

**MINUTES of MEETING of the  
AUDIT COMMITTEE of  
THE CAIRNGORMS NATIONAL PARK AUTHORITY**

**held at Kincaig Village Hall, Kincaig  
on 24 August 2007**

**Present:**

Eric Baird  
Nonie Coulthard

Bob Wilson  
Sue Walker

**In Attendance:**

Jane Hope, Chief Executive  
David Cameron, Head of Corporate Services  
Stephen O'Hagan, Audit Scotland  
Duncan Geddes, Deloitte  
Andy Rinning, Business Services Manager

**Apologies:**

None

**Minutes of Previous Meeting**

1. Other than noting that the location of the current meeting had been altered from the Ben Mhor Hotel, Grantown, to Kincaig, minutes of the previous meeting were agreed.

**Matters Arising**

2. There were no matters arising.

**Internal Audit Annual Report 2006/07 (Paper 1)**

3. Duncan Geddes, in introducing this report, highlighted that two reviews had been deferred in the year, in agreement with the Head of Corporate Services. These were on Corporate Governance and Procurement, and did not affect his ability to give the Committee assurance on the Authority's internal controls.
4. Duncan highlighted that there had only been 1 priority 1 recommendation in the year on the need for improved recording of action taken on health and safety matters.

5. The internal auditors concluded that the outcome of reviews indicate that the Cairngorms National Park Authority generally has an adequate framework of control.
6. **Members welcomed the internal auditor's Annual Report and the assurance given on the Authority's internal control framework.**

#### **External Audit: 2006/07 Accounts Audit (Paper 2)**

7. Stephen O'Hagan introduced this report. Audit Scotland, the Authority's external auditors, have audited the Authority's financial statements for the 2006/07 financial year and have looked at aspects of performance management and governance. Their report, reproduced at Annex 1, sets out their key findings.
8. Stephen highlighted that there were no significant issues to report to members, and thanked Denby Pettitt, the Authority's Finance Manager, for his help during the course of the audit.
9. **The Committee welcomed the report and noted there were no significant findings to consider.**

#### **2006/07 Accounts: Statement of Internal Control (Paper 3)**

10. David Cameron presented the draft Statement on Internal Control for comment by the Committee prior to the sign-off of the accounts by the Chief Executive. David reported that the accounts themselves had been approved by the Finance Committee and Board.
11. **The Committee agreed that the Statement of Internal Control appeared appropriate in light of its experience of internal and external audit matters over the course of the year.**

#### **Internal Audit Review: Health and Safety (Paper 4)**

12. Duncan Geddes presented the internal audit report on health and safety, which highlighted a number of weaknesses in the Authority's health and safety environment. The internal audit report itself had followed up an independent fire safety review.
13. David Cameron highlighted that as a consequence of building design, the Authority would not be able to achieve 100% compliance with the various health and safety checks used as the basis for the review. Many of the requirements could only be met through incorporating required design features as part of a new-build construction. However, the management responses did indicate that officers would work towards improving those aspects of procedures which could be adapted as quickly as possible.

14. **The Committee noted the report and requested that the internal auditors undertake a prompt follow up of actions highlighted.**

#### **Internal Audit: Update on 2007/08 Internal Audit Programme**

15. Duncan Geddes updated members on work in progress by Deloitte. An internal audit review of project management was underway, while the 2007/08 plan allowed for audit days to complete the reviews deferred from 2006/07 referred to previously.

#### **Oversight of CNPA Work on Climate Change (Paper 5)**

16. David Cameron highlighted to members that the Committee had taken on responsibility for overseeing delivery of the Authority's Organisational Greening Action Plan, following the Board meeting in March 2006. Board meetings in February and April 2007 had also delegated responsibility for oversight of the Authority's wider work on climate change to the Committee.
17. Members discussed the balance needed between a scrutiny role over delivery of the organisation's Greening Action Plan, and the added role for Board members to push for action on climate change within the Park and to feed in their ideas into that process.
18. **Members agreed that the "formal" Audit Committee should continue to exercise this scrutiny role over the delivery of the Authority's Action Plan.**
19. **Members agreed there should be a separate Climate Change Discussion Group, facilitated by the Audit Committee and including interested Board members and officers.**
20. To assist this process, Audit Committee meetings should be taken outside of the standard Friday meeting schedule, with formal committee meetings held in the morning and climate change discussion sessions on the afternoon following Committee meetings. All Board members and interested staff would be invited to attend the climate change discussions.

#### **Standing Item: Strategic Risk Register (Paper 6)**

21. **Members noted the strategic risk register and updates to commentary made on management and mitigation of these risks.**

#### **Standing Item: Update on Internal Audit Recommendations and Balanced Scorecard (Paper 7)**

22. Members discussed the current status of the shared IT services project with SNH. Members noted that staff communications had been issued and discussion held at the

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Authority's Staff Consultative Forum (SCF). There had also been a brief update to Board as part of the Theme 5 update paper in August.

23. On the best value recommendation to update a series of questions and answers to assist users of the planning application process, members noted that there may be some merit in presenting these to the Planning Committee at an appropriate time.
24. In response to questions on the process for progressing expenditure of less than £5,000 which fell below the threshold requiring an expenditure justification form to be completed, David Cameron assured members that adequate audit trails were in place to order services, approve their receipt and authorise payment.

**AOCB**

25. No other business was raised.

**Date of Next Meeting**

26. 1 November, 10:30am, Albert Hall, Ballater.