

**MINUTES OF THE MEETING OF THE AUDIT
COMMITTEE OF THE GREATER
MANCHESTER INTEGRATED TRANSPORT
AUTHORITY HELD ON 16 OCTOBER 2009**

PRESENT: Councillor Eddie McCulley (In the Chair)

Councillors Stuart Corris, Peter Evans, Colin Shaw, Eunice Smethurst
and Mr Francis Walsh

APOLOGIES: Councillor Mike Smith and Barry Theckston

AUD/12/09 URGENT BUSINESS

The Chair informed the committee that the Management Responses to Internal Audit Reviews had been circulated to Members of the Committee on 13 October 2009, which he had agreed to accept as an item of urgent business under the provisions of Section 100B (4) of the Local Government Act 1972.

AUD/13/09 DECLARATIONS OF INTEREST

No declarations of interest were made.

**AUD/14/09 MINUTES OF THE MEETINGS HELD ON 21 AND 30 SEPTEMBER
2009**

The Minutes of the meetings of the Audit Committee held on 21 and 30 September 2009 were submitted for consideration.

RESOLVED/-

That the Minutes of the meetings of the Audit Committee held on 21 and 30 September 2009 be approved as a correct record.

**AUD/15/09 MANAGEMENT RESPONSES TO INTERNAL AUDIT REVIEWS
FOR 2008/09**

Consideration was given to three Internal Audit reports which reviewed three key areas of activity undertaken by the Authority in 2008/09; capital programme monitoring; performance management; and risk management, together with management responses to the recommendations for improvement.

The Head of Internal Audit confirmed that the management response addressed those areas of improvement identified adding that management commitments would be progress monitored throughout the year.

The Committee was advised that the Authority had been aware that improvements were required and had taken the opportunity prior to the municipal year-end to review its committee structure; resulting in a new and focussed reporting structure.

Members also suggested that the overall assurance opinion levels should be compacted to four options; an odd number of options normally usually resulted in an opinion based on the middle ground.

The Head of Internal Audit suggested that a progress report on the identified actions be submitted to the 12 February 2010 meeting of the Audit Committee.

Capital Programme Monitoring

In response to the issues identified Members were reminded that the newly established Capital Projects Committee now had specific responsibility for monitoring the delivery of the agreed GMITA capital programme. The structure and detailed level of reporting against the capital programme had been recast in consultation with the Chair of the Capital Projects Committee to ensure appropriate levels of information were made available to provide the Committee with the required assurances to deliver the capital programme.

It was also reported that the remit of the Policy and Resources Committee now enabled the measurement of performance alongside the capital programme and provided a closer link between the programme and the Authority's strategic objectives.

Members confirmed that the increased level of information and the commitment provided by management to improve available information provided Members with the opportunity to scrutinise the capital programme process.

Members requested that target dates be included for all committed actions.

Performance Management

The Committee was advised that the performance monitoring and management duties were now within the remit of the Policy and Resources Committee which had an explicit terms of reference to monitor "operation, impact and effectiveness of the Authority's policies" alongside considering "the implications for future policies and budget priorities" of performance reports.

Members requested that the actions identified within the report be referred to the specific Committee for action.

Risk Management

Officers acknowledged that further work was required to be undertaken relating to risk management and the relationship with GMPTE, as the delivery partner of the Authority's strategic objectives.

Next Steps

The Committee was advised that detailed final actions needed to be finalised with Internal Audit. Further work was also required to assess officer time to complete agreed tasks and to identify where an external resource was required to take work forward. The Committee would be advised in the event that it was considered that an external resource was the best way forward to deliver the required outcomes.

The Head of Internal Audit agreed that a summary of the reviews would be produced in March 2010.

RESOLVED/-

1. That the review of capital programme monitoring reports, in consultation with the Chair of the Capital Projects Committee, resulting in the provision of a clear forum for consideration of detailed capital programme matters be noted.
2. That the proposed review of the capital programme monitoring report structure to be undertaken during in March/April 2010 be noted.
3. That the introduction of regular reports to the Capital Projects Committee on high priority projects from the beginning of the municipal year 2009/10 be noted.
4. That the revised remit of the Policy and Resources Committee to consider performance alongside capital programming to provide scope for closer links between the capital programme and strategic objectives be noted.
5. That the inclusion of the collective management of performance monitoring and monitoring duties within the terms of reference of the Policy and Resources be noted.
6. That the review of arrangements for reporting the Authority's activities, which demonstrated a direct link between short and longer objectives, including consideration of a separate Annual Report for the Authority to be included within the development process for the third Local Transport Plan, be agreed.
7. That the Local Transport Plan performance regime be reviewed in preparation for the third Local Transport Plan.
8. That the Policy and Resources Committee be requested to supervise and agree a review of the key performance indicators for 2009/10 for completion by April 2010.
9. That officers be requested to review options for further data assurance methods for presentation to the 22 January 2010 meeting of the Policy and Resources Committee.
10. That officers be requested to review options for the improvement of reporting key performance indicators in terms of the 'direction of travel' and the 'capacity to improve' for consideration at the 22 January 2010 meeting of the Policy and Resources Committee.
11. That officers be requested to develop a risk management strategy for consideration at the 12 February 2010 meeting of the Audit Committee. To include:
 - appropriate basic risk management training for all Members of the Authority to the support the discharge of their duties

- in consultation with the Chair of the Audit Committee, to review the appropriateness of the current arrangements for overseeing GMPTE's risk management framework
- to allocate of responsible officers to each corporate risk to take on day to day, operational responsibility for the delivery of controls, reporting to a strategic lead officer
- to identify and rank all GMITA risks
- develop a process for risk management reporting
- consider process for risk management reporting and the development of a member training programme

12. That officers be requested to submit a progress report on the implementation of the identified actions to the 12 February 2010 meeting of the Audit Committee.

AUD/16/09 DRAFT CORPORATE CODE OF GOVERNANCE

Consideration was given to a report enabling the Committee consider and comment on the draft Code of Corporate Governance for the Authority.

RESOLVED/-

That the draft Corporate Code of Governance be approved for endorsement by the Authority at its meeting on 18 December 2009.