

SOUTH WEST OF SCOTLAND TRANSPORT PARTNERSHIP

**Meeting of Monday, 16 November 2012 at 10.30pm
The Friendship Club, 15 West Morton Street, Thornhill, DG3 5ND**

Members of the Board

Brian Collins (Chair)	- Dumfries and Galloway Council
David Bryson (Vice-Chair)	- External Member
Ian Carruthers	- Dumfries and Galloway Council
Alistair Geddes	- Dumfries and Galloway Council
Denis Male	- Dumfries and Galloway Council
Richard Brodie	- Dumfries and Galloway Council
Alistair McKinnon	- External Member

Future Meetings

Harry Thomson

Lead Officer, South West of Scotland Transport Partnership

SOUTH WEST OF SCOTLAND TRANSPORT PARTNERSHIP

Meeting of Friday, 16 November 2012 at 10.30am
Friendship Club Hall, 15 West Morton Street, Thornhill, DG3 5ND

1. **SEDERUNT, APOLOGIES AND DECLARATIONS OF INTEREST**
2. **MINUTE OF MEETING ON 1 OCTOBER 2012**
3. **CALENDAR OF MEETINGS** – Report dated 9 October 2012
[Recommendations – to (i) note the venues arranged for the meeting dates and locations previously agreed; and (ii) agree the further dates and locations set out in paragraph 3.3 of this report].
4. **REVENUE BUDGET MONITORING REPORT 2012/13 FOR THE PERIOD ENDING 31 OCTOBER 2012** – Report dated 5 November 2012
[Recommendation – to note the predicted outturn on budget as at 31 October 2012].
5. **REPORT ON THE AUDIT OF SOUTH WEST OF SCOTLAND TRANSPORT PARTNERSHIP'S FINAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012** – Report dated 5 November 2012 *[Recommendations – to (i) receive the certified SWestrans Accounts for the financial year ended 31 March 2012 (Appendix 2); (ii) note that the external auditor has given an unqualified opinion that the accounts present fairly the Partnership's financial position and the income and expenditure for the year; and (iii) note the external auditor's report].*
6. **BURNS STATUE, DUMFRIES** – Report dated 8 November 2012
[Recommendation – to note the planned changes for Burns Statue and, following discussion, remit the Lead Officer to write to Dumfries and Galloway Council stating the Board's preferred position on these changes].
7. **TRANSPORT ISSUES FOR THORNHILL AREA** – Report dated 9 October 2012 *[Recommendation – to consider the transport issues affecting Thornhill and surrounding area].*
8. **CAPITAL EXPENDITURE PROGRAMME 2012/13** – Report dated 7 November 2012 *[Recommendation – to note progress on the capital programme 2012/13].*

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- 9. REVIEW OF SWESTRANS GOVERNANCE ARRANGEMENTS** – Report dated 9 November 2012 [*Recommendations – to (i) invite comments from the Observers present to inform the Governance Improvement Plan; (ii) having considered the findings of the review in Appendix 2 scrutinise and agree the Governance Improvement Action Plan as detailed at Appendix 3; and, (iii) agree to receive an annual position statement to review progress and assure continued improved performance of the Board*].
- 10. ANY OTHER BUSINESS WHICH THE CHAIRMAN MAY DECIDE IS URGENT DUE TO THE NEED FOR A DECISION**

It is recommended that Members of the South West of Scotland Transport Partnership Board agree to consider the following item of business in private and exclude the Press, members of the public and Observers from the meeting given the report contains confidential and sensitive information.

11. BUS ISSUES

Harry Thomson
Lead Officer
South West of Scotland Transport Partnership

SOUTH WEST OF SCOTLAND TRANSPORT PARTNERSHIP

Meeting of Monday, 1 October 2012 at 2.00pm
in the Victoria Halls Complex, Downie's Wynd, Annan, DG12 6EE

Present

Members

Brian Collins (Chairman)	-	Dumfries and Galloway Council
Richard Brodie		Dumfries and Galloway Council
Ian Carruthers	-	Dumfries and Galloway Council
Alistair Geddes	-	Dumfries and Galloway Council
Dennis Male	-	Dumfries and Galloway Council

Officials and Advisers

Claire Caution	-	Secretary to the Board
Eddie Glover	-	Policy and Projects Officer
Douglas Kirkpatrick	-	Team Leader (Sustainable Travel)
Janet Sutton	-	Finance Officer (SWestrans)
Harry Thomson	-	Lead Officer

Apologies

David Bryson (Vice Chairman)	-	External Member
Alistair McKinnon	-	External Member

Observers

David Anderson		
Geoffrey Evison	-	Nith Valley Line Promotion Group
June Hay	-	Outdoor Access Forum

In attendance

Hugh Fowler	-	Stagecoach
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0.1 COUNCILLOR TED BROWN (DECEASED)

The Chairman made reference to the cancellation of the previous meeting which had been scheduled for 14 September 2012. This was as a mark of respect due to the tragic death of Ted Brown on 4 September 2012 and the funeral being on that day. The Chair paid tribute to the work of Councillor Brown whilst on the SWestrans Board.

1. SEDERUNT, APOLOGIES AND DECLARATIONS OF INTEREST

5 Members present, 2 apologies

No declarations of interest declared

2. MINUTE OF MEETING ON 13 JULY 2012

The Minute was moved by Ian Carruthers and seconded by Alistair Geddes as a true record of the meeting.

Decision

2.1 The Board **APPROVED** the minute

2.2 The Board **NOTED** that the report on the Calendar of Meetings at 6.3 in the Minute would be presented at the November 2012 Board meeting

3. REVENUE BUDGET MONITORING REPORT 2012/13 FOR THE PERIOD ENDING 31 AUGUST 2012

Decision

The Board **NOTED** the predicted outturn on budget as at 31 August 2012.

4. ANNUAL REPORT 2011/12

Decision

The Board:-

4.1 **AGREED** the Annual Report 2011/12.

4.2 **AGREED** to make representation to Transport Scotland, MSPs and other stakeholders regarding transport connectivity viability from Stranraer to Auldhouse Point to Ayr.

5 GoSMART CONFERENCE**Decision**

The Board **NOTED** and **APPROVED** the arrangements to date for the GoSmart Conference

6. BUS LANE – GLASGOW STREET, DUMFRIES**Decision**

The Board:-

6.1 **AGREED** a preferred position on the future operation of the Bus Lane on Glasgow Street, Dumfries, being Monday to Saturday 7am to 6.30pm, and that the Council should examine all possibilities to improve traffic flow.

6.2 **REMITTED** the Lead Officer to write to Dumfries and Galloway Council stating this position

7. MINUTE OF RTP CHAIRS' MEETING**Decision**

The Board **NOTED** the minutes of the RTP Chairs' Meeting of March 2102

8. ANY OTHER BUSINESS WHICH THE CHAIRMAN MAY DECIDE IS URGENT DUE TO THE NEED FOR A DECISION**Decision**

No other business was raised

Members of the South West of Scotland Transport Partnership Board agreed to consider the following item of business in private and exclude the Press, members of the public and Observers from the meeting given the report contained confidential and sensitive information.

9. CAPITAL EXPENDITURE PROGRAMME 2012/13**Decision**

9.1 The Board **AGREED** the amended allocations and **INSTRUCTED** that the district valuer be consulted regarding the price for land at Lockerbie.

10. BUS ISSUES

Decision

The Board:-

10.1 **AGREED** that once confirmed by all partners a timetable option for the Dumfries to Edinburgh local bus service 100 should progress to public consultation;

10.2 **NOTED** the current position in dealing with bus issues;

10.3 **NOTED** the amended timetable with improved connectivity for the Dumfries to Glasgow local bus service X74 from 29 October 2012; and

10.4 **AGREED** to the part funding of the Glenkens Transport Initiative local bus service GK2.

CALENDAR OF MEETINGS

1. Reason for Report

1.1 To update Members of the Board on meeting venues for dates and locations agreed up to July 2013.

1.2 To agree further meeting dates and locations up to July 2014.

2. Background

2.1 At the meeting of the Board on 13 July 2012 Members of the Board agreed the Calendar of meetings for 2012/13 (identified as Option 2 in the covering report), being:

- 14 September 2012 (Annan),
- 16 November 2012 (Thornhill),
- 18 January 2013 (Wigtown),
- 15 March 2013 (Dalbeattie),
- 17 May 2013 (Lockerbie) and
- 12 July 2013 (Dumfries).

2.2 Members also indicated a preference for future meetings to be held in other locations, including:

- Newton Stewart,
- Sanquhar,
- Stranraer,
- Castle Douglas,
- Kirkcudbright,
- Langholm.

