

**Constitution**

As agreed by Transport for the North on

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## PART 1 INTRODUCTION AND ARTICLES

### 1. Definitions

In this Constitution:

1.1 “The Transport for the North Area” means the area consisting of all the areas of the Constituent Authorities;

1.2 “The Transport for the North Board” means a meeting of all the Members and Co-opted Members of Transport for the North.

1.3 “The Constituent Authorities” mean the following local transport authorities in the North:

- Blackburn with Darwen Borough Council
- Blackpool Borough Council
- Cheshire East Council
- Chester West and Chester Council
- The Council of the City of York
- Cumbria County Council
- The Durham, Gateshead, South Tyneside and Sunderland Combined Authority (North East Combined Authority)
- Newcastle upon Tyne, North Tyneside and Northumberland Combined Authority (North of Tyne Combined Authority)
- The East Riding of Yorkshire Council
- Greater Manchester Combined Authority
- Kingston Upon Hull City Council
- Lancashire County Council
- Liverpool City Region Combined Authority
- North East Lincolnshire Council
- North Lincolnshire Borough Council
- North Yorkshire County Council
- Sheffield City Region Combined Authority
- Tees Valley Combined Authority
- Warrington Borough Council
- West Yorkshire Combined Authority

1.4 “The Order” means The Sub-National Transport Body (Transport for the North) Regulations 2018 (SI 2018 No. 103) (as amended by the Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority (Establishment and Functions) Order 2018).

1.5 “The Rail North Area” means the combined areas of Transport for the North and each of the Rail North Authorities.

1.6 “The Rail North Authorities” means the following Authorities which were formerly Members of Rail North Limited but are not Constituent Authorities:

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- Staffordshire County Council
- Nottinghamshire County Council
- Derbyshire County Council
- Lincolnshire County Council
- Nottingham City Council
- Stoke-on Trent City Council

- 1.7 Reserved Matters means the matters set out in Clause [24.3.3](#)
- 1.8 Rail Franchise Matters means any question about the management of the Northern or TransPennine Express rail franchises.
- 1.9 Statutory Partner means Transport for the North's role as a Statutory Partner to the Secretary of State including but not limited to its functions pursuant to Regulation 5(b) to (e) of the Order. This role includes representing the views of the region, determining the North's objectives for investment and working with the Secretary of State to enable northern priorities to be included within national priorities.
- 1.10 Transport Strategy means a transport strategy within the meaning of Section 102I of the Local Transport Act 2008 and includes all investment and delivery plans.
- 1.11 This Constitution sets out how Transport for the North operates, how decisions are made and the procedures that are followed to ensure that Transport for the North operates efficiently, effectively and is both transparent and accountable.
- 1.12 The Constitution is made up of seven parts and 11 Appendices.

## **2. Role and Powers of Transport for the North**

2.1 Transport for the North has been established to provide a single voice for the North, to facilitate the development and implementation of transport strategies in the North and with the objective that economic growth in the area would be enhanced by the development and implementation of these strategies.

2.2 Transport for the North was established under section 102E of the Local Transport Act 2008 and pursuant to the Order made on 22<sup>nd</sup> January 2018 as the Sub-National Transport Body for the Transport for the North Area with the power to exercise the following functions:

### **2.3 General Functions**

- a) To prepare a Transport Strategy for the Transport for the North Area in accordance with section 102I of the Local Transport Act 2008;
- b) To provide advice to the Secretary of State about the exercise of the transport functions in the Transport for the North Area;
- c) To co-ordinate the carrying out of transport functions that are exercisable by its different Constituent Authorities with a view to improving the effectiveness and efficiency of the carrying out of those functions;
- d) If Transport for the North considers that a transport function in relation to its area would more effectively and efficiently be carried out by Transport for the North, to make proposals to the Secretary of State for the transfer of that function to Transport for the North;
- e) To make other proposals to the Secretary of State about the role and functions of Transport for the North.

### **2.4 Capital Grants exercisable concurrently with the Constituent Authorities**

- a) To pay Capital Grants under section 56(2) of the Transport Act 1968.

### **2.5 Ticketing Schemes exercisable concurrently with the Constituent Authorities**

- a) To make an advanced ticketing scheme under section 134C(1) of the Transport Act 2000;
- b) To make other ticketing schemes under section 135(1) of the Transport Act 2000;
- c) (Sections 134C(9) to (11), 134D to 134G, 135(7) and (8) and sections 136 and 137 are applicable in connection with such ticketing schemes).

### **2.6 Rail Franchise Agreements exercisable concurrently with the Constituent Authorities**

- a) The right under section 13 of the Railways Act 2005 to be consulted over the grant of a rail franchise agreement for passenger services within, to and from the Transport for the North Area and the right to enter into arrangements with the Secretary of State relating to the management of rail franchise agreements.

**2.7 Highway Functions exercisable jointly with the Secretary of State**

- a) To enter into agreements with local authorities under section 6(5) of the Highways Act 1980 for the construction or improvement of a trunk road;
- b) Functions relating to environmental impact assessments under sections 105A to 105C of the Highways Act 1980;
- c) Functions under 239(1) + (2), 239(3), (4) + (5), 240(1), (2) + (6), 246(1), (2), (2A) and (5) and 250(1) + (2) of the Highways Act 1980 in relation to the acquisition of land and rights over land.

**2.8 Highway Functions exercisable concurrently with local authorities by which the functions are exercised within Transport for the North**

- a) To enter into agreements under section 8(1) of the Highways Act 1980 with highway authorities and third parties for the construction, improvement or maintenance of a highway other than a trunk road;
- b) To construct new highways under section 24(2) of the Highways Act 1980;
- c) To acquire land by agreement or compulsorily under sections 239(1), (3), (4) + (5), 240(1), (2) + (6), 246(1), (2), (2A) + (5) and 250(1) + (2) of the Highways Act 1980 in relation to the creation and improvement of highways;
- d) To enter into agreements for the creation of new footpaths under section 25 of the Highways Act 1980 and to create new footpaths compulsorily under section 26 of that Act;
- e) Under the provisions of Regulation 14 of the Order, Transport for the North may not exercise the function in section 24(2) of the Highways Act 1980 unless the manner in which it proposes to exercise the function has been approved by:
  - i. Each Council through whose area the road is to pass;
  - ii. The authority which is to be the highway authority for the road;
  - iii. The highway authority for any highway with which the new road will communicate, and;
  - iv. The Secretary of State
- f) Under the provisions of Regulation 15 of the Order, Transport for the North may not exercise any of the other concurrent highway functions unless the manner in which it proposes to exercise the function has been approved by the local highway authority for the area affected.

**2.9 Other Powers**

- a) Transport for the North will act as a Statutory Partner to the Secretary of State in both road and rail investment processes and will be responsible for setting the objectives and priorities for strategic road and rail investment in the Transport for the North Area;
- b) Transport for the North has taken over the role and functions of Rail North Limited, and through a Partnership Agreement with the Secretary of State for Transport will exercise management functions in relation to the TransPennine Express and Northern Franchise Agreements;
- c) Transport for the North will exercise its powers and duties in accordance with the law and this Constitution;
- d) This Constitution, and all its Appendices, is the Constitution of Transport for the North.

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- e) Transport for the North will review the operation of the Constitution as set out in paragraph 13 below.

**3. Members of Transport for the North**

- 3.1 Each of the 20 Constituent Authorities shall appoint one of its elected Members to be a Member of the Transport for the North Board. The Member appointed must be in the case of a Constituent Authority that has an elected Mayor, the Mayor or the elected Member with responsibility for transport and in any other case the Leader, the Chair or the elected Member with responsibility for transport.
- 3.2 In addition, each Constituent Authority will appoint another of its elected members to act as a Member of the Transport for the North Board (the Substitute Member) in the absence of the Member appointed under paragraph 3.1 above.
- 3.3 The Members and Substitute Members appointed to the Transport for the North Board by the Constituent Authorities are the voting Members of Transport for the North
- 3.4 Each of the six Rail North Authorities are entitled under the Transport for the North Regulations to appoint a Member and Substitute Member as Co-opted Members of the Transport for the North Board. The Transport for the North Board has agreed to give these Members voting rights in relation to Rail Franchise Matters only.
- 3.5 The voting Members of Transport for the North may co-opt Members as non-voting Members of Transport for the North if they all agree.
- 3.6 The voting Members of Transport for the North have all agreed to co-opt a representative and substitute of each of the Local Enterprise Partnerships (LEPs) within the Transport for the North area and a representative of each of the transport agencies: Network Rail, Highways England and HS2 as non-voting Co-opted Members of the Transport for the North Board
- 3.7 The provisions relating to the appointment of Members are set out fully in Part 5 Procedure Rules paragraph 25.3.

**4. Chairing the Transport for the North Board**

- 4.1 The Transport for the North Board must appoint a Chair of the Transport for the North Board and any Vice Chair from among the Members and Co-opted Members of the Transport for the North Board.
- 4.2 The process for the appointment of the Chair and any Vice-Chair is set out in the Transport for the North Procedure Rules in **Part 5** of this Constitution.

**5. Meetings and Procedure**

- 5.1 The Transport for the North Board will meet four times per year, but additional meetings may take place should the need arise.
- 5.2 There are three types of meeting of Transport for the North:
- a) The Annual Meeting;
  - b) Ordinary meetings;
  - c) Extraordinary meetings.
- 5.3 These will be conducted in accordance with the Procedure Rules set out in Part 5 of this Constitution.
- 5.4 All Members will be entitled to attend meetings of the Transport for the North Board, and if they are unable to attend, their nominated Substitute Member may attend in their place, but attendance shall be in person.
- 5.5 A representative of the Secretary of State shall be entitled to attend meetings of the Transport for the North Board in the role of an observer. They will be entitled to speak when invited to do so but shall have no vote.
- 5.6 The following functions are reserved for decision by the Transport for the North Board and may not be delegated to a Committee or officer of Transport for the North:
- a) Adopting and changing the Constitution;
  - b) The adoption, approval, amendment, modification, revision, variation, withdrawal or revocation of a Transport Strategy under section 102H of the Local Transport Act 2008;
  - c) The approval or revision of the business plan and budget;
  - d) The approval of the report of the Chief Executive setting out proposals for the co-ordination of Transport for the North's functions, the numbers and grades of staff required and the organisation, appointment and management of staff;
  - e) The determination of collective terms and conditions of staff.
  - f) The designation of officers as the Head of Paid Service, Monitoring Officer and Finance Director
  - g) The approval of payments to officers in excess of £150,000.
- 5.7 Transport for the North is a Local Authority for the purposes of Section 101 of Local Government Act 1972 and has power to delegate the discharge of Transport for the North's functions which are not reserved to the Transport for the North Board to committees, sub-committees, officers, joint committees or other local authorities, pursuant to section 101 of the Local Government Act 1972.
- 5.8 Transport for the North has delegated authority for the discharge of Transport for the North's functions which are not reserved to the Transport for the North Board, to committees and officers in accordance with the scheme of delegation contained in Part 3 of this Constitution.

- 5.9 Transport for the North will review its scheme of delegation at intervals as recommended by the Monitoring Officer.

## **6. Voting Arrangements**

- 6.1 The Transport for the North Board will endeavour to reach decisions by consensus. However, where a formal decision is required, voting will be on the basis of a weighted vote in which the number of votes to be cast by a member appointed by a Constituent Authority is determined by dividing the total resident population of the area of that Constituent Authority at the relevant date by 200,000 and if the resulting number is not a whole number rounding it up to the nearest whole number. The relevant date is the 30<sup>th</sup> June in the Financial Year which began 2 years before the Financial Year in which the vote takes place (the current weighted votes are as set out in the Voting Matrix at Appendix 2).
- 6.2 Decisions on the following matters:
- a) the approval or revision of the Transport Strategy;
  - b) the approval or revision of the Annual Budget, and
  - c) the adoption of and any changes to the Constitution.
- may be decided only if agreed by both:
- a) the members who together hold at least 75% of the vote in a weighted vote, and
  - b) a simple majority of the members
- 6.3 The Chair of the Transport for the North Board will not have a second or casting vote and in the event of an equality of votes the vote is deemed not to have been carried.
- 6.4 In relation to Rail Franchise Matters, voting will be on the basis of a weighted vote and the number of votes cast by a Member appointed by a Constituent Authority shall be determined by multiplying the percentage of the passenger miles on the Northern and TransPennine Express franchises that are in the area of the Constituent Authority by 10 and if the result is not a whole number rounding to the nearest whole number. (the current weighted votes are as set out in the Voting Matrix at Appendix 2).
- 6.5 The Voting Matrix shall be re-calculated if agreed by the Transport for the North Board but not more frequently than once in every three years. The re-calculation shall be based on the passenger miles for each Constituent Authority during the year ending on the 31<sup>st</sup> March in the preceding financial year.
- 6.6 In the Scrutiny Committee and the Audit and Governance Committee, voting shall be on the basis of one member one vote.

**7. Financial Contributions**

- 7.1 Transport for the North is currently funded by grant from the Department for Transport and although future funding decisions will remain the responsibility of the Government at the time, establishing Transport for the North as a Statutory Body ensures it has the stability and permanence to be confident of long-term central Government support.
- 7.2 Transport for the North shall be entitled to accept voluntary contributions towards its costs from any of the Constituent Authorities.
- 7.3 The Constituent Authorities may all be required to contribute to the reasonably incurred costs of Transport for the North but a decision to require such contributions and a decision as to the amount of such contributions shall require a unanimous decision of the Constituent Authorities and may only be taken after written consent to the proposal has been received from each of the Constituent Authorities.
- 7.4 Unless unanimously agreed otherwise, the apportionment of any financial contributions should be determined on the basis of the resident populations of each of the Constituent Authorities as estimated by the Statistics Board at the 30th June in the financial year which commenced 2 years previously.
- 7.5 Each of the Constituent Authorities and each of the Rail North Authorities shall make the Rail North Support Payments and, where appropriate, the Rail North Supplemental Payments set out in Appendix 3.
- 7.6 None of the Rail North Authorities will be required to make an increased contribution to the budget of Transport for the North towards the cost of rail franchise management without the prior written agreement of each Authority.

**8. Committees of Transport for the North**

- 8.1 Transport for the North has established an Audit and Governance Committee to discharge the roles and functions set out in Part 4 of this Constitution.
- 8.2 Transport for the North has established a Scrutiny Committee to discharge the function of scrutiny as set out in Part 4 of this Constitution.
- 8.3 Transport for the North has established a Rail North Committee to discharge its functions in relation to all rail franchise matters as set out in Part 4 of this Constitution.
- 8.4 Transport for the North has established a General Purposes Committee to provide direction in relation to any matter other than rail franchise matters which is not reserved to the Transport for the North Board.
- 8.5 Transport for the North may establish such other committees as it thinks fit to discharge its functions.

**9. Co-opted Members**

- 9.1 Transport for the North may appoint any person not being an elected Member of one of the Constituent Authorities as a non-voting Co-opted Member of Transport for the North. No person may be appointed as a Co-opted Member unless all the voting Members of Transport for the North agree to do so.
- 9.2 The person appointed as the Chair of the Partnership Board shall be appointed as a Co-opted Member of Transport for the North.
- 9.3 Each of the Rail North Authorities is to appoint one of their elected Members to be appointed as a Co-opted Member of Transport for the North. The person appointed should be that Authority's Elected Mayor, Leader or Chair, provided that if responsibility for transport has been formally delegated to another member of the Authority that member may be appointed. Each Rail North Authority shall also appoint one of their elected Members to be a Substitute Co-opted Member of Transport for the North
- 9.4 The Chair of the Partnership Board shall cease to be a Co-opted Member of Transport for the North if he or she ceases to be the Chair of the Partnership Board
- 9.5 A person co-opted to be a Member of Transport for the North as the representative of a Rail North Authority or any other organisation invited to appoint a representative to Transport for the North shall cease to be a Co-opted Member of Transport for the North if they cease to be an elected Member of the Rail North Authority or a member of the organisation they represent.
- 9.6 The members of the public appointed by Transport for the North to sit on the Audit and Governance Committee as independent members shall be co-opted as members of the Audit and Governance Committee.
- 9.7 The provisions relating to Co-opted Members are set out fully in Part 5 Procedure Rules paragraph [25.3](#)
- 9.8 Pursuant to section 102G(5) of the Local Transport Act 2008 Transport for the North may resolve that Co-opted Members shall be entitled to vote. Transport for the North shall exercise this power to give voting rights to Co-opted Members representing the Rail North Authorities. Such voting rights shall be limited to Rail Franchise Matters and shall be in accordance with the Matrix set out in Appendix 2.
- 9.9 Transport for the North shall also exercise this power to give ordinary voting rights of one member one vote to any Members co-opted to sit on the Scrutiny Committee and to the Independent Members co-opted to sit on the Audit and Governance Committee.
- 9.10 All Members will:
- a) Collectively be the ultimate policy makers of Transport for the North;
  - b) Bring the views of their communities into Transport for the North's decision-making process;
  - c) Maintain the highest standards of conduct and ethics;

- d) In carrying out the business of Transport for the North, will observe the Code of Conduct for Members adopted by their appointing Authority.

9.11 As a point of clarification a member of Transport for the North shall not be considered to have an interest in any matter of business of Transport for the North by virtue of being a Member of a Constituent Authority or a Rail North Authority.

## **10. Joint and Partnership Arrangements**

### **10.1 Enabling Powers Under section 101 Local Government Act 1972:**

Transport for the North has power pursuant to Section 101(5) of the Local Government Act 1972 to make arrangements with other local authorities to discharge their functions jointly. Such arrangements may involve the discharge of those functions by a joint committee of such authorities or by an officer of one of them.

### **10.2 The Partnership Agreement:**

Transport for the North has been established to act as a single voice on transport for the North. Transport for the North has entered into a Partnership Agreement with the Secretary of State setting out how it will fulfil this function. A copy of this Agreement is contained in this Constitution at Appendix 4.

### **10.3 The Partnership Board:**

In accordance with the provisions of Regulation 4 of the Order, Transport for the North will bring together a Partnership Board to be established between Transport for the North, the Secretary of State for Transport, other National Agencies and representatives of all the Local Enterprise Partnerships (LEPs) within the area of Transport for the North. The Partnership Board shall consist of the representatives of the 20 Constituent Authorities, the representatives of the Rail North Authorities, a representative of each of the 11 Local Enterprise Partnerships, and representatives of HS2 Ltd, Network Rail, Highways England and the Department for Transport.

- a) The role of the Partnership Board is to represent wider business interests and to advise on policies and priorities relating to transport and on the effect of transport to the economy of the Transport for the North area and to lead the development operations and delivery of the Strategic Transport Plan. The terms of reference of the Partnership Board are attached at Appendix 5 to this Constitution.
- b) The Partnership Board shall recommend to the Transport for the North Board the Transport Strategy for adoption.
- c) Transport for the North will appoint an Independent Chair of the Partnership Board. The Independent Chair will be appointed as a Co-opted Member of the Transport for the North Board.
- d) The Partnership Board shall not be a Committee of Transport for the North and its meetings are not subject to the provisions of the Local Government Act 1972.

### **10.4 The Highways North Board:**

- a) Transport for the North will participate in the Highways North Board together with Highways England and the Department for Transport. Highways North Board will recommend conclusions, papers and materials to inform the decision-making process for strategic highway investment.
- b) Highways North Board will be one of the mechanisms through which

Transport for the North fulfils their statutory partner role in relation to roads. This Board will meet at least quarterly and recommend conclusions, papers and materials to be shared with decision-making groups, informing the creation of future Road Investment Strategy and other competitive major road funding programmes. The Terms of Reference of the Highways North Board are included at Appendix 6.

**10.5 Rail North Partnership Board:**

- a) Under the terms of its Partnership Agreement with the Secretary of State and the Franchise Management Agreement, Transport for the North will participate in the Rail North Partnership Board together with the Department for Transport. The Rail North Partnership Board will recommend priorities for strategic rail investment and be the forum for Transport for the North to implement its role as Statutory Partner.
- b) The Rail North Partnership Board will be one of the mechanisms through which Transport for the North fulfils their statutory partner role in relation to rail.
- c) This Board will meet at least quarterly and recommend conclusions, papers and materials to be shared with decision-making groups, informing the creation of future rail investment strategy. The terms of Reference of the Rail North Partnership Board are included in this Constitution at Appendix 7.

**10.6 Executive Board:**

Transport for the North has established the Executive Board comprising the Chief Executive or their representative from each of the Constituent Authority who meet together as an advisory body of officers to advise on the development of Transport for the North's strategy and operations and to assist Transport for the North in its role as speaking with one voice for the whole of the North.

**10.7 Rail North Limited:**

- a) Transport for the North has taken over the role and functions of Rail North Limited in relation to the management of the TransPennine Express and Northern Rail Franchises and has established the Rail North Committee to oversee this role. At meetings of the Rail North Committee, Co-opted Members representing the former Members of Rail North Limited which are not Constituent Authorities (the Rail North Authorities) will be entitled to attend, speak and vote on Rail Franchise Matters.
- b) At meetings of the Rail North Committee, when rail franchise matters are considered, voting shall be in accordance with the weighted votes for Rail Franchise Matters as provided by paragraph 3 (5) (a) of Schedule 1 to the Order and set out in the Matrix contained in Appendix 2 hereto.

**11. Officers and Statutory Officers**

- 11.1 Transport for the North shall appoint the following Statutory Officers: a Head of Paid Service, a Chief Financial Officer and a Monitoring Officer, whose responsibilities and delegations are as set out in **Part 3** of this Constitution.
- 11.2 Transport for the North may engage any additional staff (referred to as Other Officers), as it considers necessary to carry out its functions.
- 11.3 All Officers will comply with the Code of Conduct for Officers set out in **Part 7** of this Constitution.

## **12. Decision Making**

12.1 Transport for the North will issue and keep up to date a record of what part of Transport for the North, or which individual within Transport for the North, has responsibility for particular types of decisions or decisions relating to particular functions. This record is set out in **Part 3** of this Constitution.

### **12.2 Principles of decision making**

In making any decision in relation to Transport Strategy Transport for the North shall have due regard to the recommendations of the Partnership Board.

All decisions of Transport for the North should be made in accordance with the following principles:

- a) Proportionality (meaning the action must be proportionate to the results to be achieved);
- b) Due consultation (including the taking of relevant professional advice);
- c) Respect for human rights, equality and diversity;
- d) Presumption in favour of openness;
- e) Clarity of aims and desired outcomes;
- f) Due consideration to be given to alternative options;
- g) Due consideration to be given to constitutional requirements/adherence on the statutory/legal frameworks.

### **12.3 Types of decision**

- a) **Decisions reserved to the Transport for the North Board**  
Decisions relating to the functions listed in Part 3 of this Constitution will be made by the Transport for the North Board and not delegated. Meetings of the Transport for the North Board will follow the Rules of Procedure set out in Part 5 of this Constitution when considering any matter.
- b) **Decision making by Committees and Joint Committees established by Transport for the North**  
Committees and Joint Committees established by Transport for the North will follow those parts of the Rules of Procedure set out in Part 5 of this Constitution as apply to them.
- c) **Decision making by Officers**  
Officers will exercise their delegated authority in accordance with the Scheme of Delegation to Officers set out in Part 3, of this Constitution and other provisions of this Constitution and shall keep appropriate records of the decisions that they have made.

### **13. Finance, Contracts and Legal Matters**

#### **13.1 Financial Management**

The management of Transport for the North's financial affairs will be conducted in accordance with the Financial Procedures set out in Part 6 of this Constitution.

#### **13.2 Legal proceedings**

- a) The Monitoring Officer is authorised to institute, defend or participate in any legal proceedings in any case where the Monitoring Officer considers that such action is necessary to protect the interests of Transport for the North.
- b) Any notices to be served on Transport for the North are to be sent to the Monitoring Officer at 2nd Floor, 4 Piccadilly Place, Manchester, M1 3BN, which for the purposes of any enactment shall be regarded as the principal office of Transport for the North.

#### **13.3 Authentication of documents**

- a) Where any document is necessary to any legal procedure or proceedings on behalf of Transport for the North, it will be signed by the Monitoring Officer or some other person duly authorised by Transport for the North or the Monitoring Officer, unless any enactment otherwise authorises or requires.
- b) Any contract with a value exceeding £30,000 entered into by Transport for the North shall be made in writing. Any contract with a value exceeding £75,000 must be signed by two duly authorised officers of Transport for the North. Contracts with a value exceeding £150,000 will normally be made under the Common Seal of Transport for the North attested by two authorised officers unless the Monitoring Officer determines otherwise.

#### **13.4 Common Seal of Transport for the North**

The Common Seal of Transport for the North will be kept in a safe place in the custody of the Monitoring Officer. A decision of Transport for the North, or any part of it, will be sufficient authority for sealing any document necessary to give effect to the decision. The Common Seal will be affixed to those documents which in the opinion of the Monitoring Officer should be sealed. The affixing of the Common Seal will be attested by the Monitoring Officer or some other person authorised by the Monitoring Officer and a second authorised officer.

