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**FRAMEWORK**

**THE NATIONAL SMART TICKETING ADVISORY BOARD**

**2024**

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## Introduction

1. This framework document is agreed between the National Smart Ticketing Advisory Board (NSTAB) and the Scottish Ministers. It summarises how NSTAB and Scottish Government (SG) will work together, and the key roles and responsibilities of:
* NSTAB;
* NSTAB Secretariat
* the Scottish Ministers; and
* the Portfolio Accountable Officer within the SG whose remit includes NSTAB
1. While this document does not confer any legal powers or responsibilities, it forms a key part of the accountability and governance framework and as a live document it should be reviewed by SG and NSTAB regularly and **at least every 2-3 years**. Any changes will be agreed between NSTAB and the Scottish Ministers.
2. Any question regarding the interpretation of the document will be determined by the SG after consultation with NSTAB. Legislative provisions take precedence over any part of the document.
3. NSTAB is not permitted to establish any subsidiaries or enter into joint ventures without express approval from Scottish Ministers.
4. Copies of the document shall be published on the NSTAB pages of the Transport Scotland website.

## Purpose

1. NSTAB is established under [the National Smart Ticketing Advisory Board (Scotland) Regulations 2023](https://www.legislation.gov.uk/ssi/2023/80/contents/made) (the “2023 Regulations”). NSTAB is established in fulfilment of a legal requirement placed on the Scottish Ministers by section 27C of the Transport (Scotland) Act 2001 (the "2001 Act”) to establish an advisory committee to be known as the National Smart Ticketing Advisory Board. Section 27C was inserted into the 2001 Act by section 43 of the Transport (Scotland) Act 2019 (the “2019 Act”).
2. NSTAB has statutory functions set out in section 27C of the 2001 Act:
	1. To advise the Scottish Ministers in relation to their functions insofar as they relate to smart ticketing arrangements.
	2. To advise the Scottish Ministers in relation to their functions insofar as they relate to the national technological standard for smart ticketing.
	3. To issue advice and recommendations to the Scottish Ministers in relation to the strategic development of smart ticketing in Scotland.
3. The [2023 Regulations](https://www.legislation.gov.uk/ssi/2023/80/made) make further provision about NSTAB and should be consulted in full, but a brief summary of key provisions follows:
	1. NSTAB is to consist of 10 to 14 voting members and up to 3 non-voting members, with an additional non-voting member appointed to act as Chairperson (but note the Chairperson has a casting vote in the case of an equality of votes). All members will be appointed by the Scottish Ministers.
	2. The Scottish Ministers must make arrangements for NSTAB to be provided with such administrative support and office accommodation as the Scottish Ministers consider appropriate.
	3. The Scottish Ministers may pay NSTAB members such remuneration as the Scottish Ministers consider appropriate, and they must pay or reimburse members' reasonable expenses in connection with NSTAB’s functions.
	4. NSTAB is required to produce a work programme, and this must be approved by the Scottish Ministers.
	5. NSTAB must prepare and submit an annual report to the Scottish Ministers measuring its success and collating all advice given and recommendations made to the Scottish Ministers in the past year.
4. NSTAB has also been added to the [Gender Representation on Public Boards (Scotland) Act 2018](https://www.legislation.gov.uk/asp/2018/4/contents/enacted) via [The National Smart Ticketing Advisory Board (Gender Representation on Public Boards) (Scotland) Regulations 2023](https://www.legislation.gov.uk/ssi/2023/156/made/data.html). It is the intention to make NSTAB subject to the [Ethical Standards in Public Life etc. (Scotland) Act 2000](https://www.legislation.gov.uk/asp/2000/7/contents), and the [Public Services Reform (Scotland) Act 2010](https://www.legislation.gov.uk/asp/2010/8/contents).
5. The Scottish Ministers may make NSTAB subject to other legislation if they consider it appropriate, and members will be made aware if so, and the terms of any such legislation take precedence over any part of this document (as noted in paragraph 3)

