National Park Authority
Audit & Risk Committee Meeting

Agenda Item 9

Policy List Process

Paper for discussion

1. Purpose

   The purpose of this paper is to set out a new proposal for how the Audit & Risk Committee receives assurance that internal policies are being reviewed at appropriate intervals.

2. Recommendation

   Members are asked to discuss the proposal in this report and provide any feedback.

3. Contribution to Our 5 Year Plan

   This contributes towards the commitment within Our 5 Year Plan to continuously improve and develop resilient systems, processes and services.

4. Background

   4.1 In 2016/17 a Controls Risk Self-Assessment completed by our Internal Auditors included a recommendation to 'Review all policies to ensure they are up to date and relevant including references to legislation and staff members.' Internal Audit rated this a **Low** priority recommendation.

   4.2 To respond to the recommendation, staff prepared a complete list of all our policies and intended review time, which was presented to the Audit & Risk Committee in September 2017. An action from that meeting was to retain the policy list as an appendix to the Outstanding Actions update report.

   4.3 As a result, the policy list has been presented to each Audit & Risk Committee meeting for the past three years. In recent meetings, Committee members have expressed concerns that some policy reviews are being delayed. This has led to some Committee members indicating that they do not consider they have the right information to provide assurance that the risks associated with these delays are being managed.

5. Proposed way forward

   5.1 We are proposing a new process for regular review of policies in order to provide the Committee with assurance that risks are being appropriately managed.

   5.2 The proposed process is based on the principle that policy reviews should be risk-based and staff resource must be prioritised accordingly.

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    5.3   **The proposed new process is as follows:**

        A. Each policy will be allocated a risk rating of low, medium, or high. The rating will be based on the level of organisational risk associated with a delay to a review of the policy.

        B. As a rule of thumb, high risk policies would be reviewed annually, medium risk policies every three years, and low risk policies every five years. If there are particular reasons to update an individual policy sooner or later than these timescales, we will adjust our approach accordingly. An earlier or later review could arise from an identified management need (eg efficiency, effectiveness or broader corporate goals), from an internal audit of an area, or from changes to the external environment (eg new statutory requirements).

        C. At a minimum, policy reviews will check that the policy is still compliant with statutory requirements and in line with broader organisational development since its last review. In some cases policy reviews may be more comprehensive depending on the priorities of the organisation or the level to which the external environment has changed.

        D. Each year at its March meeting, we will present the Audit & Risk Committee with our policy review plan for the year, setting out which policies will be reviewed through the year.

        E. We will provide progress reports to the Audit & Risk Committee at the mid-way point of the year (September meeting) and at the end of the year (March meeting). The reports will highlight which policies on the annual plan have been reviewed and which have not.

    5.4   **Appendix 1** includes a draft risk rating for each policy and draft 5-year plan for reviews. We are still compiling views from internal policy owners on the risk ratings and timings, so the plan will be updated ahead of the March 2021 Committee meeting where it will be presented for approval.

6.   <u>Conclusion</u>

    We consider the proposed process to be more effective and efficient than the existing process, and that it will address concerns raised in previous Committee meetings.

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