

National Park Authority Audit Committee Meeting



Draft minutes of Meeting held on 18th November 2014
Robert Grieve Suite, Carrochan, Carrochan Road, Balloch

Present: Lindsay Morrison (Chair)
 Angus Allan (AA)
 David McKenzie (DMcK)
 David McCowan (DMcC)
 James Robb (JR)
 Hazel Sorrell (HS)

In Attendance: Gordon Watson, Director of Operations (GW)
 Jaki Carnegie, Director of Corporate Services (JC)
 Catriona Morton, Finance and Performance Manager (CM)
 Kevin Boyle, Audit Scotland (KB)
 Matthew Swann, KPMG (MS)
 Sharon McIntyre, Committee Officer (SM)

Apologies: Andrew Shaw, KPMG (AS)
 Asif Haseeb, Audit Scotland (AH)
 Fiona Logan, Chief Executive Officer (FL)

Item	Title / Discussion	Action by
1	<p>Welcome and Apologies</p> <p>The Chair welcomed those present to the meeting and introduced KB from Audit Scotland and MS from KPMG.</p> <p>Apologies were received from FL. GW attended in the capacity of the CEO representative.</p>	
2	<p>Declarations of Interest</p> <p>There were no declarations of interest.</p>	
3	<p>Minute of previous meeting held on 24th June 2014</p> <p>The minutes were agreed as an accurate record of the meeting and were proposed by DMcK and seconded by AA.</p> <p>DECISION: Members agreed the minutes as an accurate record of the meeting held on 24th June 2014.</p>	
4	<p>Matters Arising</p> <p>JC advised that there are two open actions. The first action is regarding induction and development training, it was agreed to delay this until the new Board member is appointed.</p>	

National Park Authority

Audit Committee Meeting

Draft minutes of Meeting held on 18th November 2014
Robert Grieve Suite, Carrochan, Carrochan Road, Balloch

Item	Title / Discussion	Action by
	<p>CM suggested removing the second open action in relation to the streamlining payment authorisation procedures as this is covered by agenda item 7. Members agreed to close this action.</p> <p>LM noted that with no changes following the Board elections this allows for continuity at the Park.</p> <p>DECISION: Members noted the report and agreed to close the action in relation to streamlining payment authorisation procedures.</p>	
5	<p>2014/15 – 2015/16 Internal Audit Plan</p> <p>CM introduced the report detailing that the authority to finalise the plan was delegated to CM and JC at the June Audit Committee meeting.</p> <p>CM confirmed that Cairngorms National Park Authority (CNPA) were also satisfied with the Internal Audit Plan.</p> <p>DECISION: Members noted the report.</p>	
6	<p>Payroll Audit</p> <p>CM introduced the internal audit of payroll and pensions report which was carried out in September by KPMG. CM advised that LLTNPA were satisfied with this draft version of the report The report indicates four low and one moderate risk. JC advised that the report has been improved to provide a greater narrative.</p> <p>The report will be finalised when CNPA are satisfied with the elements of report that relate to them.</p> <p>Members discussed the use of their expense claim form and the complexities involved in this form. It was agreed that this form requires simplification in relation to the requirement of two signatures on the form and the CO² emissions section.</p> <p>ACTION: Board members expense form to be reviewed.</p> <p>Members were pleased to note the excellent response time of the HR department for the completion of actions in the payroll and pensions audit.</p> <p>CM provided an update on the other audit projects advising that the project management audit will be available at the March 2015 Audit Committee meeting. The fixed assets audit scheduled for January 2015 will also be</p>	CM

National Park Authority

Audit Committee Meeting

Draft minutes of Meeting held on 18th November 2014
Robert Grieve Suite, Carrochan, Carrochan Road, Balloch

