



Draft Minutes of the Audit and Risk Committee

Held at Cairngorms National Park Authority office, Grantown on Spey

Hybrid

22 September 2022 at 1.00pm

Present

Fiona McLean (Chair)

Gaener Rodger

Bill Lobban

Kenny Deans

Peter Cosgrove

Paul Gibb

In Attendance

David Cameron, Director of Corporate Services and Deputy CEO

Louise Allen, Head of Finance, and Corporate Operations

Gregory Odour, Mazars

Elizabeth Young, Azets

Catriona Strang, Clerk to the Board

Apologies

Geva Blackett

Elizebeth Young, Azets

Grant Moir, CEO

Welcome and introduction

1. Fiona McLean, the Chair, welcomed everyone to the meeting. Apologies were noted.

Approval of minutes of previous meeting

2. The draft minutes of the meeting on the 21 June 2023 were approved with no amendments. Decisions were noted.



Action Points

Ref	Action Detail	Who	When	Status
29/10/2021 (Para 8i)	Bring lessons learned on LEADER back as Agenda item to a future AR Committee.	David Cameron	Review will come to meeting In November 2023	Open
29/10/2021 (Para 4i)	Complete a detailed VAT review.	Louise and Stephanie	Complete in next 6 months. delayed due to HH project	In progress
11/02/22 (Para 18i)	Standardisation of project management procedures and terminology. This to be brought back to the ARC to ensure the appropriate language was used.	Project Manager when recruited	On completion of internal review of process	In Hand
21/06/23 (Para 11)	To review timescales for further update on actions against outstanding audit recommendations with Azets and bring to next committee to confirm	Louise Allen	24 November Committee Meeting	Open
21/06/23 (Para 20)	To produce timeline for scheduled board time to develop the strategic risk register alongside the new Corporate Plan	David Cameron		Closed: 24 Nov board session

Matters arising not covered in agenda

3. David Cameron, the Director of Corporate Services and Deputy CEO, to bring lessons learned on LEADER back as Agenda item to the next Committee meeting.



Declarations of interest

4. There were no interests declared.

Vice Chair nomination

5. David Cameron, Director of Corporate Services and Deputy CEO, introduced the item, inviting nominations for Vice Chair of the Audit and Risk Committee to come forward from committee members.
6. The Chair nominated Peter Cosgrove as Vice Chair. Gaener Rodger seconded the nomination.
7. The Committee voted Peter Cosgrove as Vice Chair of the Audit and Risk Committee.

Internal Audit Report 2022/23: Risk Management

8. Elizabeth Young, Chief Internal Auditor, Azets, introduced the paper that gives an overview of the Cairngorms National Park Authority approaches to and controls in place for Risk Management. Elizabeth highlighted that the risk management strategy was out of date for the organisation and that a formal risk scoring methodology for the assessment of both current and target risk scores should be implemented..
9. The Audit and Risk Committee discussed the report and made the following comments and observations:
 - a) The Director of Corporate Services and Deputy CEO welcomed the report and the range of helpful direction which this gives to thinking on the Park Authority's review of our approaches of strategic risk management.
 - b) Members agreed that the example strategic risk register would be an appropriate format to consider replicating. This potential for discussion becoming too focused on the scoring of risk rather than wider discussion of risk exposure was recognised. Members agreed that having recognised that potential, it would be incumbent on them to ensure they gave appropriate focus to risk management considerations.

Recommendations

10. The Audit and Risk Committee is asked to
 - a) Consider the internal auditors report and findings;



- b) Endorse the management responses to recommendations for future action and system improvements.

11. The Audit and Risk Committee agreed the recommendations.

12. **Action** - none.

Internal Audit Report 2023/24: Expenditure and Creditors

13. Elizabeth Young, Chief Internal Auditor, Azets, provided the overview of the Cairngorms National Park Authority approaches to and controls in place for management of expenditure and creditors. Elizabeth highlighted to the Committee three recommendations for action and the need for standardisation in the organisation's documentation.

- a) Louise Allen, Head of Finance and Corporate Operations, noted that some systems at date were in transition from paper to electronic with workshops to be held with the wider organisation on this. This process is looking at making the Park's systems smoother.

14. The Audit and Risk Committee discussed the update and made the following comments and observations:

- a) Members welcomed such a positive internal audit report following a review of such critical financial systems.

