



Report to: **Audit & Risk Committee**
Agenda item: **11**
Date: **12 November 2015**
Subject: **Governance and Assurance Update**
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Sponsor: **Director of Capability and Resources**
For: **Information**

1. PUPOSE OF THIS REPORT

1.1 The purpose of this report is to update the Audit and Risk Committee on the progress of the Finance and Procurement transformation plan since the last meeting.

2. BACKGROUND

2.1 The governance and finance reviews are major pieces of work. They combine measures to address current compliance issues as well as a range of broader 'transformational' improvements in resource management and control.

2.2 Additional capacity has been created by establishing a transformation team to lead on the delivery of the finance and procurement element of the DfT governance review. A draft plan was tabled at the last Audit and Risk Committee.

3. UPDATE ON FINANCE AND TRANSFORMATION PROGRAMME

3.1 The finance and procurement transformation programme has been revisited in light of comments from the Audit and Risk Committee. A number of queries were raised on the report and these have been considered and the plan updated.

3.2 The key actions following the Audit and Risk Committee on the 12 November are:

- Cross check of the finance and transformation programme against the DfT plan to ensure all areas are included in the plan. A high level dashboard has been developed and agreed with the BTPA.
- Review of individual work streams and re-prioritisation of the plan.



- Two additional areas have been added to the plan, the first on payroll and the second on significant year end issues.
- Governance processes established for the programme are:
 - Weekly internal status reporting – the detailed work plan slide pack will be updated and shared with the Director of Capability and Resource, Head of Finance and the BTPA Audit and Risk Manager.
 - Monthly dashboard reporting - the finance and procurement transformation dashboard report will be updated monthly.
 - Andrew Pollins to act as BTPA Assurance lead to review progress of the project on behalf of the BTPA. The proposal is for monthly meetings to outline progress against milestones using the monthly dashboard report.
- Liaison with the Internal Auditors to outline the scope and timing of the programme and agreement of broad timescales for interim and year end visits.
- Liaison with External Auditors and timeframes for the interim and year end visit agreed.

3.3 The key areas that we would like to draw the Audit and Risk Committee's attention to are:

- Financial Accountant, Capital Accountant and System Accountant recruited pending vetting process.
- Temporary divisional resource seconded to help clear processing backlog in the transactions centre.
- Bank mandate revised.
- Scheme of Delegation review completed and updates identified.
- Unallocated cash and adjustments have reduced from £7.7 million to £3.8 million.

4. RECOMMENDATION

4.1 The Audit and Risk Committee approve format and timing of the Finance & Procurement Transformation Dashboard report.



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- 4.2 The Audit and Risk Committee should consider an additional assurance process is required for escalating any risk that deteriorates significantly between the monthly dashboard reports.

Attachment:

Finance & Procurement Transformation Dashboard report.