2.3 The meeting scheduled to be held on 14 September was subsequently postponed to 1 October 2012 following the death of Councillor Ted Brown; his funeral being held on that date.

3. Key Points

3.1 Venues have now been arranged for the meeting dates and locations previously agreed. Future meeting venues are:

- | | |
|------------------------------|-------------------|
| • 18 January 2013 (Wigtown) | County Buildings, |
| • 15 March 2013 (Dalbeattie) | Town Hall, |
| • 17 May 2013 (Lockerbie) | Town Hall, |
| • 12 July 2013 (Dumfries) | DG One. |

3.2 It is intended that Members will be issued with electronic meeting invitations for these meetings.

3.3 It is proposed that further future meetings of the Board are held according to the following schedule of dates and locations:

- 13 September 2013 Stranraer,
- 15 November 2013 Kirkcudbright,
- 17 January 2014 Langholm,
- 14 March 2014 Sanquhar,
- 16 May 2014 Newton Stewart,
- 11 July 2014 Castle Douglas.

3.4 If Members agree with this schedule it is intended that suitable venues would be booked and reported to a future meeting of the Board.

3.4 It is intended that once venues are arranged Members will be issued with further electronic meeting invitations for these meetings.

4. Financial Implications

The cost of meetings is contained within the Revenue Expenditure Budget.

5. Recommendations

It is recommended that Members of the Board

5.1 note the venues arranged for the meeting dates and locations previously agreed; and,

5.2 agree the further dates and locations set out in paragraph 3.3 of this report.

Harry Thomson – Report Author
Tel:01387 260103

Date of Report: 9 October 2012

File Ref: SW2/meetings/2012

Harry Thomson
Lead Officer
South West of Scotland Transport Partnership
Militia House
English Street
Dumfries DG1 2HR



REVENUE BUDGET MONITORING REPORT 2012/13 FOR THE PERIOD ENDING 31 OCTOBER 2012

1. Reason for Report

This report provides the Board with information on the monitoring of the SWestrans revenue budget for the period ending 31 October 2012.

2. Background

The Scottish Government are providing revenue funding to SWestrans with Dumfries and Galloway Council also providing funding. SWestrans also requisitions funding from Dumfries and Galloway Council in respect of payments required for public bus service contracts.

3. Key Points

3.1 **Appendix 1** shows the detailed summary for SWestrans. The published expenditure budget for 2012/13 is £4,326,030. This is funded by a revenue grant from the Scottish Government of £259,250 and Dumfries and Galloway Council have contributed £100,000 to the core running costs of SWestrans. In addition SWestrans receive other contributions of £3,966,780 which are used to fund payments to Bus Contractors.

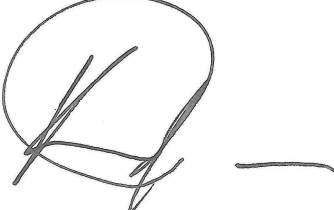
3.2 Based on the level of spend against budget for the first seven months of the year SWestrans are currently predicting to outturn on budget at the end of the financial year.

4. Consultations

The Proper Officer has been consulted and is agreement with the terms of this Report.

5. Recommendation

Members of the Board are asked to note the predicted outturn on budget as at 31 October 2012.

<p>Janet Sutton - Report Author Finance Officer Tel: 01387 260105</p> <p>Date of Report: 5 November 2012 File Ref: SW2/meetings/2012</p>	<p>Harry Thompson Lead Officer South West of Scotland Transport Partnership Militia House English Street Dumfries DG1 2HR</p>
<p>APPENDICES - 1</p>	

SOUTH WEST OF SCOTLAND TRANSPORT PARTNERSHIP
REVENUE BUDGET MONITORING AS AT 31 OCTOBER 2012

	FINAL OUTTURN 2011/12 £	PUBLISHED BUDGET 2012/13 £	BUDGET ADJUSTMENTS 2012/13 £	ADJUSTED BUDGET 2012/13 £	ACTUAL EXPENDITURE TO 31/10/12 £	PROJECTED OUTTURN 2012/13 £	Variance £
EXPENDITURE							
Staff Costs	112,230	111,770	0	111,770	21,078	111,770	0
Property Costs	190	200	0	200	436	200	0
Supplies & Services	176,510	52,660	0	52,660	3,448	52,660	0
Transport Costs	910	1,000	0	1,000	672	1,000	0
Administration Costs	67,880	32,000	0	32,000	5,161	32,000	0
Payments	3,978,080	4,085,650	0	4,085,650	2,362,884	4,085,650	0
Central Support	42,750	42,750	0	42,750		42,750	0
Total Expenditure	4,378,550	4,326,030	0	4,326,030	2,393,679	4,326,030	0
INCOME							
Scottish Government Funding	398,710	259,250	0	259,250	181,050	259,250	0
D&G Council Funding	100,000	100,000	0	100,000	0	100,000	0
Other Contributions	3,879,840	3,966,780	0	3,966,780	0	3,966,780	0
Total Income	4,378,550	4,326,030	0	4,326,030	181,050	4,326,030	0
NET EXPENDITURE	0	0	0	0	2,212,629	0	0

REPORT ON THE AUDIT OF SOUTH WEST OF SCOTLAND TRANSPORT PARTNERSHIP'S FINAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

1. Reason for Report

The purpose of this report is to ensure compliance with Regulation 6 of the Local Authority Accounts (Scotland) Regulations 1985 (as amended) which require that certified abstract of accounts and the external auditor's report to Board Members on those accounts should be laid before a meeting of the Board no later than 2 months following their receipt.

2. Background

2.1 The Partnership's external auditors, Pricewaterhousecoopers (PWC), have now concluded their audit of the Partnership's Final Accounts for the year ended 31 March 2012.

2.2 As part of their responsibilities the external auditor is required to submit, at the conclusion of each year's audit, a final report addressed to both the Members of the Board and to the Controller of Audit.

3. Key Points

The 2011/12 Final Accounts Audit Process

3.1 The external auditors Annual Report to Members is attached to this report as **Appendix 1**.

3.2 There are no qualifications in the audit report on the Partnership's Final Accounts. It is the opinion of the external auditor that the financial statements present fairly the Partnership's financial position and income and expenditure for the year.

3.3 The external auditor's role is much wider than simply providing an opinion on the Partnership's financial statements. Their responsibilities extend to areas such as governance and performance and these matters are referred to in separate sections within the audit report.

3.4 There are three actions identified in the report. Members will monitor progress to ensure that each of the identified actions are addressed by the identified date.

3.5 Copies of SWestrans Annual Accounts 2011/12 to be circulated to Members at the meeting

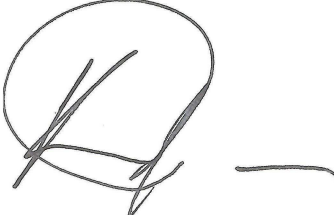
Consultations

The Proper Officer (Finance) has been consulted and is agreement with the terms of this report.

5. Recommendations

Members of the Board are asked to:

- 5.1 receive the certified SWestrans Accounts for the financial year ended 31 March 2012;
- 5.2 note that the external auditor has given an unqualified opinion that the accounts present fairly the Partnership's financial position and the income and expenditure for the year; and
- 5.3 note the external auditor's report.

<p>Janet Sutton - Report Author Finance Officer Tel: 01387 260105</p> <p>Date of Report: 5 November 2012 File Ref: SW2/meetings/2012</p>	<p>Harry Thompson Lead Officer South West of Scotland Transport Partnership Militia House English Street Dumfries DG1 2HR</p>
<p>APPENDICES - 1</p>	

Appendices – 1

Appendix 1 - Report to Members and the Controller of Audit on the 2011/12 Audit

Copies of SWestrans Annual Accounts 2011/12 will be circulated to Members at the meeting.

***South West of Scotland
Transport Partnership***
Annual Report to Members and the
Controller of Audit for the year
ended 31 March 2012

October 2012



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The principal objective of our audit procedures is to enable us to express our opinion, in line with the requirements of the Audit Scotland Code of Audit Practice, on the financial statements as a whole. Our audit opinion does not guarantee that the financial statements are free from misstatement.

Any oral comments made in discussions with you relating to this report are not intended to have any greater significance than explanations of matters contained in the report. Any oral comments that we make do not constitute oral advice unless we confirm any such advice formally in writing.

