

National Park Authority

Audit & Risk Committee Meeting



Minutes of Meeting held at 2.00pm on 5th March 2019
 Robert Grieve Suite, National Park Headquarters, Balloch

Present: Ronnie Erskine (RE) - Chair
 David McCowan (DMcC) - Depute Chair
 Barbara Morgan (BM)
 Billy Ronald (BR)
 Christopher Spray (CS)
 Heather Reid (HR)

In Attendance: Gordon Watson (GW), Chief Executive Officer
 Jaki Carnegie (JC), Director of Corporate Services
 Colin McDougall (CMcD), Audit & Risk, West Dunbartonshire Council (WDC)
 John Boyd (JB), Senior Manager, Grant Thornton - by telephone
 Catriona Morton (CM), Financial Performance Manager
 Sharon McIntyre (SM) (Clerk)

Apologies: None

Item	Action	Action by
1	<p>Welcome and Apologies</p> <p>The Chair welcomed all to the meeting and all members introduced themselves. There were no members of the public in attendance.</p>	
2	<p>Declarations of Interest</p> <p>There were no Declarations of Interest.</p>	
3	<p>Minutes of Meeting held on 4th December 2018</p> <p>ACTION: Minutes to be updated to detail:</p> <ul style="list-style-type: none"> - DMcC and not RE responsible for Agenda Item 13 - Corporate Risk Register Progress Report action "Members approved the Corporate Risk Register and were content for assurance to be provided to the Board." - Agenda Item 14 - Internal Audit Services action to be updated to include the length of service extension: 'Members approved to extend the services with WDC <i>by one year</i>, subject to satisfactory legal advice.' <p>The minutes were proposed by DMcC and seconded by BM.</p>	

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4	<p>Matters Arising</p> <p>JC reported that there are currently two open actions. The first being the request from HMRC in relation to Board Members expenses and the second in relation to car insurance.</p> <p>JC informed members that from the 6th April 2019 all mileage expenses to Park Authority headquarters for Board members will be taxable. We have received confirmation from HMRC that this taxable expense will not be backdated for Board members.</p> <p>JC advised that members will be issued with a letter advising them of this change in respect of travel to Carrochan and the requirement for business insurance when using their own vehicle on Park Authority business.</p>	
5	<p>Revised Terms of Reference</p> <p>CM presented the revised Terms of Reference.</p> <p>ACTION: Section 3.2 of the revised Terms of Reference for the Audit & Risk Committee to be updated to detail 'The Committee will report to the Board and Accountable Officer after each meeting via a verbal update at the Board meeting followed by circulation of the draft minute'.</p> <p>ACTION: Draft Audit & Risk Committee minute to be circulated within four weeks to Audit & Risk Committee.</p> <p>ACTION: Accounting policies relevant to annual accounts to be circulated to Audit & Risk Committee in advance of the review of the annual accounts.</p> <p>ACTION: Accounting policies to be approved at March Audit & Risk Committee meetings in advance of the following financial year.</p> <p>DECISION: Members approved the Terms of Reference for the Audit & Risk Committee, including the change in timing of the Audit & Risk Committee Annual Report to the Board. Subject to an update to 3.2 as detailed above.</p>	<p>Finance Manager</p> <p>Clerk</p> <p>Finance Manager</p> <p>Finance Manager</p>
6	<p><u>Internal Audit Reports</u> Ranger Deployment</p>	

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	<p>CMcD presented WDC's Ranger Deployment Audit report and took the Committee through the findings and recommendations which notes two recommendations, one medium and one low risk.</p> <p>ACTION: Clarification to be sought regarding the terminology of the 'zero hours contract' detailed in section 2.3.7 of the report for bank rangers.</p> <p>ACTION: Consideration of regular password changes for other documents/systems that the Park Authority may be using.</p> <p>ACTION: A short covering paper to be provided for Internal Audit Reports for future Audit & Risk Committee meetings.</p> <p>DECISION: Members noted the report and were content with the findings and recommendations.</p>	<p>HR Manager</p> <p>JC</p> <p>Finance Manager</p>
7	<p>Outstanding Actions Update</p> <p>CM presented the Outstanding Actions Update which provides an update on the outstanding actions arising from the Internal Audit work.</p> <p>CM reported that of the seventeen actions there are ten outstanding, of which there are seven low risk actions and three medium risk actions.</p> <p>Of the ten outstanding actions three were behind schedule and seven were on track at the time of writing the report. Action 1 regarding the Banking Review is now complete. The timeline has been revised for action 4 regarding the Camping Management Byelaws – Access to the Procurator Fiscal Website to when we have received a live case. Action 15 regarding Procurement is in process.</p> <p>ACTION: The timescale for completion of action number 10 for procurement was updated to June 2019.</p> <p>DECISION: Members were content with the current status of the Internal Audits and noted the Outstanding Actions Update and list of Policies at appendix 2.</p>	<p>Finance Manager</p>
8	<p>Draft Internal Audit Plan</p> <p>JC presented the Draft Internal Audit Plan advising that one audit will require to be removed from the list given the time commitment available from WDC.</p>	

