

SOUTH DOWNS NATIONAL PARK AUTHORITY STANDARDS AND AUDIT COMMITTEE MEETING 24 SEPTEMBER 2013

Held at Cowdray Hall Midhurst at 10.30am

Present:

David Burden	Janet Coles	Norman Dingemans (Chair)
Jim Funnell	Gary Marsh	Sue Saville
Lewis Doyle (Ind Member)	Ken Hunt (Ind Member)	Margaret Paren (ex officio Member)

Officers: Trevor Beattie (Chief Executive Officer), Helene Rossiter (Director of Corporate Services), Catherine Vaughan (Chief Finance Officer), Mark Dallen (Internal Audit Manager), Simon Mathers (Ernst & Young), Helen Thompson (Ernst & Young) and Fiona MacLeod (Member Services Manager).

OPENING REMARKS

38. The Chair welcomed Gary Marsh to the Committee.

APOLOGIES

39. Apologies were received from Jim Sheppard.

DECLARATIONS OF INTEREST

40. None.

MINUTES

41. The minutes of the Standards and Audit Committee meeting held on 25 June 2013 were agreed as a correct record.
42. With reference to minute 19, the Internal Audit Manager advised the Committee that, in light of CIPFA guidance not forthcoming and following consultation with the Chief Finance Officer, the term 'the Board' referred to the Standards and Audit Committee.
43. With reference to minute 23, the update on the Improvement Action Plan would be reported at the December 2013 Committee meeting.

URGENT MATTERS

44. None

PUBLIC PARTICIPATION

45. There were no members of the public present.

CORPORATE RISK REGISTER

46. Report SAC 13/13 presenting the revised corporate risk register as at August 2013 was introduced by the Director of Corporate Services, who highlighted the use of the Aspireview performance management system introduced in May 2013.
47. Members and officers made the following comments
 - Risk 64 (potential shift or reduction in resources as a result of the Comprehensive Spending Review (CSR)) – an element of scenario planning had taken place and would be presented to the Committee when the CSR announcement had been made;
 - Risk 46 (The South Downs National Park Authority (SDNPA) fails to add value to planning system particularly Development Management) – one local authority had approached the SDNPA regarding potential changes to the recovered service, and work would need to be undertaken to ensure consistency of approach;
 - A key challenge was the potential inability to achieve strategic objectives as a result of the CSR;
 - ICT had been removed from the Corporate Risk Register and was being managed as a risk on the Corporate Services Risk Register

- The existing staff structure arrangements were considered resilient enough to cover any senior staff absences, and would be further strengthened as a result of the imminent restructure;

48. **Resolved:** that the Committee

- 1) Approves the Corporate Risk Register as at August 2013; and
- 2) Does not consider any risks should be referred to the Resources and Performance Committee.

INTERNAL AUDIT PROGRESS AND IMPLEMENTATION REPORT

49. Report SAC 14/13 updating the Committee on progress against the plan, reports issued and the implementation of recommendations previously made was introduced by the Internal Audit Manager.

50. The Committee's attention was drawn to the Allowances and Expenses Review, which had now been finalised, although was shown as draft in the report. It concluded 'substantial assurance' and no significant issues.

51. Officers clarified the following points:

- The Health and Safety Committee should remind SDNPA staff of the importance of reporting accidents and near misses;
- A review of the Health and Safety Policy was underway;
- Risk Management workshops had taken place in 2012 and it was felt there was no need for further workshops until the use of Aspireview and the hierarchy of risk registers had matured.

52. **Resolved:** that the Committee:

- 1) Notes progress against the Internal Audit Strategy and Annual Plan and the implementation of recommendations previously made.

2012/13 AUDIT RESULTS

53. Report SAC 15/13 summarising the findings of the 2012/13 audit was introduced by the External Auditor. The unqualified financial statements opinion and value for money conclusion were welcomed by the Committee.

