



Draft Minutes of Meeting held at 2.00pm on Tuesday 7th September 2021 – Live webcast

Agenda Item 3

National Park Authority Audit and Risk Committee

Paper for information

Present	2
In Attendance.....	2
Items and Actions	2
1. Welcome and Apologies	2
2. Declarations of Interest	2
3. Minutes of meeting held on 22 nd June 2021	3
4. Matters Arising	3
5. Draft External Annual Report to Members.....	3
6. Draft Accounts for the Financial Year ended 31st March.....	3
7. Letter of Representation to External Audit.....	4
8. Register of Interests Review	4
9. Annual Report on Best Value 2020/21	4
10. Corporate Policy Review Process Update	5
11. Draft Audit and Risk Committee Annual Report to Board.....	5
12. Internal Audit Annual Report 2020/21	5
13. Outstanding Actions Update	5
14. AOB	6
15. Date of Next Meeting.....	6

Present

Ronnie Erskine (RE) (Chair)
Christopher Spray (CS) (Deputy Chair)
Danny Gibson (DG)
David McCowan (DMcC)
Heather Reid (HR)

In Attendance

Gordon Watson (GW), CEO
Pete Wightman (PW), Director of Corporate Services
Duncan Black (DB), Audit Glasgow
John Boyd (JB), Director, Grant Thornton
Eilidh McKerry (EMcK), Finance Manager
Deborah Spratt (DS) (Clerk)
Sam Stubbs (SS), Corporate Performance Manager
Emily Buxton (EB) (Moderator)
Jane Cook (JC) (back-up Moderator)

Apologies

None

Items and Actions

1. Welcome and Apologies

The Chair welcomed everyone to the Audit and Risk Committee meeting and advised that under Board Standing Order 25 this allows for the meeting in exceptional circumstances to be held as a virtual meeting. Board and Committee meetings will continue to be held virtually until government restrictions on physical distancing are lifted such that in person meetings can be held safely. The Chair ran through a few procedural points and welcome was extended to any members of the public who may be listening.

Members agreed under s50A (4) of the Local Government (Scotland) Act 1973 (as amended) to hold confidential items in closed session in accordance with the motion.

Welcome to Samantha Stubbs, Corporate Performance Manager to her first meeting of the Committee.

The Chair highlighted Risk in relation to Water Safety given the recent incidents in the Park and advised that the CEO Report to Board includes an update on water safety to be discussed at next week's Board meeting. Strategic risks are discussed at each Audit and Risk Committee in confidential session.

There were no apologies received.

2. Declarations of Interest

There were no Declarations of Interest from Committee Members.

3. Minutes of meeting held on 22nd June 2021

The Minutes of the meeting held on 22nd June 2021 were proposed by HR and seconded by CS.

4. Matters Arising

PW advised that the majority of the items are now closed and relevant updates are provided in the paper. There are three items open which are being considered as future work.

DECISION: Members were happy to note the paper.

5. Draft External Annual Report to Members

JB presented the draft External Audit Report for 2020/21, as produced by Grant Thornton. JB advised that the draft External Audit Report is the Auditor's report to the Accountable Officer and the Auditor General for Scotland, which concludes Grant Thornton's audit for the financial year ended 31 March 2021. The report highlights that the audit is substantially complete and subject to finalisation of audit procedures, it is planned that an unmodified audit opinion will be issued. There were no significant matters to draw to Committees attention.

DECISION: Members were pleased to note the unmodified opinion and thanks were extended to the Audit Team / Finance and the wider organisation for the smooth running of this work.

6. Draft Accounts for the Financial Year ended 31st March

EMcK presented the draft Annual Accounts for the year ended 31 March 2021. EMcK advised that the paper also highlights the governance responsibilities of the Board, Audit & Risk Committee and Chief Executive and the process to finalise the accounts so that they are signed in September 2021 and laid before Parliament. The responsibility for signing the Annual Accounts lies with the Chief Executive as Accountable Officer.

