



PERFORMANCE & AUDIT COMMITTEE MEETING

HELD IN SESTRAN OFFICES, MEETING ROOM 3E-91, VICTORIA QUAY,
EDINBURGH, EH6 6QQ
ON FRIDAY, 17TH FEBRUARY, 2017
10.00 A.M. – 12.30 P.M.

| PRESENT: | <u>Name</u> | <u>Organisation Title</u> |
|----------|---|---------------------------|
| | Councillor Gordon Edgar (Chair) | Scottish Borders Council |
| | John Jack | Non-Councillor Member |
| | Sandy Scotland | Non-Councillor Member |
| | Councillor Lesley Hinds (by Conference Call) | City of Edinburgh Council |

| IN ATTENDANCE: | <u>Name</u> | <u>Organisation Title</u> |
|-------------------|-----------------|---------------------------|
| | George Eckton | SEStran |
| | Jim Grieve | SEStran |
| | Peter Jackson | SEStran |
| | Iain Shaw | City of Edinburgh Council |
| | Andrew Ferguson | Fife Council |
| | Michael Smith | Scott-Moncrieff |

N.B.

Action by

1. ORDER OF BUSINESS

The Chair confirmed that the Order of Business was as per the agenda.

2. APOLOGIES

Apologies were received from (tbc)

3. DECLARATIONS OF INTERESTS

Sandy Scotland declared an interest in item 18 as a director of Cycling Scotland.

A4 MINUTES

The minutes of the Performance & Audit meeting of Friday 18th November, 2016 were noted and approved as a correct record.

In discussion, it was agreed the minutes should indicate what action had been taken or whether the matter was covered elsewhere on the agenda.

A5 MODEL 3 SESTRAN CONSULTATION UPDATE

The Committee considered a report by George Eckton, Partnership Director and Andrew Ferguson, Secretary updating the Committee on the progress with “Model 3” consultation initiated by the Board in December, 2016

Decision

The Committee noted the report.

A6 AUDIT REPORTS

(a) External Audit – Introduction

The Committee welcomed Michael Smith, Scott-Moncrieff, to his first SEStran meeting.

(b) External Audit – Audit Plan 2016/17

The Committee expressed concern of the net increase in fees.

Decision

The Committee delegated to the Partnership Director in consultation with the Chair to negotiate the proposed fee level with Scott-Moncrieff and Audit Scotland, subsequently reporting back to the Committee.

(c) Internal Audit – Annual Audit Report – the Committee considered a report by Hugh Thomson Principal Audit Manager setting out the internal audit work undertaken by Internal Audit for the Financial Year 2016/17.

Decision

The Committee noted the report.

A7 FINANCE REPORTS

The Committee considered a report by Hugh Dunn, Treasurer reviewing the proposed revenue budget for 2017/18, together with the share of net expenses to be paid by each constituent Council.

Decision/

Decision

The Committee:-

- (1) Noted the proposed revenue budget for 2017/18;
- (2) Noted that the Board would be asked to approve the following recommendations at its meeting on 2nd March, 2017:
 - (a) Approve the proposed core revenue and revenue projects budget for 2017/18, as detailed in appendices 1 and 2, and agree that authorisation is given to requisition the individual constituent authorities for amounts as follows:

| | |
|------------------|----------|
| Clackmannanshire | £ 6,256 |
| East Lothian | £12,553 |
| Edinburgh | £60,763 |
| Falkirk | £19,303 |
| Fife | £44,838 |
| Midlothian | £10,645 |
| Scottish Borders | £13,891 |
| West Lothian | £21,751 |
| | |
| Total | £190,000 |
 - (b) Note that the financial planning for 2018/19 will be developed for consideration in Autumn 2017;
 - (c) Note that the proposed budget is subject to a number of risks and that all income and expenditure of the Board will continue to be monitored closely with updates reported at each Partnership Board.
- (b) **Annual Treasury Strategy** – the Committee considered a report by Hugh Dunn, Treasurer proposing the Investment Strategy for 2017/18

Decision

It was recommended that the Committee refer the Strategy to the Partnership Board.

A8 CONSULTATION ON PROPOSED CHANGES TO COUNCILLORS' CODE OF CONDUCT

The Committee considered a report by Andrew Ferguson, Secretary outlining proposed changes to the Councillor's Code of Conduct.

Decision/

Decision

- (i) noted the subject matter of the consultation; and
- (ii) Agreed recommendation to the Board a response on the lines set out at 2.3, namely that the introduction of a specific exclusion to cover councillors who were members of RTPS and were involved in planning decision making in their own councils was to be welcomed; and that SEStran offered no opinion on whether the exclusion should be widened to other public bodies.

A9. RECORDS MANAGEMENT

The Committee considered a report by Angela Chambers, Business Manager, providing the Committee with an update on the progress on SEStran's Records Management Plan and IT upgrades.

Decision

The Committee noted the contents of the report.

A10 PLACES, PEOPLE AND PLANNING CONSULTATION

The Committee considered a report by George Eckton, Partnership Director summarising the key issues of emerging from the recently published Scottish Government's publication "Places, people and Planning: A consultation on the future of the Scottish planning system", seeking to start the process of collating a SEStran response by the deadline of 4th April, 2017.

