	759	6
<b>Total</b>	<b>10,679</b>	<b>100</b>	<b>12,353</b>	<b>100</b>

### Impact on the Board's cash flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The Tayside Pension Fund has agreed a strategy with the scheme's actuary to achieve a funding level of 100%. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed as at 31 March 2026.

The Board anticipated to pay £138,000 expected contributions to the scheme in 2024/2025.

### 16 EVENTS AFTER THE BALANCE SHEET DATE

There were no events that occurred between 1 April 2024 and 2 December 2024 that required adjustment to the 2023/2024 financial statements. The latter date is the date on which the audited accounts were authorised for issue by the Treasurer.

### 17 RELATED PARTIES

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

#### Central Government

Central government has effective control over the general operations of the Board. It is responsible for providing the statutory framework within which the Board operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Board has with other parties. There are £951,000 of grant receipts outstanding at 31 March 2024 (2022/2023: £527,000) (see note 23).

#### Other Local Authorities

Angus, Dundee City and Fife Councils are considered to be related parties of the Board. Further detail on the nature of the relationship with these local authorities is provided on page 3 of these accounts under 'Members and Officials'. However, there are no agreements between the three local authorities for the sharing of control over the Board, decisions do not require unanimous consent of the three authorities or all twelve members, and veto power does not exist. During 2023/2024, the Board entered into a number of transactions with Dundee City Council and Fife Council, as detailed below:

2022/2023			2023/2024	
Income £000	Expenditure £000		Income £000	Expenditure £000
(12)	-	<b>Dundee City Council:</b>	-	-
-	90	Interest Receivable	-	95
-	5	Central Support Services	-	6
-	52	Grounds Maintenance	-	91
-	101	Professional Fees	-	98
-	52	Capital Works	-	52
-	52	Miscellaneous	-	52
<b>(12)</b>	<b>300</b>	<b>Total Dundee City Council</b>	<b>-</b>	<b>342</b>

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

2022/2023			2023/2024	
Income £000	Expenditure £000		Income £000	Expenditure £000
-	6	<b>Fife Council:</b>	-	7
-	6	Miscellaneous	-	7
		<b>Total Fife Council</b>	-	7

The following balances existed between the Board and Dundee City Council as at 31 March 2024:

2022/2023			2023/2024	
Asset £000	Liability £000		Asset £000	Liability £000
(12)	-	<b>Dundee City Council:</b>	-	-
-	9	Interest Receivable	-	1
-	243	Professional Fees	365	49
(12)	252	Miscellaneous	365	50
		<b>Total Dundee City Council</b>	365	50

**18 LEASES**

The Board as Lessee

The Board held no assets on finance or operating lease during 2023/2024 and, accordingly, there were no lease rentals paid to lessors during the year (2022/2023: None) or commitments due to lessors in 2023/2024 (2022/2023: None).

The Board as Lessor

The Board had entered a three year agreement for the lease of land and property to a third party which ended in 2011. This arrangement has continued on a monthly basis as permitted in the lease agreement. This agreement is accounted for as an operating lease. In 2023/2024 the Board received rent of £10,213 from this agreement (2022/2023: £10,213). Assuming that the lease continues for one year, the present value of minimum lease payments receivable as at the Balance Sheet date are as follows:

- a) Not later than 1 year = £10,213
- b) later than 1 year and not later than 5 years = £Nil
- c) later than 5 years = £Nil.

**19 INVESTMENT PROPERTY**

The following items of income and expense have been accounted for in the Comprehensive Income and Expenditure Statement:

	2022/2023 £000	2023/2024 £000
Rental income from investment property	10	10
Direct operating expenses arising from investment property	(8)	(3)
<b>Net gain/(loss)</b>	<b>2</b>	<b>7</b>

There are no restrictions on the Board's ability to realise the value inherent in its investment property or on the Board's right to the remittance of income and the proceeds of disposal.

