

National Park Authority Audit Committee Meeting



Draft minutes of Meeting held on 24th June 2014
Robert Grieve Suite, Carrochan, Carrochan Road, Balloch

Present: Lindsay Morrison (Chairman)
 Angus Allan
 David McKenzie
 James Robb
 Hazel Sorrell

In Attendance: Fiona Logan, Chief Executive Officer, NPA
 Jaki Carnegie, Director of Corporate Services, NPA
 Catriona Morton, Finance and Performance Manager NPA
 Peter Stevenson, Governance Manager, NPA
 Andrew Shaw, KPMG
 Asif Haseeb, Audit Scotland

Item	Title / Discussion	Action by
1	<p>Welcome and Apologies</p> <p>The Chair welcomed those present to the meeting and introduced Andrew Shaw who has been appointed as the Director in charge of the joint NPA account at KPMG.</p> <p>Apologies were received from David McCowan.</p> <p>The Chair asked Members to agree that, should any members of the public attend the meeting, agenda item 10 would be considered in closed session on the basis that it contained NPA employee's personal data. Members agreed.</p>	
2	<p>Declarations of Interest</p> <p>There were no declarations of interest.</p>	
3	<p>Minute of previous meeting held on 4th March 2014</p> <p>With the correction to the mis-spelling of Asif Haseeb, the minutes were agreed as an accurate record of the meeting and were proposed by Angus Allan and seconded by David McKenzie.</p> <p>DECISION: Members agreed the minutes as an accurate record of the meeting held on 4th March 2014.</p>	

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<p>4</p>	<p>Matters Arising</p> <p>Jaki Carnegie gave updates on the open actions. She advised that the frequency of Audit Committee meetings would be taken into account in the planning for 2015 Board and Committee meetings, which would be a paper to the September Board meeting. She suggested that Audit Committee meetings take place quarterly from 2015 onwards. She confirmed further that Board development would be scheduled after the conclusion of the Ministerial appointment process in October 2014.</p> <p>DECISION: Members noted the report.</p>	
<p>5.</p>	<p>Final Internal Audit Annual Report for 2013/14</p> <p>Andrew Shaw introduced the report. He noted that KPMG had concluded that the NPA had demonstrated reasonable controls and reasonable assurance. He advised that there had been 1 moderate finding and 10 low findings over the course of the 2013/14 internal audits. He confirmed that he had met with Jaki Carnegie and Catriona Morton to discuss past issues with KPMG achieving their KPIs and had given assurances that all endeavours would be made to ensure that KPIs would be met in future. He also advised that the NPA would have access to the KPMG core team at any time.</p> <p>Members queried whether the finding of “reasonable control” was worded appropriately given the apparent strength of the NPA’s systems. Andrew Shaw confirmed that the word “reasonable” was standard terminology.</p> <p>The Chair commended staff on the excellent progress shown over the past year.</p> <p>DECISION: Members noted the report.</p>	
<p>6.</p>	<p>Update on 2014/15 Annual Internal Audit Plan</p> <p>Catriona Morton introduced the report, advising that an Annual Internal Audit Plan for 2014/15 is required because the strategic plan for prior years to 2013/14 has been completed. The suggested areas for 2014/15 have been discussed with Cairngorms National Park Authority. She asked the Committee to provide comments or feedback on the proposed areas for audit.</p> <p>Jaki Carnegie confirmed that the proposals had all arisen through recent areas of work or development; for example, the focus on a fixed asset register had arisen through recent asset revaluation work carried out for the annual report and accounts.</p>	

