

**MINUTES OF THE MEETING OF THE AUDIT
COMMITTEE OF THE GREATER
MANCHESTER INTEGRATED TRANSPORT
AUTHORITY HELD ON 12 FEBRUARY 2010**

PRESENT: Councillor Eddie McCulley (In the Chair)
Councillors Stuart Corris, Peter Evans, Colin Shaw, Eunice Smethurst
and Barry Theckston

ALSO PRESENT: Councillor Peter Scott

AC/01/10 DECLARATIONS OF INTEREST

There were no interests declared.

AC/02/10 MINUTES OF THE MEETING HELD ON 16 OCTOBER 2009

The Minutes of the meeting of the Audit Committee held on 16 October 2009 were submitted for consideration.

The following matters were raised on the minutes:

Management Responses to Internal Audit Reviews for 2008/09 – Minute 15/09 refers:

The Committee was assured that the actions identified in the audit reviews had been reported to the relevant Committees.

The Treasurer confirmed that a programme of work had been developed to ensure the timely audit and approval of the Authority's accounts in going forward.

The Committee was also advised on the background to the change in Audit Commission's representative to undertake audit work on behalf of the GMPTE and GMITA for 2010/11.

RESOLVED/-

That the Minutes of the meeting of the Audit Committee held on 16 October 2009 be approved as a correct record.

AC/03/10 DRAFT GMITA RISK STRATEGY

Consideration was given to a report presenting the outline draft risk strategy for discussion. To support the discussion the Committee also received a presentation from the Head of Internal Audit and Risk Management, Tom Powell.

In response to concerns regarding the legal protection of risk owners, it was suggested that the terminology could be misleading in terms of delivery, given the individual was only responsible for ensuring the risk was managed; GMITA risks were mainly related to governance issues and not physical works.

The Treasurer confirmed that direct financial risks for the Authority were limited, with the majority of financial risks carried by the GMPTE. The loss of Bus Network Revenue Support and Concessionary Support would have an immediate impact on reserves; risks associated with Metrolink funding were longer-term issues.

The following points were raised:

- the communication of project leads within reports could be improved.
- to seek assurances that officers had the required delegations to be able to respond to a 'major incident' to ensure that the strategic objectives of the Authority continued to be delivered.
- to regularly review of the list of 'Immaterial Risks' to limit exposure to the Authority and to ensure the accurate recording of rolling risks.
- to strengthen linkages between the Auditor's work and the Risk Register.
- to seek assurances from the GMPTE that risks were being managed appropriately on behalf of the Authority.
- to seek assurances from the GMPTE that financial information was readily available and provided to the GMITA Treasurer and Auditors to ensure the qualification of the GMITA accounts.
- to communicate the scrutiny of information within reports was the responsibility of individual committees.

The Head of Internal Audit and Risk Management recommended that the GMPTE be requested to provide a 'Risk Assurance Statement' on an annual basis.

The Committee was reminded that the Authority did not directly employ any personnel, with personnel being provided by Manchester City Council, and that risks associated with 'Human Welfare' issues be covered by the proposed GMPTE annual 'Risk Assurance Statement'.

The Committee was advised that the risk register was a 'live' document and it was proposed to populate the register with a view to regular review by the Audit Committee.

RESOLVED/-

1. That the proposed management arrangements by the Committee and the register of key risks and assurance measures and the final strategy be approved.

2. That the Clerk and the Treasurer be requested to prepare regular progress reports to the Audit Committee, setting out any changes to the Risk Register.

AC/04/01 TREASURY MANAGEMENT STRATEGY STATEMENT AND BORROWING LIMITS FOR 2010-11 AND PRUDENTIAL AND TREASURY INDICATORS 2010-11 AND 2012013

Consideration was given to a report setting out the proposed Treasury Management Strategy Statement and Borrowing Limits for 2010-11 and Prudential and Treasury Indicators for 2010-11 and 2012-13.

RESOLVED/-

1. That the proposed Treasury Management Strategy be approved for submission to the March 2010 meeting of the Authority.
2. That the Prudential and Treasury Indicators be approved for submission to the March 2010 meeting of the Authority.
3. That the Borrowing requirements, be approved for submission to the March 2010 meeting of the Authority, as listed below:

	2010/11	2011/12	2012/13
	£000	£000	£000
Potential New Long-term borrowing	223,939	325,425	270,688

4. That it be noted that the Authority would be recommended to amend its constitution in order to adopt the revised Treasury Management Code, as contained within the report now submitted.