
CAIRNGORMS NATIONAL PARK AUTHORITY

DRAFT MINUTES OF THE BOARD MEETING held by telephone/ video conference on Friday 28th May 2021 at 14.00

PRESENT

(By video conferencing unless stated otherwise)

Xander McDade (Convener)	Eleanor Mackintosh
Peter Argyle	Willie McKenna
Carolyn Caddick (Deputy Convener)	Ian McLaren
Deirdre Falconer	William Munro
Pippa Hadley	Anne Rae Macdonald
John Kirk	Derek Ross
John Latham	Judith Webb
Douglas McAdam	

In Attendance:

Grant Moir, Chief Executive,
David Cameron, Director of Corporate Services
Murray Ferguson, Director of Planning & Place
Vicky Walker, Corporate Governance & Corporate Performance Manager
Kate Christie, Head of Organisational Development
Alix Harkness, Clerk to the Board

Apologies:

Geva Blackett	Janet Hunter
Dr Fiona McLean	Dr Gaener Rodger

Welcome and Introduction

1. Xander McDade the Convener, welcomed everyone to the meeting.
2. Apologies were noted.

Matters Arising

3. There were no matters arising.

4. **Action Points Arising:** **None**

Declarations of Interest

5. None.

Governance Responsibility Statement (Paper I)

6. David Cameron, Director of Corporate Services introduced Paper I which presents the draft Governance Responsibility Statement for consideration. He thanked members involved to date for their input into the draft statement.
7. The Board considered the detail in the Paper and discussions took place around the following:
- a) Comment made that it was really good to have the statement, with praise for the approach adopted to use challenge questions in particular.
 - b) Suggestion made to incorporate a glossary of terms as many of the words can have different meanings to different people. Director of Corporate Services advised that he was happy to pull together a glossary of terms which would be subject to ongoing review.
 - c) If there was ambiguity surrounding the interpretation of decision making responsibility, would the Board Convener have final say? The Director of Corporate Services advised that it was more appropriate that the Board and Senior Management review any areas of ambiguity, agree decision making routes and refine the document on an ongoing basis.
 - d) Could it be confirmed that the governance responsibility statement assuming it was agreed today was not set in stone, the intention would be to review and amend it as required on a regular basis? Director of Corporate Services confirmed that it would be brought back to the Board for review in a year's time with continual reviews by the Governance Committee who will assess its effectiveness as a standing item on their agenda.
 - e) With reference to the summary table, where it details the Executive Management responsibility for decisions to achieve established strategic objectives, what happens if new strategic objectives come forward? Director of Corporate Services advised that any new policy objectives are detailed in the same table as Board responsibility, as detailed on the left hand side of the table.
 - f) What difference would having this statement in place make to the Board? Director of Corporate Services advised that so far the Authority had taken

decisions without having a statement like this in place and while this had worked it was now felt that by the Board, perhaps reflecting members and staff turnover, that it would be helpful to have something in place that as clearly as possible demonstrates where the decision making falls between Committees, the Board and Senior Management Team. It was hoped that having a written statement this would not act as an impediment to continue achieving the work of the Authority, which was recognised for its capacity to dynamically respond to opportunities. He added that the document would help new staff and Board by informing them of the decision making process in the Authority.

- g) Comment made by a member that they did not like the summary table. Director of Corporate Services accepted that it was difficult to use the summary table at the inception of a new process such as this. However, he felt it better to have clearly structured table on one page that was easily referenced so that the reader could see at a glance where decision making might fall. He expected that over time, and with use and knowledge of the more detailed document, the summary table would become a single page reference which could help remind users of agreed approaches without need to reference the detail.
- h) The Convener added that the purpose of the statement was to codify the different processes to provide clarity to Board members and staff and should not act an impediment. He welcomed the suggestion of changing the wording in the statement into plain English.
- i) Comment made that documents such as this are useful, do bring clarity, is useful, and the document was an excellent start. It was suggested that work is still to be done on the table to tie in and to ensure consistency:
 - i. Role of the Board 7. a) Comment made that it should be setting the aims and objectives in the first place, this also ties to 15 in the CEO section.
 - ii. Also, under b). Agrees with taking steps to deal with changes as mentioned, but also identifying potential risks (horizon scanning)
 - iii. Under c). – wording clarification sought; should it be promoting or is it assuring? With regards to the Board receiving management and assurance information.