Recommendations

The Audit and Risk Committee is asked to:

- a) Consider the internal auditors report and findings;
- b) Endorse the management responses to recommendations for future action and system improvements.

15. The Audit and Risk Committee agreed the recommendations.

16. **Action** - none.



Internal Audit Report 2023/24: Progress Report

17. Elizabeth Young, Chief Internal Auditor, Azets, provided the overview of the internal audit review of progress report, informing the Committee that Azets are on track to deliver the annual report in March.
18. The Audit and Risk Committee discussed the update and made the following comments and observations:
 - a) In response to a question from members on the reason for the "advisory nature" of the finance system review, David Cameron, Director of Corporate Services and Deputy CEO, informed the Committee that the functionality of the Park Authority's finance system was being considered. The new system specification would be considered by Azets and there would be a gateway review before moving to a full procurement exercise. The Azets review and advice would support this 'gateway review' exercise. Louise Allen, the Head of Finance and Corporate Operations, added she would like to have 'self-serve' functionality for the wider organisation for expenses and procurement. There are options of adding to the current system or moving to a new one, which Azets are looking into.
19. The Audit and Risk Committee noted the paper.
20. **Action:** - none.

External Audit (Oral)

21. Gregory Odour, Mazars, provided an oral progress update on the external audit plan for 2022/23, informing the committee that the audit plan was on course and field work is currently being carried out.
 - a) David Cameron, Director of Corporate Services and Deputy CEO, reiterated the timeline for Audit and Risk Committee does not leave a lot of contingency time for approval of accounts and laying those in Parliament prior to recess. David is encouraged about the positive progress being made and good working relationships quickly established between Mazars and the Park Authority's finance team. Should any issues which may impact on the closure timetable, David will notify the Chair and Deputy.
22. The Audit and Risk Committee discussed the update and made the following comments and observations:
 - a) No comments were made.



23. The Audit and Risk Committee noted the oral update.

24. **Action** - none.

Information Request Update

25. David Cameron, Director of Corporate Services and Deputy CEO, presented the update on the number of information requests, and key performance measures in meeting them, under the Freedom of Information (Scotland) Act / Environmental Information (Scotland) Regulations arrangements since April 2021. David highlighted the significant drop off in the Freedom of Information requests recently.

26. The Audit and Risk Committee discussed the update and made the following comments and observations:

- a) The Committee questioned if levels of Freedom of Information requests have dropped to pre-Covid levels. The Director of Corporate Services and Deputy CEO responded that requests come in swathes depending what is in the public eye at any one time.
- b) The Chair sought clarity on where the Scottish Information Commissioner sits in the escalation process for Freedom of Information requests. The Director of Corporate Services and Deputy CEO responded that the escalation comes from the requester. The Park Authority's Information Manager handles all initial responses and any appeals are dealt with by the Director of Corporate Services. If the requester is not satisfied following this internal review and second response, they can then go to the Scottish Information Commissioner to seek a further review.

Recommendations

The Audit and Risk Committee is asked to:

- a) Note activity in this area and Authority performance
- b) Comment on breadth and depth of reporting for future updates

27. The Audit & Risk Committee noted the paper.

28. **Action** - none.



Draft Annual Report To Board

29. David Cameron, Director of Corporate Services and Deputy CEO, presented the draft Audit & Risk Committee Report.
30. The Audit and Risk Committee discussed the update and made the following comments and observations:
- a) The Committee discussed the process by which Board Members are assigned to Committees.
 - b) A Member questioned if there were still any high or moderate recommendations and management actions outstanding from the internal audit summary. Louise Allen, the Head of Finance and Corporate Operations, responded that there are some historic high recommendations that are still being addressed, others have been superseded by subsequent audit work. The Committee will have sight of the full updated list of outstanding recommendations at the next meeting in November.
31. The Audit and Risk Committee is asked to
- a) Consider the report and;
 - b) Agree any amendments to it, prior to circulation to the Board.
32. The Audit & Risk Committee agreed the paper.
33. Action: Head of Finance and Corporate Operations to bring the updated list of outstanding recommendations back to the Committee.

AOCB

34. The Chair informed the Committee that she had attended an Audit and Risk Committee Chair network meeting in August which had presentations on duties, requirements, and good practice.

Date of next meeting

35. Scheduled date is 24 November 2023.
36. The meeting concluded at 1.55pm.