

SOUTH DOWNS NATIONAL PARK AUTHORITY

Agenda Item 5

STANDARDS AND AUDIT COMMITTEE MEETING 5 MARCH 2013

Held at Cowdray Hall Midhurst at 2pm

Present:

David Burden

Jim Funnell

Ken Hunt (Ind Member)

Janet Coles

Sue Saville

Margaret Paren (ex officio
Member)

Norman Dingemans (Chair)

Lewis Doyle (Ind Member)

Officers: Trevor Beattie (Chief Executive Officer), Anne Rehill (Performance and Business Planning Manager), Catherine Vaughan (Chief Finance Officer), Louise Read (Deputy Monitoring Officer), Mark Dallen (Internal Audit Manager) and Fiona MacLeod (Member Services Manager).

CHAIR OPENING REMARKS

The Chair welcomed Graham Ault, the Independent Person for Standards, to the Committee meeting as an observer.

APOLOGIES

45. Apologies were received from Mark Kemp-Gee, Sue Seward, and Charles Peck (ex officio Member).

DECLARATIONS OF INTEREST

46. None.

MINUTES

47. The minutes of the Standards and Audit Committee meeting held on 13 September 2012 were agreed as a correct record.

URGENT MATTERS

48. None

PUBLIC PARTICIPATION

49. There were no members of the public present.

INTERNAL AUDIT PROGRESS AND IMPLEMENTATION REPORT

50. Report SAC 01/13 updating the Committee on the work of Internal Audit and the progress against the Internal Audit Strategy and Annual Plan 2012/13 was introduced by the Internal Audit Manager.
51. The Internal Audit Manager clarified the practical implications of the changeover from the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice to the Public Sector Internal Audits Standards in April 2013. A report on the changes would be brought to a future Committee meeting.
52. The Chief Executive Officer updated the Committee that due diligence was underway for appropriate software and the associated new procedures necessary to track and monitor expenditure against Management Plan outcomes. This was expected to be in place by late summer 2013.
53. **Resolved:** that the Committee
- 1) notes progress against the Internal Audit Strategy and Annual Plan and the implementation of recommendations previously made.

Unconfirmed minutes – to be confirmed at the next meeting of the Committee

INTERNAL AUDIT STRATEGY AND ANNUAL PLAN 2013/14

54. Report SAC 02/13 presenting the South Downs National Park Authority (the Authority) Plan for approval was introduced by the Internal Audit Manager. Members' attention was drawn to paragraph 9.3 of the Plan, which should read 'four qualified accountants'.
55. Officers clarified the following points:
- the Authority was assessing contracts databases;
 - Declarations of Interest by Members and officers would be reviewed as part of the Corporate Governance Arrangements;
 - the time allocated for Internal Audit activities was flexible, eg support for Committee meetings, and the Authority would not be charged for days not used;
 - one day had been allocated for counter fraud officer training/awareness in 2013/14;
 - a review of the South Downs Centre refurbishment project could be considered at a future Committee meeting;
 - a review similar to that carried out on the effectiveness of the Audit Committee in 2012 could be undertaken in the future for the Standards & Audit Committee.
56. **Resolved:** that the Committee:
- 1) approves the Internal Audit Strategy and Audit Plan for 2013/14.

CORPORATE RISK REGISTER

57. Report SAC 03/13 presenting the Authority's revised Corporate Risk register was introduced by the Chief Executive Officer.
58. The Committee's attention was drawn to the six new risks and seven closed risks as detailed in the report. These were evidence that the register was a living document which had been fully integrated into the daily operation of the organisation. The risk register was now reviewed by the Heads of Teams on a regular basis to keep it up to date, to ensure that the latest mitigations were fully recorded, to clarify ownership of individual risks and to maintain a constant watching brief for new or increasing risks.
59. The re-tender for scanning for the Planning contract (Risk 73) was raised. The Chief Executive Officer explained that this risk had recently been identified as a result of an overspend due to the higher than planned level of scanning required by IDOX and Planning. The arrangements for scanning were currently being investigated by the planning team to ensure that the best possible value was obtained.
60. Officers clarified the following points:
- the removal of asbestos was due for completion on 4 March 2013 (Risk 56);
 - although not yet evidenced, there was an ongoing risk relating to consultation fatigue versus engagement (Risk 66);
 - the shared brand and identity would be progressed by the recently formed Communications and Engagement External Partners Working Group (Risk 67);
 - a presentation on broad risks and associated costs, including Risk 73, from the Director of Planning would be welcomed at a future Committee meeting;
 - as several risks were associated with Planning, it would also be helpful for the Resources & Performance Committee to review the 'direction of travel' for planning functions and associated costs at a future meeting. For absolute clarity, there was no specific risk to be referred to the Resources and Performance Committee.
61. **Resolved:** that the Committee:
- 1) approves the Corporate Risk Register as at February 2013; and
 - 2) agrees that there were no risks that should be referred to the Resources & Performance Committee.

Unconfirmed minutes – to be confirmed at the next meeting of the Committee

UPDATES ON ACTIONS ARISING FROM THE ANNUAL GOVERNANCE STATEMENT

62. Report SAC 04/13 advising the Committee on progress on the seven actions for 2012-13 from the 2011-12 Annual Governance Statement was introduced by the Chief Executive Officer.
63. **Resolved:** that the Committee:
- 1) notes the progress made on the actions arising from last year's Annual Governance Statement.

INTERNAL AUDIT REPORT ON THE SET UP OF THE SOUTH DOWNS NATIONAL PARK AUTHORITY

64. Report SAC 05/13 considering the Internal Audit Report and improvement actions/next steps was introduced by the Internal Audit Manager.
65. The Committee's attention was drawn to the 11 recommendations as set out in the Report. Discussion took place on the shortage of documentation available following the migration from interim set-up to permanent staff. The Chief Finance Officer explained that it was the responsibility of the organisation as a whole, rather than individuals, to retain documentation and audit trails. The Report therefore highlighted the need for the Authority to maintain its own document records management system. The Chief Executive Officer confirmed that this work was in hand.
66. Several Committee members commented that in the initial set-up period there were as few as six officers in post, and Authority Members had therefore played an important role in pushing forward Authority decisions and activities in the shadow year 2010/11.
67. The Chief Finance Officer felt that this were many positive elements in the Report and reminded the Committee that the Authority itself had commissioned the Report, which would be in the public domain. The Chief Executive Officer highlighted that the Report endorsed the open and transparent culture of the Authority.
68. **Resolved :** that the Committee:
- 1) notes the content of the report;
 - 2) notes the Report will be taken to the Authority meeting on 16 April 2013;
 - 3) recommends a half day workshop on governance and performance management monitoring be set up;
 - 4) agrees that the Department for Environment, Food and Rural Affairs (Defra) will receive a short note covering any key lessons to be learnt from the set-up of the South Downs National Park Authority after the April 2013 Authority meeting.

CHAIR CLOSING REMARKS

69. The Standards and Audit Committee meetings on 25 June and 24 September 2013 will start at 10.30am.

Chair

The meeting closed at 3.40 pm