The matters raised in this and other reports that flow from the audit are only those which have come to our attention arising from or relevant to our audit that we believe need to be brought to your attention. They are not a comprehensive record of all the matters arising, and in particular we cannot be held responsible for reporting all risks at the South West of Scotland Transport Partnership or all internal control weaknesses. This report has been prepared solely for your use and should not be quoted in whole or in part without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose.

1. Introduction

Purpose of this report

- 1.01 This Annual Report is primarily intended to direct your attention to matters of significance that have arisen out of the 2011/12 audit process. The report is addressed to Members and the Controller of Audit.

Scope of the Audit

- 1.02 Our overall responsibility as appointed external auditor of the South West of Scotland Transport Partnership ('the Partnership') is to undertake our audit in accordance with the principles contained in the Code of Audit Practice issued by Audit Scotland in May 2011. In this regard, the Code sets out the need for public sector audits to be planned and undertaken from a wider perspective than the financial statements by considering, where applicable, areas such as regularity, propriety, performance and the use of resources. The Code of Audit Practice also sets out the need to recognise that the overall audit process is a co-ordinated approach involving the "appointed auditor", the Controller of Audit and other auditors such as Audit Scotland's Local Government Public Reporting Group and its Best Value Team.
- 1.03 Our audit for 2011/12 has been planned and conducted throughout the year to take into account these wider responsibilities.
- 1.04 Under the requirements of the International Standard on Auditing (UK and Ireland) ('ISA') 260: "*Communication of audit matters to those charged with governance*", we are required to communicate audit matters arising from the audit of the financial statements to those charged with governance of an entity. This Annual Report to Members discharges our requirements under ISA 260.

Acknowledgment

- 1.05 We would like to formally extend our thanks to all Partnership staff for the assistance they have given us during the audit process.

2. Audit Process

Our Audit Opinion

- 2.01 The Local Government (Scotland) Act 1973 requires that, following the completion of an audit, the auditors shall place on the abstract of accounts a certificate which sets out the basis on which they have formed their audit opinion. Our opinion on the accounts states that the financial statements:
- give a true and fair view in accordance with applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2011/12 (“the 2011/12 Code”) of the state of the affairs of the Partnership as at 31 March 2012 and of the income and expenditure of the Partnership for the year then ended;
 - have been properly prepared in accordance with IFRS as adopted by the European Union, as interpreted and adapted by the 2011/12 Code; and
 - have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973 and the Local Government in Scotland Act 2003.
- 2.02 Our opinion for the year ended 31 March 2012, as set out in the format required by the Accounts Commission, is **unqualified**.

Audit Process

- 2.03 The financial statements for the Partnership have been prepared in accordance with the accounting requirements set out in the 2011/12 Code.
- 2.04 The unaudited accounts were issued on 28 June 2012 and the audited accounts were issued on 25 September 2012. The financial statements and supporting schedules were presented to us for audit within the agreed timetable. However, supporting schedules were not as detailed as required and arrangements put in place for our audit process have not been as efficient or effective as we would have expected. ***A plan of action will be agreed with the Partnership officers for necessary improvements to be implemented for 2012/13.***

Action 1

Adjustment to the draft Financial Statements

- 2.05 No material adjustments were required to be made in the course of this year’s audit engagement. Under international auditing standard (“ISA”) 260 – “Communication of audit matters to those charged with governance” we are required to report all unadjusted errors identified during the course of our audit to Members of the Partnership in their governance role. There was one unadjusted misstatement in relation to certain local bus expenditure around the year-end not being correctly treated on an accruals basis. The net impact of the misstatement was an understatement of Expenditure on the Income Statement and an understatement of Balance Sheet Liabilities to the sum of £22,000. This is below our materiality level.

Significant Accounting Issues Identified

2.06 Within our External Audit Plan dated March 2012 we identified the following areas of audit focus that we are required to report upon formally:

Management Override of Controls

2.07 In accordance with our audit plan, we tested significant manual journals and examined management's accounting estimates for bias. We are happy to confirm that we did not identify any evidence of management override of control. We identified a control weakness regarding the approval of manual journals during our year-end visit as there was no evidence of formal approval on certain manual journals. ***The Partnership should utilise the functionality of the new financial management system to ensure manual journals are approved in line with the scheme of delegation.***

Action 2

Recognition of Expenditure

2.08 We performed substantive testing on a sample of transactions from each material category of expenditure and confirmed with reference to supporting documentation whether it was recorded at the correct value and in the correct period. From our testing of expenditure cut-off around the year end we identified that procedures do not currently ensure that all expenditure incurred is accurately captured in the correct financial year. Only those high value items of expenditure are assessed by officers, with the assumption that opening and closing misstatements net off to an immaterial value. We found there to be an understatement of expenditure in 2011/12 of £22,000. ***The Partnership should ensure that processes are in place to accurately account for expenditure in the correct accounting period.***

Action 3

3. Financial Performance 2011/12 and Financial Outlook

Financial Position for the year ended 31 March 2012

	£m	£m	Comment
General Fund balance brought forward		0.000	The Partnership is not permitted to hold usable reserves – total reserves of £1.483 million as at 31 March 2012 are comprised entirely of the carrying value of property, plant and equipment.
Cost of services	(5.496)		Gross expenditure of £5.496 million was up 6.2% on 2010/11. The major item of expenditure was the subsidies in respect of the local bus network, which totalled £4 million.
Income from services	5.384		Income received totalled £5.999 million with Scottish Government grants and requisitions from Dumfries and Galloway Council being the main contributors to this total. A General Capital Grant of £0.615 million was provided by Dumfries and Galloway Council towards the purchase of six new vehicles for the Partnership's fleet.
Income from grants and contributions	0.615		
Surplus on provision of services	0.503		
Adjustments relating to depreciation of non-current assets	0.112		
Adjustments relating to Capital grants and contributions applied	(0.615)		
Break-even position at 31 March 2012		0.000	

Financial Outlook for 2012/13 and beyond

- 3.01 As detailed in the Revenue Budget paper to the Partnership's Board in March 2012, the Revenue Budget for 2012/13 is £4.326 million, and the Capital Budget (including sums brought forward) is £1.194 million, therefore total expenditure budgeted for 2012/13 is £5.520 million. The equivalent budgeted figures in 2011/12 were: £4.293m (Revenue), £1.311m (Capital), and £5.604m (Total).
- 3.02 The significant majority of the Partnership's revenue expenditure is committed to funding socially necessary local bus services. The Root and Branch Review of these services undertaken during 2011/12, and implemented for 2012/13, enabled service levels to the public to be substantially maintained within existing budgets, and in the face of inflationary pressures, through removing surplus capacity.

4. Governance and Internal Financial Control

- 4.01 It is part of management's overall responsibility to design and maintain appropriate systems of internal control to provide reasonable assurance that the accounting systems provide timely, accurate and reliable financial information and to safeguard the Partnership's assets.
- 4.02 As auditors, we obtain a sufficient understanding of internal controls to plan the audit. The understanding includes knowledge about the design of policies and procedures and whether they have been implemented, but does not necessarily extend to evaluating the operating effectiveness of all such policies and procedures. We only evaluate, and test, those internal controls on which we plan to rely on during our audit and which are required in relation to our Code of Audit Practice responsibilities. Accordingly, an audit would not usually identify all matters of interest to management in discharging its responsibilities.

Key Financial Controls

- 4.03 The Partnership utilises the key financial systems in place at Dumfries and Galloway Council in particular general ledger, accounts payable and accounts receivable. Therefore our systems audit work has been undertaken as part of our 2011/12 audit of Dumfries and Galloway Council. The results of our work on systems of internal control were communicated to the Council's Audit and Risk Management Committee in our Interim Management Letter dated May 2012. The report contained eleven recommendations to improve controls, two of which were graded as higher risk relating to IT Change Control and User Access. Management has completed an action plan detailing those individuals responsible for implementing our recommendations and the timetable for completion.

Statement of Internal Financial Control

- 4.04 The financial statements, in accordance with the 2011/12 Code, include a statement on the system of internal financial control which has been signed by the Partnership's Treasurer. This statement sets out the financial control arrangements in place for the year, including internal audit reviews that were undertaken, and the risk management process utilised, including key risks faced by the Partnership. This statement is in line with the requirements set out in the 2011/12 Code.