#### **13.5 Review and Revision of the Constitution**

- a) The Monitoring Officer will monitor and review the operation of the Constitution as required and at least annually.
- b) Changes to the Constitution will only be approved by the Transport for the North Board after consideration of the proposal by the Monitoring Officer and in accordance with the Rules of Procedure in Part 5 of this Constitution.

## **PART 2 FUNCTIONS CONFERRED ON TRANSPORT FOR THE NORTH PURSUANT TO THE ORDER**

### **14. Role and Powers of Transport for the North**

14.1 Transport for the North has been established to provide a single voice for the North, to facilitate the development and implementation of transport strategies in the North and with the objective that economic growth in the area would be enhanced by the development and implementation of these strategies.

14.2 Transport for the North was established under section 102E of the Local Transport Act 2008 and pursuant to the Order made on 22<sup>nd</sup> January 2018 as the Sub-National Transport Body for the Transport for the North Area with the power to exercise the following functions:

#### **14.3 General Functions**

- a) To prepare a Transport Strategy for the Transport for the North Area in accordance with section 102I of the Local Transport Act 2008;
- b) To provide advice to the Secretary of State about the exercise of the transport functions in the Transport for the North Area;
- c) To co-ordinate the carrying out of transport functions that are exercisable by its different Constituent Authorities with a view to improving the effectiveness and efficiency of the carrying out of those functions;
- d) If Transport for the North considers that a transport function in relation to its area would more effectively and efficiently be carried out by Transport for the North, to make proposals to the Secretary of State for the transfer of that function to Transport for the North;
- e) To make other proposals to the Secretary of State about the role and functions of Transport for the North.

#### **14.4 Capital Grants exercisable concurrently with the Constituent Authorities**

- a) To pay Capital Grants under section 56(2) of the Transport Act 1968.

#### **14.5 Ticketing Schemes exercisable concurrently with the Constituent Authorities**

- a) To make an advanced ticketing scheme under section 134C(1) of the Transport Act 2000;
- b) To make other ticketing schemes under section 135(1) of the Transport Act 2000;
- c) (Sections 134C(9) to (11), 134D to 134G, 135(7) and (8) and sections 136 and 137 are applicable in connection with such ticketing schemes).

#### **14.6 Rail Franchise Agreements exercisable concurrently with the Constituent Authorities**

- a) The right under section 13 of the Railways Act 2005 to be consulted over the grant of a rail franchise agreement for passenger services within, to and from the Transport for the North Area and the right to enter into arrangements with the Secretary of State relating to the management of

rail franchise agreements.

**14.7 Highway Functions exercisable jointly with the Secretary of State**

- a) To enter into agreements with local authorities under section 6(5) of the Highways Act 1980 for the construction or improvement of a trunk road;
- b) Functions relating to environmental impact assessments under sections 105A to 105C of the Highways Act 1980;
- c) Functions under 239(1) + (2), 239(3), (4) + (5), 240(1), (2) + (6), 246(1), (2), (2A) and (5) and 250(1) + (2) of the Highways Act 1980 in relation to the acquisition of land and rights over land.

**14.8 Highway Functions exercisable concurrently with local authorities by which the functions are exercised within Transport for the North**

- a) To enter into agreements under section 8(1) of the Highways Act 1980 with highway authorities and third parties for the construction, improvement or maintenance of a highway other than a trunk road;
- b) To construct new highways under section 24(2) of the Highways Act 1980;
- c) To acquire land by agreement or compulsorily under sections 239(1), (3), (4) + (5), 240(1), (2) + (6), 246(1), (2), (2A) + (5) and 250(1) + (2) of the Highways Act 1980 in relation to the creation and improvement of highways;
- d) To enter into agreements for the creation of new footpaths under section 25 of the Highways Act 1980 and to create new footpaths compulsorily under section 26 of that Act;
- e) Under the provisions of Regulation 14 of the Order, Transport for the North may not exercise the function in section 24(2) of the Highways Act 1980 unless the manner in which it proposes to exercise the function has been approved by:
  - v. Each Council through whose area the road is to pass;
  - vi. The authority which is to be the highway authority for the road;
  - vii. The highway authority for any highway with which the new road will communicate, and;
  - viii. The Secretary of State
- f) Under the provisions of Regulation 15 of the Order, Transport for the North may not exercise any of the other concurrent highway functions unless the manner in which it proposes to exercise the function has been approved by the local highway authority for the area affected.

**14.9 Other Powers**

- a) Transport for the North will act as a Statutory Partner to the Secretary of State in both road and rail investment processes and will be responsible for setting the objectives and priorities for strategic road and rail investment in the Transport for the North Area;
- b) Transport for the North has taken over the role and functions of Rail North Limited, and through a Partnership Agreement with the Secretary of State for Transport will exercise management functions in relation to the TransPennine Express and Northern Franchise Agreements;
- c) Transport for the North will exercise its powers and duties in accordance with the law and this Constitution;

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- d) This Constitution, and all its Appendices, is the Constitution of Transport for the North.
- e) Transport for the North will review the operation of the Constitution as set out in paragraph 13 below.

**15. Duties and Functions under other Legislation**

- 15.1 Transport for the North shall have such other powers and duties as are conferred on a Sub-National Transport Body by any enactment without prejudice to the generality of the above.
- 15.2 Pursuant to the Regulations and to Schedule 5 of the Cities and Local Government Devolution Act 2016 the following provisions have effect as if Transport for the North were a local authority for the purposes of these provisions:
- a) Part 5A of the Local Government Act 1972 (access to meetings and documents);
  - b) Section 101 of the Local Government Act 1972 (arrangements for the discharge of functions);
  - c) Section 113 of the Local Government Act 1972 (secondment of staff);
  - d) Section 116 Local Government Act 1972 (Members of Transport for the North not to be appointed as officers);
  - e) Section 117 of the Local Government Act 1972 (disclosure by officers of interests in contracts);
  - f) Sections 120-123) of the Local Government Act 1972 (acquisition and disposal of land);
  - g) Section 135 of the Local Government Act 1972 (standing orders for contracts);
  - h) Section 142(2) of the Local Government Act 1972 (provision of information);
  - i) Section 222 of the Local Government Act 1972 (power to instigate and defend legal proceedings);
  - j) Sections 72 and 73 of the Local Government Act 1985 (the establishment of a general fund and the appointment of a designated officer responsible for the proper management of financial affairs);
  - k) Sections 4 and 5 of the Local Government and Housing Act 1989 (appointment of the Head of Paid Service and Monitoring Officer);
  - l) Section 7 of the Local Government and Housing Act 1989 (staff to be appointed on merit);
  - m) Section 13 of the Local Government and Housing Act 1989 (voting rights of Members on certain committees);
  - n) Section 1 of the Local Government Act 1999 (a Best Value Authority);
  - o) The Freedom of Information Act 2000 (the duty to publish a Publication Scheme and to respond to FOI requests for information);
  - p) The Equality Act 2010 (including the Public Sector Equality Duty);
  - q) Section 29 of the Localism Act 2011 (register of Members Interests);
  - r) Section 40 of the Local Audit and Accountability Act 2014 (duty to allow the recording/filming of public meetings).
- 15.3 Pursuant to Section 102M of the Local Transport Act 2008 the power to do anything:
- a) It considers appropriate for the purpose of carrying out its functions;
  - b) It considers appropriate for purposes incidental to its functional purposes;
  - c) It considers connected with its functions or anything it may do under(a) or (b); and
  - d) Commercially, anything which it can do under (a) to (c) above

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- 15.4 Transport for the North may not borrow money and may not charge for anything that it does otherwise than for a commercial purpose.
- 15.5 Where Transport for the North does anything for a commercial purpose it must do it through a company within the meaning of section 1(1) the Companies Act 2006 or a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014.
- 15.6 Transport for the North is a public body for the purposes of section 1 of the Local Authorities (Goods and Services) Act 1970.
- 15.7 Transport for the North is treated as a Local Authority for the purposes of section 9(5) of the Transport Act 1968.

**16. Exercise of Concurrent Powers and Functions**

16.1 Transport for the North will consult with the Executive Board over the Governance Arrangements to be put in place for each major programme of work. A major programme of work shall be one for which Transport for the North employs an identified Director or Lead Officer. The governance arrangements will ensure that the Constituent Authorities, other Authorities and stakeholders are involved in the formulation of plans and future proposals and given appropriate opportunities to express their views and for these to be taken into account.

16.2 The Governance Arrangements for each approved programme will include an Officers Reference Group to be made up of appropriately qualified officers of each of the Constituent Authorities or, where appropriate, Highway and other Authorities. The Terms of Reference and Membership of each Officers Reference Group will be set out in the Governance Arrangements for each programme and will provide the officers of the Constituent and other Authorities with an opportunity to work closely with Transport for the North officers and the delivery agencies in the development of plans and proposals. The membership and terms of reference of each Officer Reference Group shall be reported to the Executive Board.

16.3 Before exercising any transport functions which it holds concurrently with the Constituent Authorities Transport for the North will consult any Transport Authority whose area is affected by the proposal over the exercise of the functions and where the nature and extent of the proposal make it appropriate, will enter into a Protocol to govern the exercise of its powers and functions in relation to that proposal and its future development.

16.4 In accordance with the provisions of Regulations 14 and 15 of the Order, Transport for the North will only exercise the highways functions it holds concurrently with the Local Highway Authorities after it has first obtained consent to the exercise of those from the affected Local Highway Authorities.

**16.5 Merseyrail Electrics Network**

Transport for the North acknowledges that Merseytravel has the primary responsibility for the letting of the concession agreement in relation to the operation of the Merseyrail Electrics Network. Transport for the North further acknowledges that Merseytravel in this role will continue to engage with the Secretary of State and associated departments in relation to the Merseyrail Electrics Network.

### **PART 3 RESPONSIBILITY FOR FUNCTIONS**

#### **17 Functions Reserved to the Transport for the North Board**

17.1 The Transport for the North Board will not delegate the following functions:

- a) Adopting and changing the Constitution;
- b) The adoption, approval, amendment, modification, revision, variation, withdrawal or revocation of a Transport Strategy under section 102H of the Local Transport Act 2008;
- c) The approval or revision of the business plan and budget;
- d) The approval of the report of the Chief Executive setting out proposals for the co-ordination of Transport for the North's functions, the numbers and grades of staff required and the organisation, appointment and management of staff;
- e) The determination of collective terms and conditions of staff.
- f) The designation of officers as the Head of Paid Service, Monitoring Officer and Finance Director
- g) The approval of payments to officers in excess of £150,000.

## **18 Scheme of Delegations to Officers**

- 18.1 This Scheme of Delegations to Officers and the appointment of Proper Officers for various functions has been prepared in accordance with section 101 of the Local Government Act 1972, which enables Transport for the North to delegate any of its functions to its officers. Transport for the North is also required by section 100G of this Act to maintain a list for public inspection specifying those powers of Transport for the North which, for the time being, are exercisable from time to time by officers of Transport for the North and stating the title of the officer in question by whom the powers are exercisable.
- 18.2 Chief Officers in the context of this document mean the Chief Executive, the Finance Director, and the Monitoring Officer.
- 18.3 The delegated powers of Chief Officers set out in this Scheme may be exercised by other officers authorised by the Chief Officer with the delegated power to act on their behalf and in their name, provided that administrative procedures are in place to record the authorisation and monitor decisions taken.
- 18.4 The exercise of delegated powers by officers is required to be in accordance with:
- a) Statute or other legal requirements, including the principles of public law, the Human Rights Act 1998, statutory guidance and statutory codes of practice;
  - b) The Constitution and Transport for the North's Rules of Procedure and Financial Regulations currently in force;
  - c) The revenue and capital budgets of Transport for the North, subject to any variation thereof which is permitted by Transport for the North's Financial Regulations; and
  - d) Any policy or direction of Transport for the North, any Committee acting in exercise of powers delegated to that Committee by Transport for the North.
- 18.5 Officers may not exercise delegated powers where:
- a) The matter is reserved to the Transport for the North Board by law or by Transport for the North's Constitution;
  - b) The matter is a function which cannot by law be discharged by an officer;
  - c) The Transport for the North Board, or a Committee, Sub-Committee or Joint Committee to which Transport for the North is a party, has determined that the matter should be discharged other than by an officer;
  - d) The Chief Executive has directed that the officer concerned should not exercise a delegated function in special circumstances.
- 18.6 Any reference in this Scheme of Delegation to any enactment shall include a reference to any amendment or re-enactment of the same.
- 18.7 Where, in relation to an item before the Transport for the North Board or a Committee, a Chief Officer is given specific authority to determine a particular matter, the officer should ensure that there is an appropriate audit trail to evidence such determination.

**18.8 Delegations to the Chief Executive  
Functions of the Head of Paid Service**

- a) To discharge the functions of the Head of Paid Service in relation to Transport for the North as set out in Section 4 of the Local Government and Housing Act 1989. The duties of the Chief Executive as Head of Paid Service are to report to the Transport for the North Board where appropriate setting out proposals with respect to the co-ordination of Transport for the North's functions, the number and grades of staff required and the organisation, appointment and proper management of Transport for the North's staff.
- b) To establish and determine the grading of posts (within approved budgets).
- c) To discharge any function which is neither the statutory responsibility of, nor been specifically delegated to, another officer, Committee or reserved to the Transport for the North Board under Part 3 of this Constitution.
- d) To direct any officer not to exercise a delegated function in special circumstances unless they are required to do so by law.
- e) To take any action which is required as a matter of urgency in the interests of Transport for the North, in consultation (where practicable) with the Chair or the Members of the Transport for the North Board. Where action is taken as a matter of urgency a report shall be submitted to the next meeting of the Transport for the North Board for information. Consultation with Members may be by such method as the Chief Executive may determine including by telephone, e-mail or informal meeting. Where the views of Members are not unanimous, each response shall be weighted in accordance with the weighted voting rights of the Member to determine the result of the consultation.
- f) To take preliminary steps to protect the rights and interests of Transport for the North subject to consultation with the Chair of the Transport for the North Board in relation to any Bill or Statutory Instrument or Order in Parliament.
- g) To conduct before either House of Parliament any proceedings (including the retention of Parliamentary Agents and Counsel) connected with the passage of any Private Bill which Transport for the North has resolved to promote or oppose, including the negotiation and agreement of amendments to any such Bill, and the negotiation and approval of any terms, agreement or undertaking offered in consideration of Transport for the North not opposing any Private Bill.
- h) To nominate appoint and remove, in consultation with the Chair or Vice- Chair of the Transport for the North Board, Transport for the North representatives on the board of companies, trusts and other bodies, of which Transport for the North is a member, and to agree constitutional arrangements for such companies, trusts and other bodies and give any necessary consent required within relevant constitutions.
- i) To nominate an officer to act as the Responsible Officer for Transport for the North projects who will act as the main point of contact for the Department for Transport in accordance with the Partnership Agreement.
- j) To provide a comprehensive policy advice service to Transport for the North and in particular to advise on Transport for the North's plans and strategies.
- k) To control and co-ordinate press and media relations, the organisation of press conferences, publicity and public relations within prescribed policy including approval of the issue of all official Transport for the North publicity and official publications.

**18.9 Delegations to the Finance Director  
Functions of the Head Finance**

- a) As the Chief Financial Officer and the proper Officer under section 73 of the Local Government Act 1985, to effect the proper administration of Transport for the North's financial affairs particularly in relation to financial advice, procedures, records and accounting systems, internal audit and financial control generally.
- b) The taking of all actions requiring investment and financing, subject to the submission to the Transport for the North Board of an annual report of the Finance Director on treasury management activities and at six monthly intervals in accordance with CIPFA's Code of Practice for Treasury Management and Prudential Codes.
- c) To effect all insurance cover required in connection with the business of Transport for the North and to settle all claims under such insurances arranged for Transport for the North's benefit.
- d) The preparation of manuals of financial and accounting procedures to be followed by Officers of Transport for the North.
- e) To bid for and accept grant offers on behalf of Transport for the North, subject to all the terms and conditions set out by the grant awarding body.
- f) The submission of all claims for grant.
- g) To make all necessary banking arrangements on behalf of Transport for the North, to include authorisation of all forms of payment.
- h) To monitor revenue and capital spending and submit a report to the Transport for the North Board at not more than quarterly intervals. This report will separately identify the capital expenditure relating to schemes promoted by Transport for the North.
- i) In relation to revenue expenditure under the control of officers, to consider reports of officers on any likely overspending, and to approve transfers between expenditure heads up to a maximum of £500,000, provided that, where it is not possible to finance an overspending by such a transfer, the matter shall be referred to the Transport for the North Board for consideration of a supplementary estimate.
- j) The approval of contracts and agreements proposed to be entered into by Transport for the North provided that, subject to any other requirement of this Constitution, the Finance Director may give a general consent for Transport for the North to enter into contracts or agreements, provided that the expenditure is included in the latest budget estimate and confirmed funding is in place to meet the projected costs.
- k) The collection of all money due to Transport for the North, and the writing-off of bad debts.
- l) The acquisition and disposal of an interest in land whether freehold or leasehold and the entering into of a lease of equipment of any form.
- m) To supervise procedures for the invitation, receipt and acceptance of tenders.
- n) To make all necessary arrangements to ensure the payment of staff employed by Transport for the North.
- o) To exercise the functions of the authority in relation to pensions and (without prejudice to the generality of this) to be the person specified to determine disputes in the first instance arising from the decisions of the Authority as scheme employer under the Local Government Pension Regulations.
- p) To discharge the functions of the 'responsible financial officer' under the

Accounts and Audit (England) Regulations 2015 including the requirement under Regulation 9 to sign and date the statement of accounts, and certify that it presents a true and fair view of the financial position of Transport for the North at the end of the year to which it relates and of Transport for the North's income and expenditure for that year.

- q) To discharge the functions of Transport for the North under the Accounts and Audit (England) Regulations 2015 (with the exception of Regulation, 6(2)).
- r) To sign certificates under the Local Government (Contracts) Act 1997.
- s) To be the officer nominated, or to nominate in writing another officer, as the person to receive disclosures of suspicious transactions for the purposes of the Proceeds of Crime Act 2002 and any regulations made thereunder.
- t) To exercise the responsibilities assigned to the Finance Director in the Financial Regulations, the Contract Procurement Rules set out in this Constitution and the Schedule of Approvals included at Appendix 10 to this Constitution.

#### 18.10 Delegations to the Monitoring Officer

Under the provisions of section 5 of the Local Government and Housing Act 1989, Transport for the North shall appoint a Monitoring Officer. The functions of the Monitoring Officer shall be as follows:

- a) Should it at any time appear to the Monitoring Officer that any proposal, decision or omission by Transport for the North has given rise to, or is likely to give rise to, unlawfulness or maladministration, they will prepare a report to the Transport for the North Board with respect to that proposal, decision or omission.
- b) Contribute to the promotion and maintenance of high standards of conduct. Transport for the North has delegated to the Monitoring Officer the following powers to deal with matters of conduct and ethical standards in accordance with the requirements of the Localism Act 2011
  - (i) To act as Transport for the North's Proper Officer to receive complaints that Members of Transport for the North have failed to comply with their appointing Authority's Code of Conduct for Members;
  - (ii) To refer such complaints to the Monitoring Officer of the elected Member's appointing Authority;
  - (iii) To maintain the Register of Member's interests in accordance with section 29 of the Localism Act 2011 and to ensure that it is available for inspection and published on Transport for the North's website as required by the Act.
  - (iv) To receive complaints from the Monitoring Officer of a Constituent Authority concerning the administration of Transport for the North's affairs.
- c) Provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity, budget and policy framework issues to all members of Transport for the North.
- d) To institute, conduct, prosecute and defend any legal proceedings on behalf of Transport for the North, as may be necessary to protect and promote Transport for the North's interests in accordance with any general policy laid down by Transport for the North, subject to consultation with the Chair in any case where the matter is of significance to Transport for the North's reputation or where Transport for the North is to appeal to the Court of Appeal or the Supreme Court.

- e) To settle, if appropriate, and in the interests of Transport for the North, any actual or threatened legal proceedings.
- f) To instruct Counsel and professional advisers, where appropriate.
- g) To give undertakings on behalf of Transport for the North.
- h) To supervise the preparation and sealing or signature of legal documents.
- i) To authorise other officers to seal documents in accordance with Article 15.4 of Transport for the North's Constitution, or to sign documents which are not required to be under seal. To complete all property transactions and contractual arrangements where terms have been agreed by the Transport for the North Board or Committees or Chief Officers acting under the Scheme of Delegation.
- j) To determine exemptions under Section 36 of the Freedom of Information Act 2000.
- k) To accept on behalf of Transport for the North the service of notices, orders and legal procedures.
- l) To provide a comprehensive administrative service to Transport for the North.
- m) Be the Proper Officer for ensuring the maintenance of public access to information in relation to Transport for the North documents, reports and background papers.
- n) To authorise the attendance of officers at professional conferences or seminars which are appropriate to the work of Transport for the North and within any policy framework from time to time laid down by Transport for the North.

#### 18.11 Schedules of Proper Officers

There are a number of specific references in enactments affecting Transport for the North, which call for functions to be undertaken by what is termed the "Proper Officer". The following paragraphs list such references and identify the Chief Officers responsible for their discharge:

a) **Head of Paid Service**

The Chief Executive is appointed as the Head of Paid Service for the purposes of Section 4 of the Local Government and Housing Act 1989 and the Proper Officer for the purpose of any enactment other than an enactment in respect of which this Constitution or Transport for the North has designated another officer as Proper Officer.

b) **Chief Financial Officer**

The Finance Director is appointed the Chief Financial Officer and Proper Officer under section 73 of the Local Government Act 1985 and is responsible for the proper administration of Transport for the North's financial affairs and compliance with the Accounts and Audit Regulations 2015.

c) **Monitoring Officer**

The Head of Legal is appointed as the Monitoring Officer and the Proper Officer in relation to the following:

- (i) Local Government Act 1972 Section 100B (2) - Determination of those reports which should be available for public inspection prior to a meeting of Transport for the North and any Committee and those which are likely to be heard in private and consequently which should not be released to the public;
- (ii) Local Government Act 1972 Section 100B (7) - Provision of documents

- to the press, additional to Committee reports;
- (iii) Local Government Act 1972 Section 100C(2) - Preparing written summaries of proceedings;
- (iv) Local Government Act 1972 Section 100D (1) - Making arrangements for list of, and background papers to reports, to be made available for public inspection;
- (v) Local Government Act 1972 Section 100F (2) - Determination of documents disclosing exempt information which may not be inspected by Members;
- (vi) Local Government Act 1972 Schedule 12, para 4 (2) (b) - Signature of Summonses to meetings of Transport for the North;
- (vii) Local Government Act 1972 Schedule 12, para 4 (3) – Receipt of notices regarding address to which Summons to meetings of Transport for the North is to be sent;
- (viii) Section 29 of the Localism Act 2011 Register of Members Interests.

**18.12 General Delegations to all Directors and Officers reporting directly to the Chief Executive**

- a) To be an Authorised Signatory authorised to sign any document on behalf of Transport for the North in accordance with the procedures set out in this Constitution.
- b) In accordance with the Schedule of Approvals (Appendix 10 of the Constitution) to approve:
  - (i) virements between heads of expenditure within revenue budgets up to £100,000, subject to the approval of the Finance Controller for sums up to £25,000 and of the Finance Director for sums over £25,000
  - (ii) the release of budgeted contingency, subject to the approval of the Finance Controller for sums up to £25,000 and of the Finance Director for sums over £25,000
  - (iii) the commissioning of budgeted works, goods and services from Transport for the North Core Funding, subject to the approval of the Financial Controller sums up to £50,000 and of the Finance Director for sums over £50,000
  - (iv) The award of contracts for which appropriate commissioning approvals exist from Transport for the North core funding, subject to the approval of the Financial Controller for sums up to £50,000 and of the Finance Director for sums over £50,000
  - (v) The submission of business cases to access capital funding up to £1,000,000 subject to the agreement of the Finance Director and Chief Executive
  - (vi) The agreement of funding terms with DfT up to £5,000,000 subject to the agreement of the Finance Director
  - (vii) The commissioning of Programme/Capital works, goods and services with business case and funding approval for sums up to EU threshold subject to the approval of the Financial Controller, for sums up to £1,000,000 subject to the approval of the Finance Director and for sums over £1,000,000 the approval of the Chief Executive. For sums over £2,000,000 the approval of OBT and consultation with the Executive Board are also required.
  - (viii) The award of contracts for Programme/Capital works, goods and services for which there is appropriate commissioning approval, subject to the agreement of the Financial Controller for sums up to the EU threshold and of the Finance Director and the Chief Executive for sums over the EU threshold.

