

joining up
journeys

SPT

committee minute

Strathclyde Partnership for Transport

Minute of Audit and Standards Committee meeting

13 November 2009

held at Consort House, Glasgow

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Minute of the meeting of the Strathclyde Partnership for Transport's Audit and Standards Committee held in Glasgow on 13 November 2009.

Present Councillors Bill Grant (Chair), Ian Gray, Tommy Morrison and William Hendrie, and appointed member Tom Hart.

Apologies Councillors Duncan MacIntyre and appointed member Elizabeth Cameron.

Attending Valerie Davidson, Assistant Chief Executive (Business Support), Neil Wylie, Director of Finance and Owen Hendry, Chief Internal Auditor.

Also attending Brian Curran, KPMG.

1. Minute of previous meeting

The minute of the meeting of 18 September 2009 (issued) was submitted and approved as a correct record, subject to the inclusion of Brian Curran, KPMG, in the list of those also attending.

2. Declaration of interest

The committee noted that there were no declarations of interest.

3. Corporate Risk Register update

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There was submitted a report (issued) of 3 November 2009 by the Assistant Chief Executive (Business Support),

- (1) reminding members of the role of SPT's Risk Management Group which met quarterly to monitor and review the risks faced by SPT within its working environment;
- (2) highlighting various amendments to the Corporate Risk Register which had been made at a recent meeting of the Risk Management Group including the introduction of a new column headed "date of last change", a reduction in the scoring of risk reference SPT 10 and a change to the wording of risk reference SPT 11; and
- (3) appending a revised Corporate Risk Register which highlighted the key risks currently identified for the organisation, together with their consequences, mitigating controls and assessed risk scores.

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After discussion and having heard Mr Wylie in answer to members' questions, the committee

- (a) noted the revised Corporate Risk Register; and
- (b) agreed that the register should be amended to include a control measure for maximising revenue.

4. Internal Audit report

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There was submitted a report (issued) of 3 November 2009 by the Assistant Chief Executive (Business Support),

- (1) appending a summary report from a recently completed internal audit review on the allocation of Zonecard revenue;
- (2) explaining that the remedial actions recommended in the report, together with implementation dates, had been agreed with the relevant departmental managers; and
- (3) concluding that, although the results of the audit work had shown that there was continuing improvement in the control and value for money frameworks for these systems, there were some areas where scope for improvement existed and these had been addressed by the audit recommendations.

Following discussion and having heard Mr Hendry provide further detail on the individual recommendations contained within the review, the committee noted that Internal Audit would carry out a follow up review to confirm the implementation of the recommendations detailed in the report and report back to the committee within six months.

5. Follow up of Internal Audit Recommendations

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With reference to the minute of 18 September 2009 (page 2, paragraph 4) when the committee had agreed that Internal Audit would submit a consolidated report covering implementation of all reported internal audit reviews to the committee within a period of six months, there was submitted and noted a report (issued) of 3 November 2009 by the Assistant Chief Executive (Business Support),

- (1) appending a report detailing
 - (a) the background and current arrangements for the follow up of internal audit recommendations within the Partnership; and
 - (b) the progress in the implementation of the following internal audit recommendations reported to the committee on 27 March 2009:-
 - Treasury Management;
 - Advertising revenue;

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- Value for Money review of Subway stores; and
 - Ferry Income; and
- (2) concluding that the progress in implementing internal audit recommendations reported to the committee in March 2009 was generally satisfactory.

6. Internal Audit Plan 2009/2010 – Progress Report

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There was submitted and noted a report (issued) of 2 November 2009 by the Assistant Chief Executive (Business Support),

- (1) reminding members that the main objectives of the annual audit plan were to
- translate the strategic plan into a schedule of audit assignments;
 - define the purpose and duration of each audit assignment;
 - provide a framework for direction and control; and
 - align audit coverage to SPT's risk register;
- (2) appending a progress report for the internal audit plan for 2009/2010; and
- (3) informing members
- (a) that although the plan had previously been on target to achieve the agreed audit coverage of 580 productive days, the agency senior auditor covering maternity leave would now be leaving at the end of the year, earlier than planned, which would increase the projected shortfall to 66 productive days, resulting in only 88% of the planned days being achieved; and
- (b) that, as the required audit coverage was now aligned with changes in the risk environment within SPT and therefore subject to amendment, it was proposed to review the audit need and required productive days by December to ensure that the level of annual audit coverage was adequate.

7. Matter arising

The committee sought assurances that the appropriate representation had been made on the recent inaccurate press reports on SPT senior officers' expenses. Mrs Davidson advised members that an informal meeting had been arranged with the Editor of the Sunday Mail to raise SPT's objections to the article. Mr Wylie also reminded members of the Chief Executive's aim to see SPT regarded as one of the most open and transparent public bodies in Scotland and advised that arrangements were currently being made to publish the expenses of SPT's senior staff on the web.