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## Minutes

Author: Sharon Malley

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Minutes of a meeting of the London TravelWatch Governance Committee held at 6 Middle Street, London EC1 on 6 December 2011, 14.00 hrs

Present:

David Barry (DB)	
Terry Bennett (TB)	
Gail Engert (GE)	
Sharon Grant (SG)	Chair
Sophia Lambert (SL)	
David Leibling (DL)	Deputy Chair (items 1-8)
Gytha Chinweze (GC)	Executive Assistant
Janet Cooke (JC)	Chief Executive
Peter Ellis (PE)	Senior Finance Officer (items 4-5)
Sharon Malley (SM)	Executive Assistant
Mark Merrill (MM)	Finance Consultant (items 4-5)
Patti Tobin (PT)	Director, Finance & Personnel

### 1 Apologies for absence

There were no apologies for absence.

### 2 Minutes of the meetings held on 20 September 2011 and 15 November 2011

The minutes of the informal meeting held on 20 September 2011 were still with the Chair for approval and would be available at the next meeting.

**Action: GC**

The minutes of the meeting held on 15 November 2011 were circulated to members and approved and signed as a correct record, subject to a correction in the fourth paragraph of section 4, removing the words 'what was' and replacing them with 'the process'.

### **3 Matters arising**

There were no matters arising not considered elsewhere on the agenda.

### **4 Finance report**

PE reported a reduction in the forecast for accommodation costs in quarter 4 and PT confirmed that this was because work was underway to vary the cleaning contract by reducing the number of hours worked from January 2012.

The cash flow position at the end of October was better than forecast as expected invoices of around £20,000 to £25,000 had not yet been received. However, it was still likely that the organisation would end the financial year with a notional overdraft of around £50,000.

The current cashflow forecast for 2012/13 showed a break-even position by mid-year with cash flow surplus throughout the year due to an amended grant payment profile, but this was very tentative and may change depending on the situation relating to accommodation.

### **5 Review of finance policies and procedures**

JC introduced the review of finance policies and procedures. She reported that it was necessary to change the financial procedures to enable the organisation to continue to approve and process payments from January when two senior posts were deleted. The proposed amendments to the financial procedures would allow more flexibility in authorising and making payments.

In response to a question, MM confirmed that the Board would be able to carry out its fiduciary duties under the revised policies.

MM proposed moving from a two-tier protocol, which required a senior second signatory for all expenditure, to one allowing a single signatory for payments up to £2,500 that were within budget. Following discussion, it was agreed that the level of payments that could be authorised by a single signatory should be £1,000 but that this should be reviewed after three months.

After discussion, the following recommendations from the report were agreed:

- (i) To switch to a risk based approach to financial management within London TravelWatch
- (ii) To no longer require second signatures when authorising payment of invoices with a gross value lower than £1,000, provided that these were within budget and were for goods or services as previously specified.

- (iii) To require a second signature to authorise payments with a gross value of £1,000 or higher.
- (iv) To authorise the Casework Manager as a second signatory.
- (v) To reconfirm the Chair and Safety & Policy Advisor as second signatories, noting that this would only be 'in extremis'.
- (vi) That the post of Senior Finance Officer, Finance Officer, Executive Assistant, Corporate Support Officer and HR Officer would now become budget holders.
- (vii) That, subject to any comments made by GLA finance officers, the revised finance policies and procedures should come into effect from 1 January 2012.
- (viii) That the operation of these procedures be monitored over the next quarter and, if necessary, be brought back to the Governance Committee for amendment.
- (ix) That, subject to any future changes to our operating environment, further work to streamline and update existing finance procedures should be done early in 2012-13.

**Action: JC**

After further discussion, it was agreed that additional reporting of the monthly bank reconciliations would be made to the Governance Committee for the next couple of months. However, it was acknowledged that one of the main reasons for amending the procedures was to reduce administration and, once the new system was bedded in, the necessity for this would be reviewed.

**Action: JC**

PE agreed to investigate the cost and operational implications of introducing a mid-year audit.

**Action: PE**

## **6 HR procedures**

JC reported that London TravelWatch's current HR procedures had been reviewed to reflect legislative changes, put them into a more logical order and remove unnecessary duplication. However, the policies themselves had not been changed, except as required by law.

Lesley Kaye, the HR specialist who had carried out this work, had suggested that more work on streamlining the procedures should be done by the new HR Officer once in post.

It was agreed that TB and SL would be the Board members who staff should approach with any whistle blowing concerns.

Members noted the requirements for an anti-bribery policy and it was agreed that PT would check whether current procedures were adequate to comply with legislative requirements.

**Action: PT**

## **7 Chief Executive's report**

JC reported that her primary focus over the past three weeks had been on moving ahead with the restructure, progressing the revised finance and HR procedures, helping to progress discussions about the possibility of closer working with Passenger Focus and preparing for the departure of PT and Bryan Davey (BD).

The new Communications Officer was now in post and being inducted.

An advertisement had been published for the new part-time role of HR Officer and interviews were scheduled for 16<sup>th</sup> December.

There had been a successful staff workshop in December that had focused on joint working within London TravelWatch.

## **8 GLA performance monitoring report**

Members considered the draft GLA performance monitoring report and made a number of suggestions. GC will incorporate these into the report.

**Action: GC**

## **9 Risk and business continuity**

JC reported that SM and GC had been trained on Freedom of Information and Data Protection and had now taken over this area of work from BD.

GC and SM would also become the risk owners from 1<sup>st</sup> January 2012 and as part of this would be responsible for London TravelWatch's business continuity arrangements.

A review of the business continuity plan had been scheduled by the end of the 2011 to take account of the restructure. Unfortunately, pressures of other work had meant this had had to be postponed.

It was noted that the risk register should be reviewed by the Governance Committee in February.

**Action: GC**

## **10 Working with Passenger Focus**

JC reported on the recent meeting with the GLA and Passenger Focus to discuss closer working. Legal advice obtained by the GLA suggested that for practical purposes a virtual merger could be achieved by creating a joint venture or limited liability partnership to which the staff of both London TravelWatch and Passenger Focus would be seconded. The Boards of both organisations would remain independent.

During discussion of this item, several factors were noted, such as the continued need to reduce costs, the statutory obligation to support transport users in London, and the practical difficulties around seconding staff. It was agreed that a 'no change' option should also be considered alongside the other proposals.

A staff workshop on the future of London TravelWatch and how it could work more closely with Passenger Focus and the possible forms that this might take is scheduled for 8 December 2011.

A meeting was scheduled with Passenger Focus to take this further.

## **11 Board and Committee arrangements for 2012**

Members agreed to continue with arrangements for the Board and Committee in 2012 as previously agreed and in the same format as during 2011.

Members reviewed their performance as a Board and agreed that they had performed well during a difficult period, providing strategic advice and maintaining strong focus throughout. However, the small size of the Board meant there were fewer opportunities for specialisation and greater responsibility on every member to carry out the work of the organisation. There was concern that the Board was not as representative as it was statutorily required to be and that issues of continuity would become more pressing as the year progressed.

## **12 Any other business**

It was noted that, although 2012 meeting dates had been agreed by the Board in July, staff would consider moving some Committee meetings to Thursdays as one member now found Tuesdays difficult.

**Action: SM**