Director of Corporate Services indicated that he had made a note of the suggested points raised for review and would consider these in an update of the statement.

- j) Comment made that they welcomed the statement and had found it really helpful. It was important use of the statement works for staff and board. He spoke about the 6 tests. He suggested Para. 23 be re-worded to say “where the answer to One or more of these questions is yes...” to provide clarity in order to protect the executive team as much as anything else. He suggested that there may be a role for the Convener and suggested the formal review in a year’s time should be built into the recommendations. Director of Corporate Services advised that he was happy to build in explicit reference to the

statement being reviewed in a year along with other key governance documents like the Terms of Reference and the Annual Board Forward Look. He added that he was happy to add more clarity as requested. With regards to the suggestion around building in the process of informal discussions taking place between the CEO and Convener, it was felt that there were enough control structures in there without codifying and that in the document. The Convener added that further elements of the assurance process was covered under the Standing Orders and suggested a linking sentence could be added which makes reference to the Standing Orders. Director of Corporate Services agreed to do this.

- k) Comment made that the statement would be valuable as often there were questions arising whether decisions should be taken by the Board or are more of an operational matter. Query raised around the difference between the two items on the summary page, 3rd box down 'decisions and investments'? Director of Corporate Services explained that it linked to the questions set out in paragraph 22 to help analysis of whether a matter is a strategic or operational matter when looking at the decision. In this specific case, the consideration is around the likelihood that a decision point carries significant reputational risk with potential adverse impact for the Authority. Where there is little likelihood of reputational risk impact the matter would not need Board attention.
- l) Judith Webb, Audit & Risk Committee Chair, said that she hoped having the statement in place would make a difference to Board and staff. She reminded members that from an Audit & Risk point of view the need for having a statement was identified as a recommendation from the internal audit report on governance. She explained that Auditors will also refer to the statement. She added that until it starts being used it would be difficult to identify which parts will need refined and that she welcomed a review in a year's time. She reported that at the next meeting she has with the auditor she will be able to report to them that the Board and officers have made significant progress on this action. The Board Convener reaffirmed that the need for this statement had come as a recommendation from the internal auditor and the implementation had been delayed as a result of other pressures of work including responses to Covid. The Audit & Risk Committee Chair advised that the paper was intended to be constructive in nature and that she would not want to see it stifling the Authority's activities. Having the statement in place provides a level of assurance that the Authority has the right processes and understandings in place.
- m) Carolyn Caddick, Chair of Staffing & Recruitment Committee explained that having the statement would be really helpful for new Board Members so they understand what their job was when joining the Board. It was hoped that it would prove helpful when there was a decision and who should make it.

Suggestion made to make the suggested amendments raised and to circulate the revised version. Director of Corporate Services advised that he was happy to make the suggested amendments and put it in place rather than circulate it for comment thus delaying its adoption, while the Governance Committee could have a role in assurance, should that Committee be approved under the following agenda item, that amendments were as expected and monitoring its effectiveness following implementation.

- n) An Audit & Risk Committee member explained that the draft statement had been thoroughly discussed by the Committee and commended the Director of Corporate Services for the work he had put into it. He commented that the principals laid out were sound and clear, warned that it was important not to over codify to allow for necessary matters of judgement. He added that paragraph 23 was clear, if the answer to any of those questions was yes that is what would trigger Board/ Board Committee involvement in the decision making.
- o) Query around when, how and by whom will the usage of the statement be recorded? The Convener advised it was more of a guidance document. Director of Corporate Services advised that the intent would not be to establish any log of use, rather qualitative feedback would be gathered through the Senior Management Team and staff groups on how much they have got from it and similarly expected the Convener would receive feedback through annual Board development conversations to get a sense for how it was working.

