

PERFORMANCE & AUDIT COMMITTEE MEETING

**HELD IN MANDELA ROOM, CITY CHAMBERS, EDINBURGH, EH1 1YJ
ON FRIDAY, 16 November 2018
10.00 A.M.**

PRESENT:	<u>Name</u>	<u>Organisation Title</u>
	Councillor Imrie (in the Chair)	Midlothian Council
	Councillor Balsille	Clackmannanshire Council
	Councillor Dempsey	Fife Council
	Councillor Edgar	Scottish Borders Council
	Councillor Horne	West Lothian Council
	Callum Hay	Non-Councillor Member
	Simon Hindshaw	Non-Councillor Member

IN ATTENDANCE:	<u>Name</u>	<u>Organisation Title</u>
	Angela Chambers	SEStran
	Jim Grieve	SEStran
	Gavin King	City of Edinburgh Council
	Stuart Johnston	City of Edinburgh Council
	Karen Jones	Scott Moncrieff
	Iain Shaw	City of Edinburgh Council

Action by

A1. ORDER OF BUSINESS

It was confirmed that an additional item would be considered at the end of the public items around supporting the proposal to manufacture trains at Longannet.

A2. APOLOGIES

Apologies were received from Councillors Fullarton, Key, Macinnes, Small, and Watson. Doreen Steele and Barry Turner.

A3. DECLARATIONS OF INTERESTS

None.

A4. MINUTES

Decision

- 1) To approve the minute of 7 September 2018 as a correct record subject to further clarity around the pension deficit risks and how they would be mitigated being made more explicit.
- 2) To agree that a report be taken to a future meeting of the

Performance and Audit Committee or Partnership Board about the future of SEStrans Pension Fund.

A5. FINANCE REPORTS

(a) Financial Planning 2019/20

An update was provided on the financial planning being progressed for the Partnership for the 2019/20 revenue budget.

Decision

- 1) To note the update on the financial planning assumptions being progressed for the Partnership for the 2019/20 revenue budget.
- 2) To note the report would be presented to the Partnership Board on 7 December 2018.

(b) Treasury Management – Mid-Term Review

Details were provided of the investment activity undertaken on behalf of the Partnership during the first half of the 2018/19 Financial Year.

Decision

To note the investment activity undertaken.

A6. RISK MANAGEMENT

A six-monthly update of the Risk Register was provided to the Committee.

Decision

- 1) To incorporate an additional “appetite for risk” column to highlight that R010 was still a high risk but it was tolerable.
- 2) To otherwise note the Risk Register.

A7. HR Policy Review

An update was provided on the review of SEStran’s Human Resources policies and procedures which had commenced and work would continue over the remainder of the financial year to complete the exercise. Three policies had been initially identified which required revision and had subsequently been amended to ensure that SEStran met employment legislation requirements and continued to apply best practice.

Decision

- 1) To approve the updated policies as outlined in section 2 of the report for immediate implementation.

- 2) To agree that flexible working arrangements be incorporated in to the Adverse Weather policy.

A8 Longannet

The Chair highlighted that there was an opportunity for SEStran to support Longannet being used to manufacture trains, relative to a contract for High Speed Rail (HS2).

Decision

To agree to write, jointly with SESplan, to the Cabinet Secretary for Transport, Infrastructure and Connectivity and the Secretary of State for Transport about both the Scottish and UK Government investing and building contract trains at the former Longannet power station.

A9. Partnership Management Remuneration

The Committee, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting during consideration of the following item of business for the reason that it involved the likely disclosure of exempt information as defined in Paragraphs 1 and 6 of Part 1 of Schedule 7(A) of the Act.

A report was tabled at the meeting in relation to the remuneration arrangements for the period of the Partnership Director's absence since 8 December 2017.

Decision

- 1) To approve the recommendation outlined in the report.
- 2) To note that a report would be brought to the Partnership Board meeting on 7 December 2018.

A10. AOB

Decision

To agree that a performance report regarding SEStran projects be brought to the next meeting of the Performance and Audit Committee.

A11. DATE OF NEXT MEETING (Provisional)

10:00am on Friday 8 March 2018 in the Mandela Room, City Chambers, Edinburgh, EH1 1YJ.