5. ISA 260 Communications to those charged with governance

5.01 International Standards on Auditing (“ISA”) (UK&I) 260 – Reporting to those charged with Governance, requires that the External Auditor communicates certain matters to those charged with governance. Summarised below is how we have addressed these requirements for the Partnership:

Communication Required under ISA 260	Reference/Comment
Engagement Letters	✓ Signed Letter of Appointment from Audit Scotland at the start of our 5 year appointment and updated annually.
Independence	✓ We confirm that there were no matters which may be perceived to impact the independence and objectivity of the audit team.
Audit Approach and Scope	✓ Our approach to the audit is based upon an understanding of the Partnership and its business. This was documented in our External Audit Plan dated March 2012.
Materiality	✓ Our calculation for materiality is based on total expenditure in year and our approach is in line with Auditing Standards. This was documented in our External Audit Plan dated March 2012.
Form and Timing of Communications	✓ Agreed as per Audit Scotland’s planning guidance, and agreed with Partnership officers. This was documented in our External Audit Plan dated March 2012.
Accounting Policies/Estimates/Disclosures	✓ Significant matters are included within Section 2 of this report.
Correspondence with management on significant matters	✓ Discussed and resolved matters arising with management throughout audit process.
Letter of Representation	✓ Signed by the Treasurer on 25 September 2012 .
Other matters significant to the oversight of financial reporting process and material uncertainties relating to Going Concern	✓ None identified.
Related Parties	✓ Other than those transactions disclosed in the financial statements we have not identified any further transactions requiring disclosure.
Fraud	✓ No matters to report have come to our attention as part of our normal audit work.
Material Weaknesses in Internal Controls	✓ As the Partnership uses the accounting systems of Dumfries and Galloway Council the internal controls findings from our ‘Interim Management Letter 2011/12’ will apply as well as those identified in Appendix 1 to this report.

Appendix 1 – Action Plan

Paragraph Reference	Recommendation	Response
1	<p>2.04</p> <p>Audit Process</p> <p>The Partnership should ensure that arrangements are in place so that supporting schedules for audit purposes are sufficiently detailed. A debrief meeting should be held between management and auditors to discuss better ways of working going forward.</p>	<p>Management Response:</p> <p>A meeting has been arranged with PwC to discuss the audit process for 2012/13.</p> <p>Responsible Officer: Treasurer</p> <p>Implementation Date: November 2013</p>
2	<p>2.07</p> <p>Manual Journals Approval</p> <p>The Partnership should utilise the functionality of the new financial management system to ensure manual journals are approved in line with the scheme of delegation.</p>	<p>Management Response:</p> <p>Online authorisation of journals is not currently being used on Integra, however greater scrutiny of journals is being carried out.</p> <p>Responsible Officer: Treasurer</p> <p>Implementation Date: November 2013</p>
3	<p>2.08</p> <p>Accruals</p> <p>The Partnership should ensure that processes are in place to accurately account for expenditure in the correct accounting period.</p>	<p>Management Response:</p> <p>Steps will be put in place to ensure that the local bus invoices are split between financial years at the end of 2012/13</p> <p>Responsible Officer: Treasurer</p> <p>Implementation Date: April 2013</p>

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BURNS STATUE, DUMFRIES

1. Reason for Report

1.1 To inform the Board of Dumfries and Galloway Council's planned changes to Burns Statue, Dumfries.

1.2 To agree a preferred position on the planned changes to Burns Statue, Dumfries, this position to be intimated to Dumfries and Galloway Council.

2. Background

At its meeting on 27 January 2012 the Board received a report on Dumfries and Galloway Council's plans to improve public use of the Burns Statue area through the reduction of vehicle access. The Board agreed to the reduction of buses serving this key town centre interchange point to the operational minimum achievable within SWestrans control, and to assist in future Council discussions with the commercial operator regarding their services to this area.

3. Key Issues

3.1 Following the agreement of the Board in January 2012, the bus departure pattern at Burns Statue from 1 April 2012, has been provided as shown below with an indication if this provision is commercial or subsidised:

Bus Services (Town) from 1 April 2012 – 13 buses per hour:

- 2 Heathhall, 30 minutes frequency (commercial)
- 8 Cargenbridge, 60 minutes frequency (subsidised)
- 9 Summerhill, 30 minutes frequency (subsidised)
- 10 Lochside, 10 minutes frequency (commercial)
- 12 Lincluden, 30 minutes frequency (commercial)

Departure pattern 13 buses per hour:

00, 10, 15, 20, 20, 25, 30, 30, 40, 45, 50, 50, 55

3.2 The commercial provision is outwith SWestrans' control and any change to services would require agreement of the bus company, Stagecoach. The Board agreed in January that officers would assist Dumfries and Galloway Council with any discussions on changes to Burns Statue with the commercial operator.

3.3 A new design for the Statue area was presented to officers in late July 2012 which would require buses to operate in an anti-clockwise direction around the Statue with pick-up/drop-off facilities at the entrance to the area. Comments on the operational concerns this raised were fed back in late August 2012. Further discussions on these concerns were held on 6 November 2012. Key issues raised by SWestrans officers and colleagues within the Council's Infrastructure and Commissioning Services (relative to public transport) include:

- The need to “future proof” the design for public transport
- Access to the Burns Statue area
- Restrictions on vehicles servicing commercial premises
- Bus shelter design
- Potential for buses queuing, and provision of an informal pick-up / drop-off point

3.4 In July, the Lead Officer was requested to review a number of possible re-routing options for bus services during the estimated 15 week period of works for which no access will be available to the Statue area. Of the options presented the use of Castle Street was considered to be the only appropriate option to allow the large number of existing bus users’ ease of access and which didn’t unduly detract from the commerciality of the services or the attractiveness of public transport. This was advised to the Council in August. No response or agreement has been made on the temporary routing during the works period, although it is understood that local residents have raised concerns about this option.

3.5 Dumfries and Galloway Council carried out a public engagement on this proposed design, shown in **Appendix 1**, on 30/31 October 2012. The Lead Officer understands that it is the Council’s intention to progress to the build stage from January 2013.

3.6 The Burns Statue area is currently a critical public transport interchange and any changes will affect both the subsidised and commercial network in Dumfries town. SWestrans, the authority responsible for the provision of local bus services, has not been formally consulted on these planned changes and Council officers have agreed that they will be presented to the Board at this meeting.

3.7 A meeting was arranged with officers, the design team and Stagecoach on 12 November 2012. It is intended to feedback the outcome of this meeting verbally to the Board following the presentation and during discussion on the planned changes. The Board has Observers who have direct experience of the daily operation of the Burns Statue.

3.8 The Board are asked to note the planned changes for Burns Statue and, following discussion, remit the Lead Officer to write to Dumfries and Galloway Council stating the Board’s preferred position on these changes.

4. Financial Implications

There are no direct financial impacts, although it should be noted that any change to provision which has a detrimental affect on commercial local bus service provision within Dumfries town will lead to a requirement for more public subsidy.

5. Consultations

The Proper Officer (Finance) has been consulted and is in agreement with the terms of the report.

6. Recommendation

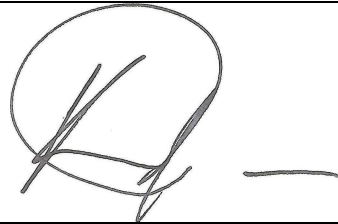
It is recommended that Members of the Board note the planned changes for Burns Statue and, following discussion, remit the Lead Officer to write to Dumfries and Galloway Council stating the Board's preferred position on these changes.

Douglas Kirkpatrick – Report Author
Team Leader (Sustainable Travel)

Date of Report: 8 November 2012

File Ref: SW2/Meetings/2012

Harry Thomson
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TRANSPORT ISSUES FOR THORNHILL AREA

1. Reason for Report

To allow Members to consider transport issues affecting Thornhill and the surrounding area.

2. Background

2.1 At the meeting on 13 July 2012 Members of the Board agreed to continue the established practice of holding meetings at locations around the region, in order to make the proceedings of the Board more accessible, and to allow Members opportunity to consider local transport issues in the locations where they arise.

2.2 At the same meeting, Members of the Board agreed to receive reports on local transport issues at each meeting.

3. Key Points

3.1 Thornhill is located in the Nith Valley approximately 15 miles from Dumfries. The town population is just over 1500. However Thornhill also acts as a service centre for surrounding rural communities, including the settlements at Penpont and Moniaive.

3.2 The Regional Transport Strategy acknowledges the identification by the Dumfries and Galloway Structure Plan of the remote rural communities of Upper Nithsdale to the north of Thornhill as particularly fragile.

Strategic Roads:

3.3 The main road link passing through Thornhill is the A76 Trunk Road from Dumfries to Kilmarnock, which links to Ayr and Prestwick Airport via the A70 from Cumnock.