	2022/2023 £000	2023/2024 £000
Balance at start of the year	68	75
Net gains / (losses) from changes in fair value	7	-
<b>Balance at end of the year</b>	<b>75</b>	<b>75</b>

The Board's Investment Properties are valued using the Level 3 (unobservable inputs for the asset) valuation technique / fair value hierarchy. There has been no change in the valuation technique used during the year.

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

**20 PROPERTY, PLANT AND EQUIPMENT**

*Movements on Balances*

Movements in 2023/2024:

	Other Land and Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure Assets £000	Total Property, Plant & Equipment £000
<b>Cost or Valuation</b>				
At 1 April 2023	1,312	2,777	87,324	91,413
Additions	-	173	6,133	6,306
Derecognition - Disposals	-	(30)	(912)	(942)
Expenditure Not Adding Value	-	(14)	(89)	(103)
<b>At 31 March 2024</b>	<b>1,312</b>	<b>2,906</b>	<b>92,456</b>	<b>96,674</b>

**Accumulated Depreciation  
and Impairment**

At 1 April 2023	25	1,176	28,038	29,239
Depreciation charge	25	179	1,803	2,007
Derecognition - Disposals	-	(28)	(855)	(883)
<b>At 31 March 2024</b>	<b>50</b>	<b>1,327</b>	<b>28,986</b>	<b>30,363</b>

**Net Book Value:**

<b>At 31 March 2024</b>	<b>1,262</b>	<b>1,579</b>	<b>63,470</b>	<b>66,311</b>
<b>At 31 March 2023</b>	<b>1,287</b>	<b>1,601</b>	<b>59,286</b>	<b>62,174</b>

Comparative Movements in 2022/2023:

	Other Land and Buildings £000	Vehicles, Plant & Equipment £000	Infrastructure Assets £000	Total Property, Plant & Equipment £000
<b>Cost or Valuation</b>				
At 1 April 2022	1,310	2,218	87,001	90,529
Additions	-	566	405	971
Expenditure Not Adding Value	-	(7)	(82)	(89)
Revaluation Increase / (Decrease) recognised in Revaluation Reserve	(110)	-	-	(110)
Revaluation Increases / (Decreases) recognised in the Surplus / Deficit on the Provision of Services	112	-	-	112
<b>At 31 March 2023</b>	<b>1,312</b>	<b>2,777</b>	<b>87,324</b>	<b>91,413</b>

**Accumulated Depreciation**

At 1 April 2022	71	1,028	26,135	27,234
Depreciation charge	25	148	1,903	2,076
Write back of Depreciation	(71)	-	-	(71)
<b>At 31 March 2023</b>	<b>25</b>	<b>1,176</b>	<b>28,038</b>	<b>29,239</b>

**Net Book Value:**

<b>At 31 March 2023</b>	<b>1,287</b>	<b>1,601</b>	<b>59,286</b>	<b>62,174</b>
<b>At 31 March 2022</b>	<b>1,239</b>	<b>1,190</b>	<b>60,866</b>	<b>63,295</b>



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

### *Capital Commitments*

At 31 March 2024, the Board has entered into a number of contracts for the construction or enhancement of Property, Plant and Equipment in 2024/2025 and future years, budgeted to cost £6.392m (Similar commitments at 31 March 2023 were £11.829m).

The major commitments are for:

- Carriageway Resurfacing: £6.2m in 2024/2025.

