Approved MINUTES of MEETING of the AUDIT AND RISK COMMITTEE of

THE CAIRNGORMS NATIONAL PARK AUTHORITY

held in The Community Hall, Boat of Garten on 13 November 2015

Present:

Gordon Riddler (Convener) Dave Fallows Becky Badger Jeanette Gaul

Fiona Murdoch

In Attendance:

Kevin Boyle, Audit Scotland Kyle McAulay, Audit Scotland Matt Swan, KPMG Grant Moir, Chief Executive David Cameron, Corporate Services Director Danie Ralph, Finance Manager Alix Harkness, Clerk to the Board

Apologies: None

Welcome and Apologies

1. The Convener welcomed everyone to the meeting with a special welcome to their first meeting for Becky Badger and Kyle McAulay. There were no apologies.

Minutes of Previous Meeting

- 2. The draft minutes of the 28 August 2015 meeting were approved subject to the following amendment:
 - a) At Paras 13 and 14: The references to Andy Shaw to be changed to Matt Swan.

Matters Arising

- 3. David Cameron reported on the following movement on the outstanding actions listed at the bottom of the 28 August 2015 Audit Committee Minutes are:
 - a) Open meeting with Harper & MacLeod scheduled to take place in the next couple of weeks when it is hoped that local procurement matters will be wrapped up.
 - b) Open Lessons learned paper in respect of the Speyside Way extension is currently being put together.
 - c) In Progress Annual Accounts is currently sitting with the Clerk to the Parliament.
 - d) Open Present Business Continuity/ Disaster Recovery Plans to come to the February 2016 Committee meeting.

e) Remaining items were completed and closed.

Annual Internal Review: LEADER Report (Paper I)

- 4. Matt Swan introduced the Paper which presents the final audit report on the Cairngorm LEADER. No recommendations for improvements to processes or systems had been made and a number of areas of good practice had been highlighted by the report.
- 5. The Audit and Risk Committee discussed the Paper and made the following comments:
 - a) A comment was made with regards to the Report only deeming the findings of the Audit as satisfactory when it if felt that it is much more than that.
 - b) Congratulations to be passed to the past and present LEADER teams on their hard work in achieving such a positive outcome.
- 7. The Audit and Risk Committee considered the final internal auditor's report on the LEADER program.
- 8. Action:
 - i. Congratulations to be passed to the past and present LEADER teams on their hard work in achieving such a positive final audit report.

Annual Internal Review: Post Implementation Records Management (Paper 2)

- 9. Matt Swan introduced the Paper which presents the post-implementation report on Records Management Processes.
- 10. The Audit and Risk Committee discussed the following:
 - a) Were the timescales detailed in the report manageable? David Cameron confirmed that they were.
 - b) In response to a query regarding an apparent contradiction of statements on pages three and five of the Annex, David advised that page three describes a summary of good practise whereas on page five it was setting out the potential risk, which was found to be a managed rather than open risk following consideration of the findings of the review.
- 11. The Audit and Risk Committee agreed to the recommendations set out in the Paper, noting a required review of wording on page 7 of the report where some words appeared to have been omitted.

12. Action:

i. Matt Swan to check if the missing words on Annex I of the Paper were as he thought and agreed to recirculate the Annex when updated.

Annual Internal Review: Complaints Handling Report (Paper 3)

- 13. Matt Swan introduced a Paper which presents the post implementation report on the Complaints Handling process. He drew the Committee's attention to the Report having the word 'Draft' in red font on the front cover of the report. He advised that whilst the Cairngorms National Park Authority had completed their sections, responses from Local Lomond and The Trossachs National Park were still awaited. Matt confirmed that the element in the Report relating to the Cairngorms National Park Authority was in its final form.
- 14. The Audit and Risk Committee discussed the following points:
 - a) Concern regarding the turnaround times in relation to complaints. Grant and David both agreed that they were disappointing. David explained that procedures and processes had been put in place but it seems that enough had not been done to ensure staff had understood that the responsibility for logging complaints had become the responsibility of each member of staff as there was no longer one dedicated member of staff dealing with complaints.
 - b) Could regular reports on the timescales of complaint handling be requested until the situation shows improvement? David advised that the complaint handling has been incorporated as a Corporate Plan indicator and will come before the Board twice-yearly as part of the Corporate Plan 2015-18: Strategic Risk Management and Monitoring Corporate Performance Paper. The first paper being brought to the December 2015 Board meeting.
 - c) Is there a training need for staff to recognise the crucial point of when ongoing correspondence becomes a formal complaint? David agreed that staff training and awareness raising was required and would be put in place.
 - d) Could anything be learnt from Loch Lomond and Trossachs National Park on this? Grant advised that they were set up differently and has a legal team who deals and co-ordinates complaints. We will however discuss with colleagues there as part of our ongoing work on sharing services and experience in order to determine whether an ideas for improvement can be picked up.
- 15. The Audit and Risk Committee agreed the recommendations as set out in the Paper.
- 16. Action: None.