Item	Title / Discussion	Action by
	<p>presented at the March 2015 Audit Committee meeting. The records management audit will take place in March 2015 and therefore this report will not be available until the June 2015 Audit Committee meeting.</p> <p>JC advised that following a recent meeting with Audit Scotland a late paper was issued.</p> <p>KB introduced the appendix produced by Audit Scotland. KB informed members that he has taken over from Gillian McCreddie as the Lead Auditor of the LLTNPA for 2014/15. David Docherty will also assist in the audit in addition to AH.</p> <p>KB advised that it has been agreed that the 2014/15 financial statements audit will take place the week commencing 18th May 2015. An interim visit will also take place during the week commencing 19th January 2015 to perform controls testing and testing of expenditure and payroll.</p> <p>JC advised that the transition in knowledge and handover to the new team at Audit Scotland has been well managed.</p> <p>DECISION: Members noted the report.</p>	
7	<p>Outstanding Actions Update</p> <p>CM updated members on the four outstanding actions from the audits carried out in 2011/12 and 2012/13. As a result of resourcing issues it is now planned that these actions will be completed by March 2015. JC advised that a temporary accountant has now been recruited on a six month contract to support work in the finance team.</p> <p>GW provided an update on the use of the business barometer and that a draft of this report is currently being finalised. The stakeholder tracker is currently being trialled with the Your Park project.</p> <p>CM advised that there are seven outstanding actions from the 2013/14 internal audits. It is planned that these will be cleared by March 2015.</p> <p>Four of these outstanding actions are related to Carbon Management. These actions are reported to Delivery Group therefore it was proposed that these actions (items 3-6 on appendix 2) are absorbed in the overall organisation objective on Carbon Management and cleared as internal audit actions.</p>	

National Park Authority

Audit Committee Meeting

Draft minutes of Meeting held on 18th November 2014
Robert Grieve Suite, Carrochan, Carrochan Road, Balloch

Item	Title / Discussion	Action by
	<p>DECISION: Members noted the report and agreed to clear internal audit actions items 3-6 on appendix 2.</p> <p>ACTION: The Chair outlined that all outstanding actions detailed in appendix 2 are to be cleared by the end of March 2015, with priority given to moderate or above risks.</p>	JC/CM
8	<p>Corporate Risk Register</p> <p>JC introduced the report. JC reminded members that that the Executive review the Corporate Risk Register on a quarterly basis, with a report being submitted to the Audit Committee on an annual basis. Where there were any high risk projects these would be escalated to the Audit Committee at the earliest opportunity.</p> <p>JC advised that the re-appointment of Board members has reduced a number of identified risks.</p> <p>JC informed members that two new risks have been identified; the impact of a change in CEO and the delivery of the Your Park project.</p> <p>Members highlighted that the text in Corporate Risk register should be depersonalised e.g. refer to CEO and not FL.</p> <p>ACTION: Corporate Risk Register text to be depersonalised when referring to staff members.</p> <p>Members asked for an update on the appointment process for the new CEO. JR advised members that a panel had been appointed for this purpose.</p> <p>Members discussed the LLTNPA budgetary position for future years. JC and GW provided reassurance regarding the security of next year's budget although advised that for future years LLTNPA will continue to put forward a strong business case.</p> <p>DECISION: Members noted the report.</p>	JC
9	<p>Any Other Business</p> <p>Members raised the potential implications of the recent EU ruling regarding the back payment of overtime. JC advised that this is currently being appealed although advised members that the implications of this would be</p>	

National Park Authority

Audit Committee Meeting

Draft minutes of Meeting held on 18th November 2014
Robert Grieve Suite, Carrochan, Carrochan Road, Balloch

Item	Title / Discussion	Action by
	<p>minimal due to the LLTNP being a relatively young organisation and the staff numbers affected. JC noted that this will continue to be reported to the Delivery Group.</p> <p>The frequency of committee meeting dates was raised. JC advised that the scheduling of the 2015 and 2016 Board meetings were signed off at the October Board meeting.</p>	
10	<p>Date of Next Meeting</p> <p>The next Audit Committee meeting is scheduled for Tuesday 10th March 2015.</p>	

Signed _____
L. Morrison, Chair

DRAFT