

Sport Aberdeen - Appendix G

	Assurance Request	ALEO Response and Hub Commentary	Risk Rating
Governance	<p>Assurance required on training and development of Board members including any changes to Board structure, rationale for any structure changes, and training plans for Board members.</p> <p>Please provide details of the training event held for Board members in the Autumn, which was to include a self-assessment of trustees. Could you provide a summary of the event, including any outcomes and actions identified. In addition, provide details of any recent or planned structure changes and further training plans for the Board.</p>	<p>The Hub noted a paper which provided details of the actions required following the SA Board review day held in November 2021. This resulted in a revised meeting schedule being approved for 2022, and a review of the means by which Trustees could make a more significant contribution to company business away from the formality of meetings.</p> <p>The Hub was also provided with a skills matrix which had been completed by the Board Directors at the end of 2021 and the Board Governance Review Action Plan 2021/22 which had been approved in January 2022 following the Governance Review Day. The Hub noted the independent report on the Governance Review which had been completed by the Chair of Community Leisure UK Scotland and which stated that in the Chair's opinion "the governance of the charity was strong and healthy". The Hub agreed that the action plan and independent report provided a good level of assurance with regard to overall governance arrangements in terms of the Board.</p>	Very Low
	<p>Assurance required that key policies are in place with a review schedule in place, and that policies are developed using a risk-based approach.</p> <p>Evidence that key organisational policies are in place and regularly reviewed, in particular policies which regulate internal controls such as Health and Safety, Fraud Prevention/Detection, Data Protection, etc This may be evidenced through a policy register or schedule and it would be helpful to see a sample of policies also.</p>	<p>The Hub noted the Corporate and Governance Policies Review Schedule dated May 2022 which identified a number of key policies, the policy owner and details of when they were last reviewed, the frequency of review and when they were next due for review. In that regard, the Hub noted the various policies which had been provided which included the Health and Safety Policy and Data Protection Policy and observed that a number of key policies had recently been approved by the Board at its meeting in March 2022. The Hub agreed that this provided a good level of assurance and that the policies reviewed are risk-based.</p>	Very Low
Risk	<p>Assurance required that risks are being regularly reviewed in accordance with the organisation's agreed risk management policy, are kept under regular review with control actions monitored to completion, and are linked to the achievement of outcomes for the ALEO and the Council.</p> <p>This area will be explored in more depth in the December cycle, however could you provide a high level summary of the current impact of the cost of living and longer lasting impacts of COVID.</p>	<p>SA confirmed that the Strategic Risk Register is reviewed on a 6 monthly basis and provided a copy of the report to the board which covered the last review in March.</p> <p>The report summarised the review of Risk Register and also noted that new risks had been added to the Strategic Risk Register that relate to increased cost of living costs/inflationary pressures resulting from increased utilities costs and increased NI employer NI contributions.</p> <p>The Hub was advised that the Corporate Governance Committee will review/discuss an agenda item relating to increased utility costs, cost of living and recruitment challenges at its meeting in June.</p>	Very Low
	<p>Assurance required that ALEOs have risk-based internal and external audit plans in place and a process to address and close out audit recommendations to completion.</p> <p>Assurance also required that there have been no internal control failures or that any failures have been addressed and/or notified if they are of significance to the Council.</p> <p>Please provide a summary of Sport Aberdeen's internal and external audit plans for the current year (and beyond, if available) and detail the process that is followed to close off audit recommendations. Provide details of any high graded recommendations on the back of internal or external audit, or any regulatory activity, in the last 12 months.</p>	<p>The Hub was advised that the annual external audit is currently underway and that any resulting recommendations would be presented to the Corporate Governance Committee. SA provided a paper dated May 2022 that provided an update on recommendations that resulted from a GDPR audit conducted in Spring 2021.</p> <p>SA advised that the internal audit programme will commence in the autumn and will cover the following areas:</p> <ul style="list-style-type: none"> •Invoice, bookings, cash handling and banking •Inventories and stock control •Management of contractors •Cybersecurity •Absence management 	Very Low

Finance	<p>Assurance required that accounts are being managed within budget, that the level of financial risk to the Council is low and that there is compliance with the Following the Public Pound Code of Practice.</p>	<p>The Hub noted that quarterly monitoring reports and forecasts are being provided to the Board for their review. These are comprehensive and timeous and allow the Board to raise queries or concerns as appropriate. This is in line with good practice.</p>	Low
	<p>Assurance required that ALEOs undertake medium-term financial planning or have incorporated medium term planning into a Business Plan to provide assurance that ALEOs are prepared for core funding pressures. Again this ensures compliance with the Following the Public Pound Code of Practice.</p>	<p>The Hub noted that a one year Business Plan for 2022-23 has been produced and was agreed by the SA Board in March 2022. The setting of a one year Business Plan rather than a rolling 3 year business plan as in pre-covid years was agreed by Aberdeen City Council.</p> <p>SA are not forecasting facility income returning to pre-Covid levels during 2022-23. This is in line with UK usage of leisure venues elsewhere. Financial Year 2022-23 will be very much about remaining viable and reviewing various areas of operation to meet or better planned financial targets. A cross company policy review on pricing is scheduled during the year. A £442k deficit is outlined within the plan but this is mainly a knock-on effect of Covid and the challenging sector within which it currently operates.</p> <p>The Board and its sub-committees have been very active during the preceding year in relation to the financial challenges raised by Covid and it is expected that this will continue during 2022-23.</p> <p>The Medium rating within this area reflects the commercial challenges currently facing Sport Aberdeen during 2022-23.</p>	Medium
	<p>Assurance required that accounts are being managed within budget, are in line with statutory requirements and Following the Public Pound Code of Practice, and that the level of financial risk to the Council is low.</p>	<p>The audited 2020-21 accounts were submitted timeously and the auditors report raised no matters of concern High level figures for 2021-22 have been submitted but are subject to audit and these will be reported to committee when audited.</p>	Low