

## **Strathclyde Partnership for Transport**

### **Minute of the Audit & Standards Committee**

**30 August 2019**

held in 131 St Vincent Street, Glasgow

**contact officer:**

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**Minute of the meeting of Strathclyde Partnership for Transport's  
Audit and Standards Committee held in 131 St Vincent Street, Glasgow on 30 August 2019**

**Present** Councillors Marie McGurk (Chair), Colin Cameron, Ian Cochrane and Marie McNair; and appointed members Brian Davidson and Jim McNally.

**Attending** Valerie Davidson, Assistant Chief Executive/Partnership Secretary; Neil Wylie, Director of Finance; Iain McNicol, Audit & Assurance Manager, Stuart Paul, Chief Accountant and Gary Devlin and Karen Jones of Scott Moncrieff (External Auditors).

**Chairs Remarks**

With reference to Item 5 of the 21 June 2019 Partnership Minute of meeting, Cllr McGurk was appointed Chair of the Audit & Standards Committee and Cllr McNair was appointed to the Audit & Standards Committee. The Chair welcomed Cllr McNair to the meeting.

Mrs Davidson reminded members that a copy of the CIPFA guidance on the role of audit committees and the Standards Commission for Scotland advice note and flowchart on making a declaration of interest were issued during the summer recess.

**1. Apologies**

Apologies were received from Councillors Devlin, Shearer, and appointed member Ann Faulds.

**2. Declaration of interest in terms of the Ethical Standards in Public Life etc (Scotland) Act 2000**

The Committee noted there were no declarations of interest.

**3. Minute of previous meeting**

The minute of the meeting of 7 June 2019 was submitted and approved as a correct record.

Mr McNicol advised as requested by members at this previous meeting, colour coding was in place for reports with recommendations.

**4. External Audit: 2018/19 Annual Audit Report**

There was submitted a report (issued) of 1 August 2019 by the Assistant Chief Executive providing the Committee with the results of Scott Moncrieff's external audit of Strathclyde Partnership for Transport (SPT) and the Strathclyde Concessionary Travel Scheme Joint Committee (SCTSJC).

In answer to members' questions, Mr Devlin and Ms Jones confirmed that:

- (1) the typo on p14 (page 2 of Scott Moncrieff's report) would be amended; and
- (2) Scott Moncrieff are appointed by Audit Scotland and SPT would need to approve Scott Moncrieff being used in any other capacity should the need ever arise.

Mr Devlin commended SPT's finance team on their high quality financial statements and working papers.

After discussion and after hearing further from Mrs Davidson and Mr Wylie, the Committee noted the details of the 2018/19 Annual Audit Report from Scott Moncrieff.

**5. Annual Accounts 2018/19**

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There was submitted a report (issued) of 9 August 2019 by the Assistant Chief Executive providing the Committee with the audited annual accounts for financial year ending 31 March 2019 for Strathclyde Partnership for Transport (SPT) and the Strathclyde Concessionary Travel Scheme Joint Committee (SCTSJC) for final scrutiny prior to their submission to the Partnership and SCTSJC on 20 September 2019.

The Chair and Mrs Davidson thanked Mr Devlin for his kind comments on SPT's finance team. Thereafter, the Committee noted the contents of the report and agreed that these accounts should be submitted to the Partnership and the Strathclyde Concessionary Travel Scheme Joint Committee respectively for approval on 20 September 2019.

## **6. Corporate Risk Register update**

There was submitted a report (issued) of 14 August 2019 by the Assistant Chief Executive appending the current Corporate Risk Register, and advising members that since the last Audit and Standards Committee meeting, the following amendments/updates have been added:

- SPT 20: Continual network reviews/service withdrawals by commercial operators in bus market: close attention continues to be given to this risk from reports presented to the Operations committee;
- SPT 26: EU (withdrawal) Act 2018 – Brexit implications: close attention continues to be given to this risk from Scottish and UK government information provision with no change to the risk score; and
- SPT 27: Loss of employees: close attention continues to be given to this risk following recent organisational change.

In answer to members' questions, Mrs Davidson confirmed that SPT26 was closely monitored and with reference to SPT9, there is a Business Continuity Plan in place which is supported by location-specific continuity plans.

After discussion and having heard further from Mrs Davidson, the Committee noted the contents of the report and the Corporate Risk Register, as at August 2019.

## **7. Contract audit of security and stewarding**

There was submitted a report (issued) dated 21 August 2019 by the Assistant Chief Executive advising the Committee on the findings of a contract audit of security and stewarding. This engagement is included in the annual Internal Audit Plan for 2019/20.

Mr McNicol advised follow up work has been undertaken.

After consideration and having heard Mr McNicol, the Committee noted the contents of the report and agreed that Mr McNicol submits a follow-up report on the implementation of the recommendations to a meeting in approximately six months.

## **8. Regularity audit of HR policy application on alcohol and drugs**

There was submitted a report (issued) dated 21 August 2019 by the Assistant Chief Executive advising the Committee on the findings of a regularity audit of HR policy application on alcohol and drugs. This engagement is included in the annual Internal Audit Plan for 2019/20.

