

National Park Authority

Audit & Risk Committee Meeting



Minutes of Meeting held at 3.00pm on 27th June 2019
 Robert Grieve Suite, National Park Headquarters, Balloch

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

In Attendance: Gordon Watson (GW), Chief Executive Officer
 Michael Brennan (MB), Auditor, WDC
 John Boyd, Senior Manager, Grant Thornton
 Deborah Spratt (DS) (Clerk)
 Andrew Jump, Finance and Procurement Manager (AJ)

Apologies: Graham Lambie (GL)

Item	Action	Action by
1	<p>Welcome and Apologies</p> <p>The Chair welcomed everyone to the meeting and noted apologies from GL. 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 5th March 2019</p> <p>ACTION: Minutes to be updated to detail:</p> <ul style="list-style-type: none"> • Time of next meeting was noted for 2pm instead of 3pm. • Discussion took place on the sequence of the meetings in relation to the Audit and Risk Committee meeting preceding the Board meeting in June 2020. It was agreed that discussion would take place between now and September to review the dates/sequence going forward from 2020. • Items 4 and 11 of the Minutes indicated that the Audit and Risk Committee's Annual Report would be presented to the Committee in June and then presented to the Board in September. It was agreed that the Annual Report will in fact be prepared for the September Audit and Risk Committee and then reported to the December Board meeting. <p>The minutes were proposed by ?? and seconded by ??.</p>	

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4	<p>Matters Arising</p> <p>GW confirmed that all actions were now closed with only two open actions, one being the Internal Audit Plan to be developed with reference to the 2019/20 Corporate Risk Register and two the revised terms of reference accounting policies which will be considered at the March 2020 Audit and Risk Committee.</p> <p>ACTION: CS requested cover papers for each of the papers. Members agreed that this would be helpful.</p>	GW/DS
5	<p>Grants and Contributions</p> <p>MB presented the Grants and Contributions Audit which highlighted that the systems examined are working effectively. There were no findings arising from this audit.</p> <p>DECISION: Members noted the Grants and Contributions Audit and were pleased to approve.</p>	
Barbara joined the meeting		
6	<p>Boat Registration Process</p> <p>MB presented the Boat Registration Process Audit which highlighted that opportunities exist to strengthen internal controls and enhance the service provided. It was noted that this is the final report and not draft as per the papers.</p> <p>DECISION: Members were content with the Boat Registration Process Audit and were pleased to note that there are no major issues. Members noted the seven findings arising from the audit and were pleased to approve.</p>	
7	<p>Outstanding Actions Update Appendix 1 – Internal Audit Recommendations</p> <p>GW presented the Outstanding Actions update which provides an update on the outstanding actions arising from the Internal Audit work.</p> <p>GW reported that of the twelve outstanding actions, six are now complete. There are six outstanding actions remaining at low risk and there are five actions behind schedule but with progress being made and one on track.</p>	

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	<p>The following points were noted:</p> <ol style="list-style-type: none"> 1. Banking Review (action 1) – AJ confirmed that all training is now complete and the first payment process will take place with GW next week and with other members of the Executive Team during the holiday period. 2. Access (action 4) – it was noted that the revised timescale date for the Access recommendation – <i>procedures over access complaint resolution</i> has been updated for completion by November 2019 and not April as indicated. 3. Concern was raised in relation to the number of delayed outstanding actions. Members were given reassurance that the items running behind schedule have had valid reasons and a status update is provided to Members within this report at each meeting. Members confirmed that they were happy to have these raised at the meetings to receive reassurance. 4. It was noted that KPIs for the Access had not yet been identified and this needed to be addressed. The difficulty of identifying a measure that accurately reflected the outcomes sought by the Access team was noted. <p>Appendix 2 - Policies Members noted the update on the list of policies and were content with the progress.</p>	
8	<p>Internal Audit Annual Report for 2018/19</p> <p>MB presented the Internal Audit Annual Report for the year 1st April 2018 to 31st March 2019. Members were pleased to note a ‘very effective’ opinion from MB in relation to the Park Authority’s systems of governance, risk management and internal control.</p> <p>DECISION: Members confirmed that they were content with the Internal Audit Annual Report and MB extended his thanks to all members of the team involved in the Audits.</p>	
9	<p>Annual Report to Members</p> <p>JB, Senior Manager from Grant Thornton presented the Annual Report for the financial year ended 31st March 2019.</p>	

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	<p>Members were pleased to note the very effective opinion from External Audit in relation to the Park Authority's systems of governance, risk management and internal control.</p> <p>JB reported that due to a contingent liability in the accounts in relation to the ongoing discussions around recent court rulings (McCloud judgement) the accounts could not be signed. This relates to transitional provisions in public sector pension schemes being unlawfully age discriminatory which may have implications for the Local Government Pension Scheme. Due to this Contingent Liability the accounts are therefore unable to be signed.</p> <p>ACTION: Following External Audit's explanation of the Contingent Liability and advice in relation to IAS 19 calculations, it was agreed that a calculation should be carried out. Once a revised figure is received the accounts can be signed by GW. GW will keep RE briefed as Chair when matters are concluded.</p> <p>DECISION: Members noted the Annual Report and were pleased to approve the report pending the Pension calculation.</p>	
10	<p>Letter of Representation to External Audit</p> <p>The Letter of Representation was presented which is provided to the External Auditors in connection with the audit of the financial statements of the National Park for the year ended 31st March 2019 to show that the financial statements give a true and fair view in accordance with reporting standards.</p> <p>ACTION: Members confirmed that they were content and recommended for GW to sign the Letter of Representation to the External Auditors along with the Annual Accounts pending the Pension calculation.</p>	GW
11	<p>Final Accounts for the Financial Year ended 31st March 2019</p> <p>The Annual Report and Accounts were presented.</p> <p>AJ reported that following a discussion with HMRC The Park Authority is now exempt from the Corporation Tax return which has made a saving of £18,000 (£3,600 x5) and that this has been confirmed with KPMG.</p>	

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	<p>RE thanked AJ and Eilidh McKerry on behalf of the Committee/Board for all their efforts in preparing the Final Accounts and for leading the work over the year.</p> <p>ACTION: Members approved the Final Accounts and recommended for GW to sign subject to the change in the Accounts.</p>	GW
12	<p>Annual Report on Best Value 2018/19</p> <p>GW presented the Best Value Annual Report and the revised Best Value Policy.</p> <p>DECISION: Members noted the report and were reassured that this reflects the requirement from Government and demonstrates compliance with the best value guidance for Accountable Officers. Members were happy to approve.</p>	
13	<p>Register of Interests Review</p> <p>GW presented the Register of Interests Review to advise Members of the outcome of the review of senior staff and Board Members Register of Interests which were completed as part of the Annual Accounts preparation process.</p> <p>DECISION: Members noted the report.</p>	
14	<p>Any other business</p> <p>There was no other business to discuss.</p>	
15	<p>Date of Next Meeting</p> <p>The next meeting will be held at 3pm on Tuesday 10th September 2019.</p>	

Signed _____

Ronnie Erskine, Chair