### Gender Representation on Public Boards (Scotland) Act 2018

1. NSTAB has been added to schedule 1 of the Gender Representation on Public Boards (Scotland) Act 2018 (the “Gender Representation Act”), making it a “public authority” under the Act. As such, NSTAB is committed to achieving the gender representation objective, which is that 50% of board members are women. Legal duties have been placed on NSTAB and the Scottish Ministers to support the achievement of the gender representation objective:
	1. As the “appointing person”, the Scottish Ministers are required to follow the positive action measures contained in sections 3 and 4 of the Gender Representation Act. In short, these measures require the appointing person to take certain steps when they reach the final selection stage to fill a vacancy on the board, with a view to achieving the “gender representation objective”;
	2. Under section 5(1) the Scottish Ministers are also required to take appropriate steps to encourage woman to apply to become members of NSTAB, and they are required to report regularly on their activities under the 2018 Act relating to NSTAB.
	3. Under section 5(2) NSTAB is also required to take appropriate steps to encourage women to apply to become members of the board, and NSTAB is required to report regularly on these activities;
2. Specifically for members of NSTAB, section 5(2) states that, “a public authority to which a public board relates must take such steps as it considers appropriate to encourage women to apply to become non-executive members of the public board.” In the case of NSTAB, this is the membership of NSTAB. Every member of NSTAB is a “non-executive member” under the Act. Therefore, the membership of NSTAB must take such steps as it considers appropriate to encourage women to apply to become members of NSTAB.
3. Under regulation 4 of the [Gender Representation on Public Boards (Scotland) Act 2018 (Reports) Regulations 2020](https://www.legislation.gov.uk/ssi/2020/120/contents/made), the membership of NSTAB must publish a report under section 8(5) of the Gender Representation Act at least every 2 years, reporting on any activity taken to encourage applications from women per section 5(2) of the Gender Representation Act. There is statutory guidance that NSTAB members must have regard to when exercising these functions - [Gender Representation on Public Boards (Scotland) Act 2018: Statutory Guidance](Gender%20Representation%20on%20Public%20Boards%20%28Scotland%29%20Act%202018%3A%20statutory%20guidance%20-%20gov.scot%20%28www.gov.scot%29.).
4. The Gender Representation Act does not impose a penalty on listed authorities (i.e NSTAB) or appointing persons (i.e the Scottish Ministers in this case) should a listed authority fail to achieve the gender representation objective. Rather, the Gender Representation Act places legal obligations on appointing persons and listed authorities to continuously take steps towards achieving the gender representation objective. Reporting requirements require appointing persons and listed authorities to be transparent about their progress.

## Governance and Accountability

1. NSTAB does not carry out its functions on behalf of the Crown.
2. The remainder of this section summarises the specific responsibilities and accountabilities of the key people involved in governance of NSTAB.

### NSTAB

1. Members of NSTAB, including the Chairperson, are non-executives appointed by the Scottish Ministers. Members of NSTAB are accountable to the Scottish Ministers and also to the Scottish Parliament, and may be required to give evidence to Parliamentary Committees.
2. NSTAB has overall responsibility for the delivery of its functions, as set out at paragraphs 6 to 10 above, in accordance with the aims, policies and priorities of the Scottish Ministers. In fulfilling this responsibility, individual members, under the leadership of the Chairperson, will:
	1. set strategic and operational plans to deliver the functions of NSTAB, focusing on how the work of NSTAB can effectively contribute to achievement of Scottish Government objectives, including the [Second National Transport Strategy](https://www.transport.gov.scot/publication/national-transport-strategy-2/).
	2. regularly scrutinise current and projected performance against the aims, objectives and targets set out in plans and take decisions on remedial action where required;
	3. ensure that effective governance is established and maintained, including ensuring that decision-taking is open and transparent and that key risks are identified and managed;
	4. promote the efficient, economic and effective use of resources consistent with the principles of [Best Value](https://www.gov.scot/publications/scottish-public-finance-manual/best-value/best-value/), and regularly scrutinise financial performance and compliance with financial guidance issued by the SG;
3. The Chairperson will:
	1. lead NSTAB, ensuring that all members have suitable induction to understand the role and their responsibilities, that the skills and experience of all members are used effectively and that NSTAB undertakes regular self-assessment of its performance;
	2. ensure that the performance of each member is reviewed at least once per year and that every member and/or individual members undertake development activity when required to ensure the effectiveness of NSTAB;
	3. ensure that NSTAB reviews its effectiveness annually;
	4. ensure that a Code of Conduct (aligned to the [Model Code of Conduct for Board Members](https://www.gov.scot/publications/model-code-conduct-members-devolved-public-bodies-2/)) is in place, that corporate actions are taken to implement it as required and that members understand their responsibilities, using the [guidance provided by the Standards Commission](https://www.standardscommissionscotland.org.uk/guidance/guidance-notes);
	5. work with the Portfolio Accountable Officer or their delegate(s) on succession planning for NSTAB, action necessary to fill vacancies as they arise, skills requirements and promoting diversity by encouraging applications from less represented groups, including younger people, people from minority ethnic backgrounds and people with disabilities.
4. Specific guidance on how the Chairperson and other NSTAB members should discharge their duties will be provided in their appointment letters and helpful information can be found in [On Board – A Guide for Members of Statutory Boards](https://www.gov.scot/publications/board-guide-members-statutory-boards-2/). Guidance on governance good practice is available in the [Scottish Public Finance Manual](https://www.gov.scot/publications/scottish-public-finance-manual/accountability/accountability/) and from the Sponsor Team, who may consult the SG Governance and Risk Team. A list of key aspects of governance to consider is included in the Governance and Risk section below.