3.4 The Regional Transport Strategy assesses A76 as follows:

“The Scottish Office published a Route Action Plan for the A76 in October 1996. Only one of the six major improvements outlined in this Plan, at Crossroads near Kilmarnock, has been implemented to date. An improvement scheme at Glenairlie (south of Sanquhar), has commenced and a further scheme is being developed by Transport Scotland.”

“The route is critical to several fragile communities in Upper Nithsdale, and provides the region’s main link to central Ayrshire and Prestwick Airport. Although of similar function and traffic intensity to many trunk routes in rural Scotland, the A76 remains one of the least improved of these roads.”

3.5 The improvement scheme at Glenairlie was completed in early 2009.

3.6 A76 is included in Transport Scotland’s Strategic Transport Projects Review (STPR, 2008), in proposed STPR Project 5: Route Management on Other Road Corridors. STPR describes the proposed intervention as follows:

“This includes a series of initiatives to implement road-based improvements with a combination of network optimisation through route management and targeted investment in relatively local interventions...

These routes generally perform well, and as such no objectives have been established to address corridor specific issues.

However, there is a need to maintain and safely operate these in the context of a route management strategy. This intervention would include a variety of localised improvements that would be undertaken in tandem, and driven by, the trunk road maintenance contracts. These enhancements would be targeted to bring the physical condition and safety standards of the routes concerned to a level which will support the expected levels of traffic during the period of the review.”

3.7 The contribution of STPR Project 5 towards the Scottish Government’s Purpose is described as follows:

“There are a number of corridors where no strategic issues relating to network performance have been identified, but there is an ongoing need to maintain and safely operate the network. These route action plans will perform this role.

These interventions would therefore address isolated constraints, and although the immediate benefits would be felt at a more local level, for example through isolated junction improvements, the programme of works would contribute towards the need to maintaining and safely operate the network.

Reductions in accident numbers would be expected at the improved locations, with up to 50 per cent reduction in certain sections. Severity rates are likely to be reduced by new 2+1 and realigned sections.”

3.8 The A76 Corridor Partnership comprises Dumfries & Galloway and East Ayrshire Council, together with their respective police forces and regional transport partnerships, SWestrans and SPT. A five point Action Plan was agreed by the partnership and published in November 2010. The Action Plan was submitted to Scottish Government, who acknowledged receipt of the document.

3.9 On 21 August 2012 officers from East Ayrshire Council, Dumfries & Galloway Council, SPT and SWestrans met with the purpose of exploring options for reviewing and re-invigorating the A76 Action Plan, and other aspects of connectivity along the A76 corridor, and to consider other areas for potential joint working / co-operation.

3.10 The meeting considered that things have moved on since 2010 and while the actions contained in the document are still applicable the issue of the A76 corridor needs to be considered in a wider context to consider economic regeneration and development, multi-modal transport issues and community aspirations.

3.11 Discussions revolved around issues of planning and economic development, identifying why the A76 corridor is important, destinations, modes of transport (private cars, buses, trains) and community transport.

3.12 A number of key actions were agreed. Those relevant to strategic transport being as follows:

- Set up a working group to consider the strategic needs of the A76 Corridor, which will include a review of the 2010 A76 Five Point Action Plan. The group will also consider public transport (bus and rail), freight movement and community transport with a view of encouraging economic development and regeneration. Explore the potential of the Member/Officer Working Group to be re-established. EAC are investigating funding possibilities for further studies on the A76 Transport Corridor with SPT.
- Explore the opportunities for joint lobbying re transport infrastructure/rail network at a future date.

3.13 A702 Edinburgh to St John's Town of Dalry crosses the Nith Valley corridor on a roughly North East to South West orientation. The route coincides with the A76 between Carronbridge and Thornhill.

Rail:

3.14 The Glasgow and Southwestern Railway (also known as the Nith Valley Line) from Glasgow to Carlisle via Kilmarnock and Dumfries passes the town less than one mile to the east.

3.15 The RTS Delivery Plan *Regionwide Rail Stations Strategy* priority intervention includes an aspiration for the re-opening of a station to serve the Thornhill area. A STAG Study was completed by SWestrans in 2009, and copies were sent to Transport Scotland. A response from TS indicated that:

- "Transport Scotland has no current plans to re-open this station. However,
- "The details provided in the STAG Study report will be considered as [Transport Scotland] prepare the next ScotRail franchise specification and the future High Level Output Study."

3.16 The RTS Delivery Plan also includes a priority intervention for GSW Service Frequency / Journey Time Enhancements Combined with Gretna Annan Doubling. Reinstatement of double track between Gretna and Annan is now complete.

3.17 The line was cleared in 2005-2006 for Class 390 Pendolinos as a diversionary route for the West Coast Main Line.

3.20 Network Rail has an ongoing programme which is focussed on renewing bridges on the GSW line. In addition, Network Rail has completed a project to renew switches and crossings at Dumfries in July this year. There is also a signalling project planned for next year that will renew lineside signalling equipment and cables in the Dumfries signal box area of control. As part of this project Network Rail are also looking to provide an enhancement to increase the linespeeds where possible.

3.21 The current timetable offers nine services from Dumfries to Glasgow and ten from Glasgow to Dumfries on Mondays to Fridays.

3.22 The Glasgow & Southwestern Line also has an important freight role.

Bus:

3.23 The Regional Transport Strategy recognises that in a largely rural region the majority of local bus services in Dumfries & Galloway are not commercially viable. As a Model 3 RTP SWestrans has a statutory role in commissioning socially necessary local bus services. A Bus Action Plan is included as Accompanying Document 5 to the Regional Transport Strategy.

3.24 The main local bus service 246 Ayr – Thornhill – Dumfries is provided commercially by Stagecoach and as such is not in the remit of SWestrans with the timetable, route and vehicles provided fully in the control of the operator. SWestrans provides subsidy for the 202/212 Moniaive to Thornhill and the 236 Thornhill to Dumfries via Kirkton routes. SWestrans also contributes funding to the 102 Thornhill to Edinburgh service which is currently managed by Strathclyde Partnership for Transport and which is the subject of review.

3.25 The Thornhill area has benefited from investment in elements of the RTS Delivery Plan *Bus Network Quality Strategy* priority intervention package, including:

- Accessible buses: are now deployed on routes directly in the control of SWestrans 202, 212 and 236.
- Service frequencies on rural bus network: match the needs assessed through the Policy and Root and Branch review of the local bus network undertaken in 2009/10.
- Real Time Passenger Information: to be deployed at main locations on the main 246 corridor including Thornhill.
- New bus shelters: new bus stops have been provided across the area. New shelters have been provided in Thornhill;
- Bus information strategy: shelters are provided with network maps; information panels have been provided where bus stop infrastructure has been upgraded; timetable booklet is distributed through Customer Service Centres and Libraries;
- Rural Pick-up/Drop-off points (PUDOs): where appropriate minor, low cost infrastructure to assist passengers in accessing public transport has been provided. Improvements have been provided on the 236 and 246 routes.

Community Transport:

3.26 The Thornhill and Cairn Valley area has two well established and active community transport groups with a further three groups based around Sanquhar and Kirkconel. All groups provide low cost accessible transport to member groups with Thornhill and District Community Transport also providing vital local bus services on alternative Fridays from communities to/from Dumfries.

Maritime Transport:

3.27 The area is not associated with any strategic connection to ports and maritime transport.

Aviation:

3.28 The RTS acknowledges the importance of the Nith Valley corridor as strategic for connectivity of Dumfries with Prestwick Airport. The aspiration for a station re-opening at Thornhill is associated with a parallel aspiration for better rail service

connectivity of Dumfries with the Airport, and improved service frequencies and journey times on the line.

3.29 It is likely that a direct air service from Prestwick to London and South East England, in conjunction with improved connectivity with the airport, would enhance the attractiveness of Upper Nithsdale as a business location. No operator currently provides flights between Prestwick and South East England.

3.30 The airport operator consults with local authorities through Glasgow Prestwick Airport Consultative Committee (GPACC). Dumfries & Galloway Council is represented on the Airport Consultative Committee. Officer support has historically been supplied by SWestrans as aviation is a strategic transport issue.

Walking and Cycling:

3.31 Thornhill is not located on any signed cycle routes. However, it is only a short distance from the Kirkpatrick McMillan Trail, National Byway, and Southern Upland Cycleway.

3.32 Local walking and cycling provision fall within the ambit of Dumfries & Galloway Council’s Local Transport Strategy. It is anticipated that the principles of and lessons learnt from GoSmart Dumfries will be progressively rolled out across the region. Concern has been raised locally about the need for a safe pedestrian/cycle route between Penpont and Thornhill.

4. Financial Implications

There are no immediate financial implications associated with this report.