54. The External Auditors had identified weaknesses in systems and supporting evidence relating to planning income disclosed in the financial statements, and additional work was undertaken at a cost of £2500.00 to gain assurance in this area as detailed in the Audit Result Report. The additional costs had already been highlighted to the Chief Finance Officer and Chief Executive. The external audit director also described the robust approval process required by the Audit Commission for any fee variation.

55. The inherent complexity of the planning system was recognised. In addition, there had been major changes to the Idox system and the National Planning Portal during 2012/13 which were time consuming for officers and added to the complexity of arrangements in the year.

56. The Chief Executive Officer felt it would be appropriate to advise Members of the Authority if their appointing local authority was in breach of the agency agreement regarding payments.

57. **Resolved:** that the Committee:

- 1) Considered the Audit Results Report attached as Appendix I to Report SAC 15/13; and
- 2) Notes the adjustments to the financial statements which are set out on page 6 of appendix I to Report SAC 15/13.

LETTER OF REPRESENTATION AND STATEMENT OF ACCOUNTS 2012/13

58. Report SAC 16/13 seeking approval of the Letter of Representation and the revised Statement of Accounts 2012/13 was introduced by the Chief Finance Officer.

59. Members and officers made the following comments:

- Defra define the service headings in the Statement of Accounts (SoA), rather than reflecting the SDNPA structure ;
- There were no obvious trends identified from the SoA;

- A balance was needed between the requirement for reserves against spending as outlined in page 23 of the SoA;

60. **Resolved:** that the Committee:

- 1) Notes the findings of the external auditor (Ernst & Young) in their Audit Results Report detailed in Appendix I to Report SAC 15/13;
- 2) Notes the results of the public inspection of the accounts detailed in paragraph 6.3 of Report SAC 16/13;
- 3) Approves the Letter of Representation as detailed in Appendix I to report SAC 16/13; and
- 4) Approves the audited Statement of Accounts for 2012/13 as detailed in Appendix 4 to report SAC 16/13.

REVIEW OF THE ARRANGEMENTS FOR ASSESSMENT, INVESTIGATION AND DETERMINATION OF A COMPLAINT THAT A MEMBER HAS FAILED TO COMPLY WITH THE MEMBERS' CODE OF CONDUCT

61. Report SAC 17/13 reviewing how the arrangements had operated over the previous year and whether any improvements could be made was introduced by the Monitoring Officer.
62. The Committee was reminded that only one complaint against a Member had been considered and this had been resolved informally by way of an apology, which had suggested that the process was appropriate. No complaints had been received to warrant measures for a full investigation or hearing.
63. The Independent Person (IP) was invited to give his observations:
 - The IP should be invited to initial elements of the process and discussions;
 - The views of the IP could be sought at any time as appropriate to legislation;
 - The flexibility of the Standards Assessment Subs Committee was appreciated.
64. The Monitoring Officer would expand paragraph 5.2 of Arrangements (Appendix I to report SAC 17/13) to provide further provision for the involvement of the IP for ratification at a future SDNPA meeting.
65. The Committee agreed that a further review of process and good practice should take place in 12 months.
66. **Resolved :** that the Committee:
 - 1) Notes how the Arrangements for assessment, investigation and determination of a complaint that a Member has failed to comply with the Members' Code of Conduct have operated over the previous year;
 - 2) Agrees that the amendment detailed in paragraph 3.2 of Report SAC 17/13 be made; and
 - 3) Agrees that the amendment to paragraph 5.2.1 in Appendix I to Report SAC 17/13 be referred for ratification by the South Downs National Park Authority.

ITEMS FOR NEXT COMMITTEE MEETING

67. The Committee proposed that the following items be taken to the December 2013 Committee meeting:
 - Improvement Action Plan;
 - Member training on Standards and Audit activities
68. It was agreed that the meeting to be held on 11 December would start at 10.30am

Chair

The meeting closed at 12.07 pm