



cutting through complexity

Loch Lomond & The Trossachs National Park Authority

Internal audit report 2013

Planning processes and systems

23 January 2014

This report is for:

Action

Jaki Carnegie – Director of Corporate Services (Loch Lomond & The Trossachs National Park)

Information

Audit Committee

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Introduction and scope

In accordance with the 2011-12 to 2013-14 strategic internal audit plan for Loch Lomond & The Trossachs National Park Authority (“LLTNPA”) and Cairngorms National Park Authority (“CNPA”), as approved by the audit committees, we have performed an internal audit of planning processes and systems at Loch Lomond & The Trossachs National Park Authority (“the Authority”).

The objective of this audit was to consider the design and operating effectiveness of the Authority’s planning and related application process. This review considered the project management of significant planning applications and the implementation and effectiveness of the service improvement plans, as part of the Planning Performance Framework and Planning Service Charter.

Background

The Authority has power to decide all planning and related applications within relevant boundaries. There are detailed arrangements at the Authority to consider planning applications against the national park plans, local plans and other guidance with decisions reserved for the planning committee.

The main legal procedures for dealing with planning applications are set down in the Town and Country Planning (Scotland) Act 1997, and the planning etc. (Scotland) Act 2006. The Town and Country Planning (Hierarchy and Developments) (Scotland) Regulations 2009 introduced approaches to processing planning applications which relate specifically to the scale of the proposed development and established three categories of development – local, major and national. Planning decisions and approval require detailed knowledge of various factors; our review does not cover the outcomes of these decisions but rather the processes and controls that operate as part of the process.

The Authority currently provides a pre-planning application consultation service and management believes that there is an overall resultant saving on planning staff resources. However, management does not believe it is currently possible to measure the resultant resource saving from this.

Key findings and recommendations

We identified two ‘low’ graded risk recommendations during this review.

The actions identified will assist the Authority in strengthening the policies and procedures in relation to the planning application process.

The findings identified during the course of this internal audit are summarised below. A full list of the findings and recommendations are included in the report. Management has accepted the findings and agreed reasonable actions to address the recommendation.

	Critical	High	Moderate	Low
Number of internal audit findings	-	-	-	2
Number of recommendations accepted by management	-	-	-	2

Classification of internal audit findings is provided in appendix two.

Summary of audit findings

We identified no ‘critical or ‘high’ risk recommendations during this review. We have identified matters that will help to strengthen the measurement, monitoring and reporting of the Authorities planning application process. We noted that:

- management should improve documentation around change controls for the UNiform planning system; and
- management should review policies around project management and controls over reports submitted to the Scottish Government.

The action plan summarises specific recommendations, together with related risks and management's responses.

Findings and risk	Recommendations	Agreed management actions
1 Exception reporting and audit trail		
<p>It was found that access and activity rights within the UNiform planning system were suitable based on duties and responsibilities of users, but that there is no secondary review of activities, for example changes to validation dates. Auditable exception reports are not currently generated or reviewed and there is a risk that changes made are not being reviewed by a more senior member of staff. This risk also relates to changes made to validation and completion planning application dates which are returned to the Scottish Government to report against statutory targets.</p>	<p>Management should improve the documentation and processes in place around change controls for the UNiform planning system.</p>	<p>Improve the documentation of the change control process within the UNiform planning system.</p> <p>Responsible officer: Sally Newton and Sam King</p> <p>Implementation date: March 2015</p>
2 Review and authorisation of data reported to central government		
<p>The Authority reports on performance against statutory targets through a quarterly return to the Scottish Government. The reporting process has sufficient and appropriate segregation of duties, but evidence of review and authorisation are not retained.</p> <p>There is a risk that errors are not identified and that incorrect information is reported.</p>	<p>We recommend that management retains formal evidence of the review and approval of data submitted to the Scottish Government.</p>	<p>We will retain formal evidence of the review and approval of data submitted to the Scottish Government.</p> <p>Responsible officer: Bob Cook and Sam King</p> <p>Implementation date: March 2015</p>

Appendices

Introduction and objective

In accordance with the 2011-12 to 2013-14 strategic internal audit plan for Loch Lomond & The Trossachs National Park Authority and Cairngorms National Park Authority ("the Authorities"), we will undertake an internal audit review of planning processes and systems at Loch Lomond & The Trossachs National Park Authority .