5. Consultations

The Director of Planning and Environment Services, Dumfries & Galloway Council has been consulted and is in agreement with the terms of this report.

6. Recommendations

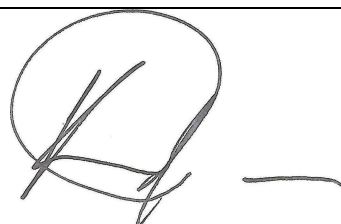
It is recommended that Members of the Board consider the transport issues affecting Thornhill and surrounding area.

Harry Thomson – Report Author
Tel:01387 260103

Date of Report: 9 October 2012

File Ref: SW2/meetings/2012

Harry Thomson
Lead Officer
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CAPITAL EXPENDITURE PROGRAMME 2012/13

1. Reason for Report

To update Members of the Board on the Capital Expenditure Programme 2012/13.

2. Background

2.1 At the meeting on 27 January 2012 Members of the Board agreed indicative project allocations for the 2012/13 Capital Programme.

2.2 A Capital Allocation for SWestrans of £891,000 was agreed by the Council at its meeting on 31 January 2012.

3.2 At the meeting on 1 October 2012 Members of the Board agreed the following amended allocations:

Item	Agreed Budget 2012/13	Amended Budget 2012/13
Purchase of accessible buses	£330,000	£330,000
Region-wide bus shelters	£170,000	£170,000
Rail Station Improvements	£180,000	£307,800
Moffat Bus Interchange	£52,000	£50,000
Real Time Passenger Information System	£140,000	£140,000
Southern Upland Cycleway	£60,000	£58,000
Rural Pick-up/Drop-off Points (PUDO)	£20,000	£20,000
Bus Infrastructure	£30,000	£30,000
Improved access to public transport	£74,000	£28,200
Contingencies (including retentions from 2011/12)	£60,000	£60,000
Total	£1,116,000	£1,194,000

3. Key Points

3.1 Project updates are as follows.

Purchase of accessible buses

As advised in a separate report to the Board, the planned changes to the 100 Service will not now take effect until July 2013. Purchase of buses for alternative services as outlined in the Bus Issues paper can still be achieved within 2012/13.

Regionwide bus shelters
Development of locations ongoing. Full allocation utilisation anticipated.
Rail Station Improvements
Discussion with Network Rail regarding the relocation of the listed wall at Lockerbie Station is ongoing, but the delay may cause some slippage to 2013/14 on this element of the project. Dumfries & Galloway Council's Planning, Housing & Environment Services Committee agreed to proceed with procurement of land at Lockerbie at its meeting on 6 November 2013. Stranraer Station - no further progress at this stage,
Moffat Bus Interchange
Minor junction works to assist bus movements due to commence 12 November 2012. TRO for closure of centre junction opposite Well Street to provide additional parking being progressed.
Real Time Passenger Information System
Funding allocated to the joint SEStrans RTPI project agreed, and will be fully utilised in 2012/13. Local RTPI provision linked to Regionwide Bus Shelter programme.
Southern Upland Cycleway
Signing project being progressed.
Rural Pick-up/Drop-off Points (PUDOs)
Identification of sites and works orders proceeding.
Bus Infrastructure
Full audit of infrastructure gaps underway. Audit will be complete and works orders issued in November.
Improved access to public transport
Feasibility work for Belmont Road commenced.. Traveline Scotland app for mobile phones.

4. Financial Implications

A capital allocation for 2012/13 to SWestrans of £891,000 has been agreed by Dumfries and Galloway Council.

5. Consultations

The Proper Officer (Finance) has been consulted and is in agreement with the terms of this report.

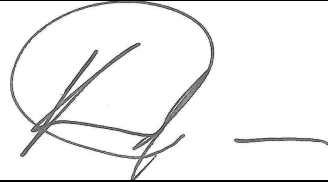
6. Recommendations

It is recommended that Members of the Board note progress on the capital programme 2012/13.

Harry Thomson - Report Author
Tel: 01387 260372

Date of Report: 7 November 2012
File Ref: SW2/meetings/2012

Harry Thomson
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REVIEW OF SWESTRANS GOVERNANCE ARRANGEMENTS

1. Reason for Report

This report provides Members with the outcome of the consultation using the initial findings of the review of governance arrangements as a framework as agreed by the Board on 13 July 2012.

2. Considerations

2.1 As agreed by the Board on 13 July 2012, the Secretary to the Board met with Board Members and key officers as shown below using **Appendix 1** as a basis for the consultation.

Interviewee	Position	Interview Completed
Richard Brodie	Board Member	27 September 2012
Harry Thomson	Lead Officer	28 September 2012.
Rhona Lewis	Proper Officer (Legal)	1 October 2012
Alistair MacKinnon	Board Member	2 October 2012
Denis Male	Board Member	4 October 2012
Alistair Geddes	Board Member	12 October 2012
Brian Collins	Board Member (Chairman)	12 October 2012
Ian Carruthers	Board Member	16 October 2012
David Bryson	Board Member (Vice-Chairman)	19 October 2012
Paul Garrett	Proper Officer (Finance)	5 November 2012

2.2 **Appendix 1** shows the current position of the audit of SWestrans governance arrangements against the Good Governance Standard for Public Services. These were initial findings following desk top research of SWestrans papers applying the skills and competencies developed by the Secretary in undertaking the Certificate of Corporate Governance qualification.

2.3 The discussions looked at each of the six good governance principles in turn using as a basis:

- Are you in agreement with the improvement actions recommended in the consultation framework (**Appendix 1**)?
- Are there any gaps in the initial improvement actions?
- Are there any improvement actions that are more important than others?

2.4 The findings from the Governance Review Interviews (**Appendix 2**) have been used to inform the draft Governance Improvement Plan (**Appendix 3**).

2.5 Following the discussions, as detailed at 2.1 priorities for inclusion in the Governance Improvement Plan are: Regional Transport Strategy/ Delivery Plan, Business Plan, Application of Standing Orders – particularly management of

agendas& report consultation, ongoing Continuing Personal Development, Board report template, maintenance of observers list and how open Board meetings are.

3. Financial Implications

Dependent on the decision of the Board some actions proposed will consume additional resources.

4. Consultation

The Lead Officer, the Proper Officer (Legal) and the Proper Officer (Finance) have been consulted and are in agreement with the terms of this report.

5. Recommendations

Members of the Board are asked to:

- 5.1 invite comments from the Observers present to inform the Governance Improvement Plan;
- 5.2 having considered the findings of the review in Appendix 2 scrutinise and agree the Governance Improvement Action Plan as detailed at Appendix 3; and
- 5.3 agree to receive an annual position statement to review progress and assure continued improved performance of the Board

Report Author - Claire Cauton
Secretary to the Board
Tel: 01387 260024

Date of Report: 9 November 2012
File Ref: SW2/Meetings/2012

Claire Cauton
Secretary to the Board
South West of Scotland Transport Partnership
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C. Cauton

Background papers

SWestrans Board Meeting 11 July 2012 – Review of Governance Arrangements – Position Statement

SWestrans Board Meeting 23 March 2012 – Development of Future Governance and Working Arrangements with Dumfries & Galloway Council

Appendix 1 - SWestrans Governance Audit - Initial Findings against the Good Governance Standard 6 Principles

	Principle	Examples of good practice	Initial Recommended Improvement Actions
1.	<p>Good Governance means focusing on the organisation's purpose and on outcomes for citizens and service users</p> <p>1.1 Being clear about the organisations purpose and its intended outcomes for citizens and service users</p> <p>1.2 Making sure that users receive a high quality service</p> <p>1.3 Making sure that taxpayers receive value for money</p>	<p>Regional Transport Strategy (RTS) – last revised June 2008</p> <p>RTS Delivery Plan</p> <p>Public transport surveys</p> <p>Budget updates, publication of accounts, procurement policies</p> <p>Scrutiny of reports in decision making by Members to ensure performance and delivery for the public</p>	<p>Review of Delivery Plan</p> <p>Check status of key documents – procurement, financial regulations – ensuring that they are fit for purpose.</p> <p>Training of Members in scrutiny/ forensic questioning</p> <p>Benchmarking of Performance – will help in assuring best value</p> <p>Review of Web presence</p>
2	<p>Good governance means performing effectively in clearly defined functions and roles.</p> <p>2.1 Being clear about the functions of the governing body</p> <p>2.2 Being clear about the responsibilities and making sure that they are carried out</p> <p>2.3 Being clear about relationships between the Board and the public</p>	<p>Transport Act (Scotland) 2005</p> <p>Business Plan</p> <p>Annual Report</p> <p>Standing Orders – separation of duties of Lead Officer, Secretary to the Board and Chairperson important to provide a check and balance.</p> <p>Observers to the Board – members of the public appointed to advise the Board</p>	<p>Review of standing orders report to board</p> <p>Scheme of Delegation to Lead Officer review and report</p> <p>Review of Observers list – possible data protection issue - housekeeping procedures, currency and attendance rates</p>

