

PERFORMANCE & AUDIT COMMITTEE MEETING

**HELD IN SESTRAN OFFICES, MEETING ROOM 3E-95, VICTORIA QUAY,
EDINBURGH, EH6 6QQ
ON FRIDAY, 24 November 2017
10.00 A.M. – 12.30 P.M.**

PRESENT:	<u>Name</u>	<u>Organisation Title</u>
	Sandy Scotland (Chair)	Non-Councillor Member
	Councillor Dempsey	Fife Council
	John Martin	Non-Councillor Member
	Councillor Murtagh	Falkirk Council
	Dr Doreen Steele	Non-Councillor Member
	Barry Turner	Non-Councillor Member

IN ATTENDANCE:	<u>Name</u>	<u>Organisation Title</u>
	Angela Chambers	SEStran
	George Eckton	SEStran
	Elizabeth Forbes	SEStran
	Claire Gardiner	Scott-Moncrieff
	Jim Grieve	SEStran
	Gavin King	City of Edinburgh Council
	Iain Shaw	City of Edinburgh Council

Action by

A1. ORDER OF BUSINESS

It was confirmed that there was no change to the order of business.

A2. APOLOGIES

Apologies were received from Councillors Gardiner, Horne and Imrie.

A3. DECLARATIONS OF INTERESTS

None.

A4. MINUTES

Decision

The minute of the Performance and Audit Committee of 8 September 2017 was approved as a correct record.

A5. EXTERNAL AUDIT - CONSIDERATION OF MANAGEMENT RESPONSE

Scott-Moncrieff, the external auditors completed an audit in September 2017 finding that the Partnership had adequate systems in place. No significant weaknesses or governance issues were found in the Partnership's accounting and internal control systems.

Six actions points had been identified and the corresponding management response was outlined.

Decision

To note the report.

A6. INTERNAL AUDIT PLAN 2017/18

Committee was asked to consider the timing of the audit plan process and the focus of internal audit for 2017/18.

Decision

- 1) To consider any possible issues to be included in the Internal Audit Plan and to feedback to the Partnership Director.
- 2) To agree that a meeting between the Committee members and Internal Audit should take place before the February meeting and a meeting between the Committee members and External Audit should take place before the September meeting.

A7. FINANCE REPORTS

(a) Financial Planning 2018/19

Financial planning options for the 2018/19 revenue budget were highlighted.

The Committee expressed concern at Option 1 which involved a reduction of 5% in the Partnership's requisition to constituent Councils. This amounted to £10,000 and members expressed the opinion that this would have a significant impact on the Partnership's budget but would be negligible for Councils.

Decision

- 1) To note the financial planning assumptions currently being progressed for 2018/19.
- 2) To note the view of the Chief Officers Group, noted at paragraph 3.1 of the report by the Treasurer, on financial planning assumptions for 2018/19.
- 3) To agree that a paper should be brought to the first two

meetings of 2018 on 'aggregation' proposals for 2019/20 and if possible 2018/19.

- 4) To note the risk that Scottish Government funding allocations to Regional Transport Partnership's may be reduced.
- 5) To note that a report on financial planning would be presented to the Partnership Board on 8 December 2017.
- 6) To note a revenue budget for 2018/19 will be presented to the Partnership Board for approval in March 2018.

(b) Mid Term Review – Treasury Management Activity

Details were provided of the investment activity undertaken on behalf of the Partnership during the first half of the 2017/18 financial year.

Decision

To note the investment activity undertaken on behalf of the Partnership.

A8. RISK REGISTER

A draft version of the proposed new risk register was provided to the Committee. In addition, details of a cyber security risk were outlined.

Decision

- 1) To add an identifier for each risk and explore the formatting to ascertain the best way to display the risk register for Committee.
- 2) To note the update on key identified risk under Digital/IT of Cyber Security Assessments.
- 3) To note that discussions would be progressed to determine the appropriate level of Cyber Essentials accreditation required and that further updates would be provided to future meetings.
- 4) To agree that the Business Continuity Management Plan review should be postponed to January 2018.

A9. POLICY & PROJECTS UPDATE

An update was provided on key aspects of projects and initiatives progressed in the last quarter and the latest position on the UK leaving the EU.

Decision

- 1) To note the report.

- 2) To provide a list of the existing real time passenger information screens.

A10. RTS MONITORING

Details were provided of the Regional Transport Strategy (RTS) monitoring framework and progress outcomes.

Decision

- 1) To agree to the continued review and revision of the RTS Monitoring Framework.
- 2) To undertake a prioritised analysis of progress listed RTS actions outlined in appendix 2 of the report.
- 3) To introduce the submission of regular concise narrative accounts of progress with key actions which contribute to RTS outcomes by each constituent council of the South East of Scotland Transport Partnership. This would form the basis of the annual report monitoring until a new cost-effective and sustainable monitoring framework could be developed

A11. AOCB

Details were provided of Tripshare, a web-based car sharing scheme which had been shortlisted for an award at the Holyrood Public Service Awards.

The Winter Wheelers Falkirk Cycle Challenge would commence on 1 December 2017.

A12. PROVISIONAL DATE OF NEXT MEETING

10:00am on Friday 2 March 2018 in Conference Room 2, Victoria Quay, Edinburgh, EH6 6QQ