

INTERNAL AUDIT SERVICES
REPORT REF No S/014/19 (June 2018)

**Loch Lomond & The Trossachs
National Park Authority
Performance Indicators Audit**



West Dunbartonshire ~ from the banks of Loch Lomond to the shores of the Clyde



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Personnel referred to in this report :

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

Jo Wright: Strategy & Policy Adviser (Loch Lomond & The Trossachs National Park Authority)

Michael Brennan: Internal Auditor (West Dunbartonshire Council)

Auditor: Michael Brennan

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1. AUDIT REPORT SUMMARY

1.1 General

An audit was conducted on the procedures and processes involved in the development and monitoring of performance indicators (PIs) established by the Park Authority and we are pleased to report that the systems examined are working effectively.

The review highlighted that opportunities exist to strengthen internal controls and enhance the procedures and processes examined, in terms of an independent checking of a sample of data and other information provided by managers to support progress made towards achieving performance indicators.

The Audit also highlighted areas of good practice as follows;

- A Project Team made up of a broad selection of staff across the Park Authority was established to facilitate the development of the National Park Partnership Plan 2018/2023;
- The Park Authority prepares an Annual Operational Plan each year that outlines the outcomes and priorities to be achieved for that year and sets performance indicators to measure the success in achieving them. A framework for the monitoring the progress made against performance indicators set out in the Annual Operational Plan has being designed and implemented for 2018/19.; and
- The Park Authority Board was regularly provided with updates on progress throughout the development of the NPPP. The board will also receive three times each year reports on the progress being made on performance indicators set out in the Annual Operational Plan.

Full details of these opportunities and any other points that arose during the audit are included in the Action Plan, which forms Section 3 of this report.

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2. MAIN REPORT

2.1 Introduction

An audit was carried out on the establishment, reporting, and appropriateness of Performance Indicators set by the Park Authority to measure the achievement of its strategic and organisational objectives. The audit was included as part of Internal Audit's Planned Programme of Audits for 2018/19.

2.2 Scope and Objectives

2.2.1 An audit launch meeting was held with Jaki Carnegie, Director of Corporate Services, Jo Wright, Strategy & Policy Adviser and Michael Brennan, Internal Auditor to agree the scope and objectives of the audit. The scope was signed off by Jaki Carnegie. The scope is detailed below.

2.2.2 The following areas were included within the scope as regards the policy and procedures surrounding performance indicators:

- The process for setting Performance Indicators;
- Reporting of Performance Indicators;
- Annual Operational Plan Monitoring Framework; and

The scope of this audit did not involve any calculation check of individual performance indicators.

2.2.3 The detailed work undertaken as part of the audit of performance indicators included:

- Review of the performance indicators set out in the NPPP 2018/2023 with reference to the National Strategies established by the Scottish Government;
- Review of the performance indicators set out in Annual Operational Plan for 2018/19;
- Examination of all documents and reports generated as part of the process of developing the National Park Partnership Plan and the Annual Operational Plan;
- Review of the Framework established for the monitoring of the progress being made against the performance indicators set out in the Annual Operational Plan; and
- Review of the reporting procedures in place for performance indicators.

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2.3 FINDINGS

- 2.3.1 The findings are based upon evidence obtained from review of documentation relevant to the development of and monitoring of performance indicators and discussions with the Strategy & Policy Adviser.
- 2.3.2 An audit launch meeting was held with Jaki Carnegie - Director of Corporate Services and Jo Wright – Strategy & Policy Adviser.
- 2.3.2 The audit was conducted in conformance with the Public Sector Internal Audit Standards (PSIAS).
- 2.3.3 This report details all points arising during the audit review, full details of which are included in the Action plan contained within Section 3 of this report. We stress that these are the points arising via the planned programme of work and are not necessarily all of the issues that may exist.
- 2.3.4 The factual accuracy of this report has been verified by the Officers involved in the audit.
- 2.3.5 Loch Lomond & Trossach National Park Authority is required by the Scottish Government under the National Park (Scotland) Act 2000 to prepare a five year strategic plan. The current plan for the period 2018/2023 has recently being completed and replaces the previous plan for 2012/2017. The strategic plan is called the National Park Partnership Plan (NPPP). The plan notes the progress being made by the Park Authority and other organisations and partners involved in managing the park. The plan was developed over a two and a half year period. The auditor confirmed that the outcomes included in the NPPP are in line with those set by the Scottish Government in 2007 and subsequent national strategic plans put in place to achieve those outcomes.
- 2.3.6 The Park Authority Board was asked on 14th December 2015, to "agree the commencement of the NPPP for 2017/2022 and approve the timetable set out in the plan and the membership of the proposed working group to advise on the management of the plan preparation and consultation process. Workshops were held with the Board members to look at key issues to help the development of the draft plan on 26th October 2016. The Board established a steering group to monitor the progress of the development of the Plan. The steering group consisted of six board members (including the Chair) and four officers (including the Park Authority Chief Executive Officer, the Project Director and the Project Manager).
- 2.3.7 A project team was set up to develop the NPPP. The team was made of a broad selection of officers from across the Park Authority, including two Heads of Service, and was led by the Director of Conservation and Visitor Management. The project team met on 10 occasions in 2016, 15 times in 2017 and five times in 2018. The following table outlines the main milestones of the plans development in order to have the NPPP in place for 2017.