Appendix 1 - SWestrans Governance Audit - Initial Findings against the Good Governance Standard 6 Principles

	Principle	Examples of good practice	Initial Recommended Improvement Actions
3	<p>Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour</p> <p>3.1 Putting organisational values into practice</p> <p>3.2 Individual Members behaving in ways that uphold and exemplify effective governance</p>	<p>Freedom of Information Publication Scheme – draft approved July 2011</p> <p>Members Code of Conduct</p> <p>Register of Interests</p> <p>Declarations of Interest</p> <p>Managing conflicts of interest</p> <p>Ethics training in Board induction</p>	<p>Publication scheme status to be confirmed</p> <p>Establish values for SWestrans</p> <p>Declarations of Interest – standing item on every agenda</p>
4	<p>Good governance means taking informed, transparent decisions and managing risk</p> <p>4.1 being rigorous and transparent about how decisions are taken</p> <p>4.2 Having and using good quality information, advice and support</p> <p>4.3 Making sure that an effective risk management system is in operation</p>	<p>Publication of decisions – minutes</p> <p>Declarations of interest</p> <p>Scrutiny of reports by Members</p> <p>Advice provided to Members at Board meetings to assist decision making.</p> <p>Risk register approved by Board July 2011</p>	<p>Draft Minutes made available to Board Members within 14 days of meeting – assure reasons for decisions</p> <p>Decision tracking of Board decisions</p> <p>Review of SWestrans report template and guidance</p>
5	<p>Good governance means developing the capacity and capability of the governing body to be effective</p> <p>5.1 Making sure that appointed and</p>	<p>Induction for the Board 13 July 2012</p>	<p>Review of Continuing Personal Development options for Board members</p>

Appendix 1 - SWestrans Governance Audit - Initial Findings against the Good Governance Standard 6 Principles

	Principle	Examples of good practice	Initial Recommended Improvement Actions
	<p>elected Members have the skills, knowledge and experience to perform well</p> <p>5.2 Developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group</p>	<p>On Board Guidance distributed to every Member</p>	<p>CIPFA On Board training for all Members of the Board</p>
6	<p>Good governance means engaging stakeholders and making accountability real</p> <p>6.1 Understanding formal and informal accountability relationships</p> <p>6.2 Taking an active and planned approach to dialogue with and accountability to the public</p> <p>6.3 Taking an active and planned approach to responsibility to staff</p> <p>6.4 Engaging effectively with institutional stakeholders</p>	<p>Transport Act (Scotland) 2005</p> <p>Lobbying Scottish Government</p> <p>Communication with public transport providers</p> <p>Annual Report</p> <p>Consulting the public of Dumfries and Galloway – surveys</p> <p>Staff covered by D&G Council policies</p>	<p>.Review how 'open' Board meetings are</p> <p>Review of consultation policies / strategies</p>

APPENDIX 2 – GOVERNANCE REVIEW KEY FINDINGS

Framework for discussion:-

Are you in agreement with the improvement actions recommended in the consultation framework?

Are there any *gaps* in the initial improvement actions?

Are there any improvement actions that are more **important** than others?

All interviewees were in agreement with the initial recommended improvement actions in **Appendix 1**.

<p>Good Governance Standard Principle 1 Good Governance means focusing on the organisation’s purpose and on outcomes for citizens and service users 1.1 Being clear about the organisations purpose and its intended outcomes for citizens and service users 1.2 Making sure that users receive a high quality service 1.3 Making sure that taxpayers receive value for money</p>		
Baseline examples	Initial Recommended Improvement actions	Interview Findings
<p>Regional Transport Strategy (RTS) – last revised June 2008 RTS Delivery Plan</p> <p>Public transport surveys</p>	<p>Review of Delivery Plan</p>	<p>Delivery Plan Scheduled for 2012/13 Make sure services are fit for purpose Outcome focused Economy dependent on transport infrastructure and implication of changes – more explicit in strategy and reports Refresh of RTS – connections with RTS RTS is dated – things have moved on – 5 year refresh Refresh of RTS needed</p> <p>Balance wants, needs, resources – social good v economic activity Important to have big Picture view Plan has to be fit for purpose Focus on delivery and what’s best for the customer</p> <p>Public Transport Consultation Issue with financing inspectors/ surveys</p>

APPENDIX 2 – GOVERNANCE REVIEW KEY FINDINGS

<p>Budget updates, publication of accounts, procurement policies</p> <p>Scrutiny of reports in decision making by Members to ensure performance and delivery for the public</p>	<p>Check status of key documents – procurement, financial regulations – ensuring that they are fit for purpose.</p> <p>Training of Members in scrutiny/ forensic questioning</p> <p>Benchmarking of Performance – will help in assuring best value</p> <p>Review of Web presence</p>	<p>Assurance of key documents</p> <p>Statement of Accounts – review if governance assurance statement required</p> <p>Benchmarking Essential – compare like with like Data needs to be relevant and used Like with like to be efficient and effective Conversation more important than just the numbers – important to understand the reasons behind the figures</p> <p>Review Web Presence Important- information for public Links to other services, local groups Refresh of profile App for travel information Customer feedback on bus services – poster, landline number, best value – 0800 numbers chargeable from mobiles</p>
<p>Good Governance Standard Principle 2 Good governance means performing effectively in clearly defined functions and roles. 2.1 Being clear about the functions of the governing body 2.2 Being clear about the responsibilities and making sure that they are carried out 2.3 Being clear about relationships between the Board and the public</p>		
<p>Baseline examples</p>	<p>Initial Recommended Improvement actions</p>	<p>Interview Findings</p>
<p>Transport Act (Scotland) 2005</p> <p>Business Plan</p>		<p>Thoroughly revise business plan – medium term planning, performance targets, hope to achieve in next 5 years Position statement for new members on key projects Performance management</p>

APPENDIX 2 – GOVERNANCE REVIEW KEY FINDINGS

<p>Annual Report</p> <p>Standing Orders – separation of duties of Lead Officer, Secretary to the Board and Chairperson important to provide a check and balance.</p> <p>Observers to the Board – members of the public appointed to advise the Board</p>	<p>Review of standing orders report to board</p> <p>Scheme of Delegation to Lead Officer review and report</p> <p>Review of Observers list – possible data protection issue - housekeeping procedures, currency and attendance rates</p>	<p>Annual Report – You said, we did and the outcome was</p> <p>Standing Orders – Quorum minimum of 3</p> <p>Check and Balance important – separation of duties of Lead Officer, Secretary and Chairman Clear roles</p> <p>Procedures for reports before get to Board – check and balance and clarity of functions – SAYLSA report example of Board considering report without sufficient information</p> <p>Check and Balance on business for the agenda – SAYLSA report</p> <p>Clear roles, functions and responsibilities are critical</p> <p>Critical that schemes of delegation, standing order are articulated and communicated</p> <p>Review of Observers list Inclusive and make sure right people are there Feedback to organizations Advertise for observers Standards for observers Community Council representation? Attendance Rate Travel expenses Clear criteria of what’s expected</p>
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APPENDIX 2 – GOVERNANCE REVIEW KEY FINDINGS

<p>Good Governance Standard Principle 3 Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour 3.1 Putting organisational values into practice 3.2 Individual Members behaving in ways that uphold and exemplify effective governance</p>		
Baseline examples	Initial Recommended Improvement actions	Interview Findings
<p>Freedom of Information Publication Scheme – draft approved July 2011</p> <p>Members Code of Conduct Register of Interests</p> <p>Declarations of Interest</p> <p>Managing conflicts of interest Ethics training in Board induction</p>	<p>Publication scheme status to be confirmed</p> <p>Establish values for SWestrans</p> <p>Declarations of Interest – standing item on every agenda</p>	<p>Freedom of Information status has to be clear</p> <p>Values in Business Plan</p> <p>No difficulties – appropriate behaviour – it’s the public purse</p>
<p>Good Governance Standard Principle 4 Good governance means taking informed, transparent decisions and managing risk 4.1 being rigorous and transparent about how decisions are taken 4.2 Having and using good quality information, advice and support 4.3 Making sure that an effective risk management system is in operation</p>		
Baseline examples	Initial Recommended Improvement actions	Interview Findings
<p>Publication of decisions – minutes</p> <p>Declarations of interest</p> <p>Scrutiny of reports by Members</p>	<p>Draft Minutes made available to Board Members within 14 days of meeting – assure reasons for decisions</p> <p>Decision tracking of Board decisions</p>	<p>Minutes available to Board members - In particular to the Chairman</p> <p>Danger of taking matters arising – not on the agenda</p> <p>Role descriptions for Board Members to help manage any conflicts of interest</p> <p>Open and transparent decision tracking</p> <p>Performance management of decisions</p> <p>Audit trail important</p> <p>Decision making – review at an</p>

