



Lake District National Park

Authority: 17 September 2025

Agenda Item: 11c

Governance Committee

MINUTES of a meeting of the Governance Committee held at the National Park Office, Murley Moss, Kendal at 10.00 am on 16 April 2025

Present

Ms J A Drake (Chair)
Mr M F Carter
Mr W Clark
Mr M Kidd

Mr R G Minshaw
Mrs S Stolberg
Mr I C Wharton

Also in attendance

Chair of the Authority: Ms T Hunt MBE
Independent Person: Mr A Southorn
Ms L Luddington, Grant Thornton UK LLP (Virtual)
Mr A McCulloch, TIAA (Virtual)

Apologies

Ms S Lansbury

No Apologies Received

Independent Person: Mr D Tweddle

09/25 Apologies

Apologies were received from Ms S Lansbury.

10/25 Minutes

Decided: that the Minutes of the meeting held on 21 February 2025 be confirmed and signed by the Chair.

11/25 Chair's Announcements

The Chair announced to the Committee and members of the public that the meeting was being livestreamed and that a digital recording of the meeting would be made.

The Chair also announced the cancellation of the next scheduled Governance Committee on 21 May 2025.

12/25 **Declarations of Interest**

There were no declarations of a registrable interest or disclosable pecuniary interest relating to any of the business of the Committee.

13/25 **Questions**

There were no questions relating to the business of the Committee.

14/25 **Public Participation**

There were no questions, petitions or depositions of a general nature relating to the business of the Committee.

15/25 **Corporate and Business Plan Risks Update**

The Head of People and Organisational Development presented a report that gave a summary of our key corporate and Business Plan risks at the end of February 2025.

The update highlighted 8 corporate risks and 7 business plan risks that were being monitored. Key risks included resource availability and external factors impacting the Authority.

Members raised questions about the replacement for Tony Watson, enforcement progress, and the special conservation area risk. The Head of People and Organisational Development clarified that Tony Watson's responsibilities had been mapped to the new Authority structure and redistributed among existing Heads of Service. Enforcement progress was noted to be improving due to full staffing, and further details on the Special Conservation Area risk would be provided later.

Members discussed the restructure in relation to the Authority's Commercial Strategy. The need to be less inward focused in the context of Government grant reduction was noted however, Members felt that the Commercial Strategy Board was still actively looking for commercial opportunities.

Decided:

- a. Members considered and noted our key corporate and Business Plan risks, as shown in Annexes 1, 2 and 3

16/25 **Risk Management Strategy**

The Head of People and Organisational Development presented a report giving details of our recently refreshed Risk Management Strategy, noting minimal changes from the previous year.

Changes (shown in Annex 1) included renaming 'Finances / Budgeting' work area as 'Financial Governance' with the focus being on the procedural elements of finance and the appetite moving from medium to low. Changes to the Commercial Strategy section included income fees and charges but remained a medium appetite.

Tolerance levels in the Risk Matrix (Appendix 2) had been reviewed by the Strategic Leadership Team and significantly lowered.

Members thanked the Officers for the thoroughness of the report and noted that their lack of questions was a compliment to the work undertaken.

Decided:

- a. Members reviewed and approved the Authority's Risk Management Strategy, as shown in Annex 1.

17/25 External Audit Plan

The Head of Resources introduced the external audit plan from our auditors, Grant Thornton in preparation for the audit of the 2024/25 Statement of Accounts.

The Head of Resources welcomed the new Engagement Lead from External Auditor, Grant Thornton Key headlines and significant risks were outlined to members as set out in the report.

Logistics of the External Audit process were outlined to Members. From June to August, fieldwork would be undertaken, coupled with regular meetings with management. The audit findings report would be brought to the Governance Committee on 24 September 2025.

The Committee discussed the audit timeline and potential delays due to the timing and reciprocal effects of Local Government pension fund audits. Questions were raised about the devolution text, triviality level, recommendations not acted upon, the definition of 'value for money' and the above inflation fee increase proposed by the External Auditor.

The External Auditor clarified these points and explained that Value for Money was defined by the National Audit Office using strict, set criteria for all Local Authorities. The fee increase was proposed in line with the scale fee that was also set externally.

The Chair of the Authority reported that the LDNPA had responded to the devolution consultation process and that this was being monitored closely.

The Committee Chair thanked the Head of Resources and the External Auditor for their report and contributions.

Decided:

- a. Members received the external auditor's Audit Plan for the 2024/25 Statement of Accounts Audit shown in Annex 1.