- (ix) The approval of contract cost overruns to contracts already awarded for sums up to the EU threshold, subject to the approval of the Financial Controller and of the Finance Director for sums over the EU threshold. For sums over £5,000,000 the approval of OBT and consultation with the Executive Board are also required
  - (x) The approval of Contract scope changes for works, goods and services from Transport for the North Core budget up to £164,000, subject to the approval of the Financial controller for sums up to £50,000 and of the Finance Director for sums over £50,000. For sums over the EU threshold the approval of OBT and consultation with Executive Board is required. For sums over £1,000,000 the approval of the Transport for the North Board is required.
  - (xi) The approval of contract scope changes for Programme/Capital works, goods and services up to £2,000,000, subject to the approval of the Financial Controller for sums up to the EU threshold and of the Finance Director for sums over the EU threshold and of the Chief Executive over £1,000,000. For sums over £2,000,000 the approval of OBT and consultation with Executive Board is required. For sums over £2,000,000 the approval of the Transport for the North Board may be required.
  - (xii) Approval of Grant awards to third parties subject to the approval of the Finance Director and the Chief Executive for sums up to £200,000 and subject to the approval of OBT for sums over £200,000 and subject to consultation with the Executive Board for all grants. Prior approval of the Transport for the North Board will be required to the inclusion of grant funding in the Transport for the North budget.
  - (xiii) Approval to bid for grant funding from DfT and other bodies up to £1,000,000 subject to the approval of the Finance Director and the Chief Executive. For sums over £1,000,000 the approval of OBT and consultation with the Executive Board are required. The prior approval of the Transport for the North Board is required for all bids for sums of more than £5,000,000.
- c) In accordance with Transport for the North's adopted recruitment policies and in consultation with the Head of Human Resources, to appoint employees to posts approved in the establishment by the Chief Executive.
  - d) To supervise and manage employees appointed to posts under their direction and control
  - e) In consultation with the Head of Human Resources, to take appropriate disciplinary action against staff including suspension and /or dismissal.
  - f) In consultation with the Head of Human Resources, to determine staff grievances.
  - g) To determine all applications for paid and unpaid leave.
  - h) To determine applications for the reimbursement of post-entry training and examination fees.
  - i) To determine proposals to attend training courses.
  - j) The Head of Human Resources shall have delegated authority to approve the terms and conditions of recruitment agencies, recruitment advertising providers and training and development services providers.
  - k) The Director of Business Capability in consultation with the Chief Executive shall have delegated Authority to determine appeals against the designation of a post as a politically restricted post.

**18.13 General**

All Officers in whose name reports are submitted to the Transport for the North Board via the Monitoring Officer and the Finance Director are appointed the proper officers in relation to the following:

- a) Local Government Act 1972 Section 100D (1) (a), Compilation and retention of lists of background papers and copies of the relevant documents and reports; and
- b) Local Government Act 1972 Section 100D (5), Identifying and determining what are background papers.

## PART 4 COMMITTEES

### 19 Audit and Governance Committee

19.1 The Audit and Governance Committee is a key component of corporate governance providing an independent, high-level focus on the audit, assurance and reporting framework underpinning financial management and governance arrangements. Its purpose is to provide independent review and assurance to Members on governance, risk management and control frameworks. It oversees financial reporting, the Annual Governance Statement process and internal and external audit, to ensure efficient and effective assurance arrangements are in place.

19.2 Membership comprises:

- a) five members of the Transport for the North Board (not the Chair, or Vice Chair) appointed by the Transport for the North Board; and,
- b) three Independent members (to be recruited on the basis of relevant skills);

A representative of DfT (Department for Transport) will be invited to attend meetings.

19.3 The Constitution places responsibility on the Audit and Governance Committee 'to oversee the effectiveness of Transport for the North's risk management arrangements. The Constitution also makes the Finance Director responsible for discharging the functions of the 'responsible financial officer' under the Accounts and Audit (England) Regulations 2015, including ensuring risk is appropriately managed.

### 19.4 Terms of Reference

The core functions of the Authority's Audit and Governance Committee are to:

- a) approve Accounts;
- b) recommend Approval of the annual statement of accounts for Transport for the North;
- c) governance, risk and control;
- d) review corporate governance arrangements against the Code of Corporate Governance and the good governance framework;
- e) review the Annual Governance Statement (AGS) prior to approval to ensure it properly reflects the risk environment and supporting assurances;
- f) monitor the effectiveness of arrangements to secure value for money;
- g) be satisfied that the assurance framework adequately addresses risks and priorities including governance arrangements in significant partnerships;
- h) Monitor Transport for the North's risk and performance management arrangements including review of the risk register, progress with mitigating action and the assurance map;
- i) Consider reports on the effectiveness of internal controls;
- j) Monitor the anti-fraud strategy, risk-assessment and any actions.

### 19.5 Internal audit

- a) Recommend Approval of the Internal Audit Charter.

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- b) Oversee and support Internal Audit's effectiveness including strategy, planning and process and ensure conformance with Public Sector Internal Audit Standards (PSIAS).
- c) Approve the risk-based internal audit plan including resources, the reliability of other sources of assurance and any significant in-year changes.
- d) Make enquiries of the Finance Director and other managers to determine any inappropriate scope or resource limitations.
- e) Consider reports and assurances from the Finance Director in relation to:
  - (i) internal Audit performance including key findings and actions from audit assignments, significant non-conformance with PSIAS and the Quality Assurance and Improvement Programme;
  - (ii) annual Assurance Opinion on the adequacy and effectiveness of the framework of governance, risk management and control;
  - (iii) risk management and assurance mapping arrangements;
  - (iv) progress to implement recommendations including concerns or where Officers have accepted risks that the Authority may find unacceptable;
  - (v) provide assurances over the effectiveness of internal audit functions assuring the internal control environments of Transport for the North.
- f) Contribute to the Quality Assurance and Improvement Programme, including the external quality assessment of internal audit.
- g) Consider and comment on the Finance Director's Annual Review of the Effectiveness of the System of Internal Audit.
- h) Develop effective communication with the Finance Director and senior audit staff.

### 19.6 External audit

- a) Consider reports including the Annual Audit Letter, assess the implications and monitor managers' response to concerns.
- b) Comment on the nature and scope of work to ensure it gives value for money.
- c) Advise on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

### 19.7 Financial reporting

- a) Consider whether accounting policies were appropriately followed and any need to report concerns to the Authority.
- b) Consider any issues arising from external audit's audit of the accounts.
- c) Ensure there is effective scrutiny of the treasury management strategy and policies in accordance with CIPFA's Code of Practice.
- d) Make recommendations to the Finance Director and Monitoring Officer in respect of Part 6 of the Constitution (Financial Regulations).

### 19.8 Membership and Quorum

The Committee shall be composed of eight members and the quorum shall be three, of whom at least two shall be Members or Co-opted Members of the Transport for the North Board.

The Finance Director shall be entitled to take urgent decisions on any matter within

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the terms of reference of the Audit and Governance Committee after consultation with the Members of the Committee either in writing or by telephone.

19.9 **Accountability arrangements**

To report the Committee's findings, conclusions and recommendations to the Transport for the North Board on the effectiveness of governance, risk management and internal controls, financial reporting and internal and external audit functions.

## **20 Scrutiny Committee**

- 20.1 The Order of the Secretary of State made on the 22<sup>nd</sup> January 2018 contains provisions relating to Scrutiny of the decisions of Transport for the North. These Arrangements reflect those provisions.
- 20.2 The Scrutiny Arrangements will be reviewed annually to ensure that they remain effective.
- 20.3 References in these Arrangements to major and strategic decisions of Transport for the North taken in accordance with the delegations set out in Part 3 of this Constitution include major and strategic decisions taken by Committees and sub-committees of Transport for the North in accordance with such delegations.

### **Objectives of Scrutiny**

- 20.4 These arrangements have been established to act as a focus for the scrutiny and challenge of Transport for the North, and for investigating matters of strategic importance to residents, those travelling within the combined administrative area covered by the Constituent Authorities and other stakeholders. The role of these arrangements will include:
- a) reviewing the decisions of the Transport for the North Board;
  - b) reviewing the decisions of Transport for the North which are taken in accordance with the delegations set out in Part X Section XI of this Constitution;
  - c) making reports or recommendations to the Transport for the North Board with respect to the discharge of its functions;
  - d) making reports and recommendations to the Transport for the North Board on matters relating to transport to, from or within Transport for the North's area;
  - e) making recommendations to the Transport for the North Board in advance of any decisions that Transport for the North Board proposes to take.

### **Operation of Scrutiny Arrangements**

- 20.5 Each of the Constituent Authorities shall be entitled to appoint 1 Member and 1 Substitute Member to the Scrutiny Committee. Appointees to the Scrutiny Committee must be a member of the appointing Constituent Authority or in the case of a Combined Authority, one of the Constituent Authorities of the Combined Authority but may not be Members of the Transport for the North Board or the Rail North Committee (including substitute and co-opted members). The term of office for members of the Scrutiny Committee will be one year from the date of the annual council meeting of the Constituent Authority that appoints them to the Scrutiny Committee unless:
- a) They cease to be an elected member of the Constituent Authority that appointed them;
  - b) They wish to no longer participate in these arrangements; or
  - c) The Monitoring Officer to Transport for the North is advised by any of the Constituent Authorities that it wishes to change one or more of its appointees to the Scrutiny Committee.
- 20.6 Any person may be co-opted as a Co-opted Scrutiny Member to participate in these arrangements from all or any of the associated authorities or from such other

organisations as Transport for the North may decide. Unless Transport for the North decides otherwise, such Co-opted Scrutiny Members shall be non-voting members.

### **Meetings of Scrutiny Committee**

- 20.7 The members appointed to the Scrutiny Committee under Clause 23.3 above will hold at least one annual meeting and may convene additional joint meetings in accordance with these arrangements.
- 20.8 At the annual meeting, the Scrutiny Committee members will:
- a) Appoint a Chair and two Vice Chairs;
  - b) Determine the areas of review and scrutiny that they wish to pursue during the ensuing 12 months;
  - c) Agree to establish Scrutiny Panels from amongst their number in order to carry out reviews;
  - d) Agree to carry out agreed areas of review and scrutiny.
- 20.9 The quorum for the annual meeting and any other meetings held under this Clause 23.4 will be five and must include representatives of at least five of the Constituent Authorities.
- 20.10 The principle of decision making at any such joint meeting shall be that, wherever possible decisions will be made by agreement, without the need for a vote. If a vote is necessary, it will be decided by a simple majority of those present. The provisions relating to weighted votes set out in paragraph 6 and appendix 2 shall not apply to the Scrutiny Committee or to Scrutiny Panels.
- 20.11 The venue for each annual meeting and any other Scrutiny Committee meetings held under this Clause 4 will be decided by Transport for the North as part of the approved Calendar of Meetings and shall be notified to Constituent Authorities for inclusion on their Council web sites.
- 20.12 Notice of the annual meeting and any other Scrutiny Committee meetings held under this Clause 23.4 will be sent to each Scrutiny Committee member in accordance with the requirements of the Local Government Act 1972. For Members who are Members of one of the Constituent Authorities Notice will be sent to the principal place of business of that Authority. Members agree to receive notice of all meetings by e-mail.
- 20.13 The Chair will approve the agenda for each annual meeting and any other Scrutiny Committee meetings held under this Clause 23.4; however, any member of the Scrutiny Committee will be entitled to require an item to be placed on the agenda for the meeting.
- 20.14 Different approaches to scrutiny reviews may be taken in each case but members will seek to act in an inclusive manner and will take evidence from a wide range of opinion. In particular, the Chair will consider requests from members of the public to speak at meetings of the Committee provided the request has been made in writing to the Monitoring Officer not less than 48 hours before the date of the meeting. Members of the public, if allowed to speak, shall be allowed up to 3 minutes to address the Committee.

- 20.15 Each Scrutiny Panel established under paragraph 23.4.2 of this Clause 4 shall determine its own calendar of meetings and the venue for each meeting.
- 20.16 Subject to paragraphs 23 4.1-23.4.7 of this Clause 23.4, meetings will proceed in accordance with the Rules of Procedure set out at Part 5 of the Constitution.

#### **Powers of the Scrutiny Committee**

- 20.17 The Scrutiny Committee has the power to:
- a) To review and scrutinise decisions made, or other action taken by Transport for the North;
  - b) To make reports or recommendations with respect to the discharge of the functions of Transport for the North;
  - c) To make reports or recommendations on transport matters that affect the area of Transport for the North or inhabitants of the area or other stakeholders;
  - d) To require members or officers of Transport for the North to attend meetings of the Committee to answer questions;
  - e) To invite other persons to attend meetings of the Committee.

#### **Key principles for the operation of the scrutiny arrangements**

- 20.18 Transport for the North and the Constituent Authorities will work together to maximise the exchange of information and views, to minimize bureaucracy and make best use of the time of members and officers of other bodies or agencies.
- 20.19 Members of the Scrutiny Committee will, when considering reviews, determine whether the issue is more appropriately dealt with by one of the Constituent Authorities or elsewhere and will not duplicate the work of existing bodies or agencies.
- 20.20 Subject to prior consultation, Transport for the North will respond positively to requests for information, or for the attendance of a member or officer at any meetings set up under these arrangements.
- 20.21 While it is ultimately for Transport for the North to decide who it considers the most appropriate person(s) to speak on its behalf at any meetings set up under these arrangements, consideration will be given to meeting specific requests.
- 20.22 Dates and times for officer and member attendance at any meetings set up under these arrangements should be by agreement.
- 20.23 Members appointed under these arrangements may require the attendance of officers employed by Transport for the North to answer questions and give evidence at any meetings set up under these arrangements. All such requests must be made via the Monitoring Officer of Transport for the North. If any request is declined by the Monitoring Officer, he/she must state the reasons for so doing.
- 20.24 When considering any matter in respect of which a Scrutiny Committee member appointed under these arrangements is subject to a party whip the member must declare the existence of the whip and the nature of it before the commencement of any deliberations on the matter. The declaration, and the detail of the whipping

arrangements, shall be recorded in the minutes of the meeting.

### **Scrutiny Panels**

- 20.25 The annual meeting of members of the Scrutiny Committee will establish Scrutiny Panels to undertake agreed scrutiny reviews.
- 20.26 Membership of the Scrutiny Panels will be determined at the annual meeting. The political balance of each Scrutiny Panel should as far as reasonably practicable reflect the political balance of the elected Members on the constituent Authorities (or in the case of Combined Authorities their Constituent Authorities taken together).
- 20.27 Scrutiny Panels established by this Clause 23.7 shall include representatives from at least 5 of the Constituent Authorities. Each Scrutiny Panel shall appoint a Chair and Vice Chair from amongst its members.
- 20.28 Scrutiny Panels established under this Clause 23. 7 must be appointed to carry out specific scrutiny tasks and be time limited. Their continuation will be subject to confirmation at each annual meeting of the Scrutiny Committee.
- 20.29 Transport for the North may also, if it chooses, request that a Scrutiny Panel drawn from amongst members appointed to the Scrutiny Committee be appointed to examine a specific issue in more detail and report back its findings to Transport for the North.

### **Reviews and Recommendations**

- 20.30 The process of scrutiny will be an open and transparent process designed to engage the Constituent Authorities, their residents and other stakeholders.
- 20.31 Meetings will be held in public unless the meeting decides to convene in private to discuss confidential or exempt information, in accordance with the relevant provisions of the Local Government Act 1972.
- 20.32 The terms of reference, timescale and outline of any review will be agreed by the Scrutiny Committee at their annual meeting.
- 20.33 Different approaches to scrutiny reviews may be taken in each case but members will seek to act in an inclusive manner and will take evidence from a wide range of opinion.
- 20.34 The primary objective of any Scrutiny Panel established under these arrangements will be to reach consensus on its recommendations, but where a minimum number of 2 members express an alternative to the majority view, they will be permitted to produce a minority report.
- 20.35 Voting if needed will be by a show of hands and a simple majority will be required to approve any recommendation.
- 20.36 A completed Scrutiny Review shall be forwarded to Transport for the North for consideration. Transport for the North shall consider the findings of a Scrutiny Review at the next available meeting and the decision of Transport for the North on

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the findings of a Scrutiny Review will be reported back to the next available meeting of the Scrutiny Committee.

### **Budget and Administration**

- 20.37 The Scrutiny Budget will be agreed as part of Transport for the North's annual budgetary processes.
- 20.38 The budget will be required to meet all officer support to the scrutiny arrangements, including research support.
- 20.39 The decisions and recommendations of any Scrutiny Panels set up under these arrangements will be communicated to the Transport for the North Board, and other Scrutiny Committee members as soon as possible after resolution by those appointed to any such Scrutiny Panel.
- 20.40 Any external expenditure shall be procured and managed through and in accordance with Transport for the North's adopted financial processes.

### **Support and advice to scrutiny arrangements**

- 20.41 Members appointed to any Scrutiny Panel under these arrangements may ask individuals or groups to assist it on a review by review basis and may ask independent professionals for advice during the course of reviews. Such individuals or groups will not be members of the Scrutiny Panel and will not be able to vote.
- 20.42 Members appointed to any Scrutiny Panel under these arrangements may invite any other person to attend their meetings to answer questions or give evidence; however, attendance by such persons cannot be mandatory.

**21 Rail North Committee**

**Terms of Reference**

21.1 The Rail North Committee shall consider and advise the Transport for the North Board on the all matters relating to rail franchise management in the Rail North area including the following matters:

- a) The promotion and improvement of rail services in the area of Transport for the North and the wider Rail North area; through the improvement of franchised rail services
- b) The management of the performance of obligations under the franchise agreements let by the Secretary of State in respect of the carriage of passengers by rail;
- c) Recommending to the Transport for the North Board the Rail North business Plan and related annual budget and any Rail North policies in so far as they related to rail franchise matters.

**Membership**

21.2 The Rail North Committee shall be established consisting of one Member and one Substitute Member appointed by each of the Regional Groups set out in paragraph 24.5.

21.3 The Member appointed shall be a Member or Substitute Member of the Transport for the North Board.

21.4 The quorum for any meeting of the Committee shall be **six** Members who together hold not less than **50%** of the rail franchise matters weighted votes.

**Regional Groups**

21.5

Authority	Weighted Votes	Regional Group	Group Votes
Greater Manchester Combined Authority	223		223
West Yorkshire Combined Authority	209		263
City of York Council	54		
Sheffield City Region	78		78
Liverpool City Region	59		59
North of Tyne Combined Authority	51	North East	65
North East Combined Authority	14		
Blackburn with Darwen	6	Lakeland	116
Blackpool Borough Council	15		
Cumbria County Council	40		
Lancashire County Council	55		
Tees Valley Combined Authority	33		33
North Yorkshire County Council	32		32
East Riding of York	9	Humber	32
Hull City Council	13		
North East Lincolnshire	6		
North Lincolnshire	4		
Cheshire East Council	21	Potteries	53

Cheshire West and Chester Council	11		
Staffordshire County Council	1		
Stoke on Trent City Council	8		
Warrington Borough Council	12		
Derbyshire County Council	14	East Midlands	39
Lincolnshire County Council	7		
Nottinghamshire County Council	3		
Nottingham City Council	15		

**Voting Rights**

- 21.6 Voting in relation to Rail Franchise Matters shall be by a weighted vote in which the number of votes cast by a member is determined by multiplying the percentage of passenger miles on the Northern and TransPennine Express franchises that are in the area of the Authority represented by that Member multiplied by 10, rounded to the nearest whole number as set out in the Voting Matrix in Appendix 2.
- 21.7 The Voting Matrix shall be re-calculated if a re-calculation is agreed by the Transport for the North Board but not more frequently than once in every three years. The re-calculation shall be based on the passenger miles for each Constituent Authority during the year ending on the 31st March in the preceding financial year.
- 21.8 The following Reserved Matters shall require an increased majority of 75% of the weighted votes of Members before it can be recommended to Transport for the North for approval:
  - a) Withdrawal of Transport for the North from the Rail North Partnership Agreement;
  - b) The approval of the Rail North Business Plan and Budget;
  - c) A material change in the scope or nature of the Rail North operations;
  - d) The approval of a further rail franchise devolution Proposal.
- 21.9 In any vote in the Rail North -Committee each Member shall cast a number of votes equal to the combined weighted votes of the Authorities they represent.

**Officer’s Reference Group**

- 21.10 Each Member Group shall be entitled to appoint an officer to sit on the Officers’ Reference Group (ORG).
- 21.11 The Role of the ORG shall be to:
  - a) Review of draft Rail North Committee papers;
  - b) Provide support to the Rail North Committee;
  - c) Oversee the formulation and presentation of Rail North plans;
  - d) Consult their appointing Member Authorities on rail franchise matters

**Regional Business Units**

- 21.12 Two or more Constituent Authorities may together form a Regional Business Unit (RBU) in relation to the geographical area covered by the Authorities. Where an RBU has been formed, any Constituent Authority within the RBU area may, by a formal proposal made in writing delivered to the Chief Executive, request that Transport for the North and the Secretary of State allocate functions to the RBU.

- 21.13 The role of a Regional Business Unit (RBU) may include:
- a) Overseeing the implementation of the Rail North Business Plan within the geographical area covered by that RBU;
  - b) Carrying out Transport for the North's role in relation to franchise management issues in the area;
  - c) Carrying out functions allocated to it by the Secretary of State.
- 21.14 A proposal for the allocation of functions to the RBU shall be fully costed and shall specify how the RBU shall be resourced to enable it to perform the allocated functions. The Proposal shall be issued to all members of the Rail North Committee for consultation prior to formal submission of the proposal for consideration by the Rail North Committee.
- 21.15 Where a proposal is approved by the Rail North Committee, it will be forwarded to the Rail North Partnership Board for consideration.
- 21.16 Where an RBU has been established, an Authority may give notice to Transport for the North requiring Transport for the North to engage with the RBU rather than the Authority and the RBU shall be entitled to exercise the Authority's rights on its behalf unless and until the Authority give notice to amend or withdraw from the arrangement.
- 21.17 A Regional Business Unit, the North East Regional Management Unit (NERMU) has been established in relation to the geographical areas of the Newcastle upon Tyne, North Tyneside and Northumberland Combined Authority, the Durham, Gateshead, , South Tyneside and Sunderland Combined Authority and the Tees Valley Combined Authority and has adopted the initial role and geographical remit agreed by the Strategic Board (now the Rail North Partnership Board) on 08/02/16 and by Rail North Limited on 12/05/16 and set out in Appendix 11.

#### **Rail North Lead Officer**

- 21.18 The Rail North Lead Officer shall have delegated responsibility from the Transport for the North Board for overseeing the discharge of Transport for the North's obligations under the Partnership Agreement with the Secretary of State relating to rail franchise management and any other Agreement Transport for the North enters into in relation rail franchise matters.

**22 General Purposes Committee  
Terms of Reference**

22.1 The General Purposes Committee shall determine any matter which is not reserved to the Transport for the North Board nor delegated to the Rail North Committee and which is not decided by the Chief Executive under his delegated authority.

**Membership**

22.2 The General Purposes Committee shall consist of one Member and one Substitute Member appointed by each of the Regional Groups set out in paragraph 25.4.

22.3 The Members appointed shall be a Member or Substitute Member of the Transport for the North Board. Quorum for any meeting of the Committee shall be **six** Members who together shall hold **50%** of the weighted votes.

**Regional Groups**

22.4

<b>Authority</b>	<b>Weighted Votes</b>	<b>Regional Group</b>	<b>Group Votes</b>
Greater Manchester Combined Authority	14		14
West Yorkshire Combined Authority	12		14
City of York Council	2		
Sheffield City Region	7		7
Liverpool City Region	8		8
North of Tyne Combined Authority	5	North East	11
North East Combined Authority	6		
Blackburn with Darwen	1	Lakeland	12
Blackpool Borough Council	1		
Cumbria County Council	3		
Lancashire County Council	7		
Tees Valley Combined Authority	4		4
North Yorkshire County Council	4		4
East Riding of York	2	Humber	6
Hull City Council	2		
North East Lincolnshire	1		
North Lincolnshire	1		
Cheshire East Council	2	Cheshire and Warrington	6
Cheshire West and Chester Council	2		
Warrington Borough Council	2		
			86

**PART 5 PROCEDURE RULES**

**23 Procedure Rules**

**Interpretation, Suspension and Chair's Ruling**

- 23.1 These Rules apply to meetings of the Transport for the North Board and, where appropriate, to meetings of Committees and Sub Committees of Transport for the North.
- 23.2 References in these Rules to the "Chair" mean the Member of Transport for the North for the time being presiding at the meeting of the Transport for the North Board and a meeting of a Committee or Sub Committee of Transport for the North.
- 23.3 These Rules should be read in conjunction with other parts of Transport for the North's Constitution.
- 23.4 \*\*These Rules are subject to any statute or other enactment whether passed before or after these Rules came into effect.
- 23.5 The ruling of the Chair on the interpretation of these Rules in relation to all questions of order and matters arising in debate shall be final.