### NSTAB Secretariat

1. The NSTAB Secretariat are civil servants on SG terms and conditions of employment. They are required to comply with the Civil Service Code and SG HR policies, but their primary responsibility for all operational matters is to the Board and it will not be possible for the Portfolio AO, Senior Sponsor, members of the Sponsor Team or other SG officials to instruct the staff of NSTAB in the performance of their duties except by agreement with the Chairperson or the Board.
2. The Secretariat will be the principal adviser to NSTAB on the discharge of its functions and is accountable to it. The role of the Secretariat is to ensure that NSTAB’s aims and objectives are met, its functions are delivered, and its targets are met through effective and properly controlled executive action.
3. The specific duties of the Secretariat are set out below, and agreed with the Senior Sponsor and used in the performance appraisal process.
	1. dealing with the everyday administrative matters relating to the Board and providing day-to-day support as required.
	2. monitoring the Board’s mailbox, ensure correspondence is dealt with and shared as necessary, in a timely manner.
	3. ensuring monthly fees and expenses claims are processed and paid to members on time.
	4. monitoring the Board’s finances, ensuring their spending is tracked and shared with the Chairperson .
	5. ensuring, when required, due to unforeseen circumstances, the Board are supported to facilitate meetings via on-line forums such as video conferencing to hold hybrid meetings as a reasonable adjustment for members and invited guests
	6. acting as an initial point of contact and ensuring effective relationships with the Transport Scotland Sponsor Team
	7. ensuring the Board adheres, where appropriate, to Scottish Government’s policies.
	8. liaising with stakeholders and facilitating relationships across Transport Scotland and wider Scottish Government departments as necessary.
	9. facilitating the Board’s engagement with Ministers; including where appropriate, arranging for Ministers to attend NSTAB meetings and producing supporting briefs.
	10. assisting in the preparation of board papers, assisting with the drafting, production and publication of NSTAB Annual Report and assisting with the production and publication of reports and consultations as required.
	11. securely storing and managing all the Board’s correspondence, papers and data in the Scottish Government’s secure data storage system.
	12. updating and maintaining the NSTAB pages of the Transport Scotland website.
4. In addition to any other specific duties, the Secretariat will:
	1. advise NSTAB on the discharge of its responsibilities – as set out in this Framework Document, in the founding legislation and in any other relevant instructions and guidance issued by or on behalf of the Scottish Ministers;
	2. implement or oversee implementation of the decisions of NSTAB;
	3. manage the Secretariat resource for NSTAB in line with guidance, policies and procedures in place in the SG, and ensure their wellbeing and development (where appropriate);
	4. manage the budget for NSTAB in line with Finance guidance, policies and procedures, including the [Scottish Public Finance Manual](https://www.gov.scot/publications/scottish-public-finance-manual/accountability/accountability/);
	5. agree with NSTAB and the Portfolio AO or Senior Sponsor what information is required to enable NSTAB and SG to scrutinise the performance of NSTAB and progress against overall strategic and work programme aims and objectives, and ensure that the agreed information is provided and that is both accurate and timely;
	6. manage the day-to-day relationship with the Senior Sponsor and/or Sponsor Team, with other SG officials who have an interest in the work of NSTAB and other key stakeholders, including staff of other public bodies.
5. In advising NSTAB, the Secretariat will ensure that the key governance issues highlighted in the Governance and Risk section below are addressed.

