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journeys

**SPT**

committee minute

## **Strathclyde Partnership for Transport**

### **Minute of Audit and Standards Committee meeting**

**19 September 2008**

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 19 September 2008.

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- Present** Councillors Duncan MacIntyre (Chair), Bill Grant (deputy), Ian Gray, Tommy Morrison and appointed members Tom Hart and Bill Ure.
- Apologies** Councillors Bill McIntosh and William Hendrie.
- Attending** Valerie Davidson, Secretary; Valerie Bowen, Senior Clerk; Neil Wylie, Director of Finance; Owen Hendry, Chief Internal Auditor; Rodney Mortimer, Director of Policy & Strategy.
- Also attending** John Anderson, Consultant Adviser, SPT and Grant Macrae, KPMG.

### 1. Minute of previous meeting

The minute of the meeting of 28 March 2008 (issued) was submitted and approved as a correct record.

Arising from the minute with regard to page 2, paragraph (i), Mr Wylie advised members that a report on the final recommendations for the provision of a subway staff transport service would be submitted to a future meeting of the committee.

### 2. External audit annual report 2007/08

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There was submitted a report (issued) of 5 September 2008 by the Assistant Chief Executive (Business Support)

- (1) enclosing the external audit annual report for 2007/08 for Strathclyde Partnership for Transport which had been consolidated with the annual report for the Strathclyde Concessionary Travel Scheme Joint Committee;
- (2) explaining
  - (a) that the report consisted of two documents, the first being a report to those charged with governance for the audit year ending 31 March 2008 and the second being the draft annual report to the members and the Controller of Audit for 2007/08; and
  - (b) that the documents set out to provide an opinion on the Partnership's financial statements together with the organisation's corporate governance arrangements as they related to:-
    - systems of internal controls;
    - the prevention and detection of fraud and irregularity;
    - standards of conduct;

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- prevention and detection of corruption; and
  - the Partnership's financial position.
- (3) informing members
- (a) that, although the conclusions of the report were satisfactory, a small number of remedial actions to improve the financial statements and strengthen corporate governance arrangements had been identified; and
  - (b) that the implementation of these actions had been agreed with the Partnership's management.

After considerable discussion and having heard Mr Macrae in further amplification of the report and in answer to members' questions, the committee noted the terms of the report and the planned actions.

### **3. Cycle lockers at railway stations**

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With reference to the minute of 28 March 2008 (page 4, paragraph 6) when the committee had agreed that a further report be submitted on the provision of cycle lockers at railway stations, there was submitted a report (issued) of 6 August 2008 by the Assistant Chief Executive (Business Support)

- (1) informing members of the problems associated with the provision of cycle lockers at railway stations; and
- (2) outlining proposals for replacing the current lockers with covered cycle racks.

After discussion and having heard Mr Mortimer in answer to members' questions, the committee noted that a bid for funding would be made for 2009/10 to establish a programme to provide covered cycle racks to replace existing lockers.

### **4. Internal audit reports**

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There was submitted a report (issued) of 27 August 2008 by the Assistant Chief Executive (Business Support)

- (1) appending summary reports from four recently completed internal audit reviews which had involved the evaluation of controls or value for money in the following systems:-
  - Subway stores
  - School transport
  - Best value – performance indicators
  - Ticket agency income
- (2) explaining that the remedial actions recommended in the reports, together with implementation dates, had been agreed with the relevant departmental managers; and

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- (3) concluding that, although the results of the audit work showed that there was continuing improvement in the control and value for money frameworks, there were some areas where scope for improvement existed and these had been addressed by the audit recommendations.

After consideration, the committee noted that internal audit would carry out a follow up review to confirm the implementation of the recommendations detailed in the report.

## **5. Internal Audit Plan 2008/09 – Progress Report**

[Click here to view report](#)

There was submitted and noted a report (issued) of 27 August 2008 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; and
  - provide a framework for direction and control;
- (2) appending a progress report for the internal audit plan for 2008/2009; and
- (3) informing members that the plan was broadly on target to deliver the agreed audit coverage.

## **6. Progress report on the Corporate Risk Register**

[Click here to view report](#)

There was submitted a report (issued) of 27 August 2008 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; and
- (3) appending a revised Corporate Risk Register which highlighted the 9 key risks currently identified for the organisation, together with their consequences, mitigating controls and assessed risk scores.

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

- (a) agreed that the register should be amended to include a risk to cover the current global financial situation; and
- (b) otherwise approved the revised corporate risk register.