EMcK drew Committees attention to the following points:

- Underspend of £63K of revenue and £322K capital for year end.
- Of capital, £118K was a result of an audit adjustment which was discussed last year so this is effectively an accounting adjustment and the underspend is primarily capital.
- We have had a full re-valuation of our property portfolio this year which wasn't part of our normal process.
- We have a new contingent liability which reflects the current legal process with access to Glenoglehead car park. Currently awaiting the outcome of the judicial review on the Core Paths plan so there may be additional disclosure before signing pending the court case.

Thanks were extended to EMcK and the Team for the huge effort in preparing the Annual Report and Accounts.

ACTIONS:

1. Members **approved** the Draft Annual Report and Accounts and recommended for GW to sign the Accounts following the Board Meeting subject to the outstanding recommendations which are expected to be finalised and External Audit clearance prior to the Board on 13th September 2021.
2. HR drew attention to the Authority's gender split under staff composition and requested that the 'other employees' is broken down in to operational managers to have some female representation and separate out the 'male' / 'female' split. EMcK agreed to look in to this.

7. Letter of Representation to External Audit

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 2021.

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 Report and Accounts.

8. Register of Interests Review

EMcK presented the paper which advises members of the outcome of a review of senior staff and Board member register of interests, completed as part of the Annual Accounts process and disclosures.

EMcK confirmed that this is a standard process and that no concerns were highlighted through the review of the register of interests.

DECISION: Members noted the report.

9. Annual Report on Best Value 2020/21

PW presented the Annual Report on Best Value for 2020/21 and explained that under our Best Value policy it is the role of the Audit & Risk Committee to review and approve the Annual Report on Best Value to ensure compliance and report as needed to the Board.

Members were pleased to note the achievements that have been made in relation to each Best Value theme and commended staff for the work in this area. In particular, paperless working which members hope will continue.

DECISION: Members **approved** the report which demonstrates compliance with the Best Value Guidance for Accountable Officers.

10. Corporate Policy Review Process Update

SS presented the Corporate Policy Review Process update papers which provides an update on progress of corporate policy reviews, as agreed at the March 2021 Audit & Risk Committee.

There was some discussion around Asset Management (strategy) and what we are doing to manage our assets. PW confirmed that there is currently no timeframe for this due to other pressures but that this is continuing to be progressed and will stay on the 'radar'.

The Chair raised concern around the two 'At Risk' items in Finance. EMcK gave assurance that there is time for these and that the 'At Risk' is just an early 'heads up' that there may be some slippage depending on where we are in the next six months.

DECISION: Members were pleased to note the report and look forward to receiving the final report in March 2022.

11. Draft Audit and Risk Committee Annual Report to Board

EMcK presented the draft Audit and Risk Committee Annual Report to the Board.

CS raised a point about training which was hoped to have taken place before the end of the financial year. It was suggested that the Chair makes reference to this when introducing the report to Board on 13th September.

DECISION: Members were pleased to **approve** the Annual Report to the Board.

12. Internal Audit Annual Report 2020/21

Duncan Black, Chief Internal Auditor, Audit Glasgow presented the draft Annual Report to Members which provides Members of the Audit & Risk Committee with an overview of the work of Internal Audit for the year ended 31 March 2021.

DB advised there were no major issues to draw to the Committee's attention and based on the audit work undertaken and the assurances provided by the Executive Team it is External Audit's opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the governance and control environment which operated during 2020/21 within the Park Authority.

DECISION: Members were pleased to note the report.

13. Outstanding Actions Update

DB presented the Outstanding Actions Update which provides an update on the outstanding actions arising from Internal Audit work at the Park Authority.

DB advised that there was nothing major to highlight.

Members noted the progress made in terms of the recommendations implemented and requested that the Chief Internal Auditor submits further reports on the implementation of outstanding recommendations.

14. AOB

There was no other business to report.

15. Date of Next Meeting

The next meeting will be held at 2pm on Tuesday 7th December 2021.

Signed

Ronnie Erskine, Chair