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	<p>Members agreed to GDPR being covered as part of the Controls Risk Self-Assessment.</p> <p>ACTION: The Internal Audit Plan should take cognisance of the risks in the current Corporate Risk Register.</p> <p>DECISION: Members agreed to the following Internal Audit Plan:</p> <table border="1"> <thead> <tr> <th>Audit Area</th> <th>Days</th> <th>Suggested Timing</th> </tr> </thead> <tbody> <tr> <td>Grants and contributions</td> <td></td> <td>Quarter 1</td> </tr> <tr> <td>Sickness absence</td> <td></td> <td>Quarter 3</td> </tr> <tr> <td>Boat Registration Process Review</td> <td></td> <td>Quarter 1</td> </tr> <tr> <td>Independent Assurance Review of the Environmental Monitoring Framework being used to report on Your Park</td> <td></td> <td>Quarter 4</td> </tr> <tr> <td>Controls Risk Self-Assessment – To include GDPR</td> <td></td> <td>Quarter 2</td> </tr> <tr> <td>Follow up on previous recommendations</td> <td>2</td> <td></td> </tr> <tr> <td>Planning / Meetings / Review</td> <td>5</td> <td></td> </tr> </tbody> </table>	Audit Area	Days	Suggested Timing	Grants and contributions		Quarter 1	Sickness absence		Quarter 3	Boat Registration Process Review		Quarter 1	Independent Assurance Review of the Environmental Monitoring Framework being used to report on Your Park		Quarter 4	Controls Risk Self-Assessment – To include GDPR		Quarter 2	Follow up on previous recommendations	2		Planning / Meetings / Review	5		JC
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9	<p>External Audit Reports</p> <p>JB (by telephone) provided an update, advising that external audit is progressing well with no emerging issues.</p> <p>JB advised that there are due to be significant changes to lease accounting which will require leases to be recognised in financial statements from 2020/21. It is expected that these may be amended for public sector accounting and forthcoming guidance will be monitored.</p> <p>DECISION: Members noted the verbal update provided by external audit.</p>																									
10	<p>Draft Governance Statement</p> <p>CM presented the Draft Governance Statement.</p> <p>ACTION: The names of our five ministerial appointments to be detailed in</p>																									

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	<p>Governance Statement.</p> <p>DECISION: Members confirmed the appropriateness of assertions made in the draft Governance Statement on internal control prior to its inclusion in the draft accounts for 2018/19 and subsequent signature by the Chief Executive. <i>(Members noted that the final wording may change slightly as part of the accounts finalisation process and sections included in [square brackets] will be updated after the year end date.)</i></p>	Finance Manager
11	<p>Draft Audit & Risk Committee Annual Report to the Board</p> <p>CM presented the Draft Audit & Risk Committee Annual Report to the Board.</p> <p>ACTION: Discussion to take place with the Sponsor Team regarding the timeline of the production of the annual report and accounts. An update will then be provided at the September Audit & Risk Committee meeting.</p> <p>DECISION: Members agreed to continue with the current timing and maintain the sequencing of the June Board meeting being before the June Audit & Risk Committee. Therefore the draft Audit & Risk Committee's Annual Report to the Board would be presented to the Committee in June and presented to the September Board meeting.</p>	JC
12	<p>Any Other Business</p> <p>There was no other business discussed.</p>	
13	<p>Date of Next Meeting</p> <p>The next meeting will be held at 2pm on Thursday 27th June 2019.</p>	
<p>The following items were discussed under Confidential matters The papers for this part of the session are confidential however the minutes do not disclose any sensitive or commercial content and therefore a separate confidential minute has not been produced.</p>		
14	<p>Assurance Framework Update</p> <p>CM presented the Assurance Framework Update.</p> <p>DECISION:</p> <ul style="list-style-type: none"> - Members commended staff for work undertaken to date and approved the approach being taken in the development of an assurance framework and 	

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	<p>the timescales outlined in section 5 (June 2019 for the stage 1 draft assurance framework map and September 2019 for the stage 2 draft assurance framework map).</p> <ul style="list-style-type: none"> - Members agreed that the approach being taken will meet the Handbook requirements that: “The Committee review the assurances provided and constructively challenge whether they meet the Board’s and Accountable Officer’s assurance needs; the credibility and independence of each provider; and, where appropriate, the actual assurances”. 	
15	<p>Competency Framework</p> <p>JC presented the Competency Framework.</p> <p>ACTION: Audit & Risk Committee members to contact RE or email Committee Clerk email address to advise if there are any gaps in knowledge/skills/experience that are not being fulfilled through existing knowledge/ experience and/or current training and development. Based on feedback, the National Park Authority would aim to support any knowledge/development gaps.</p> <p>DECISION: Members noted the framework detailed as section 4 of the report.</p>	ARC Members
16	<p>Corporate Risk Register</p> <p>JC presented the Corporate Risk Register which was approved by the Board in June 2018.</p> <p>The Register is reviewed quarterly by the Executive and no new risks have been identified by the Executive team from their February quarterly review.</p> <p>DECISION: Members were content with the updated progress on the 2018-19 Corporate Risk Register.</p>	
17	<p>Fraud Risk Register</p> <p>JC presented the Fraud Risk Register.</p> <p>DECISION: Members noted the Fraud Risk Register (Appendix 1) that was approved previously by the Audit & Risk Committee.</p> <p><i>DMcC and CMcD left the meeting.</i></p>	

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	A confidential update was provided by JC.	

Signed _____

Ronnie Erskine, Chair