**Suspension and Revocation of Transport for the North Procedure Rules**

- 23.6 \*\*With the exception of the Rules marked by a double asterisk (\*\*) any Rule may be suspended at a meeting of Transport for the North either by a motion included on the agenda or by a motion put to the meeting without notice and passed by a majority of those present and voting. A motion to suspend any Rules will not be moved without notice unless at least 10 Members of Transport for the North are present.
- 23.7 Rules may be changed by the Transport for the North Board either at the Annual Meeting or by a motion on notice made at a meeting of Transport for the North.
- 23.8 Changes may only be made to the Rules and the Constitution if the motion is passed by a Super Majority in a weighted vote (see paragraph 25 14 (Voting)).

**Membership of Transport for the North**

- 23.9 \*\*Each Constituent Authority shall appoint one of its elected members to be a Member of Transport for the North The person appointed shall be in the case of a Constituent Authority with an elected Mayor, the Mayor or the elected Member with responsibility for transport or in any other case, the Leader, the Chair or the elected Member with responsibility for transport.
- 23.10 \*\*Each Constituent Authority shall appoint another of its elected members to act as a Member of Transport for the North in the absence of the Member appointed under sub-paragraph 25.3.1 above ("the Substitute Member").
- 23.11 \*\*A person shall cease to be a Member or a Substitute Member of Transport for the North if they cease to be a member of the Constituent Authority that appointed them.

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- 23.12 \*\*A person may resign as a Member or Substitute Member of Transport for the North by written notice served on the proper officer of the Constituent Authority that appointed them (who for the purposes of this sub-paragraph 25.3.4 shall be the Monitoring Officer of the Constituent Authority that appointed them) and the resignation shall take effect on receipt of the notice by the proper officer.
- 23.13 \*\*Where a Member or Substitute Member of Transport for the North's appointment ceases by virtue of sub-paragraph 25.3.3 or 25.3.4, the Constituent Authority that made the appointment must, as soon as practicable, give written notice of that fact to Transport for the North's Monitoring Officer and appoint another of its elected members in that person's place.
- 23.14 \*\*A Constituent Authority may at any time terminate the appointment of a Member or Substitute Member appointed by it to Transport for the North and appoint another of its elected members in that person's place.
- 23.15 \*\*Where a Constituent Authority exercises its power under sub- paragraph 25.3.6, it must give written notice of the new appointment and the termination of the previous appointment to the Monitoring Officer and the new appointment shall take effect and the previous appointment shall terminate at the end of one week from the date on which the notice is given (or such longer period not exceeding 1 month as is specified in the notice).
- 23.16 \*\*For the purposes of this paragraph 25, an elected mayor of a Constituent Authority shall be treated as a member of the Constituent Authority.
- 23.17 \*\*Each of the Rail North Authorities shall appoint one of its Members to be a Co-opted Member of Transport for the North. The person appointed should be that Authority's elected Mayor, Chair or Leader provided that if responsibility for Transport has been formally delegated to another Member of the Authority that Member may be appointed as the Member of Transport for the North.
- 23.18 Each Rail North Authority shall appoint another of its elected members to act as a Co-opted Member of Transport for the North in the absence of the Member appointed under sub-paragraph 25.3.9 above ("the Substitute Co-opted Member").
- 23.19 A person shall cease to be a Co-opted Member or a Substitute Co-opted Member of Transport for the North if they cease to be a member of the Authority that appointed them.
- 23.20 A person may resign as a Co-opted Member or Substitute Co-opted Member of Transport for the North by written notice served on the proper officer of the Authority that appointed them (who for the purposes of this sub- paragraph 25.3.12 shall be the Monitoring Officer of the Constituent Authority that appointed them) and the resignation shall take effect on receipt of the notice by the proper officer.
- 23.21 \*\*Where a Co-opted Member or Substitute Co-opted Member of Transport for the North's appointment ceases by virtue of sub-paragraph 25.3.11 or 25.3.12, the Authority that made the appointment must, as soon as practicable, give written notice of that fact to the Monitoring Officer and appoint another of its elected members in that person's place.

- 23.22 \*\*An Authority may at any time terminate the appointment of a Co-opted Member or Substitute Co-opted Member appointed by it to Transport for the North and appoint another of its elected members in that person's place.
- 23.23 \*\*Where an Authority exercises its power under sub- paragraph 25.3.14, it must give written notice of the new appointment and the termination of the previous appointment to the Monitoring Officer and the new appointment shall take effect and the previous appointment shall terminate at the end of one week from the date on which the notice is given (or such longer period as is specified in the notice).
- 23.24 \*\*The Chair of the Partnership Board shall be appointed as a Co-opted Member of Transport for the North but shall cease to be a Co-opted Member if he or she resigns or their appointment as Chairman of the Partnership Board is terminated by Transport for the North.
- 23.25 \*\*The Members of Transport for the North appointed by the Constituent Authorities may appoint further Co-opted Members if they all agree to do so. Written approval to the co-option may be provided, and such written approval may extend to all representatives nominated for appointment to the Transport for the North Board from the eleven LEPs within the area of Transport for the North during the year following the Annual Meeting and to any Independent Members nominated for appointment to the Audit and Governance Committee during the year following the Annual Meeting.
- 23.26 Transport for the North may at any time terminate the appointment of a Co-opted Member who was not appointed by either a Constituent Authority or a Rail North Authority, but such termination must be agreed by every Member appointed by a Constituent Authority.

#### **Chair**

- 23.27 \*\* At its Annual General Meeting the Transport for the North Board shall appoint one of its Members or Co-opted Members as its Chair for the forthcoming year.
- 23.28 \*\*The appointment of the Chair shall be for a fixed term of one year until the next Annual General Meeting unless the Chair resigns, or the appointment is terminated by Transport for the North.
- 23.29 \*\*The Chair may resign by written notice served on the proper officer of Transport for the North and the resignation shall take effect on receipt of the notice by the proper officer.
- 23.30 \*\*The Transport for the North Board may terminate the appointment of the Chair where one has been appointed (under paragraph 25.4.1).
- 23.31 \*\*Where a person ceases to be Chair by virtue of sub- paragraph 25.4.3 or 25.4.4; Transport for the North shall appoint a further Chair in accordance with this paragraph.

#### **Vice-Chairs**

- 23.32 \*\* One or more Vice-Chairs may be appointed annually by the Transport for the North from among its Members or Co-opted Members and will, unless they resign, cease to be members of Transport for the North or become disqualified, act until their

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successor become entitled to act.

- 23.33 The appointment of the Chair and Vice-Chairs shall be the first business transacted at the Annual Meeting of Transport for the North.
- 23.34 Following the appointment of the Chair a nomination shall be requested first for the First Vice Chair from the majority party on Transport for the North and secondly a nomination shall be called for the Second Vice Chair from the minority parties.
- 23.35 \*\*On a vacancy arising in the office of Chair or Vice-Chair for whatever reason, the Transport for the North Board shall make an appointment to fill the vacancy at the next ordinary meeting of Transport for the North held after the date on which the vacancy occurs, or, if that meeting is held within 14 days after that date, then not later than the next following meeting. The Member appointed shall hold such office for the remainder of the year in which such vacancy occurred.
- 23.36 \*\*Subject to these Rules, anything authorised or required to be done by, or in relation to, the Chair, may be done by, or in relation to, any of the Vice-Chairs.

### **Meetings**

- 23.37 \*\*The Annual Meeting of the Transport for the North Board shall be held on a date and at a time determined by Transport for the North.
- 23.38 \*\*Ordinary meetings of the Transport for the North Board for the transaction of general business shall be held on such dates and at such times as the Transport for the North Board shall determine.
- 23.39 \*\*An Extraordinary Meeting of the Transport for the North Board may be called at any time by the Chair.

### **Admission of Public**

- 23.40 \*\*All meetings of the Transport for the North Board, its Committees and Sub-Committees shall be open to the public (including the press) except to the extent that they are excluded whether during the whole or part of the proceedings either:
- a) In accordance with Section 100A (2) of the Local Government Act 1972; or
  - b) By resolution passed to exclude the public on the grounds that it is likely, in view of the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information as defined in Section 100I of the Local Government Act 1972. Any such Resolution shall identify the proceedings or the part of the proceedings to which it applies and state the description, in terms of Schedule 12A to the Local Government Act 1972 of the exempt information giving rise to the exclusion of the public.

### **Notice of Meetings**

- 23.41 \*\*At least five clear days before a meeting of Transport for the North:
- a) Notice of the time and place of the intended meeting shall be published by the Monitoring Officer and posted on the Transport for the North website;
  - b) A summons to attend the meeting, specifying an agenda for the meeting, shall be left at or sent by post or electronic mail to all Members of Transport for the

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North at the principal office of the Constituent Authority which appointed the Member.

- 23.42 \*\*Lack of service on a Member of Transport for the North of the summons shall not affect the validity of a meeting of the Transport for the North Board.

### **Meeting Agendas**

- 23.43 \*\*Any Member of the Transport for the North Board may require the Monitoring Officer to make sure that an item is placed on the agenda of the next available meeting of the Board for consideration.
- 23.44 \*\*Any item proposed to be included on the agenda for any meeting of the Transport for the North Board in accordance with sub-paragraph 25.8.1 above, which is not submitted before 5 days of the meeting shall not be included on the agenda for that meeting unless it is agreed by the Chair. In this case, the amended agenda for the meeting will state the reason for the late acceptance of any such item.
- 23.45 The Monitoring Officer shall set out in the agenda for each meeting of the Transport for the North Board the items of business requested by Members (if any) in the order in which they have been received, unless the Member concerned has given prior written notice to the Monitoring Officer prior to the issue of the agenda for the meeting, for it to be withdrawn. If the Member concerned is not present at the meeting when an item of which they have given notice comes up for discussion, this item shall, unless the Transport for the North Board decides otherwise, be treated as withdrawn.
- 23.46 \*\*Except in the case of business required by these Rules to be transacted at a meeting of the Transport for the North Board, and other business brought before the meeting as a matter of urgency, (and of which the Monitoring Officer shall have prior notice and which the Chair considers should be discussed at the meeting), no business shall be transacted at a meeting of the Transport for the North Board other than that specified in the agenda for the meeting.

### **Chair of Meeting**

- 23.47 \*\*At each meeting of Transport for the North, the Chair, if present, shall preside.
- 23.48 \*\*If the Chair is absent and more than one Vice-Chair is present at the meeting, they shall agree between themselves who is to chair the meeting and in default of agreement the Monitoring Officer shall invite the members present to elect a Vice-Chair to preside for the duration of the meeting.
- 23.49 \*\*If the Chair and all the Vice-Chairs of Transport for the North are absent from a meeting of Transport for the North, the Monitoring Officer shall invite the Members present to elect a Member to preside for the duration of the meeting or until such time as the Chair (or Vice-Chair) joins the meeting.
- 23.50 Any power or function of the Chair in relation to the conduct of a meeting shall be exercised by the person presiding at the meeting.

### **Quorum**

- 23.51 No business shall be transacted at any meeting of the Transport for the North Board unless at least ten of the voting Members are present and those Members together hold more than 50% of the weighted voting rights. In the case of Rail Franchise Matters no business shall be transacted unless at least 12 voting Members are present, and those Members together hold more than 50% of the Rail Franchise Matters weighted voting rights.
- 23.52 Unless provided otherwise, no business shall be transacted at any meeting of a Committee of Transport for the North unless at least 25% of the voting Members are present and those Members together hold more than 25% of the weighted voting rights.
- 23.53 No business shall be transacted at any meeting of the Rail North Committee unless at least six of the voting members are present and those Members together hold more than 50% of the rail franchise matters weighted voting rights.
- 23.54 No business shall be transacted at a meeting of the Audit & Governance Committee unless at least three Members are present, two of whom are Members of the Transport for the North Board.
- 23.55 If at the time for which a meeting is called, and for 15 minutes thereafter, a quorum is not present, then no meeting shall take place.
- 23.56 If during any meeting of the Transport for the North Board or a Committee of Transport for the North, the Chair, after counting the number of Members present and their weighted voting rights, declares that there is not a quorum present, the meeting shall stand adjourned to a time fixed by the Chair. If there is no quorum and the Chair does not fix a time for the reconvened meeting, the meeting shall stand adjourned to the next ordinary meeting of the Transport for the North Board or Committee.

#### **Order of Business**

- 23.57 At every meeting of the Transport for the North Board, the first order of business shall be to select a person to preside if the Chair or Vice-Chair are absent and thereafter shall be in accordance with the order specified in the agenda for the meeting, except that such order may be varied:
- a) By the Chair at their discretion; or
  - b) On a request agreed to by the Transport for the North Board. the Chair may bring before the Board at their discretion any matter that they consider appropriate to bring before the Transport for the North Board as a matter of urgency.
- 23.58 The second item on the Agenda shall be the Approval of the Minutes of the previous meeting. After Approval of the Minutes of the previous meeting the Chair may ask if there are any matters arising upon the Approved Minutes, pursuant to which any Member may ask as to the current position or progress made on any item contained in the Approved Minutes. The Chair shall avoid any debate or discussion that could be construed as attempting to change or vary a previous decision.

#### **Committees**

23.59 The Transport for the North Board shall appoint the following Committees:

- a) the Audit and Governance Committee;
- b) the Scrutiny Committee;
- c) the Rail North Committee.

23.60 The Transport for the North Board may appoint such other Committees as it thinks fit.

### **Rules of Debate**

23.61 The Chair shall propose each motion.

23.62 A Member shall address the Chair and direct any speech to the question under discussion. If two or more Members indicate they wish to speak, the Chair shall call one to speak first.

23.63 The conduct of the meeting shall be the responsibility of the Chair who shall ensure that every Member wishing to speak has an opportunity to do so.

23.64 A Member shall not speak for longer than five minutes on any matter without the consent of the Chair.

23.65 If the Chair is of the opinion that the matter before the Transport for the North Board has been sufficiently discussed the Chair may put the Motion that the question now be put.

23.66 The Chair shall decide all questions of order and any ruling by the Chair upon such questions and the interpretation of these Rules of Procedure and upon matters rising in debate shall be final and shall not be open to discussion.

23.67 A Motion to exclude the press and public in accordance with Section 100A of the Local Government Act, 1972 may be moved, without notice, at any meeting of the Transport for the North Board during an item of business whenever it is likely that if members of the public were present during that item there would be disclosure to them of confidential or exempt information as defined in Section 100A of the 1972 Act.

### **Voting**

23.68 \*\*There shall be a presumption that decisions are normally taken by consensus. In the absence of consensus decisions will be taken on the basis of a weighted vote. The number of votes to be cast by a Member appointed by a Constituent Authority shall be determined by dividing the resident population of that Constituent Authority by 200,000 and if the result is not a whole number, rounding up to the next whole number. The size of the resident population is to be taken to be the size estimated by the Statistics Board as at the 30<sup>th</sup> June in the financial year which commenced two years before the financial year in which the vote takes place.

23.69 \*\*The following decisions shall require a Super Majority:

- a) the approval and revision of Transport for the North's Transport Strategy;
- b) the approval of the annual budget;
- c) the adoption of, and any changes to, the Transport for the North Constitution.

- 23.70 \*\*The Super Majority shall consist of the Members who together hold 75% of the weighted vote and a simple majority of the Members appointed by the Constituent Authorities.
- 23.71 \*\*In relation to Rail Franchise Matters decisions shall be taken on the basis of a weighted vote. The number of votes cast by a Member or Co-opted Member shall be determined by multiplying the percentage of passenger miles on the Northern and TransPennine Express franchises that are in the area of the Member's appointing Authority by ten, and if the result is not a whole number, rounding up to the next whole number.
- 23.72 In the Rail North Committee, the following decisions shall require an increased majority of 75% of the weighted votes for Rail Franchise Matters:
- a) withdrawal of Transport for the North from the Partnership Agreement relating to rail franchise matters with the Secretary of State;
  - b) approval of the Rail Franchise Business Plan and Budget;
  - c) material change in the scope and nature of the Rail Franchise operations;
  - d) the approval of a further rail devolution proposal.
- 23.73 A Member shall cast a number of votes equal to the combined weighted votes of the Authorities they represent, and a Substitute Member shall have the same voting rights as the Member they are replacing.
- 23.74 If a vote is tied on any matter it is deemed not to have been carried.
- 23.75 At any meeting of the Transport for the North Board or any of its Committees or sub-Committees, if immediately after a vote is taken any Member so requires there shall be recorded in the minutes of the proceedings of that meeting whether that person cast his vote for the question or against the question or whether they abstained from voting.

### **Public Speaking**

- 23.76 Members of the public will not normally be allowed to address a meeting of the Transport for the North Board. Any request to address a meeting of the Transport for the North Board will be referred to the Chief Executive who will decide whether to make appropriate arrangements for the member of the public to meet either with officers of Transport for the North or a delegation of Members of the Board outside the Transport for the North Board Meeting.

### **Conduct of Members**

- 23.77 If the Chair is of the opinion that at a meeting of the Board any Member of Transport for the North, or Substitute Member acting in that Member's place, has misconducted, or is misconducting him or herself by persistently disregarding the ruling of the Chair, or by behaving irregularly, improperly or offensively, or by wilfully obstructing the business of Transport for the North, the Chair may notify the meeting of that opinion and may take any of the following actions either separately or in sequence:
- a) the Chair may direct the Member to refrain from speaking during all or part of the remainder of the meeting of the Transport for the North Board;
  - b) the Chair may direct the Member to withdraw from all or part of the

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- c) remainder of the meeting of the Transport for the North Board;
- c) the Chair may order the Member to be removed from the meeting of the Transport for the North Board; and
- d) the Chair may adjourn the meeting of the Transport for the North Board for such period as they consider expedient.

23.78 In the event of general disturbance which, in the opinion of the Chair, renders the due and orderly dispatch of business impossible, the Chair, in addition to any other power vested in the Chair may, without question put, adjourn the meeting of the Board for such period as the Chair considers expedient.

23.79 Disturbance by Members of the Public; If a member of the public interrupts the proceedings at any meeting of the Transport for the North Board, the Chair shall warn him or her. If they continue the interruption, the Chair shall order the member of the public to leave the room. In the case of general disturbance in any part of the room open to the public, the Chair shall order that part to be cleared.

### **Notification and Declaration of Interests**

23.80 In this Rule:

“The Code” means the Code of Conduct for Members adopted by the elected Member’s appointing Authority under Section 28 of the Localism Act 2011;

“Member of Transport for the North” includes a Substitute Member when acting as a Member of Transport for the North and Co-opted Members.

23.81 All Members of Transport for the North including Members, Substitute Members and Co-opted Members of the Transport for the North Board, Scrutiny Committee Members and Substitute Members and Independent Members of the Audit and Governance Committee must within 28 days of their appointment to office notify Transport for the North’s Monitoring Officer in writing of the details of their disclosable pecuniary interests arising in respect of the Transport for the North area (including, where required, interests of their partner) and their personal interests.

23.82 Where a Member of Transport for the North is present at a meeting and has a disclosable pecuniary interest or, an interest that would be a personal interest under the provisions of the Code in any matter to be considered at the meeting, they must disclose the interest to the meeting.

23.83 Where a member of Transport for the North has a disclosable pecuniary interest or an interest that under the provisions of the Code would be a prejudicial interest in any matter being considered at a meeting, they must not participate or vote on the matter and must withdraw from the room of the meeting while the matter is being considered.

### **Records**

23.84 The Monitoring Officer shall ensure that the names of the Members of Transport for the North present at any meeting of Transport for the North, any Substitute Member acting in a Member’s place, and any Co-opted Member shall be recorded in the Minutes of the meeting concerned.

23.85 The Minutes of the proceedings of a meeting of Transport for the North are to be kept in such form as Transport for the North may from time to time determine.

- 23.86 The Minutes of the proceedings of a meeting of the Board shall be signed at the next meeting of the Board by the person presiding at the meeting of the Board to which the Minutes relate.
- 23.87 Any Minute purporting to be signed as mentioned in sub-paragraph 25.18.3 shall be received in evidence for the purposes of any legal proceedings without further proof.
- 23.88 Until the contrary is proved, a meeting of Transport for the North, a Minute of whose proceedings has been signed in accordance with this paragraph 25.18 is deemed to have been duly convened and held, and all the Members of Transport for the North present at the meeting, and any Substitute Member acting in a Member's place, are deemed to have been duly qualified.

**Publication of Report**

- 23.89 \*\*Reports or other documents for the consideration of Transport for the North or a Committee of Transport for the North shall be marked "Private & Confidential Not for Publication" only if the Monitoring Officer, as Proper Officer under Section 100B (2) of the Local Government Act 1972 determines that this should be done on one or more of the grounds specified in the Act.
- 23.90 \*\*Copies of the Agenda of meetings of Transport for the North its Committees and Sub Committees, including prints of reports or other documents to be submitted to Transport for the North its Committees and Sub Committees (other than reports or other documents marked "Not for Publication") shall be furnished prior to the meeting to representatives of the press, radio and television and shall also be furnished at the meeting to members of the public attending such meetings. Such documents shall also be made available for public inspection, at least five clear days before any meeting of Transport for the North its Committees and Sub Committees at the Principal place of business of each of the Constituent Authorities. Copies of all documents other than those marked. "Not for Publication" shall be made available on Transport for the North's website.
- 23.91 \*\*Where an item or report has been added to an Agenda, any revised Agenda or additional report shall be available for public inspection as soon as the item or report has been added to the Agenda, provided copies are also, at that time, available to Members of Transport for the North its Committees and Sub Committees and published on Transport for the North's website.

## **24 Access to Information Procedure Rules**

- 24.1 Except as otherwise indicated, these rules apply to all meetings of Transport for the North, its Board, Committees and Sub Committees.
- 24.2 The Rules in paragraph 25.20 do not affect any more specific rights to information contained elsewhere in these Rules of Procedure or the law.
- 24.3 Transport for the North its Board, Committees and Sub-Committees will supply copies of:
- a) any Agenda and reports that are open to public inspection;
  - b) any further statements or particulars, if any, as are necessary to indicate the nature of the items in the Agenda; and
  - c) if the Monitoring Officer thinks fit, copies of any other documents supplied to members in connection with an item to any person on payment of a charge for postage and any other costs, or electronically free of charge.
- 24.4 Transport for the North its Board, Committees and Sub Committees will make available copies of the following for six years after a meeting:
- a) the Minutes of the meeting, excluding any part of the Minutes of proceedings when the meeting was not open to the public or which disclose exempt or confidential information;
  - b) a summary of any proceedings not open to the public where the Minutes open to inspection would not provide a reasonably fair and coherent record;
  - c) the Agenda for the meeting;
  - d) reports relating to items when the meeting was open to the public.
- 24.5 The Officer responsible for the report will set out in every report a list of those documents (called background papers) relating to the subject matter of the report that in his/her opinion:
- a) disclose any facts or matters on which the report or an important part of the report is based; and
  - b) which have been relied on to a material extent in preparing the report but does not include published works or those which disclose exempt or confidential information.

### **Exclusion of access by the public to meetings**

#### **Confidential information – requirement to exclude public**

- 24.6 The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed.
- 24.7 Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, Article 6 of the Human Rights Act establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons stated in Article 6.

### **Meaning of confidential information**

- 24.8 Confidential information means information given to Transport for the North its Board, Committees and Sub-Committees by a Government department on terms that forbid its public disclosure or information that cannot be publicly disclosed by reason of a Court Order or any enactment.

**Meaning of exempt information**

- 24.9 Exempt information means information falling within the following categories (subject to any qualifications):
- a) Information relating to any individual;
  - b) Information which is likely to reveal the identity of any individual;
  - c) Information relating to the financial or business affairs of any particular person (including the authority holding that information);
  - d) Information relating to any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matter arising between Transport for the North its Committees and Sub Committees or a Minister of the Crown and employees of, or office holders under, Transport for the North its Committees and Sub Committees;
  - e) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings;
  - f) Information which reveals that Transport for the North its Committees and Sub Committees proposes a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or b) to make an order or direction under any enactment;
  - g) Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

**Exclusion of access by the public to reports**

- 24.10 If the Monitoring Officer thinks fit, the Transport for the North Board, its Committees and Sub-Committees may exclude access by the public to reports which in his/her opinion relate to items during which the meeting is likely not to be open to the public. Such reports will be marked "Not for Publication" together with the category of information likely to be disclosed.

**25 Prescribed Standing Orders Relating to Staff**

**25.1 Appointment of Chief Officers**

25.2 Where Transport for the North proposes to appoint a chief officer, and it is not proposed that the appointment be made exclusively from among their existing officers, they shall:

- a) Draw up a statement specifying:
  - (i) The Officer concerned;
  - (ii) Any qualifications or qualities to be sought in the person to be appointed;
- b) Make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and
- c) Make arrangements for a copy of the statement mentioned in paragraph (a) to be sent to any person on request.

