

**Zetland Transport Partnership
Council Chamber, Lower Hillhead, Lerwick
Wednesday 1 November 2023 at 10am**

Present:

A Gear M Lyall
C Marsland R McGregor
A Wenger

Present (Remotely):

D Anderson

Advisers:

S Mathieson

Apologies:

A Armitage
L Peterson

In attendance (Officers):

M Craigie, Lead Officer
P Fraser, Finance Officer for ZetTrans
J Riise, Secretary to ZetTrans
M Forrester, Management Accountant
P Wishart, Solicitor
M Robertson, Committee Assistant
L Malcolmson, Committee Officer

Also:

S O'Hagan, Audit Scotland
D Cunningham, Audit Scotland

Chair

Mrs Lyall, Chairperson, presided.

Circular

The circular calling the meeting was held as read.

The Chair ruled that remote attendance be permitted by, members and officers, in accordance with section 11.2 of the ZetTrans Administrative Regulations.

Declarations of Interests

None

Minutes

The minutes of the meeting held on 20 September 2023 were approved on the motion of Mr McGregor, seconded by Mr Marsland.

20/23 **Annual Audit Report on the 2022/23 Audit for ZetTrans**

The Partnership considered a report by the Proper Officer for Finance (ZTP-23-23-F) that presented the findings of the 2022/23 audit for ZetTrans.

The Proper Officer for Finance introduced the report and advised that colleagues from Audit Scotland would take the Board through the main terms of their Audit of the Annual Accounts.

Mr O'Hagan, Audit Scotland, referred to the late circulation and tabling of Audit Scotland's Audit of 2022/23 audit report and letter of representation now attached as Annex 1. The Board were advised that the key points were listed in the letter with no misstatements to be corrected, that there were no significant findings to report and an unmodified opinion was confirmed. He then referred to the wider scope conclusions and recommendations, which included recommendations carried forward from the previous Auditors report. Mr O'Hagan thanked colleagues in Finance Services for their assistance in preparing the report and commented on the challenges that affected timescales for reporting and advised that he hoped there would be improvements made in that regard next year.

During discussion, Mr O'Hagan was asked to comment further on what could be done in regard to the Medium Term Financial Plan (MTFP). He commented that a MTFP can be a fair undertaking for organisations but he suggested that, given the Council is the main funder, it may not be a full-scale plan but it should be a forward-looking financial plan that the Board is kept sighted on in terms of the direction of travel. He said that the plan could also include a longer term outlook that sets out the challenges and on what needs to be delivered.

In responding to a question from the Chair, around resources to do this work, the Lead Officer advised that the work around key performance indicators (KPI's) on an annual basis had to be done, therefore he would work in collaboration with colleagues, Finance Services and Governance and Law to ensure that will be done. The Lead Officer also advised that the forthcoming annual report would describe the transition from the current position to an evolved form of performance reporting and would take on board the comments from the Auditors and remarks made at today's Board meeting. The Lead Officer said that he would take forward and respond appropriately to the observation made by Audit Scotland.

The Chair commented on the importance of receiving information to establish that ZetTrans is meeting its objectives and she welcomed the Auditors observations.

In responding to a query regarding the withdrawal from the EU continuing to be seen as a key risk, the Chair advised that the risk would be removed in due course but that she expected that there would still be issues to be addressed from that risk.

Reference was made to the Office of National Statistics (ONS) inflation rate used in regard to the bus services and the Lead Officer advised that the current rate was bus industry specific but work would be done in the next year to consider/review, define and apply the appropriate indexation rate.

The Lead Officer responded to a further query and confirmed that he would plan to report more broadly than the Annual Report on passenger numbers that would provide an understanding to the Board of how the customer base contributes to providing services and how that then contributes to future planning of services.

In final comments, it was noted that young people now travel free on the bus service and it was hoped that would eventually be extended to the internal ferry services.

Mr McGregor moved that the Board approve the recommendations contained in the report. Mr Gear seconded.

Decision:

The Partnership:

- NOTED the findings of the 2022/23 audit as contained in the external auditor's annual report at Appendix 1;
- CONSIDERED a verbal report presented by the external auditor;
- APPROVED the agreed Action Plan and management responses as outlined in the auditor's Annual Report; and
- APPROVED the audited Annual Accounts for 2022/23 for Zetland Transport Partnership at Appendix 2 for signature.

21/23 **ZetTrans Business Programme 2023/24 and 2024/25 Meeting Dates**

The Partnership considered a report by the Secretary to ZetTrans (ZTP-22-23-F) that presented the findings of the 2022/23 audit for ZetTrans.

The Secretary to ZetTrans introduced the report.

There being no questions or debate the Board approve the recommendation contained in the report on the motion of Mr Gear, seconded by Mr Wenger.

Decision:

The Partnership:

- APPROVED the attached Business Programme for the remainder of the year 2023/24 as set out in Appendix 1; and
- APPROVED the 2024/25 meeting dates for ZetTrans and the Shetland External Transport Forum (SETF) as set out in Section 4.

The meeting concluded at 10.25am

CHAIRPERSON