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	<p>Fiona Logan noted that Commercial Development had been an area under consideration for internal audit; however it was felt that not enough work had been completed on this project to merit an internal audit of the NPA's processes in the current year and therefore has been proposed for 2015/16.</p> <p>Members queried whether there could be a more structured approach to the support given by staff to communities. Fiona Logan clarified that the strategic decision had been taken to target our staff resource to specific projects within the Park's communities. The Chair suggested that this be an area for consideration under the Commercialisation agenda. FL noted that Celia Byrne MBE, Chair of the Community Partnership, would be addressing the NPAs Heads of Service and that would identify if there were opportunities to discuss this at that meeting.</p> <p>ACTION: Fiona Logan to identify if there were opportunities for support for community projects within the Community Partnership.</p> <p>Catriona Morton advised that she, Jaki Carnegie and Andrew Shaw were meeting after the Audit Committee to discuss the finalisation of the Annual Internal Audit Plan. Members confirmed they were satisfied with the proposed areas for the 2014/15 Internal Audit. Jaki Carnegie asked Members to delegate authority to herself and Catriona Morton to progress this. Members agreed.</p> <p>DECISION: Members noted the report and approved delegating the finalisation of the 2014/15 Internal Audit plan.</p>	<p>FL</p>
<p>7.</p>	<p>Outstanding Actions Update</p> <p>Catriona Morton updated Members on outstanding actions arising from past internal audits. She confirmed that the four actions outstanding from 2011/12 and 2012/13 would be cleared by the end of 2014.</p> <p>She advised Members that of the 11 actions from the 2013/14 internal audit, three had been resolved and one had not been accepted by NPA management. She asked Members approval to clear these from the list of outstanding actions. Members agreed.</p> <p>She advised that the remaining 7 actions would be cleared by the end of the current financial year.</p> <p>DECISION: Members noted the report and approved the recommended approach to clearing outstanding actions.</p>	

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<p>8.</p>	<p>Report to Those Charged with Governance on the 2013/14 Audit and Proposed Annual Report</p> <p>Asif Haseeb introduced the report, confirming that the external audit had been very straightforward and had identified no unadjusted errors. He commended NPA staff on the very high standard of documentation and excellent support provided to the auditors.</p> <p>He commented on the contents of Appendix A, noting that no issues had been identified. He clarified that Appendix B was a draft letter from the Chief Executive to Asif Haseeb, which should be signed following signature of the Annual Report and Accounts. He highlighted that Appendix C contained the draft annual report on the 2013/14 audit, which contained three high-level action points for the NPA to consider. These relate to: financial planning; a contingent asset related to the Cononish Goldmine development; and achieving best value.</p> <p>Members queried whether anything could be done to safeguard the contingent asset referred to in Appendix C. The Chair queried whether the developer in that case had to bring their application back to the Board before beginning development. Fiona Logan suggested that the Bond had to be deposited before development could commence, but she was not aware that the Board had to be re-consulted unless the developer planned to amend the development proposal.</p> <p>ACTION: Fiona Logan to speak with Gordon Watson regarding future Board scrutiny of the Cononish Goldmine planning application.</p> <p>DECISION: Members noted the report.</p>	<p>FL</p>
<p>9.</p>	<p>Final Accounts for Financial Year ended 31 March 2014</p> <p>Catriona Morton advised that, following the discussion of agenda item 8, she had nothing further to highlight in terms of the process or content in respect of the Final Accounts.</p> <p>The Chair noted his delight at the positive feedback received from Audit Scotland, and confirmed that he had met with Asif Haseeb to allow any concerns about the process to be raised. He advised that no such concerns had been identified. He commended Jaki Carnegie and Catriona Morton for their work to get the Accounts finalised. Members endorsed the Chair's comments. Fiona Logan noted her own thanks to the Chair and the Committee for their support.</p> <p>DECISION: The Audit Committee unanimously agreed to recommend the Final Accounts for signature by the Chief Executive Officer.</p>	

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10.	<p>Business Continuity Plan</p> <p>Jaki Carnegie introduced the report and advised that the Board had previously asked for sight of the Business Continuity Plan, but that it was more appropriate for the Audit Committee to review the document.</p> <p>She advised that as the document contained some personal data relating to staff it had been deemed confidential.</p> <p>She confirmed that the Business Continuity Plan had been adapted at the end of 2013 to address bad weather issues, and that it had appeared to work well. Angus Allan noted that the Plan was of a similar style to plans he had previously seen.</p> <p>DECISION: Members noted the report.</p>	
11.	<p>Register of Interests Review</p> <p>Catriona Morton introduced the report, noting that as part of the external audit process it was a requirement to identify financial payments to any of the registered Interests of Board Members and Senior Staff. She confirmed that there were no material disclosures, however she thought that it was appropriate for the Audit Committee to view the information and confirm they were content that this be shared with the Audit Committee on an annual basis.</p> <p>Members provided feedback on the presentation of the information and asked officers to update the document.</p> <p>ACTION: Catriona Morton to update the Register of Interests summary and arrange for the updated version to be published in the Audit Committee directory on the NPA website.</p> <p>DECISION: Members noted the report.</p>	CM
12	<p>Any Other Business</p> <p>No other business was raised.</p>	

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13.	Date of Next Meeting 18 th November 2014	
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Signed _____
L. Morrison, Chairman

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