9. The Convener proposed the motion which the Deputy Convener seconded which was to agree:

- a) **the Governance Responsibility Framework represents an adequate document to guide the Authority's governance and decision making processes;**
- b) **the draft Governance Responsibility Statement subject to the following amendments:**
 - i. **Para. 23 to be reviewed;**
 - ii. **Set out a definition of key terms used in document;**
 - iii. **Formal review after a year with the Board, ongoing review through relevant Committee structure;**
 - iv. **Ensure the wording in summary table ties back to the text;**
 - v. **Strategic aims and strategic risk wording to be reviewed;**
 - vi. **Consider how we go about clarifying any budget and oversight roles;**
 - vii. **Refer to Standing orders where appropriate.**

10. The Convener thanked the Director of Corporate Services for the tremendous amount of work he had put into this over the past 12 to 18 months.
11. **Action Point Arising:**
 - i. **Amendments to be made to the Governance Responsibility Statement prior to use and circulation.**

Board Committees: Terms Of Reference (Paper 2)

12. David Cameron, Director of Corporate Services, introduced Paper 2 which proposes the terms of reference covering the new Board Committee arrangements approved in principle by members at the Board meeting of 12 February 2021. He added that the Paper also sets out proposals for moving forward with the revised arrangements for Board Committees, should members agree to move forward with this revised Committee structure.
13. The Board considered the detail in the Paper and discussions took place around the following:
 - a) Comment made by a member that with regards to recommendation f, the meeting was not held in public and therefore in that member's view does not meet the test of the Standing Orders as it does not comply with the notice required. Suggestion made to give notification now and run everything in parallel. **The Board Convener agreed with this suggestion and announced that the Standing Orders would be formally changed following the next formal meeting on 11th June 2021.**
 - b) Query around the role of the Performance Committee: was its main lens to look at big projects rather than have an overview of all the strategic objectives? Director of Corporate Services confirmed that the focus on the delivery of significant projects against agreed objectives and making expected contributions to wider National Park Partnership Plan and other strategy was correct. Further query around the Performance Committee having the ability to provide deep dives into other areas? For example if the Committee want different reporting, should it not be within the remit of this Committee to request it? Director of Corporate Services advised that this would be possible whilst being mindful of not over utilising staff time: the intent is to use existing project reporting and not create significant amounts of new reporting or documentation as an element of the Committee's responsibility is to assess the adequacy of existing project reporting for assessing achievement of objectives.

- c) With reference to paragraph c under deployment of resources specifically around project initiation proposals, should the Committee not be looking at it through the life of the project? Director of Corporate Services confirmed that this was what was the intention and agreed to adapt the wording.
- d) Query around the election of the Board Convener running in parallel, if someone did not get the Convener position they may want to run for a Committee Chair, would they then miss that opportunity? Director of Corporate Services advised that the only conflict would be if the Audit & Risk Committee Chair and the Board Convener were the same person. Otherwise, members could seek election to role of Convener and the Committee Chair roles should they wish.
- e) Would the above then impact on how Board Members would vote? Director of Corporate Services advised that it would be up to the individual Board Members when they have ballot papers in front of them to decide. He added that the first election result will be to declare the Board Convener followed by the other Committee Chairs.