25.3 Where a post has been advertised as provided above Transport for the North shall:

- a) Interview all qualified applicants for the post; or
- b) Select a short list of such qualified applicants and interview those included on the short list.

25.4 Where no qualified person has applied, Transport for the North shall make further arrangements for advertisement in accordance with clause 26.2.

25.5 Every appointment of a chief officer shall be made by the Transport for the North Board.

25.6 Where a committee or sub-committee is discharging, on behalf of the Transport for the North Board, the function of the appointment of the Chief Executive, the Transport for the North Board must approve that appointment before an offer of appointment is made to that person.

**25.7 Appointment and Dismissal of Staff other than Chief Officers**

25.8 The function of appointment and dismissal of, and taking disciplinary action against, a member of staff of Transport for the North, other than the Chief Executive, the Finance Director or the Monitoring Officer, must be discharged, on behalf of Transport for the North, by the Chief Executive or by an officer nominated by him.

**25.9 Disciplinary Action against Chief Officers**

25.10 Transport for the North may not dismiss the Chief Executive, the Finance Director or the Monitoring Officer unless the procedure set out in the following paragraphs is complied with.

25.11 Transport for the North must invite relevant independent persons to be considered for appointment to a Panel to advise on the dismissal, with a view to appointing at least two such persons to the Panel.

- 25.12 In paragraph 2, “relevant independent person” means any independent person who has been appointed by Transport for the North under the provisions of Section 28(7) of the Localism Act 2011 or, where there are fewer than two such persons, such independent persons as have been appointed by another authority or authorities as Transport for the North considers appropriate.
- 25.13 Subject to paragraph 5, Transport for the North must appoint to the Panel such relevant independent persons who have accepted an invitation issued in accordance with paragraph 26.8.3 in accordance with the following priority order:
- a) A relevant independent person who has been appointed by Transport for the North and who is a local government elector;
  - b) Any other relevant independent person who has been appointed by Transport for the North
  - c) A relevant independent person who has been appointed by another authority or authorities.
- 25.14 Transport for the North is not required to appoint more than two relevant independent persons in accordance with paragraph 4 but may do so.
- 25.15 Transport for the North must appoint any Panel at least 20 working days before the relevant meeting.
- 25.16 Before the taking of a vote at the relevant meeting on whether or not to approve such a dismissal, Transport for the North must take into account, in particular:
- a) Any advice, views or recommendations of the Panel;
  - b) The conclusions of any investigation into the proposed dismissal; and
  - c) Any representations from the relevant officer.
- 25.17 Any remuneration, allowances or fees paid by Transport for the North to an independent person appointed to the Panel must not exceed the level of remuneration, allowances or fees payable to that independent person in respect of that person’s role as independent person under the 2011 Act.

**PART 6 FINANCIAL AND CONTRACT PROCEDURES**

**26 Financial Regulations**

**26.1 General**

26.2 These Regulations shall be read in conjunction with the Rules of Procedure (see Part 5), the Schedule of Approvals contained in Appendix 10 and the Responsibility for Functions delegated to Chief Officers (see Part 3).

26.3 These Regulations lay down for the guidance of Members and officers, principles to be followed in securing the proper administration of Transport for the North's financial affairs and shall be reviewed at intervals of not more than three years.

26.4 The Finance Director, as the officer responsible for the proper administration of Transport for the North's financial affairs, shall report to Transport for the North any significant failure to comply with these Regulations which comes to his/her attention.

26.5 The Chief Executive and the Finance Director shall be responsible for the accountability and control of all resources managed by them on behalf of Transport for the North.

26.6 For the purposes of complying with these Regulations, the Finance Director shall be provided with any information he/she may require and shall have access to any documents and records as necessary.

26.7 Whenever any matter arises which may involve financial irregularity the Finance Director shall be notified immediately, and if an irregularity is disclosed the matter shall, at the discretion of the Finance Director and after consultation with the Chief Executive, be referred by them to the Transport for the North Board. Further, in a case where the Chief Executive advises that there is prima facie evidence of a criminal offence having been committed, the matter shall be reported to the Police forthwith.

**26.8 Staffing**

26.9 The Chief Executive will be responsible for providing overall management to staff employed by Transport for the North.

26.10 The Chief Executive and the Finance Director will be responsible for ensuring that there is proper use of evaluation or other agreed systems for determining remuneration.

26.11 The Finance Director will:

- a) Ensure that budget provision exists for all existing and new employees;
- b) Ensure that appropriate mechanisms are in place to support the payment of salaries and any other related expenses to staff;
- c) Set out and issue a staff expenses scheme to be followed where staff incur personal expenses when carrying out their duties on behalf of Transport for the North.

26.12 Chief Officers must ensure that appointments are made in accordance with the

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approved establishment and scales of pay and the adequate budget provision is available. Officers must produce an annual staffing budget (including on costs and overheads) which should be an accurate forecast of staffing levels and associated costs.

- 26.13 Chief Officers must ensure that all appointments, terminations or variations are notified to the officer responsible for actioning such changes.
- 26.14 Payroll documents must be retained and stored for the defined period in accordance with guidance issued by the Finance Director.
- 26.15 **Accounting Arrangements**
- 26.16 The Finance Director shall prepare a manual of financial and accounting procedures to be operated by officers working on Transport for the North matters.
- 26.17 All accounting and financial arrangements shall be determined by the Finance Director who shall be consulted before any form or document of a financial or costing nature is introduced.
- 26.18 The Finance Director shall be responsible for the submission of all claims for grant.
- 26.19 At the end of the financial year the Finance Director shall be supplied with information in such form and by such date as he/she may determine to enable him/her to close Transport for the North's Accounts promptly.
- 26.20 The Accounts must be approved by Transport for the North prior to Audit and within 6 months of the year end.
- 26.21 If the Auditor's Report requires any material amendment to be made to the Accounts, this must be then reported to Transport for the North as soon as practicable after the receipt of the audit report.
- 26.22 **Banking Arrangements and Cheques**
- 26.23 All arrangements with Transport for the North's bankers, shall be made by the Finance Director who shall be authorised to operate such banking accounts, as he/she considers necessary.
- 26.24 **Budgetary Control**
- 26.25 The detailed form of the programme of capital expenditure and revenue estimates shall be determined by the Finance Director after consultation with appropriate Officers, in accordance with any general directions of Transport for the North.
- 26.26 **Capital and Revenue Budgets**
- 26.27 The Finance Director, in consultation with appropriate Officers, shall prepare an annual programme of capital expenditure for submission to Transport for the North, together with proposals for financing that programme.
- 26.28 The Finance Director, in consultation with appropriate Officers shall prepare annual

estimates of revenue expenditure and income.

**26.29 Control of Expenditure**

26.30 Before a capital scheme for which provision is made in the Capital Programme may proceed, a fully costed scheme report shall be presented to Transport for the North.

26.31 In approving the Revenue Budget, Transport for the North will determine the amounts to be allocated to various expenditure heads. The Finance Director will monitor expenditure against this approval, and report on a regular basis to Transport for the North showing actual and projected expenditure. It will be a matter for Transport for the North to determine from this information whether expenditure priorities should be changed.

26.32 For revenue expenditure, any likely overspending shall be reported as soon as practicable to the Finance Director. Where it is not possible to finance an overspending by a transfer between expenditure heads (see clause 28.8.1 below), the matter shall be referred to Transport for the North.

26.33 Transport for the North will determine guidelines for carrying forward of under- and over-spending on budget headings. The Finance Director will administer the scheme of carry forward within the guidelines approved by Transport for the North for consideration.

26.34 Any use of revenue and capital reserves, in addition to that already planned, must be approved by Transport for the North. The Finance Director will ensure that there are clear protocols for the establishment and use of reserves, advise Transport for the North on prudent levels of reserves and report on the use of reserves to Transport for the North.

26.35 Grants for capital or revenue purposes to outside organisations and persons for which provision is made in the appropriate budget shall not be paid except by agreement with the Finance Director who shall make such arrangements as he/she considers necessary for this purpose.

**26.36 Virements**

26.37 The Finance Director shall be authorised to approve virements between expenditure heads within the limits as set out in these Regulations and the Schedule of Approvals. Anything in excess of these limits shall be reported for approval to Transport for the North. Virements are deemed to be:

- a) Revenue - a transfer of budget for a different purpose to that set out in the approved Budget;
- b) Capital - a movement of budget between approved capital schemes.

26.38 In accordance with the scheme of virement and associated thresholds, the Finance Director is responsible for considering reports submitted by Chief Officers in respect of virement proposals for revenue spending.

26.39 The Finance Director is to report and seek the approval of the Chief Executive to the exercise of the virement powers of Transport for the North where a matter is urgent.

26.40 Appropriate Officers are to ensure compliance with the scheme of virement set out in the Schedule of Approvals.

26.41 **Capital**

26.42 There shall be no virement of capital spending where a capital project is the subject of an individual Funding Letter giving funding approval from the Secretary of State expenditure shall be in accordance with the terms of the Funding Letter.

26.43 **Maintenance of Reserves/Provisions**

26.44 The Finance Director will ensure that there are clear protocols for the establishment and use of reserves/provisions and, will establish reserves and/or provisions and provide guidance on how to incur expenditure from reserves/provisions.

26.45 Chief Officers must ensure that the use of reserves or provisions when approved is planned in to the budget and used only for the purposes for which they were intended.

26.46 **Borrowing and Investments**

26.47 The Finance Director shall be Transport for the North's registrar of stocks, bonds, bills and mortgages and all borrowings shall be made by, or under the supervision, of the Finance Director in the name of Transport for the North.

26.48 The Finance Director shall ensure that the Treasury Management Code of Practice and the Prudential Code are complied with and shall, as recommended by the Codes of Practice, periodically submit relevant reports to Transport for the North in relation to Transport for the North's borrowings.

26.49 **Contracts**

26.50 All contracts on behalf of Transport for the North shall be subject to Transport for the North's Rules of Procedure in Part 5, of this Constitution, the Schedule of Approvals set out in Appendix 10 and the Responsibility for Functions in Part 3 of this Constitution.

26.51 The Finance Director shall be informed as soon as possible of all contracts, agreements, awards or other instruments involving the payment or receipt of money on behalf of Transport for the North and shall carry out such checks as he/she considers necessary during the currency of a contract. Payment to contractors on account shall be authorised only on certified documents signed by a duly authorised Officer, showing the total amount of the contract, value of the work executed to date, retention money, amount paid to date and the amount now certified.

26.52 Every variation of a contract or addition to the original specification shall be authorised, in writing, by a duly authorised Officer. Any such variation or addition which necessitates an increase in the amount of an accepted tender or estimate shall be reported to the Finance Director as soon as possible.

26.53 The final certificate on a contract or accepted estimate shall be issued by the duly

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authorised Officer after he/she has submitted to the Finance Director a detailed statement of account, together with such vouchers or documents as he/she may require.

- 26.54 In the case of contracts for works entered into by Transport for the North and supervised and managed by persons other than Transport for the North's own officers, the agreement with the person having control of the work shall provide that he/she furnish to Transport for the North for inspection by their officers, all documents and vouchers relating to prime costs, provisional sums, etc. Subject to the rights of other parties to the contract, the final certificate shall not be issued, nor the balance under such contract paid until:
- a) The Finance Director, with the assistance of any appropriate officer, has had the opportunity to examine the accounts, vouchers and documents; and
  - b) If any question of propriety of payment arises, Transport for the North shall have authorised payment.
- 26.55 Claims received from contractors in respect of matters clearly not within the terms of the appropriate contract shall be referred to the Monitoring Officer for consideration of Transport for the North's legal liability and to the Finance Director for financial consideration, before settlement is negotiated.
- 26.56 **Estates and Property**
- 26.57 The Chief Executive shall maintain a terrier of all estates and properties owned by Transport for the North in a form approved by the Finance Director.
- 26.58 The Monitoring Officer shall be responsible for the safe custody of all legal documents under secure arrangements agreed with the Finance Director.
- 26.59 **Income**
- 26.60 The collection of all money due to Transport for the North shall be under the supervision of the Finance Director.
- 26.61 **Insurance**
- 26.62 The Finance Director shall, subject to any general direction of Transport for the North, arrange such insurances in the name of Transport for the North as he/she considers necessary, and shall inform Chief Officers annually of the insurances in force in respect of his/her department.
- 26.63 Chief Officers shall give prompt notification to the Finance Director of all new risk, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 26.64 Chief Officers shall inform the Finance Director promptly in writing of any event which may involve Transport for the North in a claim on Transport for the North's insurers.
- 26.65 **CIPFA Treasury Management Code of Practice 2011**
- 26.66 The CIPFA Code of Practice on Treasury Management in the public services was

- 26.67 In line with CIPFA recommendations, Transport for the North has adopted the following four clauses:
- a) To create and maintain, as the cornerstones for effective treasury management:
    - i) A Treasury Management Policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
    - ii) Suitable Treasury Management Practices (TMPs), setting out the manner in which Transport for the North will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
  - b) Transport for the North will receive reports on its Treasury Management Policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs;
  - c) Transport for the North delegates responsibility for the implementation and regular monitoring of its Treasury Management Policies and Practices to the Audit Committee, and for the execution and administration of treasury management decisions to the Finance Director of the Combined Authority, who will act in accordance with Transport for the North's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management;
  - d) Transport for the North has nominated its Audit and Governance Committee to ensure effective scrutiny of the Treasury Management Strategy and Policies.
- 26.68 **Internal Audit**
- 26.69 The Finance Director shall, so far as he/she considers necessary:
- a) Arrange for the internal audit of all accounts and financial transactions of Transport for the North and its officers;
  - b) Supervise security arrangements and the custody and safeguarding of Transport for the North moneys and property, including any funds entrusted to Transport for the North or its officers;
  - c) Undertake investigations in order to ensure that value for money is obtained and loss through wastage minimised.
- 26.70 The Finance Director will make arrangements to ensure that internal auditors have the authority:
- a) To have access to Authority premises at reasonable times;
  - b) To have access to documents, records and equipment in the possession of the Authority;
  - c) To require any officer of the Authority to account for cash, stores or any other Authority asset under their control;
  - d) Where possible, to have access to records belonging to third parties, such as contractors, when required;
  - e) To receive information concerning any matter under investigation;
  - f) To have access to the Chief Executive and the Audit and Governance Committee.

**26.71 Orders for Work, Goods and Services**

26.72 The Transport for the North Contract Procurement Rules set out at Part 6 of the Constitution will apply.

**26.73 Payment of Accounts**

26.74 Chief Officers shall be responsible for the certification and submission of invoices and other claims to the Finance Director who shall make safe and efficient arrangements for the payment of such accounts.

**26.75 Taxation**

26.76 The Finance Director is:

- a) Responsible for ensuring that taxation advice is available to Chief Officers to ensure compliance with relevant legislation;
- b) Responsible for maintaining Transport for the North's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate;
- c) To complete all HM Revenue and Customs returns regarding Pay As You Earn (PAYE);
- d) To complete a monthly return of VAT inputs and outputs to HM Revenue and Customs.

26.77 Chief Officers are to:

- a) Ensure that the correct VAT liability is attached to all income due and that all claims for VAT recoverable on purchases complies with HM Revenue and Customs regulations and all output tax is properly identified and recorded;
- b) Ensure that the Authority is not put at risk in any funding arrangements by identifying the correct VAT treatment in accordance with the VAT Act 1994;
- c) Ensure that all persons employed by Transport for the North are added to the Council's payroll and that tax is deducted from any payments, except where the individuals are bona fide self- employed or are employed by a recognised staff agency;
- d) Follow any guidance on taxation that may be issued by the Finance Director.

## **27 Contract Procurement Rules**

- 27.1 These Contract Procurement Rules (issued in accordance with section 135 of the Local Government Act 1972), are intended to promote good procurement and purchasing practice and public accountability and deter corruption.
- 27.2 Officers responsible for procurement and purchasing must comply with these Contract Procedure Rules. They lay down minimum requirements and a more thorough procedure may be appropriate for a particular contract. (For example, if paragraph 29.6 would normally require that no less than three quotations be obtained, it might be appropriate in particular circumstances to seek additional quotations in writing or tender submissions).
- 27.3 For the purposes of these rules, where there is a requirement for communication to be in writing, this shall be deemed to include e-mail and fax transmissions as well as hard copy.
- Key considerations for officers engaged in procurement and purchasing of works, goods and services include:
- a) Follow the rules if you procure or purchase goods or services or order building work;
  - b) Take all necessary legal, financial and professional advice;
  - c) Declare any personal financial interest in a contract. Corruption is a criminal offence;
  - d) Conduct any Best Value review and appraise the purchasing need;
  - e) Ensure that you have all necessary approvals for the procurement or purchasing;
  - f) Check whether there is an existing Transport for the North Framework Agreement, or other joint purchasing arrangements you can make use of before undergoing a competitive process;
  - g) Normally allow at least four weeks for submission of bids which may be submitted electronically or in writing;
  - h) Keep bids confidential;
  - i) Complete a written contract or Transport for the North purchase order before the supply or works begin;
  - j) Identify a contract manager with responsibility for ensuring the contract delivers as intended and for managing the relationship with the supplier;
  - k) Keep records of all communications with the suppliers;
  - l) Assess each contract afterwards to see how well it met the purchasing need and Value for Money requirements using the Supply Contract Review Form.

## **28 Scope of Contract Procurement Rules**

### **28.1 Basic Principles**

28.2 All procurement procedures must:

- a) Achieve Best Value for public money spent;
- b) Be consistent with the highest standards of integrity;
- c) Ensure fairness and transparency in the in procurement and award of contracts;
- d) Comply with all legal requirements including the EU Public Contracts Regulations 2015;
- e) Award contracts on the basis of the most economically advantageous tender following evaluation according to specified criteria;
- f) Support Transport for the North's corporate aims and policies;
- g) Comply with Transport for the North's Corporate Procurement Strategy and other relevant policies;
- h) Comply with the terms of any Department for Transport Funding Letter, or other similar grant conditions.

### **28.3 Officer Responsibilities**

28.4 Officers responsible for procurement or disposal must comply with these Contract Procurement Rules, Transport for the North's Financial Regulations, Transport for the North's Code of Conduct for Employees and with all UK and European Union binding legal requirements. Officers must ensure that any agents, Consultants and contractual partners acting on their behalf also comply.

28.5 Officers must:

- a) Have regard to Transport for the North's Procurement Guidance including any relevant Gateway procedures;
- b) Check whether a suitable Transport for the North Contract exists before seeking to let another contract; where a suitable Transport for the North Contract exists, this must be used unless there is an auditable reason not to;
- c) Keep the records required by; paragraph 29.4.2
- d) Take all necessary legal, financial and professional advice.

28.6 When any employee either of Transport for the North or of a service provider may be affected by any transfer arrangement, Officers must ensure that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) issues are considered and obtain legal and personnel advice before proceeding with inviting Tenders or Quotations.

28.7 Chief Officers must:

- a) Ensure their staff comply with the officer obligations set out in paragraph **xxxxxx**;
- b) Keep registers of contracts completed by signature rather than by Transport for the North's seal (see paragraph **31.3.5**)) and arrange their safekeeping on Transport for the North premises;
- c) Maintain a record of exemptions recorded under paragraph **xxxxx**.

28.8 The Officer must comply with Transport for the North Code of Conduct for Officers and

must not invite or accept any gift or reward in respect of the award or performance of any contract. It will be for the Officer to prove that anything received was not received corruptly. High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the Bribery Act 2010.

- 28.9 Officers shall comply with section 117 of the Local Government Act 1972 in relation to the declaration of interest in contracts.

#### **Exemptions, Collaborative and E-Procurement Arrangements**

- 28.10 Subject to full compliance with all UK and EU legal requirements Transport for the North has power to waive any requirements within these Contract Procedure Rules for specific projects in the following circumstances:

- a) Only one contractor can provide the goods, services or works required and there is no reasonable alternative contractor;
- b) The need for the goods, services or works is so urgent that the time needed to comply with these Contract Procedure Rules would be prejudicial to Transport for the North's interests.

- 28.11 No exemption can be used if the EU Procedure applies.

- 28.12 All exemptions, and the reasons for them, must be recorded by the Chief Officer.

- 28.13 The Finance Director must be consulted, and an exemption approved by the Monitoring Officer prior to commencing any procurement process using Office of Government Commerce (OGC) Buying Solutions Contracts, or other joint purchasing arrangements. The terms and conditions of contract applicable to any OGC arrangement, including the requirement to undertake competition between providers, must be fully complied with.

- 28.14 The Finance Director may monitor the use of all exemptions.

- 28.15 In order to secure value for money, Transport for the North may enter into collaborative procurement arrangements. The Officer must consult the Finance Director and the Monitoring Officer where the purchase is to be made using collaborative procurement arrangements with another local authority, government department, statutory undertaker or public service purchasing consortium.

- 28.16 All purchases made via a local authority purchasing and distribution consortium are deemed to comply with these Contract Procedure Rules and no exemption is required. However, purchases above the EU Threshold must be let under the EU Procedure, unless the consortium has satisfied this requirement already by letting their contract in accordance with the EU Procedures on behalf of Transport for the North and other consortium members.

- 28.17 Any contracts entered into through collaboration with other local authorities or other public bodies, where a competitive process has been followed that complies with the contract procedure rules of the leading organisation, will be deemed to comply with these Contract Procedure Rules and no exemption is required.

#### **Relevant Contracts**

28.18 All Relevant Contracts must comply with these Contract Procurement Rules and the Schedule of Approvals. A Relevant Contract is any arrangement made by Transport for the North for the carrying out of works or for the supply of goods, materials or services. These include arrangements for:

- a) The carrying out of construction and engineering works;
- b) The supply or disposal of goods;
- c) The hire, rental or lease of goods or equipment; and
- d) The delivery of services.

28.19 Relevant Contracts do not include:

- a) Contracts of employment which make an individual a direct employee of Transport for the North; or
- b) Agreements relating to the acquisition, disposal or transfer of land which do not form part of a wider transaction under which Transport for the North procures works, goods or services.

### **Common Requirements**

#### **28.20 Steps Prior to Purchase**

28.21 The Officer must appraise the purchase, in a manner commensurate with its complexity and value, and taking into account any guidance in the Purchasing Guidance, by:

- a) Satisfying themselves that they have the necessary authority to deal with the purchase and that there is budget provision for the purchase;
- b) Appraising the need for the expenditure and its priority defining the objectives of the purchase;
- c) Assessing the risks associated with the purchase and how to manage them;
- d) Involving relevant Stakeholders and partners in the creation of the Specification;
- e) Considering what procurement method is most likely to achieve the purchasing objectives, including internal or external sourcing, partnering, packaging strategy and collaborative procurement arrangements with another local authority, government department, statutory undertaker or public service purchasing consortium;
- f) Consulting users as appropriate about the proposed procurement method, contract standards and performance and user satisfaction monitoring drafting the terms and conditions that are to apply to the proposed contract;
- g) Setting out these matters in writing in the Transport for the North Sourcing Strategy Document if the Total Value of the purchase exceeds £30,000; and
- h) By confirming that there is appropriate approval for the expenditure and the purchase accords with the approved policy framework and Scheme of Delegation as set out in Transport for the North Constitution.

#### **28.22 Records**

28.23 Where the Total Value is less than £50,000, the following records must be kept:

- a) A unique reference number for the contract and the title of the contract;
- b) the Specification;
- c) Invitations to quote or tender;
- d) All submitted Quotations or Tenders;

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- e) A record:
  - i) Of any exemptions and the reasons for them;
  - ii) Of any Contracting Decision and the reasons for it including the evaluation of the Quotation or Tender.
- f) Written records of communications with the successful contractor or an electronic record if a written record of the transaction would not normally be produced.

28.24 Where the Total Value exceeds £50,000 the Officer must record:

- a) A unique reference number for the contract and the title of the contract;
- b) The method for obtaining bids;
- c) Any Contracting Decision and the reasons for it;
- d) Any exemption under paragraph 29.3.3 together with reasons for it;
- e) The Award Criteria in descending order of importance;
- f) The Specification;
- g) Invitation to Tender documents sent to and Tender documents received from Candidates;
- h) Pre-tender market research;
- i) Clarification and post-tender negotiation (to include minutes of meetings);
- j) The contract documents;
- k) Post-contract evaluation and monitoring using a written Supplier Performance Management Framework;
- l) Communications with Candidates and with the successful contractor throughout the period of the procurement.

28.25 Records required by this rule must be kept for a minimum of six years or in the case of contracts under seal for a minimum of twelve years after the end of the contract.

### 28.26 Advertising and Framework Agreements

### 28.27 Identifying and Assessing Potential Candidates

28.28 Officers shall ensure that, advertisement of contracts complies with the requirements of the Public Contracts Regulations 2015.

