

PERFORMANCE & AUDIT COMMITTEE

**HELD IN THE MANDELA ROOM, CITY CHAMBERS, EDINBURGH, EH1 1YJ
ON FRIDAY 6 MARCH 2020
10AM**

PRESENT:	<u>Name</u>	<u>Organisation Title</u>
	Councillor Imrie (Chair)	Midlothian Council
	Councillor Balsillie	Clackmannanshire Council
	Councillor Dempsey	Fife Council
	Councillor Fullarton	Scottish Borders Council
	Councillor Murtagh (by telephone)	Falkirk Council
	Councillor Rose	City of Edinburgh Council
	Barry Turner	Non-Councillor Member
	Dr Doreen Steel (by telephone)	Non-Councillor Member

IN ATTENDANCE:	<u>Name</u>	<u>Organisation Title</u>
	Angela Chambers	SEStran
	Jim Grieve	SEStran
	Anna Herriman	SEStran
	Nicola Mackenzie	Scott Moncrieff
	Martin Scott	City of Edinburgh Council
	Iain Shaw	City of Edinburgh Council
	Dheeraj Shekhar	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 Callum Hay, Simon Hindshaw and Gavin King.

A3. DECLARATION OF INTERESTS

None.

A4. MINUTES

Decision

The minute of the Performance and Audit Committee of 22 November 2019 was approved as a correct record.

A5. Audit Plans

(a) External Audit Plan 2019/20

A summary of the work plan for the 2019/20 external audit of the South East of Scotland Transport Partnership (“the Partnership”) was provided.

Decision

To note the report.

Declaration of Interest

Councillor Cameron Rose declared a non-financial interest as a member of the Lothian Pension Fund Committee.

(Reference – report by the External Auditor, submitted)

(b) Internal Audit 2019/20

An update on the outcomes of the 2019/20 SEStran Internal Audit review was provided. Members were invited to provide insights on areas for potential inclusion in the scope of the planned 2020/21 audit.

Decision

1) To note the outcomes of the 2019/20 Internal Audit review.

(Reference – report by the Chief Internal Auditor, submitted)

A6. Finance Reports

(a) Revenue Budget 2020/21

Details were provided of the revenue budget for 2020/21 for review by the Committee.

Decision

1) To note the financial planning assumptions for the Partnership’s revenue budget for 2020/21.

- 2) To note that financial planning for 2021/22 to 2022/23 would be developed throughout 2020 for consideration by the Partnership in autumn 2020.
- 3) To note that the proposed budget was subject to a number of risks and that all income and expenditure of the Partnership would continue to be monitored closely with updates reported to each Partnership meeting.

(Reference – report by the Treasurer, submitted)

(b) Annual Treasury Management Strategy

Details were provided on the proposed Investment Strategy for 2020/21.

Decision

To refer the Strategy to the Partnership Board to approve the continuation of the current arrangement, as outlined in Appendix 1.

(Reference – report by the Treasurer, submitted)

(c) Reserves Policy

The Scottish Government had advised that the Transport (Scotland) Act 2019 was to be enacted on 19 March 2020. The Partnership was recommended to approve a Reserves Policy, given the amendments to Regional Transport Partnerships powers included in the Act.

Decision

To note the report.

(Reference – report by the Treasurer, submitted)

A7. NEW REGIONAL TRANSPORT STRATEGY (RTS) UPDATE

An update was provided on the work to develop the new Regional Transport Strategy (RTS), as agreed by the Board on 21 June including progress on the first, preliminary stage of the RTS, and clarification on the next steps for the RTS.

The update included details on the national context for the RTS rewrite, including legislative changes with relevance to the operation of Regional Transport Partnership.

Decision

To note the report.

(Reference – report by the Senior Partnership Manager, submitted)

A8. DRAFT BUSINESS PLAN

The first draft of SEStran's Business Plan for 2020/21 was submitted.

Following a wide-ranging discussion and exchange of views, the following key points emerged:

- How would the hydrogen versus electric vehicle debate be included in future business plans?
- An electric vehicle strategy and hydrogen strategy were being worked on but were not included in the business plan
- A hydrogen filling station had opened in Wallyford which was fully funded by the private sector. Larger vehicles were moving towards hydrogen and to be aware of this in SEStran's strategic planning
- Any questions prior to the Board meeting would be welcome.

Decision

To note the Draft Business Plan 2020/21.

(Reference – report by the Senior Partnership Manager, submitted)

A9. PROJECTS PERFORMANCE & EU EXIT UPDATE

An update was provided on the progress of the various projects SEStran was involved in and covered the position on the EU exit process.

Decision

To note the update.

(Reference – report by the Senior Partnership Manager, submitted)

A10. CYBER RESILIENCE UPDATE

An update was provided on the ongoing Cyber Resilience programme of work being undertaken by SEStran.

Decision

To note the report.

(Reference – report by the Business Manager, submitted)

A10. DATE OF NEXT MEETING

Friday 5 June 2020 at 10.00am in the Mandela Room, City Chambers,
Edinburgh, EH1 1YJ.