### *Revaluations*

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

## 21 CAPITAL EXPENDITURE AND CAPITAL FINANCING

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

	2022/2023 £000	2023/2024 £000
<i>Capital investment:</i>		
Property, Plant and Equipment	971	6,306
<b>Total Capital Investment</b>	<b>971</b>	<b>6,306</b>
<i>Sources of finance:</i>		
Government grants and other contributions	971	6,270
Capital Receipts	-	6
Insurance Receipts	-	30
<b>Total Sources of Finance</b>	<b>971</b>	<b>6,306</b>

## 22 INVENTORIES

	2022/2023 £000	2023/2024 £000
<b>Balance outstanding at start of year</b>	<b>45</b>	<b>44</b>
Purchases	-	12
Recognised as an expense in the year	(1)	-
<b>Balance outstanding at year-end</b>	<b>44</b>	<b>56</b>

## 23 SHORT-TERM DEBTORS

	31 March 2023 £000	31 March 2024 £000
Central government bodies	527	947
Local authorities	128	365
Other entities and individuals	96	20
<b>Total</b>	<b>751</b>	<b>1,332</b>

## 24 SHORT-TERM CREDITORS

	31 March 2023 £000	31 March 2024 £000
Central government bodies	10	16
Local authorities	252	50
Other entities and individuals	161	845
<b>Total</b>	<b>423</b>	<b>911</b>

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

**25 GRANT INCOME**

The Board credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Account in 2023/2024:

	<b>2022/2023</b>	<b>2023/2024</b>
	<b>£000</b>	<b>£000</b>
<b>Credited to Taxation and Non Specific Grant Income</b>		
Scottish Government Revenue Grant	1,759	1,893
Scottish Government Capital Grant	971	6,270
<b>Total</b>	<b>2,730</b>	<b>8,163</b>

The Board has £nil revenue grants, contributions and donations that have yet to be recognised as income due to them having conditions attached to them that requires the monies or property to be returned to the grant provider (2022/2023: £nil).

**26 CONTINGENT LIABILITIES**

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

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

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

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

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

**Goodwin Case**

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

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

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

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

### 27 CONTINGENT ASSETS

During 2022/2023 there were several accidents recorded that resulted in damage to the Board's property. One of these is subject to an ongoing insurance claim. No income has been recognised in the 2023/2024 accounts as the amount and timing of any insurance receipts are uncertain at the date that the unaudited accounts were authorised for issue.

### 28 PRIOR PERIOD ADJUSTMENTS

After the Board's 2022/2023 Audited Accounts were approved at the September 2023 Board meeting, a material misstatement in relation to the 2022/2023 actuarial asset ceiling adjustment came to light. A revised actuarial report was subsequently obtained which increased the impact of the asset ceiling by £1.436m. This results in the reported 2022/2023 Net Pension Asset of £1.175m being restated to become a Net Pension Liability of £0.261m.

#### Effect on line items in the Comprehensive Income and Expenditure Statement 2022/2023:

In order to correct this error, the Board has restated the prior year information for 2022/2023 for the £1.436m in each of the following lines in the Comprehensive Income and Expenditure Statement. The following are the relevant extracted lines from the Comprehensive Income and Expenditure Statement. The Comprehensive Income and Expenditure Statement with appropriate restatement for 2022/2023 can be found on page 30 of these financial statements.

#### 2022/2023:

	As Originally Stated	As Restated	Amount of Restatement	As Originally Stated	As Restated	Amount of Restatement	As Originally Stated	As Restated	Amount of Restatement
	Gross Expenditure			Gross Income			Net Expenditure / (Income)		
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Actuarial (Gains) / Losses on Pension Assets / Liabilities	2,976	4,412	1,436	(4,352)	(4,352)	-	(1,376)	60	1,436
<b>Other Comprehensive Income &amp; Expenditure</b>	3,168	4,604	1,436	(4,435)	(4,435)	-	(1,267)	169	1,436
<b>Total Comprehensive Income &amp; Expenditure</b>	<b>7,100</b>	<b>8,536</b>	<b>1,436</b>	<b>(7,190)</b>	<b>(7,190)</b>	<b>-</b>	<b>(90)</b>	<b>1,346</b>	<b>1,436</b>

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

**Effect on line items in the Balance Sheet at 31 March 2023:**

The CIPFA Code of Practice on Local Authority Accounting in the United Kingdom requires that an authority present a Balance Sheet at the beginning of the preceding period when an authority makes a retrospective restatement. However, in this case the prior period error did not impact on the opening Balance Sheet for 2022/2023. The error took place at year-end (2022/2023) and therefore impacted on the reported Pensions Asset, which has decreased by £1.436m. The Pensions Reserve balance was also overstated by the same amount. The following table demonstrates the effects on the following line items in the Balance Sheet for the financial year 2022/2023. The restated (for the relevant line items) prior period Balance Sheet is provided with the current year information on page 32 of the financial statements.

