

**Audit and Risk Committee Meeting Minutes**  
**12 December, 10:00 – 12:00 on Teams**

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Audience	Alun Bowen (AB) (Chair), Julian Edwards (JE)
Additional	Heather Clash (HC), Bronwyn Lillico (BL) [Secretary], Josh Hopkins (JH), Kerry O'Donovan (KO'D), Laura Jones (LJ), Malcolm Payne (MP), Mandy Garrett (MG), Steve Cole (SC), Wilma Thomas (WT), Matthew Arthur (MA), Rees Batley (RB), Clare James (CJ), Louise Thompson (LT), Ifan Williams (IW)
Apologies	Jeremy Morgan (JM), Suky Bains (SB), Sue Ruddock (SR), Bethany Wheatcroft (BW)

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**1. Introductions and Apologies**

AB welcomed attendees. No conflicts of interest or independence issues were declared. AB wanted to record the Committee's appreciation of Louise Cheesman's contribution to the Committee.

**2. Safety and Customer Moment**

Tap on and tap off was highlighted as a notable improvement for customers.

**3. Minutes and Actions**

The committee approved the ARC October 2025 meeting minutes.

**4.**

[REDACTED]

**5. KPMG Draft Audit Plan**

RB introduced Ifan Williams as the Audit manager for 2025 and provided an update on the Audit Plan, including Pullman. The committee noted risks related to valuing infrastructure assets, with JE enquiring if KPMG is considering the methods used by similar organisations like Network Rail. RB and MA shared updates on how TfW is working together with NR.

**6. Accounting Position Paper - Proposed Accounting Treatment**

MA updated that with OLR ending and new legislation starting, TfW must review its approach. MA has consulted other institutions, and KPMG's initial feedback is positive, though further detailed review is planned.

**7. Insurance Update - Verbal Update**

LT updated on insurance: renewals are complete with savings secured. The cyber policy is active. A few claims are ongoing, pending court dates.

**8. Business Continuity/Resilience**

SC provided an update, reporting that 16 champions have been identified across the organisation. Furthermore, an RDG working group—including Procurement and SC as a participant—has been established. JE stated that Business Continuity Plans (BCPs) are required for each area and emphasised that these should be robust. The committee observed that the BCP forward plan should be revisited to ensure adequate emphasis on critical areas. HC and LV further highlighted that this matter spans across the business and requires a cross-functional approach, with guidance and leadership from the ELT.

**9. Risk Management Update**

The team has completed work to ensure that TfW's values are aligned to its Risk Management approach, along with assuring that the approach aligns with the TfW structure. Tier 1 Risks have recently been presented at Board.

**10. Internal Control Environment - Verbal Update**

WT reported an ICE update, noting a new individual will start in January 2026. Momentum can be built by first focusing on the Annual Attestation Statement.

**11. Internal Audit Dashboard**

WT observed that the key items display a different profile compared to the prior year. The audit has identified a particular area requiring attention, and this dashboard highlights where improvements are necessary.

The Cyber Policy has now been approved by the unions with the assistance of Tammy Wilson.

**12. Internal Audit Reports**

The following Audits were provided in the pack for approval:

- TfW Rail Payroll
- Final Internal Audit Report for Records Management
- TfW Rail Expenses
- Final Internal Audit Report for Records Management
- Final Report Systems and Processes for ORR Registration
- Cardiff Bus Interchange Report
- Final Report Pullman Stock Levels
- Final Report for Bus Procurement and Use of Consultants
- Internal Audit Report for MS Dynamics
- Station Improvement Projects under 500k
- Final Internal Audit Report for Fraud and Whistleblowing
- Final Internal Audit Report for Safeguarding
- Safeguarding Report

JE mentioned potential improvements in paper processes. LV provided an update on the Safeguarding Report and the Public Sector Safety Summit, which addressed violence against girls, alcohol abuse, and social disruption. The committee noted that relevant external teams, such as BTP, require data to inform staff deployment.

Passengers have the right to feel safe, as well as staff. Although various initiatives are underway throughout the business, they need to be consolidated into a single framework. Deadlines have been set in consultation with Audit and the ELT, including a gap analysis. Board approval is required for five Safeguarding items (noting there is no single, pre-defined definition). Additional funding must also be secured, including

identifying opportunities for grant funding. Some concrete steps have already been taken, such as acceptance into blueprint workstreams.

**13. Procurement Act Update and State of the Nation**

CJ provided an update including Tender evaluation.

**14. Annual Report Approach**

EF noted a few improvements for the Annual Report including sustainability figures for next year. It was noted that a project manager has been appointed.

**15. Management letter from KPMG regarding Pullman**

AB provided an update.

**16. Cyber & Welsh Government**

MP mentioned that work is underway on the scope for ISO certification. HC added that it was agreed the IT team will design the structure, which will then be handed over to ELT for ownership.

**17. National Fraud Initiative**

LJ shared stats from the exercise noting that we had a low number of matches compared to other institutions who submitted larger data sets. Training needs were identified from a TFW perspective but no fraud/or other losses were reported.

**18. AOB**

AB expressed appreciation to everyone who has offered support over the past six years and shared news regarding his successor. HC conveyed her personal gratitude, as well as thanks on behalf of Transport for Wales, emphasising that AB's contributions have been invaluable to the organisation. JE also expressed his thanks.

**There being no further business, the Chair thanked attendees and closed the meeting.**