14. The Convener put forward a motion which was seconded by Judith Webb. They:

- a) **Considered the draft terms of reference for Board Committees presented with this paper;**
- b) **Agreed any required amendments to the draft terms of reference;**
- c) **Agreed implementation of the new Committee structure on the basis of these terms of reference, including any agreed amendments**
- d) **Agreed the process of Committee membership should begin with election of the Committee Chairs**
- e) **Agreed the process and timetable for election of Committee Chairs as set out in this paper**
- h) **Agreed to seek members' preferences for Committee membership in parallel with the process for election of Committee Chairs.**
- g) **Agreed to proceed with the timetable proposed subject to the Board formally agreeing to the amendment to the Standing Orders as set out in paragraph 10 on 11th June 2021. This would then both meet the Standing Order Requirements and allow the election of Committee Chairs to proceed.**

15. Action Point Arising:

- i. **Short paper to be brought before the Board on 11th June 2021.**

Board Convener Election (Paper 3)

16. The Convener handed over to the Deputy Convener to chair this item.
17. David Cameron, Director of Corporate Services introduced Paper 3 which notifies the Board of the election of the Board Convener and the proposed process for that election.
18. **The Deputy Convener moved the motion for the Board to note the notification of the election of the Board Convener and to agree the process of election as set out in the paper. This was seconded by William Munro.**
19. **Action Point Arising: None.**

Audit & Risk Committee Report to the Board (Paper 4)

20. The Deputy-Convener handed the meeting back to the Convener. David Cameron, Director of Corporate Services, introduced Paper 4 which presents the report of the Audit & Risk Committee.
21. Judith Webb, Audit & Risk Committee Chair, thanked the Director of Corporate Services for the preparation of the report and made the points:
 - a) The Report had been approved by the Audit & Risk Committee.
 - b) It was being presented to the Board slightly later than usual given understandable work pressures on other matters.
 - c) Advance apologies for the 'technical' audit related language and terminology used throughout but this was how it needed to be.
22. The Board made the following comments and observations:
 - a) The Audit & Risk Committee Chair was praised by a fellow member for the knowledge and expertise she brings to the Committee.
 - b) The Convener acknowledged the skillset the Audit & Risk Committee Chair brings to the Governance Group.
 - c) With regards to the complaints handling process (para 7k) a query around when was it carried out and what the results were? Director of Corporate Services advised that a lessons learned paper went before the Audit and Risk Committee on 12 February 2021 which was normal practice. The report identified amendments to be made to the Complaints handling policy and the new Committee Terms of Reference just approved incorporates an element of the updates agreed in terms of clarity of processes.
 - d) The Audit & Risk Committee Chair advised that from an Audit & Risk point of view complaints handling is a complex process looking at the point of view of the reputation of the Authority. The Convener added that the lessons learned have been embedded further into the draft Terms of Reference laid out today.

- e) A Member advised that she was not any clearer what the lesson learned were? Director of Corporate Services reiterated that the paper was on the website and therefore in the public domain, he agreed to circulate the link to the paper to the Board after the meeting rather than go into the detail at the meeting. He advised that any members were welcome to contact him if they had any questions on the paper.
- f) The Audit & Risk Committee Chair reminded members that the Authority are not the sole people involved in the complaints process, the Ethical Standards Commission (ESC) are too.
- g) Has the complaints process update been dealt with? The Convener advised that the Audit & Risk Committee under delegated authority have to deal with this which they did through a lessons learned paper. He explained that from that process the Committee had identified amendments to the Complaints Handling Procedure to refine the process.
- h) Should there not be an external body overseeing complaints, especially if the complainant is internal? The Convener advised that there is an external body known as the Ethical Standards Commission (ESC) however what was being captured here are complaints which may still be submitted directly to the Authority. Director of Corporate Services added that advice received and acted on is that the Authority's own complaints handling policy must incorporate a means of handling complaints submitted about Board or Board members directly to the Authority. The onus is on the complainant to approach the ESC should they wish while they may opt to contact the Authority directly. Role for the Authority was to find a way to handle such complaints received. The Audit & Risk Committee Chair explained that the Committee deal with the internal mechanism; and that an appropriate and proportionate mechanism was required. For those complaints that might affect the reputation of the Authority a clearer process was required to determine if they should be referred on by the Authority to the ESC.
- i) With a lot of substantial business going through the Audit & Risk Committee, member suggested Board members receive papers going to those meetings directly? The Director of Corporate Services indicated there was an assumption that the Board memo which set out all meetings to members would trigger members looking at papers should they have an interest. Officers were currently exploring an on line Board portal and the Director would consider any improvements within the use of that system which could be incorporated to ensure that members were directed to available papers.
- j) With reference to Item J and Table I. 1 on the 9 recommendations, members remarked that there were more recommendations this year than in previous years and asked for an update on the work that had been done. The Chair of the Audit and Risk Committee provided assurance that items were being looked at by the Committee and this year there had been other pressures and impacts on control systems contributing to the increase in the number of recommendations raised by internal audit. She added that there is a process in place where within her role as Chair should there be inaction or insufficient action she would share this with the Board Convener which could then be escalated to the Board. The Director of Corporate Services explained that the number of recommendations had not come as a surprise given the areas of work covered and the staff group dispersed and homeworking which created a new range of internal control considerations.