Annual Internal Review: Post-Implementation Project Management (Paper 4)

- 17. Matt Swan introduced the post-implementation report on Project Management Processes.
- 18. The Audit and Risk Committee discussed the Paper and made the following comments:
 - a) In reference to page 3 of the Annex, clarity on what it meant by project managers storing information 'on their own computers'? Matt clarified that it actually meant staff saving files on their own drives on the system or hard- drives on CNPA equipment and not their own personal computers. Matt agreed to amend this wording to make that more clear.
 - b) The need to continually remind staff to use the new filing structure. Grant advised that compared to two years ago when the filing structure was in need of

- significant overhaul and staff had come a long way. David added that Project Managers at the time of registering a project are required to identify in what folder it should be held within the proposed new central projects register. This should help with adding clarity to document management locations.
- c) Clarification as to what is meant by controls? Matt advised that everything that has to be met within the confines of the project is deemed as a control.

19. The Audit and Risk Committee:

- a) Considered the internal auditor's post-implementation report on Project Management;
- b) Endorsed the management responses to the recommendations for action raised by the internal auditor.

20. Action:

i. Matt Swan to amend the wording on page 3 of the Annex to make it more clear that staff were found to be saving files on their own drives on the system.

Annual Internal Review: Workforce Management and Appraisals (Paper 5)

- 21. Matt Swan introduced a Paper on the post implementation report on Workforce Management and Appraisals.
- 22. The Audit and Risk Committee discussed the Paper and made the following comments:
 - a) Concern was raised regarding the evidence gathering being arbitrary for the employees. Matt advised that evidence gathering is particularly useful when there is a poor performer. David added that HR makes clear with line managers that they should not wait until the next appraisal to discuss performance in the case of a poor performer. David and Grant also explained that in a small and, more importantly an open, organisation, where there was very frequent contact between staff and their line managers, evidence often was not needed to support performance assessment as this was clear from ongoing work. In cases of matrix management, evidence became more important to help support an effective staff appraisal review process.
 - b) Interested to note that appraisees were being asked to show their awareness of the Corporate Plan and delivery by referring to these when setting new goals and targets. Matt confirmed that referencing of the Corporate Plan was not expected on every target but was expected on at least some.
- 23. The Audit Committee considered the internal auditor's report on Workforce Management and Appraisals and endorsed the management responses to the recommendations for action raised by the internal auditor.

24	Action:	None.
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External Audit Progress Report 2015/16 (Paper 6)

- 25. Kevin Boyle introduced Kyle McAulay as the new Audit Scotland contact for the Authority from 2016. He advised that this was as a result of Audit Scotland's internal re-structure. Kevin advised that Asif Haseeb would continue to oversee the work.
- 26. Kyle McAulay presented a progress report on the External Audit of the Authority for the financial year 2015/16. He advised that the Audit fee would remain unchanged for next financial year.
- 27. The Audit and Risk Committee noted the report, and accepted the proposed external audit fee for 2015/16.
- 28. Action: None.

Any Other Competent Business

- 29. The Convener queried whether the Committee would be receiving any Papers on risk? David advised that the first draft of the Corporate Plan 2015/18 Strategic Risk Management and monitoring corporate performance Paper would be going before the Board at their meeting in December 2015. Thereafter, regular updates would be brought to the Audit and Risk Committee as part of the Committee remit to have an oversight of strategic risk management. Management Team had considered that this sequence of reporting was appropriate to ensure full Board engagement with the development of the revised risk register for the 2015/18 Corporate Plan in the first instance.
- 30. The Convener thanked David for this update. Members agreed that the outlined course of action was the most appropriate way forward.

Date of Next Meeting

- 31. 19 February 2016, Beaton Craigie Room, Ballater
- 32. Meeting closed 9.50

Audit and Risk Committee: Outstanding Actions

Action	Status
Submit Sustainable Procurement Policy for Committee's	Open – a Sustainable
consideration once drafted, to support actions around local	Procurement Bill is currently
procurement where possible within agreed procurement	being progressed and this
strategy (March 2012 meeting)	action is deferred pending its
	enactment.
Report on lessons learned from Speyside Way extension	Open – Paper is currently
project and financial management arrangements (June 2015	being put together.
meeting)	
Present Business Continuity/ Disaster Recovery Plans to	Open – Scheduled for a
Committee once final drafting is complete. (August 2015	Paper to be brought to
meeting)	February 2016 meeting