APPENDIX 2 – GOVERNANCE REVIEW KEY FINDINGS

<p>Advice provided to Members at Board meetings to assist decision making.</p> <p>Risk register approved by Board July 2011</p>	<p>Review of SWestrans report template and guidance</p>	<p>appropriate period of the decision Review of SWestrans report template Clear reports Review of Consultation process Review of report style and options appraisal Could be more precise Scottish Enterprise example Risk assessments more evident in reports Equality Impact Assessment Governance Assurance Statement Need to spell out benefits and measures of success</p> <p>Risk Register v Issues Reporting risk regularly to the Board Risk Register – review could be a standing item on every agenda</p>
<p>Good Governance Standard Principle 5 Good governance means developing the capacity and capability of the governing body to be effective 5.1 Making sure that appointed and elected Members have the skills, knowledge and experience to perform well 5.2 Developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group</p>		
<p>Baseline examples</p>	<p>Initial Recommended Improvement actions</p>	<p>Interview Findings</p>
<p>Induction for the Board 13 July 2012</p>	<p>Review of Continuing Personal Development options for Board members</p>	<p>Induction was good – understanding of roles and remit</p> <p>Assurance:- Council Members CPD External Organisations CPD Self Assessment</p> <p>Ongoing CPD Aware of legislation changes etc – information/ seminar day / half day Ensuring qualified to make the decision – annual refresher day? Invite another Board?</p>

APPENDIX 2 – GOVERNANCE REVIEW KEY FINDINGS

<p>On Board Guidance distributed to every Member</p>	<p>CIPFA On Board training for all Members of the Board</p>	<p>Briefings for the Chairman Board Review own performance Debrief after Board Feedback from operators Team Building Role of Chairman in evaluation and support of Board Members</p> <p>Importance of Capital Planning</p> <p>CIPFA Training worth it</p>
<p>Good Governance Standard Principle 6 Good governance means engaging stakeholders and making accountability real 6.1 Understanding formal and informal accountability relationships 6.2 Taking an active and planned approach to dialogue with and accountability to the public 6.3 Taking an active and planned approach to responsibility to staff 6.4 Engaging effectively with institutional stakeholders</p>		
<p>Baseline examples</p>	<p>Initial Recommended Improvement actions</p>	<p>Interview Findings</p>
<p>Transport Act (Scotland) 2005</p> <p>Lobbying Scottish Government</p> <p>Communication with public transport providers</p> <p>Annual Report</p>	<p>Review how 'open' Board meetings are</p>	<p>Is SWestrans agenda the right agenda</p> <p>Open Board Meetings Mechanisms for groups bringing forward issues to Board? How well publicized is it and what it means to them? This is your opportunity to..... an agenda and papers is not enough Make most of going across region for meetings Public forum section – make the most of how being in different places to discuss local issues Look at how we advertise locally Story in local press Notification to local community councils Follow up from Board meetings – communications? Action Points from observers could be recorded in the minute Role of Chairman strong in public engagement at meetings Frequency of meetings</p>

APPENDIX 2 – GOVERNANCE REVIEW KEY FINDINGS

<p>Consulting the public of Dumfries and Galloway – surveys</p> <p>Staff covered by D&G Council policies</p> <p><i>Root and Branch Review</i></p> <p><i>Observers</i></p>	<p>Review of consultation policies / strategies</p>	<p>Addressing big issues – economic impact</p> <p>Feedback from representation on outside bodies</p> <p>Feedback from consultation</p> <p>Feedback from external providers</p> <p>Transport providers – their assessment</p> <p>Feedback from employers</p> <p>Review public engagement for transport development</p> <p>Surveys – budget issue</p> <p>Transport responsibilities all under SWestrans – better use of resources</p>
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APPENDIX 3 – GOVERNANCE REVIEW IMPROVEMENT PLAN RECOMMENDATIONS

<p>Good Governance Standard Principle 1 Good Governance means focusing on the organisation’s purpose and on outcomes for citizens and service users 1.1 Being clear about the organisations purpose and its intended outcomes for citizens and service users 1.2 Making sure that users receive a high quality service 1.3 Making sure that taxpayers receive value for money</p>			
Priority action	Proposed Timescale/ comments	Resource	Outcome/Measure
Refresh and review of Delivery Plan	Within 12 mths	Identified	Delivery Plan up to date
Review of Web Presence	Ongoing	Identified	Profile and accountability to public both strengthened
Refresh of Regional Transport Strategy	Not a priority for the Scottish Government but last reviewed in 2008 – a 5 year refresh may be appropriate	Not identified	Strong basis for all SWestrans objectives
Investigate Benchmarking Opportunities	Review with other RTPs	Not Identified	Scrutiny of performance
Statement of accounts – review the need for governance assurance statement		Identified	Audit findings addressed
<p>Good Governance Standard Principle 2 Good governance means performing effectively in clearly defined functions and roles. 2.1 Being clear about the functions of the governing body 2.2 Being clear about the responsibilities and making sure that they are carried out 2.3 Being clear about relationships between the Board and the public</p>			
Priority Action	Proposed Timescale/ comments	Resource	Outcome/Measure
Revise Business Plan	2013/14 Business Plan	Identified	Performance of Swestrans able to be tracked Position statement on key projects Values
Standing Orders	Report to next Board Meeting	Identified	Check and Balance in place Clear Roles and Functions Clear Procedures
Review Observers List	Report to next Board Meeting	Identified	Observers list fit for purpose

APPENDIX 3 – GOVERNANCE REVIEW IMPROVEMENT PLAN RECOMMENDATIONS

<p>Good Governance Standard Principle 3 Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour 3.1 Putting organisational values into practice 3.2 Individual Members behaving in ways that uphold and exemplify effective governance</p>			
Priority Action	Proposed Timescale/ comments	Resource	Outcome/Measure
Freedom of Information Publication Scheme status clear	Report to Board	Identified	Meet legislation requirements
Register of Interests up to date	Ongoing	Identified	Conflicts of Interest clear
<p>Good Governance Standard Principle 4 Good governance means taking informed, transparent decisions and managing risk 4.1 being rigorous and transparent about how decisions are taken 4.2 Having and using good quality information, advice and support 4.3 Making sure that an effective risk management system is in operation</p>			
Priority Action	Proposed Timescale/ comments	Resource	Outcome/Measure
Prompt publication of minutes (within 14 days)	Immediate	Identified	Informed Board and public
Decision tracking of Swestrans Board Decisions		Identified	Accountability improved
Review of Information that Board Members have to inform decisions – report format		Identified	Assuring informed decisions to both public and Board
Risk Register – regular review by Board		Identified	Risk openly managed
<p>Good Governance Standard Principle 5 Good governance means developing the capacity and capability of the governing body to be effective 5.1 Making sure that appointed and elected Members have the skills, knowledge and experience to perform well 5.2 Developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group</p>			
Priority Action	Proposed Timescale/ comments	Resource	Outcome/Measure
Ongoing CPD for Members	Ongoing	Identified	Seminar Half Day/ day held
Investigate On Board training provided by CIPFA	By next Board meeting	Not Identified	Best Practice
Investigate options for Evaluating Performance as a Board	Secretary to provide Board with options	Identified	Best Practice

APPENDIX 3 – GOVERNANCE REVIEW IMPROVEMENT PLAN RECOMMENDATIONS

<p>Good Governance Standard Principle 6 Good governance means engaging stakeholders and making accountability real 6.1 Understanding formal and informal accountability relationships 6.2 Taking an active and planned approach to dialogue with and accountability to the public 6.3 Taking an active and planned approach to responsibility to staff 6.4 Engaging effectively with institutional stakeholders</p>			
Priority Actions	Proposed Timescale/ comments	Resource	Outcome/Measure
Review how 'Open' Board Meetings are	<p>Making the most of going across the region for meetings</p> <p>Report to next Board meeting</p>	identified	Improve public accountability and engagement