

**EXECUTIVE DIRECTOR SPONSOR: JOHN PATERSON****SCOTTISH CANALS FRAMEWORK DOCUMENT****Purpose**

The Board to approve the Scottish Canals' Framework Document in the format attached as appendix 1 as reviewed and approved by the sponsor team and Executive Management Team.

**Priority**

Immediate. To ensure completion within financial year 2024/25.

**Background**

While the Framework Document does not confer any legal powers or responsibilities, it forms a key part of the accountability and governance framework and should be reviewed by Scottish Government and Scottish Canals regularly.

**Key Points for Noting**

The Scottish Canals' Framework Document attached as appendix 1 adheres closely to the most recent version of the Scottish Government Model Framework Document for Executive Non-Departmental Public Bodies published in June 2024.

It retains specific text to reflect Scottish Canals statutory duties and purpose (ref Purpose: clauses 5 & 6) and confirms that optimising income from all sources should be a priority (ref clause 57).

**Delegated Authority Annex** – The Delegated Authority Annex as detailed in our current Framework Document has been retained, subject to an increase to the level of write off of bad debt from £250k to £300k as it is workable for both parties as currently structured.

**Investment Strategy**

Transport Scotland's has confirmed that Scottish Canals Investment Strategy is aligned with Scottish Canal's statutory ability to act commercially when appropriate. This email confirmation is attached as appendix 2 for information.

The legal advice notes attached as appendices 3, 4 & 5 are for information and set out Scottish Canals' current powers to undertake commercial development and investment. This advice was sought to inform the Investment Strategy to achieve long-term income streams and financial resilience.

**Corporate Considerations**

- Strategic Priorities: The Framework Document underpins Scottish Canals' internal Governance structure to drive Scottish Canals ability to actively manage and achieve its strategic priorities and Business Plan objectives.
- Health & Safety: No implications

- Risk/Risk Appetite: The Framework Document underpins Scottish Canals' focus on strategically critical activities and corporate behaviours that should reduce risk.
- Legal: While the Framework Document does not confer any legal powers or responsibilities, it forms a key part of the accountability and governance framework and recognises Scottish Canals' statutory duties.
- Financial: The delegated financial authorities will be reflected in SC's delegated authorities, cash and budget management.
- Human Resources: The responsibilities for staff management to be reflected in SC's People Strategy.
- Fair Work First: No implications for SG Fair Work First criteria.
- Communication: The Framework Document is a key document for SC's Governance and will be published on Scottish Canals' website for accountability and transparency.
- Community & Third Sector: No implications for SC's ability to meet its priorities of *Working through Partnership*.
- Commercial: The Framework Document recognises SC's ability to act commercially.
- Asset: No implications for SC's ability to achieve its strategic priorities regarding asset management and *Optimising Asset Management*
- Environment: No implications

## **Conclusions and Recommendations**

The Board to approve the Scottish Canals' Framework Document in the format attached as appendix 1.

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**Date: 19.03.25**