



PERFORMANCE & AUDIT COMMITTEE MEETING

**HELD IN SESTRAN OFFICES, MEETING ROOM 3D-34, VICTORIA QUAY,
EDINBURGH, EH6 6QQ
ON FRIDAY, 3rd JUNE, 2016
10.00 A.M. – 11.20 A.M.**

PRESENT:	<u>Name</u>	<u>Organisation Title</u>
Councillor	Gordon Edgar (Chair)	Scottish Borders Council
Councillor	Michael Veitch	East Lothian Council
	Sandy Scotland (Vice-Chair)	Non-Councillor Member
Councillor	Tony Boyle	West Lothian Council

IN ATTENDANCE:	<u>Name</u>	<u>Organisation Title</u>
	George Eckton	Partnership Director, SEStran
	Iain Shaw	City of Edinburgh Council (for Treasurer)
	Andrew Ferguson	SEStran/Fife Council (Secretary & Legal Adviser)
	Euan Millar	Audit Scotland

Action by

1. ORDER OF BUSINESS

The Chair confirmed that the Order of Business was as per the agenda.

2. APOLOGIES

Apologies were received from John Jack, Marta Kuzma, and Councillor Nick Gardner.

3. DECLARATIONS OF INTERESTS

No declarations of interest were made.

A1 MINUTES

The minutes of the Performance & Audit meeting of Friday 4th March, 2016 were noted and approved as a correct record.

A2/

A2 MATTERS ARISING

None.

A3 UNAUDITED ANNUAL ACCOUNTS

The Committee considered a report by Iain Shaw, on behalf of the Treasurer, presenting the unaudited Annual Accounts for the year ended 31st March, 2016. An amendment to the unaudited financial statements was tabled.

Decision

The Committee noted:-

- (i) the unaudited Annual Accounts for 2015/16 and referred the Accounts to the Partnership Board for approval for submission to the Partnership's external auditors; and
- (ii) that the audited Annual Accounts, incorporating the Auditor's report, and will be presented to the Performance and Audit Committee and Partnership Board in due course.

IS

A4 LEGAL OFFICER'S REPORT – REVIEW OF GOVERNANCE DOCUMENTATION

The Committee considered a report by Andrew Ferguson, Secretary and Legal Adviser, SEStran. Mr. Ferguson updated members verbally on an additional proposal that, as part of the review, the opportunities for encouraging greater gender and other diversity be explored.

Decision

The Committee:-

- (i) noted the proposed review of the current governance documents;
- (ii) recommended to the Board that the issue of gender and other diversity be explored as part of the review; and
- (iii) noted the ongoing review work which will be taking place over the next few months.

AF/GE

A5./

A5. INTERNAL AUDIT PLAN

The Secretary and Legal Adviser introduced a report, relating to the proposed internal audit review, the scope of which was to assess the design and operating effectiveness of SEStran's controls relating to programme management.

The review was not as yet concluded, but Mr. Ferguson advised the Committee that concerns had been expressed by the internal auditors regarding the governance of the organisation, given the decision to not appoint a Chair to the Partnership in December, 2014.

Decision

The Committee noted the update and that a report on the governance issue would be reported to the Board.

AF/GE

A6. ANNUAL TREASURY MANAGEMENT REPORT

The Committee considered a report by Hugh Dunn on the Annual Treasury.

Decision

The Committee noted the Annual Report for 2015/16 and referred it to the next Board meeting.

A7. RISK REPORT

The Committee considered a report on the Risk Register.

Decision

The Committee noted the contents of the report.

4. ANY OTHER BUSINESS

The Committee noted the revised Standards Commission Guidance which had been circulated by e-mail, and agreed that it should be circulated to all Board members for information.

AF/AC

5. DATE OF NEXT MEETING

Decision

The Committee noted that the next meeting would be held on Friday 9th September, 2016 in 3D-34 Meeting Room, Victoria Quay, Edinburgh.