28.29 Officers are responsible for ensuring, through the use of a Pre-Tender Qualification Questionnaire, that all Candidates for a Relevant Contract have appropriate:

- a) Economic and financial standing; and
- b) Technical ability and capacity; to fulfil the requirements of Transport for the North.

### 28.30 Framework Agreements

28.31 The term of a Framework Agreement which is subject to the EU Procedure must not exceed four years and Framework Agreements may be entered into with one or several providers.

28.32 Where a Framework Agreement is concluded with more than one provider contracts based on that Framework Agreement shall be awarded as follows:

- a) Without re-opening competition where all the terms of the contract are set out in the Framework Agreement and the objective conditions for

determining which party shall perform the contract are identified in the Framework Agreement; or

- b) Where not all the terms of the contract are set out in the Framework agreement, by holding a mini-competition with the providers that are party to the Framework Agreement.

**28.33 Conducting Purchase and Disposal**

**28.34 Competition Requirements for Purchase, Disposal and Partnership Arrangements.**

28.35 The Officer must calculate the Total Value.

28.36 The following procedures apply where there are no other procedures which take precedence. Other procedures may include agency agreements with government. If in doubt, Officers must seek the advice of the Monitoring Officer.

**28.37 Purchasing – Competition Requirements**

28.38 Where the Total Value for a purchase is within the values in the first column below, the Award Procedure in the second column must be followed:

Total Value	Award Procedure
Up to £1,000	A written quotation (does not need to be advertised)
£1,001 – £50,000	At least three written Quotations (does not need to be advertised)
£50,001- £100,000	Formal Competition to at least 3 Candidates (does not need to be advertised)
£100,001 – EU Threshold	Invitation to Tender by advertisement to at least three Candidates (the opportunity must also be advertised on the UK Government Contracts Finder website within 24 hours of the opportunity being advertised in any other way).
Above EU Threshold	EU Procedure (where advertisement required under EU Procedure the opportunity must also be advertised on UK Government Contracts Finder website).

28.39 Irrespective of paragraph 29.6.1 Relevant Contracts and Framework Agreements that are subject to European Union grant funding requirements shall be advertised in accordance with published guidance, ERDF National Procurement Requirements (ERDFGN1004) as amended from time to time.

28.40 An Officer must not enter into separate contracts nor select a method of calculating the Total Value in order to minimise the application of these contract procedure rules.

28.41 Where the Total Value exceeds £50,000 the Finance Director should be consulted prior to the commencement of the procedure.

**28.42 Assets for Disposal**

28.43 Assets for disposal must be sent to public auction except where the Finance Director is satisfied that better Value for Money is likely to be obtained by inviting Quotations or Tenders. (These may be invited by advertising on Transport for the North’s web site).

28.44 **Providing Services to External Purchasers**

28.45 The Finance Director must be consulted where contracts to work for organisations other than Transport for the North are contemplated and any bid, tender and contract for work shall be made in accordance with the Financial Regulations.

28.46 **Collaborative and Partnership Arrangements**

28.47 Collaborative and partnership arrangements where services/goods/works are supplied to Transport for the North are subject to all UK and EU procurement legislation and must follow these contract procedure rules. If in doubt, Officers must seek the advice of the Monitoring Officer and the Finance Director.

28.48 **The Appointment of Consultants to Provide Services**

28.49 Consultant architects, engineers, surveyors and other professional Consultants shall be selected, and commissions awarded in accordance with the procedures detailed within these contract procedure rules and as outlined below.

Total Value	Award Procedure
Up to £1,000	One written Quotation (does not need to be advertised)
£1,001 –£50,000	At least three written Quotations (does not need to be advertised)
£50,001 – £100,000	Formal Competition to at least 3 Candidates (does not need to be advertised)
£100,001 – EU Threshold	Invitation to Tender by advertisement to at least three Candidates (the opportunity must also be advertised on the UK Government Contracts Finder website within 24 hours of the opportunity being advertised in any other way)
Above EU Threshold	EU Procedure (where advertisement required under EU Procedure the opportunity must also be advertised on UK Government Contracts Finder website)

28.50 Irrespective of paragraph 29.10.1 Relevant Contracts and Framework Agreements that are subject to European Union grant funding requirements shall be advertised in accordance with published guidance, ERDF National Procurement Requirements (ERDF– GN-1-004) as amended from time to time.

28.51 The engagement of a Consultant shall follow the agreement of a brief that adequately describes the scope of the services to be provided and shall be subject to completion of a formal letter or contract of appointment.

- 28.52 Records of consultancy appointments shall be maintained in accordance with Rule 6.
- 28.53 Consultants shall be required to provide evidence of, and maintain, professional indemnity insurance policies to the satisfaction of the Finance Director for the periods specified in the respective agreement.
- 28.54 The instruction of external legal advisers will normally be carried out by the Monitoring Officer and the instruction of counsel shall not be subject to the requirements of paragraphs 29.10.1 – 29.10.4 (inclusive).
- 28.55 **Pre-Tender Market Research and Consultation**
- 28.56 The Officer responsible for the purchase:
- a) May consult potential suppliers prior to the issue of the Invitation to Tender in general terms about the nature, level and standard of the supply, contract packaging and other relevant matters, provided this does not prejudice any potential Candidate, but;
  - b) Must not seek or accept technical advice on the preparation of an Invitation to Tender or Quotation from anyone who may have a commercial interest in them, if this may prejudice the equal treatment of all potential Candidates or distort competition.
- 28.57 **Standards and Award Criteria**
- 28.58 The Officer must ascertain the standards necessary to properly describe the subject matter of the contract having regard to any relevant British, European or international standards. The Monitoring Officer must be consulted if it is proposed to use standards other than European standards.
- 28.59 The Officer must define Award Criteria that are appropriate to the purchase and designed to secure an outcome giving Value for Money for the authority. The basic criteria shall be one of the following:
- a) 'Lowest price'; or
  - b) 'Most economically advantageous', where considerations other than price also apply.
- 28.60 If the last criterion is adopted, it must be further defined by reference to sub-criteria which may refer only to relevant considerations. These may include price, service, quality of goods, running costs, technical merit, previous experience, delivery date, cost effectiveness, quality, relevant environmental considerations, aesthetic and functional characteristics (including security and control features), safety, after-sales services, technical assistance and any other relevant matters. Supplier suitability assessment questions may also be asked by Transport for the North provided such are relevant to the subject matter of the procurement, are proportionate and are used to assess whether bidders meet requirements or minimum standards of suitability, capability, legal status and financial standing. Officers shall have regard to the Purchasing Guidance when defining the Award Criteria.
- 28.61 Award Criteria must not include:
- a) Non-Commercial Considerations that are prohibited under UK and European Union law;

- b) Matters which discriminate against suppliers from the European Economic Area or signatories to the Government Procurement Agreement.

**28.62 Invitations to Tender/Quotations**

28.63 The Invitation to Tender shall state that Transport for the North reserves the right to reject a Tender that is not received in the prescribed format by the date and time stipulated in the Invitation to Tender. No Tender delivered in contravention of this requirement shall be considered.

28.64 All Invitations to Tender shall include the following:

- a) A specification that describes Transport for the North's requirements in sufficient detail to enable the submission of competitive offers;
- b) A requirement for tenderers to declare that the Tender content, price or any other figure or particulars concerning the Tender have not been disclosed by the tenderer to any other party (except where such a disclosure is made in confidence for a necessary purpose);
- c) A requirement for tenderers to complete fully and sign all Tender documents including a form of Tender and certificates relating to canvassing and non-collusion;
- d) Notification that Tenders are submitted to Transport for the North on the basis that they are compiled at the tenderer's expense;
- e) A description of the Award Procedure and, unless defined in a prior advertisement, a definition of the Evaluation Criteria in weighted terms;
- f) All Invitations to Tender or Quotations must specify the goods, service or works that are required, together with the terms and conditions of contract that will apply (see Rule 18). The Transport for the North Standard Contract Terms and Conditions must be issued to bidders at ITT stage with notification that these will apply to the contract;
- g) The Invitation to Tender or Quotation may state that Transport for the North is not bound to accept any Quotation or Tender.

**28.65 Shortlisting**

28.66 Shortlisting for contracts or agreements shall be undertaken in accordance with all UK and EU legal requirements.

**28.67 Submission, Receipt and Opening of Tenders / Quotations**

28.68 Candidates must be given an adequate period in which to prepare and submit a proper Quotation or Tender, consistent with the complexity of the contract requirement. The EU Procedure lays down specific time periods (see guidance in the Purchasing Guidance).

28.69 All Tenders must be returned in accordance with the Invitation to Tender.

28.70 Each Tender must be:

- a) Suitably recorded so as to verify the date and precise time it was received;
- b) Adequately protected on receipt to guard against amendment of its contents.

**28.71 Clarification Procedures**

28.72 Providing clarification of an Invitation to Tender to potential or actual Candidates or

seeking clarification of a Tender, whether in writing or by way of a meeting, is permitted. However, discussions with tenderers after submission of a Tender and before the award of a contract with a view to obtaining adjustments in price, delivery or content (i.e. post-tender negotiations) are the exception rather than the rule. In particular, they must not be conducted in an EU Procedure where this might distort competition, especially with regard to price.

**28.73 Evaluation**

28.74 Apart from the debriefing required or permitted by these contract procedure rules, the confidentiality of Quotations, Tenders and the identity of Candidates must be preserved at all times and information about any one Candidate's response must not be given to any other Candidate.

28.75 Contracts must be evaluated and awarded in accordance with the Award Criteria. During this process, Officers shall ensure that submitted Tender prices are compared with any pre-tender estimates and that any discrepancies are examined and resolved satisfactorily.

28.76 The arithmetic in compliant Tenders must be checked. If arithmetical errors are found they should be notified to the tenderer, who should be requested to confirm or withdraw their Tender. Alternatively, if the rates in the Tender, rather than the overall price, were stated within the Invitation to Tender as being dominant, an amended Tender price may be requested to accord with the rates given by the tenderer.

28.77 Transport for the North reserves the right to reject a tender that it considers to be abnormally low but only where the tenderer has been unable to provide evidence that satisfactorily justifies the low level of costs tendered.

**28.78 Post-Tender Negotiations**

28.79 Post-tender negotiations may only take place in accordance with the Public Contract Regulations 2015. If post-tender negotiations are necessary after a single-stage Tender or after the second stage of a two-stage Tender, then such negotiations shall only be undertaken with the tenderer who is identified as having submitted the best Tender and after all unsuccessful Candidates have been informed. During negotiations, tendered rates and prices shall only be adjusted in respect of a corresponding adjustment in the scope or quantity included in the Tender documents. Officers appointed by the Chief Officer to carry out post-tender negotiations should ensure that there are recorded minutes of all negotiation meetings and that both parties agree actions in writing.

28.80 Post-tender negotiation must only be conducted in accordance with the guidance issued by the Monitoring Officer who, together with the Finance Director, must be consulted wherever it is proposed to enter into post-tender negotiation. Negotiations must be conducted by a team of at least two officers, one of whom must be from a directorate independent to that leading the negotiations.

28.81 Where post-tender negotiation results in a fundamental change to the specification (or contract terms) the contract must not be awarded but re-tendered.

**28.82 Award of Contracts and Framework Agreements and Debriefing Candidates**

28.83 Chief Officers may accept Quotations and Tenders received in respect of proposed contracts and Framework Agreements, provided they have been sought and evaluated fully in accordance with these contract procedure rules and, in respect of proposed contracts and Framework Agreements that are expected to exceed the EU limit (relating to either expenditure or income) with the approval of the Chief Executive and Finance Director.

28.84 For Contracts and Framework Agreements subject to the EU Procedure, the Officer must notify all Candidates simultaneously and as soon as possible of the intention to award the contract or Framework Agreement to the successful Candidate and provide information required by the EU Procedure specifying the name(s) of the successful Candidate(s), the award criteria and the reasons for the decision including the score of the Candidate being debriefed and the successful Candidate(s) and the characteristics and relative advantages of the successful tender.

28.85 The Officer must provide unsuccessful Candidates with a period of at least ten days in which to challenge the decision before the Officer awards the contract or Framework Agreement. If the decision is challenged by an unsuccessful Candidate, then the Officer shall not award the contract or Framework Agreement and shall immediately seek the advice of the Monitoring Officer.

28.86 The requirement to notify candidates of the intention to award a contract or Framework Agreement in paragraph 29.19.2 does not apply to:

- a) Contracts and Framework Agreements that are not subject to the EU Procedure;
- b) Contracts subsequently awarded and called off based on a Framework Agreement that was let in accordance with the EU Procedure.

28.87 If a Candidate requests in writing the reasons for a Contracting Decision, the Officer must give in writing the name(s) of the successful Candidate(s), the award criteria and the reasons for the decisions including the score of the candidate being debriefed and the successful Candidate(s) and the characteristics and relative advantages of the successful tender within 15 days of the request. If requested, the Officer must also give the debriefing information referred to in paragraph 29.19.2 above to Candidates who were unsuccessful in a permitted pre-qualification shortlisting process.

**29 Relevant Contracts**

- 29.1 All Relevant Contracts shall be in writing.
- 29.2 All Relevant Contracts, irrespective of value, shall clearly specify:
- a) What is to be supplied (i.e. the works, materials, services, matters or things to be furnished, had or done);
  - b) The provisions for payment (i.e. the price to be paid and when);
  - c) The time, or times, within which the contract is to be performed;
  - d) The provisions for Transport for the North to terminate the contract.
- 29.3 Transport for the North’s standard terms and conditions or standard contract forms issued by a relevant professional body must be used wherever possible.
- 29.4 In addition, every contract or agreement must also state clearly as a minimum:
- a) That the contractor may not assign or sub-contract without prior written consent;
  - b) Any insurance requirements;
  - c) Health and safety requirements;
  - d) Data protection requirements, if relevant;
  - e) Equality Duty requirements;
  - f) Prevention of modern slavery requirements;
  - g) Freedom of Information Act requirements;
  - h) Prevention of corruption requirements;
  - i) A right of access to relevant documentation and records of the contractor for monitoring and audit purposes if relevant; and
  - j) That Transport for the North shall pay the contractor and the contractor shall pay its subcontractors within 30 days of an undisputed invoice.
- 29.5 The formal advice of the Monitoring Officer must be sought for the following contracts:
- a) Where the Total Value exceeds £75,000;
  - b) Those involving leasing arrangements;
  - c) Where it is proposed to use a supplier's own terms or; and
  - d) Those that are complex in any other way.

**Contract Formalities**

29.6 Agreements shall be completed as follows:

Total Value	Method of completion	By
Up to £30,000	Signature	Authorised Signatory
£30,001 - £75,000	Signature	Authorised Signatory

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£75,000 to £150,000	Two signatures	Two Authorised signatories
Above £150,000	Sealing	The Monitoring Officer and one other Authorised signatory or two Authorised Signatories

29.7 All contracts must be concluded formally in writing before the supply, service or construction work begins, except in exceptional circumstances, and then only with the written consent of the Monitoring Officer.

29.8 The Officer responsible for securing signature of the contract must ensure that the person signing for the other contracting party has authority to bind it.

**Sealing**

29.9 Where contracts are completed by each side adding their formal seal, such contracts shall be executed by the fixing of Transport for the North’s seal and must be witnessed by two Authorised Signatories.

29.10 Every sealing by Transport for the North will be consecutively numbered, recorded and signed by the persons witnessing the seal.

29.11 A contract must be sealed where:

- a) Transport for the North may wish to enforce the contract more than six years after its end;
- b) the price paid or received under the contract is a nominal price and does not reflect the value of the goods or services;
- c) there is any doubt about the authority of the person signing for the other contracting party; or
- d) The Total Value exceeds £150,000.
- e) The Monitoring Officer determines that the Contract should be under seal.

**30 Bonds and Parent Company Guarantees**

- 31.1 The Officer must consult the Finance Director about whether a Parent Company Guarantee is necessary when a Candidate is a subsidiary of a parent company and:
- a) The Total Value exceeds £250,000; or
  - b) Award is based on evaluation of the parent company; or
  - c) There is some concern about the stability of the Candidate.
- 31.2 The Officer must consult the Finance Director about whether a Bond is needed:
- a) Where the Total Value exceeds £1,000,000; or
  - b) Where it is proposed to make stage or other payments in advance of receiving the whole of the subject matter of the contract and there is concern about the stability of the Candidate.

### 31 Contract Management

- 31.1 Chief Officers are to name contract managers for all new contracts. All contracts must have a named Transport for the North contract manager for the entirety of the contract.
- 31.2 Contract managers must follow the procedures set out in Transport for the North’s Procurement Guidance.

### 32 Risk Assessment and Contingency Planning

- 32.1 A business case must be prepared for all procurements with a potential value over the EU Threshold. Provision for resources for the management of the contract, for its entirety, must be identified in the business case.
- 32.2 For all contracts with a value of over £75,000, contract managers must consider maintaining a risk register during the contract period, undertake appropriate risk assessments and for identified risks ensure contingency measures are in place.

### 33 Contract Monitoring, Evaluation and Review

- 33.1 The Finance Director may require that a Transport for the North developed Gateway review process may be applied to all contracts deemed to be High Risk, High Value, or High Profile. This process must be applied at key stages of major procurements.
- 33.2 During the life of the contract, the Officer must monitor in respect of:
  - a) Performance;
  - b) Compliance with specification and contract;
  - c) Cost;
  - d) Any Value for Money requirements;
  - e) User satisfaction and risk management.
- 33.3 Monitoring must be carried out by the Contract Manager in accordance with Transport for the North’s adopted Contract Management Procedures.

### 34 Definitions

Approved List	A list drawn up in accordance with paragraph 29.4.3.1.2
Authorised Signatory	An officer authorised by the Monitoring Officer in accordance with Transport for the North’s Constitution to sign a contract or witness Transport for the North’s seal.
Award Criteria	The criteria by which the successful Quotation or Tender is to be selected (see paragraph 29.12).
Award Procedure	The procedure for awarding a contract as specified in paragraphs 19.12 to 29.29.19

Best Value	<p>The duty, which Part I of the Local Government Act 1999 places on local authorities, to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness as implemented by Transport for the North.</p> <p>This terminology has now in many instances been superseded by Value for Money.</p>
Candidate	Any person who asks or is invited to submit a Quotation or Tender.
Code of Conduct	The Code of Conduct for Officers as set out from time to time in Transport for the North's Constitution.
Committee	A committee which has power to make decisions for Transport for the North.
Constitution	The constitutional document approved by Transport for the North of which these Contract Procedure Rules form part.
Consultant	Specialist advisers engaged to provide services to Transport for the North.
Contracting Decision	<p>Any of the following decisions:</p> <ul style="list-style-type: none"> <li>• Withdrawal of Invitation to Tender</li> <li>• Whom to invite to submit a Quotation or Tender</li> <li>• Shortlisting</li> <li>• Award of contract or Framework Agreement</li> <li>• Any decision to terminate a contract.</li> </ul>
EU Procedure	The procurement procedure required by the EU <b>for goods, works and services</b> where the Total Value exceeds the EU Threshold.
EU Threshold	The value at which the EU public procurement directives apply.
European Economic Area	The members of the European Union, and Norway, Iceland and Liechtenstein.
Financial Regulations	Transport for the North's financial regulations outlining Officer responsibilities for financial matters prepared by the Finance Director and becoming part of Transport for the North's Constitution.
Framework Agreement	An agreement between one or more authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and,

	where appropriate, the quantity envisaged.
Government Procurement Agreement	The successor agreement to the General Agreement on Trade and Tariffs. The main signatories other than those in the European Economic Area are the USA, Canada, Japan, Israel, South Korea, Switzerland, Norway, Aruba, Hong Kong, China, Liechtenstein and Singapore.
High Profile	A high-profile purchase is one that could have an impact on functions integral to Transport for the North’s service delivery should it fail or go wrong.
High Risk	A high-risk purchase is one that is in the opinion of the Finance Director presents the potential for substantial exposure on Transport for the North’s part should it fail or go wrong.
High Value	A high-value purchase is where the value exceeds the EU Threshold values.
Invitation to Tender	Invitation to tender documents in the form required by these Contract Procedure Rules.
Monitoring Officer	As identified in Transport for the North Constitution.
Non-Commercial Considerations	<p>(a) The terms and conditions of employment by contractors of their workers or the composition of, the arrangements for the promotion, transfer or training of or the other opportunities afforded to, their workforces (‘workforce matters’).</p> <p>(b) Whether the terms on which contractor’s contract with their sub-contractors constitute, in the case of contracts with individuals, contracts for the provision by them as self-employed persons of their services only.</p> <p>(c) Any involvement of the business activities or interests of contractors with irrelevant fields of government policy.</p> <p>(d) The conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of contractors in industrial disputes between other persons (‘industrial disputes’).</p> <p>(e) The country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of, contractors.</p> <p>(f) Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees.</p> <p>(g) Financial support or lack of financial support by</p>

	<p>contractors for any institution to or from which Transport for the North gives or withholds support.</p> <p>(h) Use or non-use by contractors of technical or professional services provided by the authority under the Building Act 1984 or the Building (Scotland) Act 1959.</p> <p>(i) Workforce matters and industrial disputes, as defined in paragraphs (a) and (d), cease to be non-commercial considerations to the extent necessary or expedient to comply with Best Value; or where there is a transfer of staff to which the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) may apply.</p>
Officer	The Officer designated by the Chief Officer to deal with the contract in question.
Parent Company Guarantee	A contract which binds the parent of a subsidiary company as follows: if the subsidiary company fails to do what it has promised under a contract with Transport for the North, Transport for the North can require the parent company to do so instead.
Procurement Strategy	The document setting out Transport for the North’s approach to procurement and key priorities for the next few years.
Purchasing Guidance	The guidance documents issued from time to time by the Finance Director that support the implementation of these Contract Procurement Rules.
Quotation	A quotation of price and any other relevant matter (without the formal issue of an Invitation to Tender).
Relevant Contract	Contracts to which these contract procedure rules apply (.
Shortlisting	The process of selecting Candidates who are to be invited to quote or bid or to proceed to final evaluation.
Tender	A Candidate’s <b>offer</b> submitted in response to a <b>Transport for the North</b> Invitation to Tender.
Total Value	<p>The whole of the value or estimated value (in money or equivalent value) for a single purchase or disposal calculated as follows:</p> <p>(a) Where the contract is for a fixed period, by taking the total price to be paid or which might be paid during the whole of the period;</p> <p>(b) Where the purchase involves recurrent transactions for the same type of item, by aggregating the value of those transactions in the coming 12 months;</p>

	<p>(c) Where the contract is for an uncertain duration, by multiplying the monthly payment by 48.</p> <p>For feasibility studies, the value of the scheme or contracts which may be awarded as a result.</p>
<p>Finance Director</p>	<p>As identified in Transport for the North Constitution.</p>
<p>TUPE Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006 No.246)</p>	<p>Subject to certain conditions, these regulations apply where responsibility for the delivery of works or services for Transport for the North is transferred from one organisation (e.g. private contractor, local authority in-house team) to another (e.g. following a contracting out or competitive tendering process) and where the individuals involved in carrying out the work are transferred to the new employer. These regulations seek to protect the rights of employees in such transfers, enabling them to enjoy the same terms and conditions, with continuity of employment, as existed with their former employer. Broadly, TUPE regulations ensure that the rights of employees are transferred along with the business.</p>
<p>Value for Money</p>	<p>Value for money is not the lowest possible price; it is the most economically advantageous proposal that combines goods or services that fully meet your needs, with the level of quality required, delivery at the time you need it, and at an appropriate price.</p>

**PART 7 – CODES & POLICIES**

**SECTION A - CODE OF CONDUCT FOR MEMBERS**

**38 General Provisions**

- 38.1 Transport for the North is not required to adopt its own Code of Conduct for Members, but each elected Member of the Transport for the North Board has been appointed by a Constituent Authority to represent it on Transport for the North.
- 38.2 In representing their Constituent Authority each elected Member will be acting as a Member of the Authority and will be expected to comply with the provisions of their own Code of Conduct.
- 38.3 Non-elected Members co-opted to the Transport for the North Board as Co-opted Members or co-opted as Independent Members of the Audit and Governance Committee are expected to abide by the Code of Conduct for Board Members of Public Bodies published by the Cabinet Office and set out in Appendix 12
- 38.4 All elected Members and Co-opted Members of Transport for the North whether Members of the Transport for the North Board, the Rail North Committee, the Audit and Governance Committee or the Scrutiny Committee must complete a Declaration of their Disclosable Pecuniary Interests and submit it to the Monitoring Officer within 28 days of appointment.

**39 Notification of disclosable pecuniary interests**

39.1 Within 28 days of becoming a Member, you must notify Transport for the North’s Monitoring Officer of any ‘disclosable pecuniary interests’ by completing the prescribed form.