### The Scottish Ministers

1. The Scottish Ministers appoint the Chairperson and other NSTAB members, and hold NSTAB to account for its performance and its use of resources. Ministers are ultimately accountable to the Scottish Parliament for ensuring that NSTAB is discharging its duties effectively, although the Parliament will scrutinise the performance of NSTAB directly as it does with all public sector bodies. The Scottish Ministers are not directly responsible for the operation of NSTAB.
2. The Scottish Ministers will:
	1. agree the strategic aims, objectives and key targets of NSTAB as part of the work programme planning process;
	2. agree the budget for NSTAB, and secure the necessary Parliamentary approval, where necessary;
	3. approve the Code of Conduct of NSTAB members;
	4. carry out responsibilities specified in the [2023 Regulations](https://www.legislation.gov.uk/ssi/2023/80/body/made) such as working with NSTAB to approve a work programme.

### SG Portfolio Accountable Officer

1. The Principal Accountable Officer for the Scottish Administration (the Permanent Secretary of the SG) has designated the Chief Executive of Transport Scotland as the Accountable Officer (AO) for the SG portfolio budget which will provide funding for NSTAB.
2. The Portfolio AO’s duties are to establish a framework for the relationship between SG and a public body, oversee the operation of that framework, ensure the public appointments to the body are made appropriately and ensure that appropriate assurance is provided on the performance and governance of the body. These activities are known collectively as ‘sponsorship’. In practice, the Portfolio AO is likely to delegate some or all sponsorship duties to the Director of Bus, Accessibility and Active Travel, and/or to other officials in a ‘Sponsor Team’. The responsibilities of a Portfolio Accountable Officer are set out in detail in the [Memorandum to Accountable Officers](https://www.gov.scot/publications/scottish-public-finance-manual/accountability/annex-1-memorandum-to-accountable-officers-scottish-administration/) for Parts of the Scottish Administration.
3. The Portfolio AO will:
4. make sure this framework document is agreed between the Scottish Ministers and NSTAB, reviewed regularly and oversee the operation of the roles and responsibilities set out;
5. ensure that financial and other management controls being applied by NSTAB are appropriate and sufficient to safeguard public funds and conform to the requirements both of propriety and of good financial management;
6. ensure that public appointments are made in good time and secure appropriate skills, experience and diversity amongst board members, working with the Chairperson on succession planning; that there is effective induction for new appointees; and ensure that there is continuous assessment and annual appraisal of the performance of the Chairperson;
7. support regular and effective engagement between NSTAB and the relevant Scottish Minister(s); and
8. make sure there is clear, documented delegation of responsibilities to a Senior Sponsor and/or Sponsor Team and that NSTAB members are aware of these delegated responsibilities.
9. The Portfolio AO remains personally answerable to the Scottish Parliament for the effectiveness of sponsorship activity.

## Relationship between Scottish Government and NSTAB (Sponsor Team)

1. Strategic engagement between the SG and NSTAB is essential in order that they work together as effectively as possible to maintain and improve public services and deliver improved outcomes. Specific governance and accountability roles are described in the section above, but more generally, both the SG and NSTAB will take all necessary steps to ensure that their relationship is developed and supported in line with the jointly agreed principles set out in the statement on ‘[Strategic Engagement between the Scottish Government and Scotland’s NDPBs’](http://www.gov.scot/Topics/Government/public-bodies/pubs/StrategicEngagement). This emphasises the need for cooperation and good communication, and particularly early warning from either side about any emerging risk or issue with significant implications for the operation or governance of NSTAB.
2. The Sponsor Team’s primary function is to carry out the responsibilities delegated to it by the Portfolio AO, directly or via the Senior Sponsor, as described above. In addition to ensuring that the arrangements in this framework document operate effectively, managing public appointments and providing assurance to the Portfolio AO, the Sponsor Team will usually be the first point of contact for the body on any issue with SG. As part of the assurance they provide to the Portfolio AO, they must ensure that key actions and decisions agreed are documented and implemented. This includes ensuring that SG teams implement any agreed actions.

