

**Draft MINUTES of MEETING of the  
AUDIT & RISK COMMITTEE of**

**THE CAIRNGORMS NATIONAL PARK AUTHORITY**

**held via Video Conference  
on 12 June 2020**

**Present:**

Judith Webb (Chair)  
Peter Argyle  
Pippa Hadley

Janet Hunter  
John Latham  
Gaener Rodger (Vice Chair)

**In Attendance:**

Stephanie Hume, Scott Moncrieff  
Chris Brown, Scott Moncrieff  
John Boyd, Grant Thornton  
Grant Moir, Chief Executive  
David Cameron, Corporate Services Director  
Dr Pete Mayhew, Director of Conservation & Visitor Experience Paper 4  
Andy Ford, Head of Conservation Paper 4  
Danie Ralph, Finance Manager  
Alix Harkness, Clerk to Board

**Apologies:** None.

**Welcome and Apologies**

1. The Convener welcomed everyone to the meeting.
2. The Convener invited members to introduce themselves for the benefit of the auditors.

**Minutes of Previous Meeting**

3. The draft minutes of the 27 March 2020 meeting were approved with no amendments.

**Matters Arising**

4. David Cameron, Director of Corporate Services, reported that movement on the outstanding actions listed at the end of the 6 December 2019 Audit & Risk Committee Minutes were:
  - a) At Para 8i): - **In Hand** - Director of Corporate Services to investigate if automated reminders to managers to carryout performance conversations would be possible.
  - a) At Para 26i) – **Closed** - Correction and Addition made to the draft Governance Statement as detailed in paragraph 25.
  - b) At Para 30i) – **Closed** - Risk A19 removed from the Strategic Risk Register.
  - c) At Para 38i) – **Open** - Chair to meet with BDO to close off any loose ends and then to report back to the Committee at their next meeting. Chair confirmed

no response had been received as yet from BDO and that the Committee will be updated by email when contact had been made.

- d) At Para 39i) –**Closed** - Chair to arrange review of reputational risk to the Authority on the capercaillie project. On today's Agenda in confidential session.

### **Declarations of Interest**

5. There were no interests declared.

### **Draft Internal Audit Plan 2020/21 (Paper 1)**

6. Chris Brown, Scott Moncrieff, introduced himself and his colleague Stephanie Hume to the Audit & Risk Committee.
7. Chris Brown / Stephanie Hume, Scott Moncrieff, presented a Paper which presents the draft internal audit plan for 2020/21 for consideration by the Committee prior to finalisation.
8. The Audit & Risk Committee made the following observations and comments:
- a) The need for 8 days looking at VAT was questioned. Internal auditors agreed that the review probably will not need that many days, while explaining the allocation of days used some degree of weighting around the average cost per day to allow for the mix of the team to be utilised in the audit. David Cameron, Director of Corporate Services explained that the review would follow two phases, with an initial exploration of the VAT position followed by a more detailed review if justified. David explained the rationale for the audit proposal was based on more shared services and invoiced income coming in and some time since this position was last considered.
  - b) Members discussed the approach to responding to business continuity planning and COVID responses as part of the proposed audit plan.
  - c) The internal auditors explained their reference to “audit universe”: referring to key systems being noted and reviewed for their associated risk, with the intention that a role of the Committee is to review the systems analysis for completeness and accuracy of the risk assessment. The auditors highlighted that an assurance map may provide further clarity in this form of review should the authority progress with such a mapping. Members and officers agreed that having an assurance map developed in due course would be a worthwhile activity.
  - d) Members noted the outdoor access infrastructure review would consider the Authority's current approaches to infrastructure funding and the most appropriate means of recording and managing the outcomes of that funding.
  - e) The Chair thanked the internal auditors for their plan document which was well set out and easy to understand.
9. **The Audit & Risk Committee:**
- a) **Reviewed the proposed internal audit plan for 2020/21;**
  - b) **Approved the internal audit plan for 2020/21 to form the planned basis of the Authority's utilisation of internal audit in the year as a resource supporting the internal control and assurance frameworks.**

**Action Point Arising:** None.

## **Risk Management: Business Continuity Risk Register and Risk Management (Paper 2)**

9. David Cameron, Director of Corporate Services presented a Paper which presents an overview of the Authority's risk management activities during the business continuity plan (BCP) response to the COVID19 pandemic, within the context of the Authority's approach to strategic risk management.
10. The Audit & Risk Committee made the following observations and comments:
  - a) The Chair commented that it is very helpful to see this document and thanked the Director of Corporate Services for working on it.
  - b) In response to questions on managing potential financial impacts in public sector funding arising from COVID19, David highlighted that the overall financial position of organisation is covered by the separate strategic risk register. David agreed future finances will likely move to red position in the strategic register, whereas this current risk register is looking at more focussed set of risks over the shorter term having to manage BCP processes during unusual circumstances.
11. **The Audit & Risk Committee:**
  - a) **Noted the current approach being taken to risk management as set out in this paper;**
  - b) **Reviewed the coverage of the risk register established in support of the Authority's Business Continuity Planning and Management;**
  - c) **Agreed the appropriateness of the approach to and focus of risk management while in the current BCP led operational circumstances.**
13. **Action Point Arising:                      None.**

## **Update on External Audit Processes (Oral)**

14. John Boyd, Grant Thornton gave an oral update on External Audit Processes. He highlighted that the team were undertaking audit remotely, and had received all accounts documents and working papers within the timescales agreed from the Authority's Finance Team. John highlighted the challenge faced in accessing evidence required for audit, including supporting documents held in the office, while recognising the Finance Manager and the team had done everything possible to provide information requested, where possible in digital format. John reported that the Grant Thornton team had tried to do the audit in phases in order to best manage understandable time delays between information requests and receipt. However, while recognising the challenge of undertaking the audit remotely, John reported that there was good progress with the audit work with the help of the support of the finance team and a strong expectation that the audit could be completed for accounts approval at the next Committee meeting in September.
15. The Audit & Risk Committee made the following observations and comments:
  - a) Members thanked John for his update and the Grant Thornton team for their work to date. Thanks were also given to the Finance Manager and finance team for all their work in preparing the financial statements and supporting

documentation to the agreed timetable despite the significant interruptions from COVID19. Members noted the success in digitising much of the audit process.

- b) In response to discussions on future timetable the Director of Corporate Services agreed to get in touch with John in due course, prior to the next Committee meeting to establish the timetable for finalising accounts sign off.

16. **The Audit & Risk Committee noted the update.**

18. **Action Point Arising:                      None.**

#### **Complaints Log (Paper 4)**

19. David Cameron, Director of Corporate Services presented paper 4 which provides an update on the complaints made to the Authority in the last 6 months.

20. **The Audit & Risk Committee noted the information on complaints made to the Authority.**

22. **Action Point Arising:                      None.**

23. There were no other items of business.

24. The Chair highlighted there was an item of business with regard to the Cairngorms Capercaillie Project which had been requested to be considered in confidential session to allow for discussion of views on internal controls and governance arrangements. The Chair sought members' agreement to move into confidential session.

25. Members agreed to move the meeting into confidential session.

26. The public meeting ended at this point.

#### **Audit & Risk Committee: Outstanding Actions**

| <b>Action</b>  | <b>Status</b> |
|--|---------------|
| Audit and Risk Committee induction pack                      | Open          |
| Risk mitigation for LEADER Accountable Body role             | Open          |
| Private Finance Process and criteria for accepting proposals | Complete      |