39.2 A ‘disclosable pecuniary interest’ is an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in the table below.

39.3 "Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

<b>Subject</b>	<b>Description</b>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain
Sponsorship	Any payment or provision of any other financial benefit (other than from Transport for the North) made or provided within the 12-month period prior to notification of the interest in respect of any expenses incurred by you in carrying out duties as a Member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation Act) 1992 (a).
Contracts	Any contract which is made between you or your partner (or a body in which you or your partner has a beneficial interest) and Transport for the North –  1.1.1 Under which goods or services are to be provided or works are to be executed; and 1.1.2 Which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of Transport for the North.
Licences	Any licence (alone or jointly with others) to occupy land in the area of Transport for the North for a month or longer.
Corporate Tenancies	Any tenancy where (to your knowledge) –

	<p>(a) The landlord is Transport for the North: and</p> <p>(b) The tenant is a body in which you or your partner has a beneficial interest.</p>
Securities	<p>Any beneficial interest in securities of a body where –</p> <p>(a) That body (to your knowledge) has a place of business or land in the area of Transport for the North; and</p> <p>(b) Either:</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you or your partner has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>

39.4 For the purposes of the above:

- a) "A body in which you or your partner has a beneficial interest" means a firm in which you or your partner is a partner or a body corporate of which you or your partner is a director, or in the securities of which you or your partner has a beneficial interest;
- b) "Director" includes a member of the committee of management of a registered society within the meaning given by section 1(1) of the Co-operative and Community Benefit Societies Act 2014, other than a society registered as a credit union;
- c) "Land" excludes an easement, interest or right in or over land which does not carry with it a right for you or your partner (alone or jointly) to occupy the land or receive income but includes your home, and
- d) "Securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

39.5 **Non-participation in case of disclosable pecuniary interest**

39.6 If you are present at a meeting of Transport for the North, or any Committee, Sub-Committee, Joint Committee or Joint Sub-Committee of Transport for the North, and you have a disclosable pecuniary interest in any matter to be considered or being considered at the meeting:

- a) You must not participate in any discussion of the matter at the meeting;
- b) You must not participate in any vote taken on the matter at the meeting;
- c) If the interest is not registered, you must disclose the interest to the meeting;
- d) If the interest is registered, you are also required to disclose the interest to the meeting;
- e) If the interest is not registered and is not the subject of a pending notification, you must notify Transport for the North's Monitoring Officer of the interest within 28 days;
- f) You are also required to withdraw from the room of the meeting while the matter is being considered.

### 39.7 **Offences**

It is a criminal offence to:

- a) Fail to notify Transport for the North's Monitoring Officer of any disclosable pecuniary interest within 28 days of appointment as a Member of Transport for the North;
- b) Fail to disclose a disclosable pecuniary interest at a meeting if it is not on Transport for the North's Register;
- c) Fail to notify Transport for the North's Monitoring Officer within 28 days of a disclosable pecuniary interest that is not on Transport for the North Register that you have disclosed to a meeting;
- d) Participate in any discussion or vote on a matter in which you have a disclosable pecuniary interest;
- e) Knowingly or recklessly provide information that is false or misleading in notifying Transport for the North's Monitoring Officer of a disclosable pecuniary interest or in disclosing such interest to a meeting.

39.8 The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.

**SECTION B CODE OF CONDUCT FOR OFFICERS**

**40 Standards**

40.1 All those who live, work or travel within the area of Transport for the North and all those who engage with Transport for the North are entitled to expect the highest standard of conduct. Employees have responsibilities to the community they serve. Employees will strive to ensure courteous, respectful, efficient and impartial engagement with all groups and individuals within that community.

**41 Open Government**

41.1 Employees can help contribute towards the achievement of open government, must not restrict anyone exercising a right to access information and should be aware of what Transport for the North information is open to the public.

**42 Equal Opportunity Issues**

42.1 Employees must ensure that Transport for the North policy and legislation relating to equality and equal opportunity is followed. All members of the community, customers and colleagues have a right to be treated with fairness and equity.

42.2 Additionally, all employees must make sure they are aware of the factors which result in black and ethnic minority people, disabled people, women, gay men and lesbians and others with a protected characteristic suffering inequality and oppression and undertake their duties so as to seek to redress this. If they become a victim of harassment at work, they should report it to their manager at the earliest opportunity.

**43 Appointments**

43.1 Where employees are involved in appointments, they must do so on the basis of merit and comply with Transport for the North's Recruitment and Selection Code of Practice.

**44 Political Neutrality and Working with Elected Members**

44.1 Mutual respect between employees and elected members of Transport for the North is essential to good local government. Close personal familiarity can damage that relationship and prove embarrassing to both colleagues and Elected Members.

44.2 Whether or not an employee's post is politically restricted, they must follow every lawfully expressed policy of Transport for the North and not allow their personal or political opinions to interfere with their work. Where they are required to give advice to Elected Members and colleagues, it should be done with impartiality.

**45 Service Provision**

45.1 Each employee should understand the law governing their service and inform their manager or Transport for the North's Monitoring Officer of any impropriety, breach of procedure, unlawfulness or maladministration.

**46 Transport for the North Property and Use of Facilities**

- 46.1 The use of public funds is entrusted to employees in a responsible and lawful manner, ensuring value for money for the local community.
- 46.2 Employees must use Transport for the North facilities only for Transport for the North business and respect the intellectual property of Transport for the North which must not be used for personal gain or benefit.

**47 Information Technology and Data Security**

- 47.1 Employees should ensure that they follow any requirements relating to security procedures when using computers and when storing and managing data.

**48 Indemnification of Employees**

- 48.1 Employees will be indemnified from personal legal action against them when acting in good faith in the discharge of their duties.

**49 The Media**

- 49.1 Unless required to do so in the course of their work an employee must not deal directly with the press or the media.

**50 Contracts and Contractors**

- 50.1 An employee must not seek or accept any gift or personal inducement in connection with the procurement of works, goods or services.
- 50.2 Employees should inform their manager about relationships of a business or private nature with external contractors or potential contractors. If involved in the tendering process, they should ensure that it is open and above board, observing the rules relating to separation of roles during tendering.

**51 Sponsorship**

- 51.1 Where Transport for the North wishes to sponsor an event, employees must ensure that they, their partner, or relative, do not benefit in any way from such sponsorship without full disclosure to their manager or the Monitoring Officer.

**52 Hospitality and Gifts**

- 52.1 Invitations to social or sporting events should be accepted only where the Monitoring Officer has agreed that Transport for the North should be seen to be represented at the event.
- 52.2 If an employee accepts hospitality, they should be mindful of all the circumstances. They should get advanced authority from the Monitoring Officer and keep a record of such occasions. They should not accept any significant personal gifts from contractors and outside suppliers.

52.3 The Monitoring Officer may give further guidance on the acceptance of gifts and hospitality and may dispense with the requirement to obtain prior agreement in relation to items of gifts and hospitality below a financial limit to be determined by him or her from time to time.

**53 Personal Interests: Financial and Non-Financial**

53.1 An employee must declare any financial interests which could conflict with Transport for the North's interests to their manager or to the Monitoring Officer.

53.2 Non-financial interests that it could be considered could bring about conflict with Transport for the North's interests should also be declared e.g. membership of outside bodies in a personal capacity.

53.3 Employees should be mindful not to place themselves in a situation where involvement in outside bodies could compromise their continuing professional duty to the interests of Transport for the North.

53.4 When serving on outside bodies as a Transport for the North appointee, an employee will of course be expected to represent and promote Transport for the North's interests and policies as the circumstance dictate.

53.5 Employees should also declare membership of any organisation which is not open to the public, has no formal membership, requires a commitment of allegiance and which has secrecy about its rules, membership or conduct.

## **SECTION C MEMBER / OFFICER RELATIONS PROTOCOL**

### **54 Introduction and Principles**

- 54.1 The purpose of this Protocol is to guide Members of the Transport for the North Board its committees and joint committees and Officers of Transport for the North, and of Constituent Authorities providing services to Transport for the North, its committees and joint committees (“Officers”) in their relations with one another in such a way as to ensure the smooth running of the organisation.
- 54.2 In this Protocol, references to members of Transport for the North include references, where appropriate, to members of its committees and joint committees and references to officers of Transport for the North include references where appropriate to officers of the Constituent Authorities who provide services to Transport for the North, its committees and joint committees.
- 54.3 Given the variety and complexity of such relations, this Protocol does not seek to be prescriptive or comprehensive. It simply offers guidance on some of the issues which most commonly arise. It is hoped, however, that the approach which it adopts to these issues will serve as a guide to dealing with other circumstances.
- 54.4 This Protocol is to a large extent a written statement of current practice and convention. It seeks to promote greater clarity and certainty. If the Protocol is followed it should ensure that Members receive objective and impartial advice and that Officers are protected from accusations of bias and any undue influence from Members.
- 54.5 It also seeks to reflect the principles underlying the respective Codes of Conduct that apply to Members and Officers. The shared object of these codes is to enhance and maintain the integrity (real and perceived) of local government and the Codes, therefore, demand very high standards of personal conduct.
- 54.6 This Protocol should be read in conjunction with the Members’ and Employees’ Codes of Conduct that apply from time to time and any guidance issued by the Standards Committee and/or the Monitoring Officer.

### **55 General Points**

- 55.1 Both Members and Officers are servants of the public and they are indispensable to one another. But their responsibilities are distinct. Members are responsible to the electorate and serve only so long as their term of office lasts. Officers are responsible to Transport for the North, its committees and joint committees. Their job is to give advice to Members and to carry out work under the direction and control of Transport for the North, its committees and joint committees.
- 55.2 At the heart of this Protocol is the importance of mutual respect. Member/Officer relationships should be conducted in a positive and constructive way. Therefore, it is important that any dealings between Members and Officers should observe reasonable standards of courtesy and that neither party should seek to take unfair advantage of their position or seek to exert undue influence on the other party.

- 55.3 A Member should not raise matters relating to the conduct or capability of an Officer at meetings held in public or before the press. This is a long-standing tradition in public service as an Officer has no means of responding to such criticisms in public. If a Member feels they have not been treated with proper respect, courtesy or has any concern about the conduct or capability of an Officer, and fails to resolve it through direct discussion with that Officer, they should raise the matter with the Chief Executive of Transport for the North who will then look into the facts and report back to the Member.
- 55.4 An Officer should not raise with a Member matters relating to the conduct or capability of another Officer in a manner that is incompatible with the overall objectives of this Protocol. Such matters should be raised with the Officer's immediate line manager or the Chief Executive.
- 55.5 Nothing in this Protocol shall prevent an officer expressing a relevant concern under Transport for the North's Whistleblowing Policy.
- 55.6 Where an Officer feels that they have not been properly treated with respect and courtesy by a Member, they should raise the matter with the Chief Executive of Transport for the North who will take appropriate action including approaching the individual Member concerned or discussing the matter with the Monitoring Officer where they consider there may be a breach of the Members' Code of Conduct.
- 56 **Officer Support to Members: General Points**
- 56.1 Officers must act in the best interests of Transport for the North, its committees and joint committees as a whole and must not give politically partisan advice.
- 56.2 Close personal familiarity between individual Members and Officers can damage professional relationships and can prove embarrassing to other Members and Officers. Situations should be avoided therefore that could give rise to the appearance of improper conduct or behaviour.
- 56.3 Certain statutory officers – the Chief Executive of Transport for the North, the Finance Director and the Monitoring Officer have specific roles. These are addressed in the Constitution. Their roles need to be understood and respected by all Members. In particular Members are reminded of the duty under the Code of Conduct to have regard to any advice given by the Finance Director or the Monitoring Officer.
- 56.4 The following key principles reflect the way in which Officers generally relate to Members:
- a) Officers undertaking work for Transport for the North are accountable to Transport for the North through the Chief Executive;
  - b) Support from Officers is needed for all Transport for the North's functions including meetings of the Transport for the North Board, its committees and joint committees;
  - c) Day-to day managerial and operational decisions should remain the responsibility of the Chief Executive of Transport for the North and other Officers.

56.3 On occasion, a decision may be reached which authorises named Officers to take action between meetings following consultation with a Member or Members. It should be recognised that in these circumstances it is the Officer, rather than the Member or Members, who legally takes the action and it is the Officer who is accountable for it.

56.4 Finally, it should be remembered that Transport for the North Officers undertaking work for Transport for the North are accountable to the Chief Executive of Transport for the North and whilst Officers should always seek to assist a Member, they must not, in so doing go beyond the bounds of whatever authority they have been given by the Chief Executive.

## **57 Officer Advice to Party Groups**

57.1 It must be recognised by all Officers and Members that in discharging their duties and responsibilities, Officers serve Transport for the North as a whole and not any political group, combination of groups or any individual Member of Transport for the North. The assistance provided by Senior Officers can take many forms ranging from a briefing meeting with a Member, Chair or other Members prior to a meeting, to a presentation, to a full political group meeting. It is an important principle that such assistance is available to all political groups and individual members.

## **58 Attendance at Party Political Group Meetings**

58.1 Senior Officers may properly be called upon to assist and contribute to deliberations by party groups but must at all times maintain political neutrality. All Officers must, in their dealings with political groups and individual Members, treat them in a fair and even-handed manner.

58.2 Attendance at meetings of party groups is voluntary for Officers and must be authorised by the Chief Executive of Transport for the North.

58.3 Certain points must, however, be clearly understood by all those participating in this type of process, Members and Officers alike. In particular:

- a) Officer assistance must not extend beyond providing information and advice in relation to matters of Transport for the North's business. Officers must not be involved in advising on matters of party business. Internal party debates and decision making should take place in the absence of Officers;
- b) Party group meetings, whilst they form part of the preliminaries to Transport for the North's decision making, are not formal decision-making bodies of Transport for the North and are not empowered to make decisions on behalf of Transport for the North. Conclusions reached at such meetings do not therefore rank as Transport for the North decisions and it is essential that they are not interpreted or acted upon as such; and
- c) Similarly, where Officers provide information and advice to a party group meeting in relation to a matter of Transport for the North's business, this cannot act as a substitute for providing all necessary information and advice to the relevant Transport for the North decision-making body when the matter in question is considered.

- 58.4 Special care needs to be exercised whenever Officers are involved in providing information and advice to a party group meeting which includes persons who are not elected Members of one of Transport for the North's Constituent Authorities. Such persons are not bound by a Local Authority Code of Conduct for Members (in particular, the provisions concerning the declaration of interests and confidentiality). Officers would not be able to provide the same level of information and advice as they would to a Member only meeting.
- 58.5 Officers must respect the confidentiality of any party group discussions at which they are present. When information is disclosed to an Officer during discussions with a party group that information should not be passed on to other groups. However, Members should be aware that this would not prevent officers from disclosing such information to other Officers of Transport for the North so far as that is necessary to performing their duties.
- 58.6 Any particular cases of difficulty or uncertainty in this area of Officer advice to party groups should be raised with the Chief Executive of Transport for the North who will discuss them with the relevant group leader(s).

## **59 Members' Access to Information and to Authority Documents**

- 59.1 Members have various statutory and common law rights to inspect Transport for the North documents. A Member must not disclose information given to him in confidence by anyone or information acquired which they believe is of a confidential nature, without the consent of a person authorised to give it, or unless they are required by law to do so and must not prevent another person from gaining access to information to which that person is entitled by law. A breach of these requirements is a breach of the Member's Code of Conduct and actionable by way of complaint to the Member's Standards Committee. If the breach is serious a civil action may be brought against the Member and / or Transport for the North for damages.
- 59.2 The Freedom of Information Act 2000 (FoIA) brought additional rights and responsibilities regarding the disclosure of information. A "publication scheme" will be produced by Transport for the North setting out the information which it will make publicly available.

## **60 Correspondence**

- 60.1 Correspondence between an individual Member and an Officer should not normally be copied (by the Officer) to any other Member. Where it is necessary to copy the correspondence to another Member, this should be made clear to the original Member. Blind copies (bcc) should never be employed.
- 60.2 Official letters on behalf of Transport for the North should normally be sent in the name of the appropriate Officer, rather than in the name of a Member. It will, however, be appropriate in certain circumstances (e.g. representations to a Government Minister) for a letter to appear in the name of a Member or the Chair. Letters which, for example, create legal obligations or give instructions on behalf of Transport for the North should never be sent out in the name of a Member.

**61           Publicity and Press Releases**

- 61.1           In recent years, all authorities have increasingly used publicity to keep the public informed and to encourage public participation. The Government has issued a Code of Recommended Practice on Local Authority Publicity and all local authorities must have regard to the provisions of any such Code in coming to any decision on publicity. In particular members and officers should note that during the election period special rules apply with regard to local authority publicity.
- 61.2           Officers and Members of Transport for the North will therefore, in making decisions on publicity, take account of the provisions of the Code of Recommended Practice on Local Authority Publicity and any further guidance issued by the Chief Executive of Transport for the North. If in doubt Officers and / or Members should seek advice from the Chief Executive or the Monitoring Officer.
- 61.3           All press releases are issued through the Chief Executive on behalf of Transport for the North. Press releases are not issued by Transport for the North on behalf of political groups. They can contain the comments of Members and Committee Chairs where they are speaking in connection with the roles given to them by Transport for the North. Officer's comments can be included on professional and technical issues.

**62           Officer / Member Protocol**

- 62.1           Monitoring compliance with this protocol is the responsibility of the Monitoring Officer.
- 62.2           Questions of interpretation of this Protocol will be determined by the Monitoring Officer.

## SECTION D CODE OF CORPORATE GOVERNANCE

### 63 Introduction

63.1 The definition of corporate governance is that it is about ‘how bodies ensure they do the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and culture and values, by which bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities’.

63.2 Transport for the North has approved and adopted a code of corporate governance which is consistent with the principles of the best practice guidance issued jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE). The framework is based upon the following core principles:

- a) Focusing on the purpose of Transport for the North and the outcomes for the community and creating and implementing a vision for the local area;
- b) Members and officers working together to achieve a common purpose with clearly defined functions and roles;
- c) Promoting values for Transport for the North and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
- d) Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- e) Developing the capacity and capability of members and officers to be effective;
- f) Engaging with local people and other stakeholders to ensure robust public accountability.;
- g) Having regard for the promotion of sustainable economic growth, and the social and environmental impacts of its proposals;
- h) Having regard for the impact of current decisions and actions on future generations.

63.3 Transport for the North is committed to meeting these principles and this statement sets out how the supporting principles beneath each statement will be achieved, monitored and reviewed.

### 63.4 Transport for the North’s Core Principles

63.4.1 Focusing on the purpose of Transport for the North and on outcomes for the community and creating and implementing a vision for the local area.

63.4.2 Supporting principles:

- a) Exercising leadership by clearly communicating Transport for the North’s purpose and vision and its intended outcome for citizens and service users;
- b) Transport for the North working closely with the Transport for the North Partnership Board has drawn up the Strategic Transport Plan. This sets out the vision for improved connectivity across the wider region and is an ambitious transformational; pan-northern strategy to drive and support economic growth in the North. This Strategy has been developed further into the Strategic Investment Programme;

- c) The Strategic Transport Plan sets out the transport priorities for the region across all forms of transport and shows the ambition to improve connectivity and so to create additional jobs and grow the economy The Strategic Investment Programme sets out specific projects, funding and timescales for delivery;
- d) Ensuring that users receive a high quality of service;
- e) Transport for the North will produce regular reports setting out its targets and the achievement against them. This will include progress on key investment projects;
- f) Ensuring that Transport for the North makes best use of resources and that tax payers and service users receive excellent value for money;
- g) Transport for the North will prepare a medium-term financial strategy which is scrutinised by Members to ensure it supports the ambitions of Transport for the North. Detailed annual budgets are considered and approved by Transport for the North and shared with the constituent Councils. Annual accounts are produced within three months of the year end and an audit opinion on these and on the value for money position is provided by external auditors.

63.4.3 Members and officers working together to achieve a common purpose with clearly defined functions and roles.

63.4.4 Supporting principles:

- a) Ensuring effective leadership throughout Transport for the North;
- b) Ensuring a constructive working relationship exists between elected Members and Officers;
- c) Ensuring relationships between Transport for the North and the wider Partnership are clear.

63.4.5 Transport for the North has in place clear constitutional documents and a Committee structure covering all aspects of Transport for the North's activities. The Partnership Board, supported by the LEP'S, brings together Members and business leaders from the private sector to advise Transport for the North on strategic decisions.

63.4.6 Schemes of delegation have been put in place to enable Committees, the Chief Executive, Monitoring Officer and Directors to work effectively and make decisions in a transparent way. Statutory officers with the appropriate skills and resources have been appointed and ensure advice is given on the necessary financial and procedural matters.

63.4.7 The ways of working are published and reviewed annually, including Standing Orders and Financial Regulations, schemes of delegation, and a protocol for Member/Officer relations. A Scrutiny Committee comprising elected members from all of the constituent authorities includes within its terms of reference the review of any decision of Transport for the North and an Audit and Governance Committee oversees financial and audit matters.

63.4.8 Promoting values for Transport for the North and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

63.4.9 Supporting principles

- a) Ensuring members and officers exercise leadership by behaving in ways that uphold high standards of conduct and exemplify effective governance;
- b) Ensuring that organisational values are put into practice and are effective;
- c) Transport for the North expects the highest standards of conduct and personal behaviour from its Members and employees. Robust arrangements are in place to ensure that these high standards are promoted and upheld. Organisational values have been adopted by Transport for the North and are reflected in policies and protocols;
- d) Transport for the North has issued, and keeps under regular review, a number of documents including an Officer Code of Conduct, a complaints procedure and an anti-fraud and anti-corruption policy which includes the whistleblowing policy. All employees are trained in the values, standards, policies and procedures that Transport for the North expects them to adhere to.

63.4.10 Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

63.4.11 Supporting principles:

- a) Exercising leadership by being rigorous and transparent about how decisions are made;
- b) Having good quality information, advice and support;
- c) Making sure an effective risk management system is in place;
- d) Recognising the limits of lawful action;
- e) Transport for the North ensures that decision making is transparent, and that appropriate advice is taken in reaching decisions. All decisions of Transport for the North and its Committees are made in public meetings with documents available to the public via the internet. Officer decisions are taken in accordance with the schemes of delegation in place and are recorded. Investment decisions are made in the context of an assurance framework that meets national guidance and that is reviewed annually. The Scrutiny Committee, made up of Members from across the region, meets regularly and provides the mechanism for ongoing constructive scrutiny and challenge;
- f) Appropriately skilled and qualified officers provide advice and input to the decision-making process;
- g) Transport for the North has in place a Publication Scheme that complies with the requirements of the Transparency Code and enables the public to directly access a range of information on its website;
- h) A risk management framework is in place and is overseen by the Audit and Governance Committee. Senior Officers meeting as the Operations Board manage and develop the risk management arrangements and oversee health and safety risks, ensuring compliance with health and safety legislation and an appropriate management of those risks. A risk manual provides practical guidance to officers in recording, monitoring and managing risk through the performance management system;
- i) Transport for the North has arrangements in place to ensure it collects, uses and stores information and data appropriately;
- j) The Audit and Governance Committee oversees all governance arrangements and ensures these are operating effectively. It monitors and formally reviews

the work of the internal audit function and considers the annual review of internal control produced by the Internal Audit Manager;

- k) Transport for the North is committed to openness and transparency. Further consideration of the Publication Scheme will take place to understand whether there is further information that could be published.

63.4.12 Developing the capacity and capability of members and officers to be effective.

63.4.13 Supporting principles:

- a) Making sure Members and Officers have the skills, knowledge, experience and resources they need to perform well;
- b) Developing the capability of people with governance responsibilities;
- c) Encouraging new talent for membership of Transport for the North;
- d) Transport for the North seeks to ensure all Members and Officers have the necessary skills and training to fulfil their roles. Members receive an induction programme when they are appointed to Transport for the North and this is supplemented by specialised training courses where appropriate. Officers are appointed using competency-based job descriptions and their performance against these competencies is regularly monitored and reviewed. A detailed learning and development plan ensures that training needs are met at both an individual and an organisational level.

63.4.14 Engaging with local people and other stakeholders to ensure robust public accountability.

63.4.15 Supporting principles:

- a) Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders;
- b) Transport for the North engages with stakeholders and local people in a variety of ways. Its actions are readily available to the public via the publication of all meeting papers and decisions on the internet and the public nature of all its meetings;
- c) The Partnership Board provides the forum for bringing together the public and private sector on strategic policy matters;
- d) Transport for the North website is set up both to provide information and to engage with local people;
- e) For all significant projects and strategies public consultation will be undertaken both electronically and in the form of public meetings;
- f) Work to be undertaken during the year will include consideration of how current arrangements for local engagement on transport matters could be extended to include the wider economic agenda. The format and nature of these meetings will also be considered.