## Planning and Reporting

### Work Programme

1. As set out in regulation 8 of the [2023 Regulations](https://www.legislation.gov.uk/ssi/2023/80/body/made), NSTAB will prepare a draft work programme setting out how it intends to perform its statutory functions, and such other matters relating to NSTAB’s functions as it considers appropriate, for the next one to three financial years. The draft work programme is to be submitted to the Scottish Ministers for their consideration, and NSTAB must work with the Scottish Ministers on the draft programme until it is approved by the Ministers. The final, approved work programme should be published on the NSTAB pages of the Transport Scotland website.
2. The first work programme prepared by NSTAB must relate to any remainder of the current financial year in addition to the “relevant period”, and the “relevant period” means at least the next full financial year but not more than the next three full financial years. The first work programme must be submitted to the Scottish Ministers as soon as reasonably practicable, and not later than six months after the first meeting of NSTAB.
3. In particular, the programme should:
	1. Reflect NSTAB’s strategic aims and objectives as agreed with the Scottish Ministers.
	2. Set the key objectives for the period of the programme and what advice NSTAB intends to issue to the Scottish Ministers.
	3. Outputs that are expected and how these outputs will be tested.
	4. Highlight the key work streams and areas of engagement.
	5. Demonstrate how NSTAB contributes to the National Transport Strategy 2.
	6. Include a longer-term strategic plan, outlining the longer-term aims of NSTAB, to supplement short-term goals.
4. The work programme, and any subsequent amendments, should be shared with the Sponsor Team. The Board may revise a programme from time to time and must submit any revised programme to the Scottish Ministers for approval.
5. All work programmes subsequent to the first must be submitted to the Scottish Ministers not later than three months before the expiry of the period to which the current programme relates.
6. The Scottish Ministers may:
	1. approve a programme without modification,
	2. approve a programme with modifications agreed with NSTAB, or
	3. reject a programme.
7. If the Scottish Ministers reject a programme, NSTAB must submit a revised programme to the Scottish Ministers within such period as the Scottish Ministers require.
8. The respective responsibilities in the work programme process are as follows:
	1. Chairperson – Manage the process for establishing the contents and strategy of the work programme, including drafting and overall responsibility for its quality.
	2. Board Members – Provide input to the content of the work programme.
	3. Secretariat – support NSTAB in the creation of the work programme, including compiling advice, NSTAB operational statistics (e.g. finance, appointments), and drafting of relevant sections related to the Secretariat duties. Review the draft prior to submission to the Sponsor Team. Publishing the work programme on the NSTAB pages of the Transport Scotland website, on behalf of NSTAB.
	4. Sponsor Team – Support the Chairperson with the strategic development of the work programme in the context of Scottish Government policy. Sense check the draft prior to submission to the Scottish Ministers.
	5. Scottish Ministers – Choose whether or not to approve the work programme with or without modifications, as per paragraph 39.

### Annual Report

1. NSTAB will prepare an annual report on its work, including progress against its current strategic aims, objectives and targets. The annual report must be submitted to the Scottish Ministers by 30 June each year, and it should report on the activities of NSTAB and any working groups it formed during the previous financial year. In accordance with regulation 10 of the 2023 Regulations, the annual report must also do the following:
	1. measure NSTAB’s success in respect of the financial year by such methods as the Scottish Ministers may intimate from time to time, and
	2. collate all advice given and recommendations made by NSTAB to the Scottish Ministers during that financial year, including any dissenting opinions communicated to the Scottish Ministers by dissenting voting members.
2. A copy of the report should be provided to the Scottish Ministers via the Sponsor Team. NSTAB must also publish the annual report on the NSTAB pages of Transport Scotland’s website as soon as reasonably practicable after it is submitted to the Scottish Ministers. A copy of the report should also be provided to the Scottish Parliament, usually by way of a letter from the Chairperson to the Convener of the Net Zero, Energy and Transport Committee either in advance of, or on the day of, publication.
3. The respective responsibilities in the annual report process are as follows:
	1. Chairperson – Manage the process for establishing the contents and strategy of the annual report, including drafting and overall responsibility for its quality.
	2. Board Members – Provide input to the content of the annual report.
	3. Secretariat – support NSTAB in the creation of the annual report, including compiling advice, NSTAB operational statistics (e.g. finance, appointments), and drafting of relevant sections related to the Secretariat duties. Review the draft prior to submission to the Sponsor Team. Publishing the annual report on the NSTAB pages of the Transport Scotland website, on behalf of NSTAB
	4. Sponsor Team – Support the Chairperson with the strategic development of the annual report in the context of Scottish Government policy. Sense check the draft prior to submission to the Scottish Ministers.
	5. Scottish Ministers – Take receipt of the annual report, noting its completion and contents. If Scottish Ministers consider it appropriate, intimate methods by which NSTAB should measure its success in the annual report..