He reminded the Board that different audit firms have different categorisations of risks and this meant they needed to consider nuancing of importance and risk associated with recommendations between companies. He provided reassurance that a full review of all outstanding recommendations is carried out at least every year.

- k) With reference to Para 7c) review of risk of Heritage Horizons program, might it be appropriate for the Board to ratify the decisions of the Audit & Risk Committee in the same way that the Budget is by the Board following the Finance & Delivery Committee? Director of Corporate Services reminded the Board that the Heritage Horizon risk review had come to the Board in the first instance and then delegated by Board to the Audit & Risk Committee.
- l) Question around the complaints handling policy not coming to the Board for final ratification. The Director of Corporate Services advised that his expectation would be to draw up a revised procedure which would be circulated to the Board, Members could then provide electronic feedback for consideration and incorporation.
- m) The Chair of the Audit & Risk Committee reminded the Board that both internal and external auditors sit on the Committee and while Board Members make the decisions on processes they do take input from the auditors who have experience beyond that of the National Park Authority.
- n) Comment made that they had not realized and were reassured that auditors were present and consulted upon at Audit & Risk Committee meetings.
- o) Comment made that they welcome the idea of a pre-filter that categorises complaints.
- p) Uneasiness portrayed at the of number of audit findings that have been raised up to 2021 which was a significant increase on prior reporting periods with many not having been fully resolved. Whilst they support it, they would be looking for that figure to decrease the next time around. Director of Corporate Services understood the concern and advised that while he was not content with overall number of recommendations it had been an unusual 15 months of remote working and the internal audit reports were in some cases recognizing additional internal control weaknesses that had been created by that unusual mode of operation. The Director confirmed the intent would be to drive down the overall number. The Authority had a good history of a relatively low number of internal audit recommendations and recognised that it would be of greater concern should higher numbers of recommendations continue year on year. The Director also reflected on a need to be careful around an over-focus on numbers of recommendations: internal audit was an important means for the Authority to improve our internal systems, and he would not wish staff teams to suggest areas of work for audit that would come out 'clean' to minimize numbers of recommendations, rather than audit systems which would more benefit from independent review.

23. The Board Convener moved the following motion which was seconded by Judith Webb:

- a) Considered the Audit and Risk Committee's report to the Board;**

- b) **Considered any feedback on the work of the Committee to help shape the Committee's work over the coming year.**

24. Action Point Arising:

- i. **Link to Complaints Handling Policy review and lessons learned paper for Audit & Risk Committee meeting on 12 February 2021 to be circulated to the Board for information.**

AOCB

25. A Member suggested that a warning to the public around the increased number of ticks and the impact of dogs off leads and sheep scaring. Board Convener noted these points and advised he would feed the back to the Communications team via the CEO.

26. Action Point Arising:

- i. **Communications team to be advised to put out tick and sheep scaring warnings through the Authority's social media channels.**

Date of Next Meeting

27. Next formal Board meeting to be held on 11 June 2021.
28. The meeting concluded at 16.22.