

**WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY**  
**AT A MEETING OF THE AUDIT AND GOVERNANCE COMMITTEE**  
**HELD IN WELLINGTON HOUSE ON**  
**FRIDAY 14 DECEMBER 2007**

**PRESENT:** Councillor C Campbell (Chair)

Councillors T Brice, J Jarosz, T Leadley, M Lyons and K Rhodes

In Attendance: J Talbot - District Audit

**21. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors S King and G Phelps.

**22. DECLARATIONS OF INTEREST**

There were no personal or prejudicial interests declared by members at the meeting.

**23. MINUTES**

**RESOLVED** - That the minutes of the meeting held on 28 September 2007 be approved.

**24. AUDIT OPINIONS RECEIVED**

The Committee considered a report of the Chief Financial Officer on the receipt of Audit Opinions received from the Audit Commission.

It was reported that following confirmation that the Auditors were now satisfied that the fraud case was now completed copies of the following were attached:

Audit Certificate for 2004/05 (the audit opinion received in 2006)  
Audit Certificate for 2005/06 (the audit opinion received in 2007)  
Audit Opinion and Certificate for 2007/08

Members noted that certificates which completed the Audit for the years 2004/05 and 2005/06 now gave the Authority a clean Audit certificate and up to date Audit Opinion as required under the Audit Commission Act 1998 and the Audit Commission Code of Practice.

**RESOLVED** - That the report be noted.

## 25. STATEMENT OF INTERNAL CONTROL

The Committee considered a report of the Clerk and Chief Financial Officer on changes made to internal control arrangements since the approval to the Statement of Internal Control included in the 2006/07 accounts.

Members noted various aspects of the Statement of Control, which also set out the actions which had been taken in relation to

- (i) Changes to Control Arrangements
- (ii) Risk Matters
- (iii) Quarterly Financial Monitoring
- (iv) Financial Control Environment

With regard to internal control procedures, it was noted that they would need to be rewritten when the Deputy Chief Financial Officer retired on 31 March 2008.

**RESOLVED** - That the report be noted.

## 26. ANNUAL AUDIT AND INSPECTION LETTER

The Committee considered a report on the receipt of the Annual Audit and Inspection letter from the Audit Commission for 2006/07.

It was reported that the Annual Audit Inspection letter (AAIL) gave a summary of the audit work undertaken during 2006/07, including the Audit of the Accounts and the related Annual Governance report, financial standing and risk management.

The AAIL also included a summary of the findings of the cross-cutting report prepared for the Executive on 'Increasing Bus Usage in West Yorkshire'. It highlighted the strong leadership Metro provided to its partners and praised the work undertaken. However it acknowledged the difficulties in getting all partners to commit to the agreed targets to the same degree and the difficulties offered by the statutory framework which lead to the conclusion by the Audit Commission that the bus patronage target was unlikely to be achieved by 2010/11. In this respect Councillor Lyons asked the Auditor for an explanation on what basis they had concluded that the 2010/11 bus patronage target could not be achieved.

In response she indicated that this particular work was carried out by a separate division of the Audit Commission and therefore it would be more appropriate if they gave a presentation at a meeting of their findings.

**RESOLVED** - That the report be noted.

## 27. INTERNAL AUDIT REPORT

The Committee considered a report of the Internal Audit Manager detailing reviews which had been carried out and key issues that had been identified.

Members were given an update on issues which were raised at the last meeting. In this respect it was reported that additional work in relation to travel centres would be reported to a future meeting.

The Internal Audit Manager reported that the following reviews had been carried out since the last meeting. A detailed discussion took place on the key issues which had been identified in respect of :-

- (i) Health and Safety Policy
- (ii) Monitoring of Complaints
- (iii) Complaints relating to Health and Safety

**RESOLVED** - That the report be noted.

## 28. LOCAL TRANSPORT BILL AND GOVERNANCE REVIEW

The Committee considered a report of the Passenger Transport Executive Providing updates on recent changes in the revised Local Transport Bill and the Leeds City Region Transport Governance Review.

### **Local Transport Bill**

It was reported that the revised Bill was introduced in November 2007. The Bill now proposed renaming PTAs as Integrated Transport Authorities to better reflect the role in transport planning rather than just passenger transport. The revised Bill also allows (subject to agreement by all relevant authorities) for expanded or new ITA areas to incorporate parts of adjacent Shire Counties, rather than having to incorporate whole counties as previously proposed in the draft Bill.

### **Governance Review**

Members were advised that the review of governance had been retained in the Bill and that Metro was leading the work on behalf of the City Region, including an independent comprehensive review of transport governance arrangements across the City Region authorities and Metro. As part of that work, Metro had established a Change Management Team to carry out an internal review, which would be overseen by this Committee on behalf of the Authority. This would ensure that Metro's views were fed into the independent review by considering the impact of the emerging options on Metro as an organisation.

Comment was also made that at a recent Leeds City Region Leader Board it was agreed to appoint Atkins Consultants to undertake the independent review. It was expected that they would commence the detailed engagement process across all the City Region partners including Metro in January 2008.

**RESOLVED -**

- (a)** That the recent changes made in the Local Transport Bill be noted.
- (b)** That the progress on the Leeds City Region transport governance review be noted.