### Submissions of advice to Scottish Ministers

1. Formal advice can be issued by NSTAB to the Scottish Ministers at any time the members consider appropriate. This advice must fall within the scope of the statutory functions of NSTAB as provided by section 27C of the 2001 Act. These are:
	1. To advise the Scottish Ministers in relation to their functions insofar as they relate to smart ticketing arrangements.
	2. To advise the Scottish Ministers in relation to their functions insofar as they relate to the national technological standard for smart ticketing.
	3. To advise and give recommendations to the Scottish Ministers in relation to the strategic development of smart ticketing in Scotland.
2. Advice should, at least, set out clearly:
	1. The issue being discussed
	2. The options considered and preferred option/solution
	3. The reasons for the board’s determination with views from members, and with an overview of impacts to those relevant (e.g stakeholders, industry, passengers, government)
	4. The voting record for the submission of the advice, including how many voted for or against it
	5. The proposed next steps
3. Formal advice and recommendations from NSTAB to Scottish Ministers will be processed via the standard communication channel, outlined in paragraph 61. Advice and recommendations should follow a consistent structure, and the secretariat can support NSTAB with the creation of this, in line with Scottish Government processes.
4. Where a voting member does not agree with advice from NSTAB, the voting member may communicate their dissenting opinion to the Scottish Ministers on an individual basis or acting collectively with other dissenting voting members.

### Publication

1. As per the [2023 Regulations](https://www.legislation.gov.uk/ssi/2023/80/body/made), NSTAB must publish any advice it provides to the Scottish Ministers, and any recommendations it makes to the Scottish Ministers, on the NSTAB pages of Transport Scotland’s website.

### Meetings & Voting

1. The purpose of the Board meetings will be to:
	1. Agree objectives and proposed annual workplan for the Board
	2. Identify likely key challenges and opportunities in relation to the work
	3. Identify and agree the required evidence/input in order to make a decision on the Board objectives.
	4. Review evidence in order to make a decision on the next stage of programme development
	5. Make a decision on progress required for next Board meeting and what should be submitted for review
2. All NSTAB members (other than the Chairperson) will be subject to the same terms, conditions and remuneration. NSTAB is formed of voting members, non-voting advisory members, and an additional non-voting member appointed as Chairperson.
3. The voting membership, as provided in regulation 3(2) of the [2023 Regulations](https://www.legislation.gov.uk/ssi/2023/80/body/made), is specifically balanced between the needs of different operators, passengers and the public sector.
4. In order to provide the Scottish Ministers with the best possible advice, three non-voting posts have been embedded into the board, to provide technical advice.
5. The Chairperson is also a non-voting member in a neutral position, directly accountable to the Scottish Ministers. However, despite being a non-voting member, the Chairperson will have a casting vote in the case of a split vote (per regulation 6(5) of the 2023 Regulations).
6. As per regulation 6(6) and (7) of the [2023 Regulations](https://www.legislation.gov.uk/ssi/2023/80/body/made), the quorum for all meetings of NSTAB is a majority of the current voting membership. A resolution is passed when a majority of the voting members attending the meeting have voted in favour of it.
7. Minutes must be kept of the proceedings of every meeting of NSTAB and must include a record of any resolution passed (per regulation 6(8) of the [2023 Regulations](https://www.legislation.gov.uk/ssi/2023/80/body/made)).
8. Voting is required on at least the following matters (per regulation 6(3) of the 2023 regulations):
	1. Advice and recommendations from NSTAB to the Scottish Ministers
	2. Content of the work programme and annual report
9. As per regulation 6(4) of the 2023 Regulations, non-voting members are not entitled to vote on the matters noted in paragraph 58(a) and (b) above.
10. In the event that the Chairperson is absent from a meeting, the members must appoint a member to act as the Chairperson for that meeting only (the “acting Chairperson”). The members must appoint an acting Chairperson at the start of the meeting in question and the standard rule concerning quorum for meetings applies (as noted in paragraph 55). The NSTAB Secretariat should manage the appointment process at the meeting. In accordance with regulation 6(7) of the 2023 Regulations, a member is appointed acting Chairperson for a meeting when a majority of the voting members attending the meeting have voted in favour of the member. In the first instance, the members should seek to appoint a non-voting member as the acting Chairperson, so as to maintain the structure of the voting membership and the clarity of voting members’ positions. If a non-voting member does not receive a sufficient number of votes to be appointed, the members should seek to appoint a voting member as the acting Chairperson in order to allow the meeting in question to go ahead. If a voting member is appointed acting Chairperson, they will only have their normal right to vote as a voting member; they do not have a casting vote in the case of an equality of votes. The Chairperson only has a casting vote in the case of an equality of votes and, therefore, if there is a tied vote at a meeting with an acting Chairperson, the disputed matter must be referred to the Chairperson for a decision.