Decision

The Committee noted the terms of the report, and noted that a fuller report and more detailed discussion would take place at the Board.

A11 REVIEW OF FORUMS

The Committee considered a report by George Eckton, Partnership Director advising members of the proposals for a change in the structure of SEStran's consultative forums.

Decision

The Committee noted the report, and that, since the invitation of the review, a full cycle of forum meetings had taken place. The Committee agreed it would be appropriate to hold over the next round of meetings until after the Council elections in May.

A12/

A12 PROCUREMENT WYG/INEO

The Committee considered a report by Jim Grieve, Head of Programmes advising members of the Passenger Information project to date, providing an update on discussions with SEStran's legal advisers, to the effect that a five year maintenance period on the INEO contract had formed a part of that contract, starting in April, 2014.

Decision

The Committee:-

- Noted that on the basis that there was no practical alternative, in view of the short time left until the end of the financial year, the Partnership Director, in consultation with the Chair decided to instruct the necessary additional work;
- Noted that sufficient funding was available from the 2017/18 budget;
- Noted that it was intended to go to the market for any work envisaged to be carried out in year 2017/18 and beyond; and
- Noted the update on discussions with SEStran's legal advisers.

A13 PARTNERSHIP STAFFING UPDATE

The Committee considered a report by George Eckton, Partnership Director, updating members on the organisational structure of staffing at SEStran.

In doing so, the Committee noted with regret that passing of Andrew Dougal, SEStran's former Communications Officer.

Decision

The Committee noted the update provided and passed on their sympathies to Andrew Dougal's family.

A14 SESTRAN EQUALITY MAINSTREAMING REPORT & EQUALITY OUTCOMES 2017-2021

The Committee considered a joint report by Emily Whitters, Business Support Officer and George Eckton, Partnership Director outlining the public body under the Equality Act 2010 and the Equality Act 2012 (Scotland) to publish a biennial Equalities Mainstreaming Report and a new set of Equality Outcomes covering the period April, 2017 – 2021 to enable to perform the equality duty.

Decision/

Decision

The Committee:-

- (i) Noted and welcomed the draft Equality Mainstreaming Report and Equality Outcomes Report;
- (ii) Recommended both reports for approval to the Partnership Board; and
- (iii) Agreed that, moving forward, the implication boxes that follow each report be amended from race, gender and disability implications to Equalities Implications to cover all protected characteristics as well as cover future implementation of a socio-economic duty

A15 SG CONSULTATION ON GENDER BALANCE ON PUBLIC BOARDS

The Committee considered a joint report by George Eckton, Partnership Director and Emily Whitters, Business Support Officer outlining the draft of the Gender Representation on Public Boards (Scotland) Bill on the 5th January, 2017. The consultation closes on the 17th March, this was made as a key commitment in the Scottish Government's Programme for Government 2016/17.

Decision

The Committee:

- (i) Noted on the consultation on the Draft Gender Representation on Public Roads (Scotland) Bill; and
- (ii) Recommended and supported SEStran in signing up to the 5050 by 2020 pledge.

A16 BOARD DIVERSITY SUCCESSION PLAN

The Committee considered a report by George Eckton, Partnership Director, updating members on the progress with a final Board Diversity Succession plan for SEStran, required under the 2016 Scotland Regulations of the Equality Act.

Decision/

Decision

The Committee:-

- Agreed the Board Diversity Succession Plan agreed that SEStran should commit to a transparent, inclusive and outreaching process of appointment of new Non-Councillor Board members in 2018;
- Agreed to SEStran setting up a transition from a Board Diversity Working Group, to set up a Succession Planning Committee which would meet annually; and
- Noted that the Scottish Government have still to survey members of Public Boards and noted the verbal update given at the meeting..

A17 NON-COUNCILLOR MEMBER BOARD VACANCY UPDATE

The Committee considered a report by George Eckton, Partnership Director providing the Committee with an update on progress with the appointment to the current Non-Councillor members vacancy on SEStran's Board.

Decision

The Committee noted the update, and agreed to recommend to the Board that the current selection process be used to fill both vacancies.

A18 DRAFT BUSINESS PLAN 2017/18

The Committee considered a report by Jim Grieve, Head of Programmes, outlining the changes to the format of the forthcoming year's Business Plan for SEStran.

Decision

The Committee noted the contents of the draft Business Plan 17/18 and agreed to recommend it to the Board.

A19 PROJECTS UPDATE/EU UPDATE

The Committee considered a report from Jim Grieve, Head of Programmes outlining updates on the projects listed.

Decision

The Committee noted the updates provided.

A20/

A20 REVIEW OF THE NATIONAL PERFORMANCE FRAMEWORK'S NATIONAL OUTCOMES

The Committee considered a report by George Eckton, Partnership Director, seeking the views on an initial response to a Stakeholder engagement exercise ahead of a fuller public consultation and opportunity for a formal SEStran response.

Decision

The Committee noted and agreed the proposals in the short survey to inform an initial SEStran response from the Partnership Director

A21 AOCB

A22 DATE OF NEXT MEETING

Decision

The Committee noted that the next meeting would be held fixed following the May election.