**2022/2023:**

	As Originally Stated	As Restated	Amount of Restatement
	£000	£000	£000
Net Pension Assets	1,175	-	(1,175)
<b>Total Long-Term Assets</b>	<b>1,175</b>	<b>-</b>	<b>(1,175)</b>
Net Pension Liabilities	-	(261)	(261)
<b>Total Long-Term Liabilities</b>	<b>-</b>	<b>(261)</b>	<b>(261)</b>
<b>Net Assets</b>	<b>64,513</b>	<b>63,077</b>	<b>(1,436)</b>
Unusable Reserves	63,352	61,916	(1,436)
<b>Total Reserves</b>	<b>64,513</b>	<b>63,077</b>	<b>(1,436)</b>

**Effect on line items in the Movement in Reserves Statement at 31 March 2023:**

The following restatement was also required for the Movement in Reserves Statement for Unusable Reserves. The restated (for the relevant line items) prior period Movement in Reserves Statement is provided with the current year information on page 31 of the financial statements.

**2022/2023:**

	As Originally Stated	As Restated	Amount of Restatement
	£000	£000	£000
<b>Unusable Reserves:</b>			
Total Comprehensive Income & Expenditure	(1,267)	169	1,436
Net (Increase) / Decrease before Transfers to Other Statutory Reserves	(90)	1,346	1,436
<b>(Increase) / Decrease in 2022/2023</b>	<b>(90)</b>	<b>1,346</b>	<b>1,436</b>
<b>Balance at 31 March 2023</b>	<b>(63,352)</b>	<b>(61,916)</b>	<b>1,436</b>

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

## Reporting on the audit of the financial statements

### Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Tay Road Bridge Joint Board for the year ended 31 March 2024 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Expenditure and Funding Analysis, Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet, and Cash Flow Statement, and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted, and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the 2023/24 Code).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of Tay Road Bridge Joint Board as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted, and adapted by the 2023/24 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Accounts Commission on 2 December 2022. My period of appointment is five years, covering 2022/23 to 2026/27. Including a previous appointment, the period of total uninterrupted appointment will be seven years. I am independent of Tay Road Bridge Joint Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to Tay Road Bridge Joint Board. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Tay Road Bridge Joint Board's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the current or future financial sustainability of Tay Road Bridge Joint Board. However, I report on Tay Road Bridge Joint Board's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

### Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

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

## **Responsibilities of the Treasurer and Tay Road Bridge Joint Board for the financial statements**

As explained more fully in the Statement of Responsibilities, the Treasurer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing Tay Road Bridge Joint Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue Tay Road Bridge Joint Board's operations.

The Tay Road Bridge Joint Board is responsible for overseeing the financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of Tay Road Bridge Joint Board;
- inquiring of the Treasurer as to other laws or regulations that may be expected to have a fundamental effect on the operations of Tay Road Bridge Joint Board;
- inquiring of the Treasurer concerning the policies and procedures of Tay Road Bridge Joint Board regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Tay Road Bridge Joint Board's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

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

## Reporting on other requirements

### **Opinion prescribed by the Accounts Commission on the audited parts of the Remuneration Report**

I have audited the parts of the Remuneration Report described as audited. In my opinion, the audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

### **Other information**

The Treasurer is responsible for the other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

### **Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement**

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

### **Matters on which I am required to report by exception**

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

### **Conclusions on wider scope responsibilities**

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

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

## Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

*Richard Smith*

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

02 December 2024