### Communications

1. With the NSTAB Secretariat
	1. All day-to-day operational matters including expenses, minuting, agendas, meeting logistics, drafting of papers, in line with paragraph 23.
	2. The NSTAB Secretariat can escalate any issues to the Sponsor Team.
2. With Sponsor
	1. Engagement with the Sponsor Team should be treated as a regular informal process. Should the secretariat not be able to answer any operational questions, these can be escalated to the Sponsor Team. The Sponsor Team will also be able to answer any questions on the strategic development of NSTAB.
	2. The Sponsor Team will not be used as a communication channel with the Scottish Ministers, but can be consulted with prior to engaging with the Ministers.
3. With the Scottish Ministers (Minister for Transport)
	1. Correspondence will be sent by the secretariat from the NSTAB mailbox, and the Sponsor Team will be copied in.
	2. The secretariat will provide an opportunity for the relevant Scottish Government policy team to provide additional information to be sent to the Scottish Ministers together with the NSTAB advice, in order to provide efficient Ministerial communication.
4. With external parties
	1. NSTAB will establish its process for engaging with external parties. It is expected that all NSTAB members who are industry/sector representatives will relay information between NSTAB and their sector groups.
5. Media Handling
	1. NSTAB may respond to requests from the media without permission from the Sponsor Team. The Chairperson will be the spokesperson for NSTAB.

### Communication examples

1. The NSTAB Secretariat should be communicated with on the following issues:
	1. Development of work programme and annual report
	2. Process for expenses and remuneration
	3. Day-to-day operation of NSTAB including publication, mailbox, preparation for board meetings and board papers
	4. Any need for legal or Freedom of Information advice
2. The Sponsor Team should be communicated with, via the NSTAB Secretariat, on the following issues:
	1. Strategic development of NSTAB’s operation (including governance, expenses, time commitments), including the development and updating of the Framework Document.
	2. Appointments and resignations of members
	3. If NSTAB chooses, informal development of advice and recommendations
3. Scottish Ministers should only receive, via the NSTAB Secretariat:
	1. Formal advice and recommendations by NSTAB, prepared in accordance with the 2023 Regulations, on:
		* 1. Matters within scope of the statutory functions of NSTAB as set out in paragraph 7
			2. Appointments and resignations (after discussing with the Sponsor Team)
			3. Formal responses to requests by the Scottish Ministers

## Budget Management

1. The Scottish Ministers are required to provide staff and resources to enable NSTAB to carry out its functions. A budget is provided for NSTAB, but formally held and accounted for by SG. The NSTAB Secretariat will be responsible to NSTAB for managing the budget provided, in line with SG Finance policies and guidance including the [Scottish Public Finance Manual](https://www.gov.scot/publications/scottish-public-finance-manual/accountability/accountability/) and requirements for monitoring and reporting. The Portfolio AO or their delegate(s) can provide advice as required.
2. If NSTAB identifies a need for increased resource from a future budget or spending review, a business case for additional funding should be submitted to the Sponsor Team for consideration as part of the budget setting process. If additional resources are needed in-year, or underspends become apparent, then NSTAB should raise these as soon as possible with the Portfolio AO and/or their delegate(s).

## Audit

1. The budget for NSTAB is held and accounted for by SG, so there is no need for NSTAB to prepare separate accounts and there will be no separate external audit undertaken by Audit Scotland.
2. Internal audit is a governance requirement. This will be carried out by the SG Directorate of Internal Audit and Assurance.
3. NSTAB will agree with the Portfolio AO and with the SG Directorate of Internal Audit and Assurance whether it is appropriate to set up an Audit Committee. Any Audit Committee established will follow the guidance set out in the [Audit Committees](http://www.scotland.gov.uk/Topics/Government/Finance/spfm/auditcommittees) section of the [Scottish Public Finance Manual](https://www.gov.scot/publications/scottish-public-finance-manual/).
4. The NSTAB Secretariat will:
	1. ensure that internal audit arrangements comply with the requirements of the Internal Audit section of the Scottish Public Finance Manual;
	2. ensure SG sponsors receive timely copies of all audit documents, including the audit charter, strategy, periodic audit plans and annual audit assurance report;
	3. keep records of, and prepare and forward promptly to the SG an annual report on any fraud or theft in NSTAB and notify the Portfolio AO or Senior Sponsor at the earliest opportunity of any unusual or major incidents.