18/25 Annual Governance Review for 2024/25

The Head of Resources presented a report of the findings of the annual review of our governance arrangements for 2024/25 with reference to the CIPFA/SOLACE governance framework. A draft Annual Governance Statement was also presented for member consideration and approval.

No fundamental changes were noted to the best practice guidance although it was explained that an addendum was currently out to consultation and would come into force for 2025/26. The Local Code of Corporate Governance had been reviewed with a small number of minor changes proposed.

The Head of Resources highlighted that the Authority Handbook was due to be fully reviewed in September by the Authority Solicitor when the Scheme of Delegation and financial regulations would all be reviewed in light of changes to the senior management structure.

Although no significant governance issues were raised, the review highlighted the importance of data management, GDPR, governance around savings, changes to senior management roles and responsibilities, and Member training. These items had all been included in the action plan.

Members discussed bilateral agreements with constituent authorities and the omission of the Lake District National Park Partnership in the report. The Head of Resources agreed to add the LDNPP to the report.

Decided:

- a. Members approved the 2024/25 Local Code of Corporate Governance in Annex 2;
- b. Members noted progress in the delivery of actions from previous governance reviews in Annex 3;
- c. Members approved the draft Annual Governance Statement in Annex 4 and delegated to the Section 151 officer the authority to make changes in the light of Governance Committee comments and any subsequent findings from internal or external audit.

19/25 External Audit Risk Assessment: Questions of Management 2024/25

The report presented by the Head of Resources asked Members to consider the responses by management to questions from External Audit as part of their audit risk assessment.

The Head of Resources explained that Members were asked to review the external audit risk assessment to ensure that their understanding of how the Authority was behaving towards key risks was reflected in the questions asked of management in 2024/25. Questions were very similar to those asked in 2023/24 and included arrangements for fraud, governance, and accounting policies.

The committee noted the responses and discussed the impact of IFRS 16 on the accounts and Officer time.

Decided:

- a. Members considered the responses made by Management to the External Auditor's risk assessment questions and confirmed that the responses were consistent with their understanding of arrangements in place at the Authority.

20/25 Governance Committee Self-Assessment for 2024/25

The Head of Resources presented the draft Governance Committee self-assessment of effectiveness for 2024/25, against the CIPFA audit committee template self-assessment tool. An annual self-assessment is considered best practice.

The main feedback was the need for more training and better use of Away Hours to offer explanations for upcoming reports. The Committee endorsed the self-assessment and agreed to implement the suggested improvements.

Decided:

- a. Members reviewed the draft self-assessment presented at Annex 2 and endorsed this.

The Committee passed the following Resolution:

Under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items. This was because exempt information, as defined in Schedule 12A of the Act, may be disclosed during discussions.

The meeting was adjourned for a nine-minute break at 11:09. The meeting reconvened at 11:18.

Part 2

21/25 Internal Audit Update

The Internal Auditor, TIAA presented a report that provided an update on progress delivering the 2024/25 internal audit plan. It also provided an update on the implementation of recommendations outstanding from internal audit reports previously issued. Any new internal audit reports were also presented for Members' attention.

The Head of Resources stated that the Authority endorsed the work of the Internal Auditor. Of the eight recommendations reviewed by TIAA, five had been fully implemented and the remaining three were all within their organisational implementation dates.

The Internal Auditor presented three new Assurance reports:
(Annex 2.1) Procurement had substantial assurance and no recommendations
(Annex 2.2) GDPR had limited assurance with 4 recommendations
(Annex 2.3) Payroll had reasonable assurance and 4 recommendations

Overall, TIAA was satisfied that the Authority had reasonable and effective controls in place over key systems and processes. Members thanked TIAA for the report.

Decided:

- a. Members noted the Internal Audit Annual Report for 2024/25 from TIAA (Annex 1);
- b. Members noted the annual assurance opinion from the Chief Audit Executive (Annex 6)
- c. Members noted new Assurance Reports on:
(Annex 2.1) Procurement
(Annex 2.2) GDPR
(Annex 2.3) Payroll
- d. Members noted internal monitoring of recommendations at Annexes 3 and 4
- e. Members noted TIAA's review of implementation of previous audit recommendations (Annex 5)

The Chair thanked Mr A McCulloch (TIAA) and Ms L Luddington (Grant Thornton UK LLP) for attending and for their contributions.

(The meeting concluded at 11:35)