## 63.5 **Monitoring and Review**

63.5.1 It is the responsibility of the Audit and Governance Committee to keep corporate governance matters under review. As part of this process it undertakes regular reviews throughout the year with a formal review at the year end of the processes

and systems in place during the year. This includes the results of the work carried out by the internal audit section. The Committee reviews the Annual Governance Statement which forms part of the statutory annual accounts which are subject to external audit. The Committee review and recommend this statement to the Transport for the North Board for consideration and approval.

**SECTION E ANTI FRAUD & CORRUPTION POLICY**

**64 Policy Statement**

- 64.1 Transport for the North is committed to ensuring that people within its area can have complete confidence that the affairs of Transport for the North, its committees and joint committees are conducted in accordance with the highest standards of probity and accountability. Transport for the North is, consequently, committed to combating fraud and corruption wherever it may arise in relation to any of Transport for the North's activities or services and involving any Members of Transport for the North, its committees or joint committees, or officers of Transport for the North and its Constituent Authorities who provide services to Transport for the North, its committees or sub committees or members of the public or other third parties.
- 64.2 In this policy references to members of Transport for the North include references, where appropriate, to members of its committees and joint committees and, references to officers of Transport for the North include references where appropriate to officers of the Constituent Authorities who provide services to Transport for the North, its committees and joint committees.
- 64.3 Transport for the North expects Members and Officers to demonstrate the highest standards of honesty and integrity. This includes compliance with appropriate legislation, Member and Employee codes of conduct, Standing Orders, Financial Regulations, conditions of service, standards of appropriate professional bodies, and any other standards, guidelines or instructions which are relevant to the particular service or activity.
- 64.4 Transport for the North is committed to establishing and maintaining effective arrangements to prevent fraud and corruption. Transport for the North recognises, however, that fraud and/or corruption cannot always be prevented, and so effective arrangements have been established to detect and investigate all incidents or situations where fraud and/or corruption is suspected.
- 64.5 Transport for the North will not tolerate dishonesty on the part of any of the members or officers of Transport for the North or any persons or organisations involved in any way with Transport for the North. Where fraud or corruption is detected Transport for the North will rigorously pursue appropriate action against the persons concerned including legal and / or disciplinary action.
- 64.6 Transport for the North is committed to creating and maintaining an anti-fraud and corruption culture and this includes establishing arrangements which enable officers, or other persons, to express concerns and suspicions without fear or repercussions or intimidation and in the knowledge that the information will be treated confidentially and will be investigated fully and rigorously.
- 64.7 Transport for the North is committed to working constructively with the police and other relevant agencies in relation to combating fraud or corruption within Transport for the North or within the wider community.
- 64.8 Transport for the North will seek to ensure that its stance on anti-fraud and

corruption is widely publicised. All Officers and Members of Transport for the North will be made aware of this policy statement.

64.9 This policy statement is supported by guidance notes that set out the procedures for applying the policy.

## **65 Anti-Fraud and Corruption Procedures Introduction**

65.1 The Transport for the North is committed to the highest standards of probity and Accountability to safeguard public funds. It will not tolerate dishonesty on the part of elected Members, officers or others involved with Transport for the North. It expects that elected Members and officers at all levels will act in a manner that ensures adherence to statutory requirements and to the rules and procedures of Transport for the North.

65.2 The Anti-Fraud and Corruption Policy applies to all elected Members and officers of Transport for the North. It also applies as far as it can to any persons, companies or organisations in relation to their dealings with Transport for the North including partnership arrangements and developments involving 'arm's length' companies or organisations, contractors, consultants, suppliers and claimants.

65.3 Transport for the North's primary objective, through the Anti-Fraud and Corruption Policy, is to ensure that fraud and corruption does not occur within Transport for the North and if it does occur that it is detected and dealt with effectively.

65.4 These guidance notes are intended to advise all elected Members and officers of obligations and rights within this policy and to assist Chief Officers in dealing with any matters which arise in relation to the policy.

## **66 Definition of Fraud**

66.1 The legal definition of fraud contained within the Fraud Act 2006 includes; fraud by false representation; fraud by failing to disclose information and fraud by abuse of position. Fraud is typically associated with financial loss however this policy relates to acts of dishonesty whether or not financial loss is incurred. For the purposes of this guidance note fraud may include:

- a) The intentional distorting of statements or other records by persons internal or external to Transport for the North which is carried out to conceal the misappropriation of assets, evasion of liabilities or otherwise for gain;
- b) Unauthorised use of Transport for the North property; or
- c) Theft of monies or other Transport for the North property by persons internal to Transport for the North.

66.2 The theft of Transport for the North property carried out by persons external to Transport for the North through for example break-ins, burglary and opportunist theft falls outside the scope of the Anti-Fraud and Corruption Policy. Thefts of this nature should continue to be reported by Chief Officers directly to Internal Audit and the police in the normal way.

- 66.3 Fraud is a deliberate act of commission or omission by an individual or group of individuals. Fraud can occur in a number of ways including:
- a) Fraud perpetrated against Transport for the North by members of the public or other third parties;
  - b) Fraud perpetrated against Transport for the North by elected Members or Officers of Transport for the North;
  - c) Fraud perpetrated jointly by members of the public or other third parties in collusion with Officers or Members of Transport for the North.
- 66.4 Areas which may be most at risk in respect of fraud include, but are not exclusively related to, the following:
- a) Payroll – falsification of records (time sheets, overtime claims); creation of fictitious employees;
  - b) Creditor payments – payments for work not completed or not in accordance with the specification, or for goods not supplied or not in accordance with the original order;
  - c) Expenses claims – over claiming of expenses;
  - d) False, fictitious or contrived claims. The unauthorised setting up or amendment of claims by officers (including payments to self, family, friends etc.). Officers aiding or abetting third parties in the completion or submission of false claims;
  - e) Bank accounts and imprest accounts – use of accounts for unauthorised purposes;
  - f) Equipment and vehicles – unauthorised personal use.

## **67 Corruption**

- 67.1 Corruption is defined as the offering, giving soliciting or acceptance of an inducement or reward that may influence the action of any person.
- 67.2 The main law relating to corruption in public bodies is the Bribery Act 2010 supplemented by the Local Government Act 1972. The law specifies that it is sufficient to prove that the money or consideration has been given or received and will presume that the money or consideration has been given or received corruptly unless the contrary is proved. This represents a reversal of the usual presumption of guilt and innocence.
- 67.3 Corruption occurs if a person offers gifts or consideration as an inducement or acts in collusion with others that is with two or more persons acting together. This could involve elected Members or officers of the Authority, members of the public or other third parties.
- 67.4 Areas which may be most at risk in respect of corruption include, but are not exclusively related to, the following:
- a) Tendering and award of contracts;
  - b) Settlement of contractors claims for loss and expense, compensation, additional payments, or work not done or substandard;
  - c) Disposal of assets.

**68 Anti-Fraud Culture and Key Principles**

- 68.1 Transport for the North aims to ensure that elected Members and officers exercise proper stewardship of public money and that effective controls and procedures are embedded into all working practices which will prevent and detect fraud and corruption. Members and officers should be aware of their roles in preventing and detecting fraud and managers should ensure they lead by example in compliance with rules and regulations.
- 68.2 Legislation regulates local authorities and, amongst other things, sets out the framework that ensures that local authorities adopt effective control and governance arrangements. Within this framework, Transport for the North has adopted a Constitution containing instructions, regulations and procedures which are designed to ensure high standards of probity in the conduct of the affairs of Transport for the North of which this policy forms a part.
- 68.3 The primary defence against fraud and corruption is the establishment of sound practices, procedures and systems, incorporating effective controls, which are subject to effective monitoring, supervisory and managerial arrangements. It is the duty of every manager and supervisor to operate the systems and controls in their area of responsibility, necessary to prevent and detect fraud and corruption. Failure to do so, especially where such failure results in fraud, corruption or theft, may result in disciplinary action.
- 68.4 These control arrangements need to apply within an overall culture, within Transport for the North, which positively promotes the highest standards of probity and which makes it absolutely clear that Transport for the North will not tolerate dishonesty on the part of any of the officers or Members of Transport for the North or any persons or organisations involved in any way with Transport for the North.
- 68.5 Compliance with all the rules and statutes referred to above involves the implementation and maintenance of effective management arrangements, systems, controls, procedures, working practices, standards of good practice and monitoring arrangements. This combination of measures, allied to a culture that promotes the highest standards of probity, represents Transport for the North's primary defence against fraud and corruption.
- 68.6 Where Transport for the North Members or Officers are involved, or where any person acts on or as an agent of Transport for the North, or where initiatives or schemes involve funding through Transport for the North, the principles outlined in the Anti- Fraud and Corruption Policy must be applied.

**69 Roles and Responsibilities of Members**

- 69.1 As elected representatives, all Members have a duty to act to prevent fraud and corruption. Every elected Member has a role to play in maintaining the standards of probity and integrity that the public is entitled to expect, which obviously includes compliance with relevant rules and procedures. The Code of Conduct for Members which all Members have adopted in their Constituent Authorities addresses standards and expectations.

**70 Audit and Governance Committee**

70.1 The Audit and Governance Committee will regularly review the Anti-Fraud and Corruption Policy and will ensure that any matters arising from the implementation of the policy are properly investigated. Internal Audit will report to the Audit Committee on significant matters arising from investigations of fraud and corruption.

**71 The Finance Director**

71.1 The Finance Director is responsible for ensuring that suspected financial irregularity is reported and investigated. The Finance Director is responsible for deciding what investigation action is to be taken and ensuring it is completed.

**72 Monitoring Officer**

72.1 Any concerns related to Members compliance with the Code of Conduct would be referred back to the Member's appointing Authority for consideration/investigation. Transport for the North will co-operate fully with any such investigation and will provide all necessary information/evidence.

**73 Internal Audit**

73.1 Internal Audit acts on behalf of the Finance Director in relation to the investigation of reports of financial or other irregularity and can offer advice and support to managers during this process.

73.2 The Internal Audit also provide advice on appropriate controls to help prevent and detect fraud and corruption and will work with Chief Officers to provide assurance that controls are working as intended and to improve internal control where necessary.

**74 Management**

74.1 Chief Officers have a specific responsibility to publicise the anti-fraud and corruption policy to all officers and to ensure that they are aware of their responsibilities as outlined in this policy and of sanctions that can be levied.

74.2 Managers are responsible for actively dealing with suspected cases of fraud in a reasonable timeframe.

74.3 Responsibility for maintaining effective systems, procedures and controls to prevent fraud and corruption rests with the Chief Officer and their managers responsible for relevant systems or particular areas of service.

**75 Officers**

75.1 All officers have an obligation to be vigilant to the risk of fraud and corruption. They are expected and positively encouraged to raise concerns relating to potential fraud

and corruption when they become aware of it. Employees should report matters of concern as soon as possible. Reports raised in good faith will be treated in a confidential manner and investigated.

75.2 The Employees Code of Conduct addresses Transport for the North's standards and expectations of personal conduct. Breaches of conduct will be addressed through disciplinary procedures.

## **76 Reporting Irregularities - Members**

76.1 Where Members wish to report alleged irregularities, the normal reporting route should be through the Chief Executive or the Finance Director.

76.2 The Chief Executive and Monitoring Officer must be informed where alleged irregularities involve Members. If allegations involve a breach of the Code of Conduct this will be referred to the Member's appointing Authority.

## **77 Reporting Irregularities - Officers**

77.1 As indications of suspected irregularities could arise in many different ways it is possible that any of Transport for the North's officers could be the first to become alerted to a potential situation involving fraud or corruption.

77.2 Any officer, becoming aware of a potential financial irregularity must, under normal circumstances, report the situation to his/her line manager as soon as possible. The manager in turn should also report through the management structure and to Internal Audit as soon as possible.

77.3 At the appropriate management level, which is normally Chief Officer, the situation must be reported to Internal Audit which will then inform the Finance Director and agree a course of action.

77.4 Internal Audit will advise on and instigate such action as considered necessary for investigating the alleged irregularity. This will take into account whether the alleged financial irregularity warrants investigation by Internal Audit, whether the Police should be referred to immediately or whether Transport for the North should conduct its own investigation.

77.5 Where an allegation or suspicion of fraud concerns an officer of Transport for the North and is considered sufficiently serious to be investigated, then an Investigating Officer will be appointed. As appropriate and agreed Internal Audit will investigate fraud involving accounting and other records, evaluate systems and internal control and collate evidence providing an opinion on allegations made. This will be reported to the Investigating Officer who will have overall responsibility in taking the investigation forward for disciplinary purposes and reported to the Finance Director where system weaknesses and control issues are involved.

## **78 Reporting Directly to Internal Audit or the Statutory Officers of Transport for the North**

78.1 If an officer feels it would not be appropriate to report alleged or suspected

irregularities through the normal line management structure, then the officer should report to a Statutory Officer of Transport for the North. If the officer feels uncomfortable with this approach they can report directly to Internal Audit.

- 78.2 In certain circumstances, it would be appropriate for an officer to report directly to Internal Audit anyway. For example, if there were reasons to believe that any subsequent investigation might be compromised if the situation were to be reported through managers. The most likely reasons for reporting direct to Internal Audit could include because line managers were implicated in the alleged irregularity and the employee was not sure who it was safe to report to within the team or there were reasons to believe that the situation might be suppressed or covered up by senior managers.

## **79 Alternative Contact Points**

- 79.1 Transport for the North provides the reporting lines above to ensure that elected members and officers are satisfied that reports will be treated seriously, and that action will be taken. If they consider this is not the case, then matters could be taken outside Transport for the North to other contact points. The process for this is described in more detail in the Whistleblowing Policy and guidance in the next part of this document.

## **80 Monitoring**

- 80.1 The Finance Director is responsible for monitoring the effectiveness of the procedures for investigation of irregularities outlined in the guidance note and for amending the procedures as necessary. Internal Audit will review the effectiveness of the internal control environment and reports will be made to the Audit and Governance Committee where appropriate on the number, type and outcome of investigation matters as appropriate.

## SECTION F WHISTLEBLOWING POLICY

### **81 Whistleblowing Policy and Procedure Policy Statement**

- 81.1 Transport for the North is committed to the highest possible standards of openness, probity and accountability and will not tolerate malpractice or wrongdoing.
- 81.2 Transport for the North is therefore committed to a policy which seeks to protect individuals who make certain disclosures with regard to any instance of malpractice or wrongdoing and to investigate them in the public interest.
- 81.3 Whistleblowing is when a member of staff raises concerns about the activities of the organisation they work for which are ethically or legally questionable.
- 81.4 The aims of the policy are to;
- a) Provide for a culture of zero tolerance toward fraud and corruption;
  - b) Encourage officers and others with serious concerns about any aspect of Transport for the North's work to feel confident to come forward and voice those concerns;
  - c) Provide ways for officers to raise concerns at an early stage and in the right way and enable them to get feedback on any action taken;
  - d) Ensure that officers know what to do if they are not satisfied with actions taken;
  - e) Provide re-assurance that officers who raise concerns in good faith can do so without fear of reprisals or victimisation.
- 81.5 This policy covers any wrongdoing relating to unlawful conduct, financial malpractice or dangerous working environments.
- 81.6 It is available for use by all officers of Transport for the North and officers of Constituent Authorities providing services to Transport for the North, its committees and joint committees.
- 81.7 It is not to be used where other more appropriate procedures are available. There are existing procedures which enable officers to lodge a grievance relating to their conditions of employment, raise matters of harassment or to make a complaint. This policy covers concerns that fall outside the scope of these existing procedures. Transport for the North will seek to ensure that its stance on whistleblowing is widely publicised and that officers have access to appropriate guidance.

### **82 Whistleblowing Procedures for Officers Introduction**

- 82.1 Officers are often the first to realise that there may be something seriously wrong within an authority. Normally officers would be expected to raise any concerns initially with their line manager. However, they may feel that expressing their concerns would be disloyal to their colleagues or to Transport for the North or may also fear harassment or victimisation. It may be easier to ignore these concerns than report what may just be a suspicion of malpractice.
- 82.2 Whistleblowing is the process for raising a concern about suspected wrongdoing,

especially in circumstances where the whistleblower feels forced to raise that concern outside the normal management reporting line. For instance, the whistleblower may be concerned about the actions of their own line management, or about the failure of their line management to act over suspected wrongdoing on the part of others.

82.3 The Whistleblowing Policy encourages and enables officers and others with serious concerns about any aspect of Transport for the North's work or those engaged in work for Transport for the North to come forward and voice those concerns. It recognises that most cases will need to proceed on a confidential basis. At the same time, the provisions of the Public Interest Disclosure Act 1998 (PIDA) provide protection from harassment and victimisation for officers who raise concerns in good faith.

### **83 Whistleblowing Policy**

#### **84 Policy Statement**

84.1 Transport for the North is committed to maintaining the high standards of ethical behaviour expected of public sector workers. To achieve this objective, it encourages freedom of speech and openness of information and provides mechanisms for reporting behaviour that contravenes these requirements.

84.2 The aims of this policy are:

- a) To establish a procedure for staff and all those working for and engaging with Transport for the North to report instances of malpractice, illegal acts and omissions of responsibility whilst at work;
- b) To protect employees from recriminations when they raise genuine concerns about malpractice, illegal acts or omissions of responsibility whilst at work;
- c) To encourage all staff to work to the highest standards of conduct and integrity;
- d) To foster a culture of high expectations of conduct and zero tolerance of dishonest behaviour.

84.3 This policy has been written to take account of the Public Interest Disclosure Act 1998 and the Employment Rights Act 1996 which protects employees who take action over, or raise concerns about, health and safety at work issues.

84.4 The Act directs the employee towards raising the matter internally in the first place and, where there is a Whistleblowing Procedure in place, to use it. However, the Act will protect workers where they make external disclosures in a range of circumstances such as when obtaining legal advice, informing union officials or when making disclosures to prescribed persons such as regulators (a list of prescribed persons to whom an employee can raise concerns is included at paragraph 86.6. If an employee chooses to disclose information in a way which is not covered by the Act, then he or she will lose its protection.

84.5 To obtain protection under the Act the employee is required to act in good faith and have a reasonable suspicion that malpractice has occurred, is occurring or is likely to

occur. For disclosures to external parties, the employees must honestly and reasonably believe that the information and any allegation in it are substantially true. The Employment Rights Act 1996 as amended by the Enterprise and Regulatory Reform Act 2013 requires that the disclosure should also be made in the public interest. Where the disclosure is not made in good faith, protection is still in place, but any award made at a Tribunal may be reduced due to the good faith test.

84.6 Transport for the North will not tolerate any harassment or victimisation of a Whistleblower and will treat this as a serious disciplinary offence, which will be dealt with under the Disciplinary Procedure. In addition, the Employment Rights Act 1996 as amended by the Enterprise and Regulatory Reform Act 2013 makes it a legal wrong to bully or harass a Whistleblower and civil action may be brought against any employee accused of this by the Whistleblower.

84.7 Transport for the North will also treat any allegations found to have been made maliciously as a serious disciplinary matter.

## **85 Definitions**

85.1 Definition of Whistleblowing:

Whistleblowing refers to the disclosure, either internally or externally, by Transport for the North employees of malpractice, illegal acts and omissions of responsibility, in the workplace.

85.2 Definition of Malpractice:

Malpractice is a general term and describes crimes, civil offences (including negligence, breach of contract, and breach of administrative law), miscarriages of justice, dangers to health and safety of persons or the environment, and the cover up of any of these procedures.

85.3 Transport for the North encourages staff to use internal communication channels set out in this procedure for reporting any malpractice, illegal acts, or omissions of responsibility by current employees or ex-employees. In this way matters can be dealt with quickly, and confidentially and where necessary independently.

85.4 Examples of events which may trigger the use of the Whistleblowing Procedure:

- a) A criminal offence has been committed, or is likely to be committed;
- b) Disregard for legislation, particularly in relation to health and safety at work;
- c) Cases of fraud and/or corruption;
- d) Willful destruction or misuse of Transport for the North assets;
- e) Breach of Transport for the North's Policies, Constitution and Financial Regulations, and Corporate Procedures;
- f) Any favour given over a contractual matter or to a job applicant;
- g) A breach of Transport for the North's Code of Conduct;
- h) Ill treatment of a Transport for the North stakeholder;
- i) Damage to the environment or damage likely to occur; and
- j) Information on any of the above which has been or is likely to be concealed.

Note this list is not exhaustive

**86 Roles and Responsibilities**

**86.3 Employees**

86.3.1 Normally staff would be expected to raise any concerns promptly in accordance with the requirements of this procedure i.e. prepare a note and report them to your line manager in the first instance. However, staff may raise a concern outside the normal management reporting line if their concern is about the actions of their line manager or they do not believe the line manager will take their concerns seriously. Under these circumstance concerns should be raised with the Finance Director. Alternatively, if the matter relates to an issue other than fraud and corruption, a number of post holders have been identified at paragraph 86.6 to whom internal disclosure can be made.

86.3.2 Staff may prefer to raise concerns externally with the relevant prescribed person, or if they consider that their concerns have not been treated seriously and investigated fairly and thoroughly. A list of prescribed persons is attached at Schedule B.

86.3.3 The whistleblowing policy encourages and enables staff and others with serious concerns about any aspect of Transport for the North's work or those with whom it is engaged, to come forward and voice their concerns. Do not:

- a) Do nothing;
- b) Be afraid of raising your concerns;
- c) Approach or accuse any individuals directly;
- d) Try to investigate the matter yourself; or
- e) Convey your suspicions to anyone other than those listed in Schedules A or B.

**86.4 Managers**

86.4.1 Line Managers should consider the facts reported, together with any supporting documentation, and determine in an objective manner whether the suspicions appear to be justified and if justified, or are at all in doubt, the matter should be reported immediately to the Finance Director.

**86.5 The Finance Director**

86.5.1 The Finance Director should receive reports from employees or managers and request a Designated Officer (DO) to conduct enquiries to establish the facts and the substance of any allegations/suspensions and if appropriate, request the DO to proceed with a further investigation. The Finance Director should then receive reports from the DO and inform the Chief Executive Officer of the outcome of the investigation.

**86.6 Designated Officer**

86.6.1 The Designated Officer must conduct an interview with the whistleblower to ascertain the basic facts and:

- a) Ask the whistleblower if they wish their identity to be disclosed;
- b) Give assurances against possible reprisals and victimisation;
- c) Ask for a written or verbal statement; and
- d) Write a brief summary of the interview, which will be agreed by both parties.

86.6.2 The DO must then report the findings from the initial interview to the Finance Director who shall be responsible for the commission of any further investigation. The Chief Executive shall be informed of a decision to proceed with an investigation. If exceptionally the concern is about the Chief Executive, then the Monitoring Officer shall be informed, and he/she will decide on how the investigation will proceed.

86.6.3 The DO must inform the whistleblower of the agreed course of action i.e. either to carry out an investigation or to take the matter no further and shall provide the reasons behind the decision.

86.6.4 If the agreed course of action is to carry out the investigation and if the suspicions relate to fraud and/or corruption, the investigation shall be carried out in accordance with the provisions of Transport for the North's Fraud Response Procedures. It may be necessary to conduct the investigation under the terms of strict confidentiality, i.e. by not informing the subject of the complaint until (or if) it becomes necessary to do so. This course of action is normally appropriate in cases of suspected fraud. In certain circumstances, it may be necessary to suspend the individual(s) from work pending completion of the investigation. The Designated Officer will offer to keep the whistleblower informed about the progress of the investigation and of its outcome and also report the outcome of the investigation to the Finance Director who shall inform the Chief Executive.

86.6.5 No later than one month following the completion of the investigation, a meeting will be arranged with the whistleblower to provide feedback on any action taken (this will not include details of any disciplinary action, which will remain confidential to the individual concerned).

#### 86.7 **Following the Investigation**

86.7.1 If the investigation proves that there is a case to be answered by any individual, the rules and procedures set out in the Disciplinary Procedure will be adhered to. In cases where there is evidence of a criminal offence, the Police will be informed. Where the result of the investigation shows that there is no case to answer, but the whistleblower held a genuine concern and were not acting maliciously, it is the responsibility of the DO to ensure that the whistleblower does not suffer from any reprisals. Only where false allegations are made maliciously, will it be considered appropriate to act under the terms of the Disciplinary Procedure.

86.7.2 If the whistleblower is not satisfied with the outcome of the investigation, Transport for the North recognises the lawful rights of its employees and ex-employees to make disclosures to prescribed persons in [Schedule B](#). If this course of action is taken, the whistleblower should inform the Designated Officer who will inform the Finance Director.

86.7.3 Outcomes of matters arising from Whistleblowing cases will be publicised throughout Transport for the North as part of the ongoing promotion of the Anti-Fraud and Corruption Policy, although the confidentiality of any disciplinary processes will be maintained.

86.8 **List of Prescribed Persons for Internal Whistleblowing**

- a) Line Manager;
- b) Finance Director;
- c) Chief Executive;  
Head of Legal/ Monitoring Officer;
- d) HR Manager.

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