## Governance and Risk

1. Guidance on governance requirements is available in several documents referred to earlier in this framework document:
* [the Scottish Public Finance Manual](https://www.gov.scot/publications/scottish-public-finance-manual/) (SPFM)
* [the Audit and Assurance Committee Handbook](https://www.gov.scot/publications/audit-assurance-committee-handbook/)
* [On Board – A Guide for Members of Statutory Boards](https://www.gov.scot/publications/board-guide-members-statutory-boards-2/)
1. If in any doubt about a governance issue, the Chairperson of NSTAB or the NSTAB Secretariat should consult the Senior Sponsor or Sponsor Team in the first instance, and sponsors may in turn consult the SG Public Bodies Unit, the SG Governance and Risk Branch and/or other teams with relevant expertise.
2. NSTAB and the NSTAB Secretariat are advised to pay particular attention to guidance on the following issues.

### Risk management

1. NSTAB must develop an approach to risk management consistent with the [Risk Management](http://www.scotland.gov.uk/Topics/Government/Finance/spfm/risk) section of the Scottish Public Finance Manual and establish reporting and escalation arrangements with the Portfolio AO or Senior Sponsor.
2. NSTAB should have a clear understanding of the key risks, threats and hazards it may face in the personnel, accommodation and cyber domains, and take action to ensure appropriate organisational resilience, in line with the guidance in: Having and Promoting Business Resilience (part of the Preparing Scotland suite of guidance) and the [Public Sector Cyber Resilience Framework](https://www.gov.scot/publications/cyber-resilience-framework/).

### Internal control

1. NSTAB should establish clear internal delegated authorities with the NSTAB Secretariat. Requests for funding will be provided to the NSTAB Secretariat who will follow internal Transport Scotland processes for clearance.
2. Counter-fraud policies and practices should be adopted to safeguard against fraud, theft, bribery and corruption - see the [Fraud](http://www.scotland.gov.uk/Topics/Government/Finance/spfm/fraud) section of the SPFM.
3. NSTAB must comply with the requirements of the Freedom of Information (Scotland) Act 2002 and ensure that information is provided to members of the public in a spirit of openness and transparency. The process for adhering to these requests is held by the NSTAB Secretariat and is available to Members via the NSTAB Knowledge Hub.
4. NSTAB must ensure that it complies with the [Data Protection Act 2018](https://www.legislation.gov.uk/ukpga/2018/12/contents/scotland) and the UK General Data Protection Regulation, commonly known as UK GDPR.

### Budget and finance

1. As NSTAB has no legal personality and is unable to enter into contracts in its own name, any procurement activity must be undertaken through the SG in line with the requirements of the [Procurement](https://www.gov.scot/publications/scottish-public-finance-manual/procurement/procurement/) section of the SPFM, and NSTAB must not engage in financial investments, borrowing, lease holding or lending.
2. NSTAB is not under normal circumstances permitted to: generate income; receive gifts, bequests or donations; provide grant funding to a third party; make gifts or special payments; or write off losses. Exceptions regarding gifts and hospitality are outlined in paragraph 3.15 of the NSTAB Code of Conduct. Any exceptions to this must be agreed in advance with Portfolio AO or Senior Sponsor and the SG Financial Management Directorate.

### Legal and other advice

1. If NSTAB considers that they require legal advice, they should contact the sponsor team.

### Remuneration

1. Remuneration, allowances and any expenses paid to the Chairperson and other members of NSTAB must comply with the latest SG Pay Policy for appointments and any specific guidance on such matters issued by the Scottish Ministers.
2. NSTAB members are entitled to request an ex- gratia payment. The appointments are not pensionable. Members sitting on NSTAB, including the Chairperson, will claim compensation for their time from their representing organisation. Where this is not possible, members, including the Chairperson, will be able to request the ex gratia payment. Members cannot be ‘double paid’ for the same expense from multiple sources.
3. Members are also entitled to reasonable travel and subsistence expenses. The limits for expenses are set centrally and the NSTAB Secretariat will inform NSTAB members of these limits and these will be stored on the NSTAB Knowledge Hub accessible only to members. Members are also entitled to reasonable adjustment expenses, to improve accessibility and inclusivity, and other associated costs subject to prior discussion and agreement with the Secretariat.

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