



For Decision

Title: Internal Audit Plan 2023/24: Risk Management

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Purpose

This paper presents the review of the Cairngorms National Park Authority approaches to and controls in place for Risk Management. The review has been undertaken as part of the agreed Internal Audit Plan for 2023/24.

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.

Executive Summary

1. Azets have completed their internal audit review of the Cairngorms National Park Authority's approach to risk management. The review comes at a time when the Park Authority is aware of the need to transition the Strategic Risk Register toward the new Corporate Plan environment and also take a lead from the Board's newly established strategic risk appetite. The internal audit report is a welcome contribution to supporting the Park Authority's work in refreshing and updating its approaches to Risk Management.
2. Eight recommendations for action have been highlighted. Four recommendations are of a significant, "amber", risk rating, with four at a grade 2 "yellow" rating. Given the transitional nature of the Park Authority's approach to risk management and the timing of this internal audit, it is not surprising to see a relatively large number of internal audit actions raised.



3. The recommendations have been accepted by management and will be worked on over the coming months, with a target of presenting a draft update of the strategic risk management approach to the Board in November 2023.
4. The grading of some recommendations around control objective 2, the requirement for a clearly defined and consistently applied approach for the accurate, and timely identification, evaluation and reporting of strategic and operational risks, has been debated with the internal auditors. The management responses to two of the recommendations falling within this control objective reflect those discussions with the internal auditors. Irrespective of the grading of the recommendation, the direction of the suggested control improvement in these areas is accepted.