After consideration and having heard Mr McNicol and Mrs Davidson in answer to members' questions, the Committee noted the contents of the report and agreed that Mr McNicol submits

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a follow-up report on the implementation of the recommendations to a meeting in approximately six months.

**9. Regularity audit of community transport grant awards**

There was submitted a report (issued) dated 21 August 2019 by the Assistant Chief Executive advising the Committee on the findings of a regularity audit of community transport grant awards. This engagement is included in the annual Internal Audit Plan for 2019/20.

After consideration, the Committee noted the contents of the report and agreed that Mr McNicol submits a follow-up report on the implementation of the recommendations to a meeting in approximately six months.

**10. Regularity audit of CRC energy efficiency scheme annual report 2018/19**

There was submitted a report (issued) dated 21 August 2019 by the Assistant Chief Executive advising the Committee on the findings of a regularity audit of the carbon reduction commitment (CRC) energy efficiency scheme annual report for 2018/19. This engagement is included in the annual Internal Audit Plan for 2019/20.

After consideration, the Committee noted the contents of the report.

**11 Regularity audit of declaration of interest arrangements**

There was submitted a report (issued) dated 21 August 2019 by the Assistant Chief Executive advising the Committee on the findings of a regularity audit of declaration of interest arrangements. This engagement is included in the annual Internal Audit Plan for 2019/20.

After consideration, the Committee noted the contents of the report.

**12 Engagement follow-up performance April to August 2019**

There was submitted a report (issued) dated 14 August 2019 by the Assistant Chief Executive advising the Committee on the performance and implementation rate of recommendations from follow-up engagements undertaken between April and August 2019. This engagement is included in the annual Internal Audit Plan for 2019/20.

After consideration and having heard Mr McNicol and Mrs Davidson in answer to members' questions, the Committee noted the contents of the report and the implementation rate of the recommendations from assurance engagements previously reported to the committee.

**13. Audit Scotland report: 'Enabling digital government'**

There was submitted a report (issued) dated 17 July 2019 by the Assistant Chief Executive, advising the Committee on the issue of an Audit Scotland report titled '*Enabling digital government*' which advised members:

- (1) that in June 2019, Audit Scotland published a report titled '*Enabling digital government*';
  - (2) that digital technology has the potential to help make public services better for Scotland's citizens. The Scottish Government set out an ambitious new digital strategy for Scotland in 2017. Building a digital government is an important part of that vision and is challenging, requiring all public bodies to work together. Some good initiatives have been introduced to enable change and there are examples of progress, but these are at early stages;
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- (3) that the Scottish Government needs to demonstrate more effective strategic leadership to encourage and promote digital government. It could do more to support organisations across the public sector to work more collaboratively with each other and with the third sector and industry. This might include establishing effective cross-sectoral forums to plan, share knowledge and information, and identify how different programmes interact with each other. The Scottish Government plays a leading role in identifying common platforms for use across the public sector, and in considering how best to deliver these;
- (4) that the Scottish Government does not have a complete picture of what has been achieved across the public sector so far, including which actions have had the most impact and where there are gaps in progress. And it does not know how much public money is being invested across the public sector to achieve the strategy's actions, or what is needed to fully deliver on its ambition. This means it cannot properly prioritise the work that will make the biggest impact on public services and learn from experience;
- (5) that the shortage of specialist digital skills makes prioritising limited resources more important. The Scottish Government provides digital guidance to public bodies, such as involving users in service design, but needs to more effectively anticipate and plan for the increased demand for new digital skills that new approaches create. The Scottish Government has developed training for existing staff and created new career paths, but a significant skills gap remains; and
- (6) that a new digital assurance framework is helping individual projects to address the risks historically faced by public sector ICT projects, but the Scottish Government has not had enough staff to share common lessons learned. Its Digital Directorate has not effectively prioritised which projects it can make the biggest difference to, or clearly communicated what support it can offer. It introduced new procedures to improve how it prioritises projects during 2018.

After discussion and hearing further from Mr Wylie on SPT's Digital Agenda, the Committee noted the contents of the report and the Audit Scotland report titled '*Enabling digital government*' and noted that an update on SPT's Digital Strategy will be presented to a future meeting.

#### **14 Public reporting complaints statistics 2019/20 – Periods 1 to 4**

There was submitted a report (issued) dated 21 August 2019 by the Assistant Chief Executive which:

- (1) advised the statistics for the first four periods of 2019/20 for SPT complaints; and
- (2) informed members that of the 162 complaints received in the first quarter of 2019/2020, 12 did not concern SPT services and 91% had been responded to within the prescribed timescale.

After discussion and hearing from Mrs Davidson, the Committee noted the level of complaints received in the context of the volume of service provided, and that future reports will include corresponding detail of complaint type.

#### **15. Members' and Directors' expenses 2019/20 to 6 July 2019**

There was submitted and noted a report (issued) of 13 August 2019 by the Assistant Chief Executive detailing members' and directors' expenses to 6 July 2019.

Following discussion, the Committee noted the details of the report.

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