The Authority has power to decide all planning and related applications within relevant boundaries. There are detailed arrangements at the Authority to consider planning applications against the national park plans, local plans and other guidance with decisions reserved for the planning committee. Decisions and planning approval require detailed knowledge of various factors; our review would not consider the outcomes of these decisions but rather that controls had operated effectively through the process.

Scope

This review will consider the new processes and practise for planning applications which have been adopted in response to the Scottish Government's modernising planning agenda. It will examine whether these new processes are delivering a more successful planning service through:

- review of the pre-application advice service and the value this is adding to the planning application process;
- review of the project management of significant planning applications; and
- review of the implementation and effectiveness of the Planning Performance Framework, including service improvement plans, and the Service Charter.

Approach

We will adopt the following approach in this review:

- project planning and scoping;
- conducting interviews with staff to gain an understanding of the Authorities' processes, systems and policies for managing planning;
- identify and agree key risks and processes with management;
- reviewing the adequacy and effectiveness of key processes through sample testing and discussion; and
- agreeing findings and recommendations with management.

Appendix two

Classification of findings

The following framework for internal audit ratings has been developed and agreed with management for prioritising internal audit findings according to their relative significance depending on their impact to the process.

Rating	Definition	Examples of business impact	Action required
Critical	Issue represents a control weakness, which could cause or is causing severe disruption of the process or severe adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> ■ Potential financial impact of more than £400,000. ■ Detrimental impact on operations or functions. ■ Sustained, serious loss in brand value. ■ Going concern of the organisation becomes an issue. ■ Decrease in the public's confidence in the Authority . ■ Major decline in service/product delivery, value and/or quality recognised by students and customers. ■ Contractual non-compliance or breach of legislation or regulation with litigation or prosecution and/or penalty. ■ Life threatening. 	<ul style="list-style-type: none"> ■ Requires immediate notification to the audit and compliance committee. ■ Requires executive management attention. ■ Requires interim action within 7-10 days, followed by a detailed plan of action to be put in place within 30 days with an expected resolution date and a substantial improvement within 90 days. ■ Separately reported to chairman of the audit and compliance committee and executive summary of report.
High	Issue represents a control weakness, which could have or is having major adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> ■ Potential financial impact of between £200,000 to £400,000. ■ Major impact on operations or functions. ■ Serious diminution in brand value and/or market share ■ Probable decrease in the public's confidence in the Authority. ■ Significant decline in service/product delivery, value and/or quality recognised by students and customers. ■ Contractual non-compliance or breach of legislation or regulation with probable litigation or prosecution and/or penalty. ■ Extensive injuries. 	<ul style="list-style-type: none"> ■ Requires prompt management action. ■ Requires executive management attention. ■ Requires a detailed plan of action to be put in place within 60 days with an expected resolution date and a substantial improvement within 3-6 months. ■ Reported in executive summary of report.

Appendix two

Classification of findings

Rating	Definition	Examples of business impact	Action required
Moderate	Issue represents a control weakness, which could have or is having significant adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> ■ Potential financial impact of between £50,000 to £200,000. ■ Moderate impact on operations or functions. ■ Brand value and/or market share will be affected in the short-term. ■ Possible decrease in the public's confidence in the Authority . ■ Moderate decline in service/product delivery, value and/or quality recognised by students and customers. ■ Contractual non-compliance or breach of legislation or regulation with threat of litigation or prosecution and/or penalty. ■ Medical treatment required. 	<ul style="list-style-type: none"> ■ Requires short-term management action. ■ Requires general management attention. ■ Requires a detailed plan of action to be put in place within 90 days with an expected resolution date and a substantial improvement within 6-9 months. ■ Reported in executive summary of report.
Low	Issue represents a minor control weakness, with minimal but reportable impact on the ability to achieve process objectives.	<ul style="list-style-type: none"> ■ Potential financial impact of less than £50,000. ■ Minor impact on internal business only. ■ Minor potential impact on brand value and market share. ■ Should not decrease the public's confidence in the Authority . ■ Minimal decline in service/product delivery, value and/or quality recognised by students and customers. ■ Contractual non-compliance or breach of legislation or regulation with unlikely litigation or prosecution and/or penalty. ■ First aid treatment. 	<ul style="list-style-type: none"> ■ Requires management action within a reasonable time period. ■ Requires process manager attention. ■ Timeframe for action is subject to competing priorities and cost/benefit analysis, eg. 9-12 months. ■ Reported in detailed findings in report.



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