

TITLE:	Governance Handbook and Scheme of Delegated Authority
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PURPOSE

The purpose of this paper is to update the Board on amendments to the internal committee structure and approve the revised Scottish Canals Governance Handbook and Scheme of Delegated Authority attached as appendix 1.

RECOMMENDATION

The Board to review and approve the revised Governance Handbook and Scheme of Delegated Authority attached as appendix 1.

The Board to recommend that the operational internal scheme of financial delegated authority be reviewed by the Executive Management Team in collaboration with the Senior Management Team to ensure consistency with the Executive Management Team Terms of reference and internal committee structure.

BACKGROUND

The Scottish Government Framework Document forms a key part of the accountability and governance framework within which Scottish Canals operates as a Non-Departmental Public Body. It defines the roles and responsibilities of the Board, Chair, Individual Board Members, and the Chief Executive/Accountable Officer.

Our Corporate Plan 2023-28 states that we will ensure that we are well governed.

The EMT regularly reviews Governance proposals to streamline decision making whilst ensuring Scottish Canals remains focussed on being a well governed and effective organisation aligned with the Scottish Public Finance Manual and Scottish Canals delegated powers and financial authority limits set out in the Framework Document between the Scottish Government and Scottish Canals.

ASSESSMENT

The key changes to the Governance Handbook and Scheme of Delegated Authority are summarised as follows:

The remits of the Transformation Committee and Investment Committee are reflected in the Executive Management Team terms of reference.

The Investment and Transformation Committees have been removed from the operational committee structure due to their operation now being part of the wider Executive Management Team remit, and the associated terms of reference of these Committees (formerly appendix 5 and appendix 6 respectively of the Governance Handbook) have been deleted.

The EMT terms of reference have been amended to include oversight of the Investment and Transformation Programmes and to include an express reference to compliance assurance.

This reflects an agile and proportionate operational structure adaptable to business needs and areas of greatest strategic importance/risk reflecting the Corporate Plan themes.

The procedures for Board meetings are set out in Appendix 1 of the Governance Handbook and Scheme of Delegated Authority.

The Board to advise whether the following proposed amendment (highlighted in yellow below) is acceptable to reflect the process for circulation of Board papers to members in light of an internal audit recommendation in its review of Board Effectiveness.

Board Agendas, Papers and Minutes

Board agendas will be determined by the Chair in consultation with the Chief Executive. Members wishing to propose items or raise any additional matter in formal session should notify the Chair in advance.

Board papers will normally be prepared by staff and considered and approved by the Chief Executive prior to submission to the Board. The aim will be to circulate papers to members by email as close as possible to seven clear days in advance of a meeting. Papers will also be sent by email to the sponsor division of the Scottish Government.

Scheme of Delegated Authority

The Scheme is based on the delegated powers and financial delegated authority limits as set out in the Framework Document between Scottish Canals and Scottish Government.

The Schedule of Matters Reserved for Board Approval is unchanged and continues to reflect the Board responsibilities set out in the Scottish Government Framework Document and corporate governance best practice.

In accordance with the recommendation as detailed in the Commercial Income Internal Audit Report, it is recommended that the operational internal scheme of financial delegated authority be reviewed by the Executive Management Team in collaboration with the Senior Management Team to ensure consistency with the Executive Management Team terms of reference and internal committee structure.

CORPORATE CONSIDERATIONS ANALYSIS

Strategic Priorities	Directly linked to Corporate Plan 2023–28 People and business theme, to continue to focus on being a well-run and effective organisation by fulfilling our compliance and statutory obligations. Adheres to the Scottish Government Governance Framework and Scheme of Delegation.
Health & Safety	No additional requirements.
Financial	Provides clear Scheme of Delegated Authority aligned with the Scottish Public Finance Manual. The internal committee structure is anticipated to realise time savings in preparation and attendance at meetings.
Legal	No additional requirements.
Risk / Risk Appetite	Supports governance to manage risk.
Sustainability	Enhance clarity of decision making and accountability in relation to sustainability. Streamlining of processes should realise time and travel savings.
Environment	Enhance clarity of decision making and accountability in relation to environmental sustainability. Streamlining of processes should realise time and travel savings.
People	Training and awareness resourcing time required across the relevant business areas to embed our approach and to realise improvements in analysis, reporting and evidencing robust governance of decisions aligned to the Scheme of Delegation.
Fair Work	No requirements.
Communication	Resourcing time needed to support awareness of the purpose of governance matters, our approach and aspirations and more generally clarifying how decisions are made.
Community & Third Sector	Demonstrates and supports effective governance in operation to deliver public value and build trust and confidence in Scottish Canals.
Commercial	Demonstrates and supports transparency and accountability in decision making.
Asset	The governance structure supports effective decision making regarding the use, management, and development of assets.