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Milestone	Indicative Timescale	Actual Date Completed
Phase 1: Start Up - Agree position & Approach: establish team and initiate project.	December 2015 - February 2016	Project Initiation Document(PID) - agreed 8th February
Phase 2: Pre-consultancy stakeholder engagement and discussion papers.	March 2016 - May 2016	31st May 2016
Phase 3: Draft Consultation Document and associated assessments.	May 2016 August 2016	March 2017 Approved by Board on 13 th March 2017
Phase 4: Formal Consultation -12 weeks.	September 2016 - December 2016	April 2017 - July 2017
Phase 5: Finalise National Park Partnership Plan.	January 2017 - February 2017	November 2017 Approved by Board on 11 th December 2017
Phase 6: Submission of finalised National Park Partnership Plan to Scottish ministers.	April 2017	21st December 2017

2.3.8 A Stakeholder Engagement Plan was put in place in January 2016, mapping the communication between the Park Authority and Partnership organisations. Workshops were held with partnership organisations on May 2016. Confirmation that the workshops were held is evidenced in the Dashboard Reports submitted to the National Park Delivery Group. A formal consultancy on the plan took place over a 12 week period in April to July 2017. This included consultation with the public and all partnership organisations. A progress report was presented to the Board on 13th March 2017 outlining the start of the Consultation Period and the results of the consultancy was presented to the board on 18th September 2017.

2.3.9 Each year the Park Authority prepares an Annual Operational Plan in which it sets the outcomes to be achieved in a particular year and targets against which success is measured for each outcome. The first Annual Operational Plan prepared following the issue of the 2018/23 NPPP was for 2018/19. The preparation of the Annual Operational Plan is co-ordinated by the Director of Corporate Services. Annual Operational Progress Reports are prepared three times each year and are submitted directly to the Park Authority Board. A template report is distributed to all relevant managers/heads of service who provide an update on progress being made against

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PIs set for their area. The first Annual Operational Plan Progress report is now complete and will go to the Board on 14th June 2018. It is noted that there is no independent check of the information and data supporting the progress being made prior to the Park Authority Board receiving this report.

2.3.10 At present there is no national benchmarking framework for comparing the performance of national parks across the United Kingdom. Should such a benchmarking framework be established, the auditor is of the opinion that it would be beneficial for the Park Authority to participate in order to promote continuous improvement and best practice across the delivery of its services and strategic objectives. There is currently, however, sharing of good practice and lessons learned with other national parks across the UK on an informal basis, depending on particular priorities where the shared challenges or opportunities are relevant.

2.3.11 Audit would like to thank all staff involved in the audit process for their time and assistance.

3. Action Plan: National Park – Performance Indicators S.014.19						
Ref. No.	Finding	Recommendation	Priority	Management Comment	Manager Responsible	Date to be Completed
1.	<p><u>Independent Checking of Performance</u></p> <p>Three progress reports are prepared each year, showing progress made against performance indicators outlined in the Annual Operational Plan. The preparation of each progress report is co-ordinated by the Director of Corporate Services. Each head of service/manager completes the section of the report relevant to their areas. This includes the provision of quantitative data (i.e. performance indicators) supporting the progress being made against the targets set in the Annual Operational Plan. However, there is no independent checking of the information/data supplied supporting progress being made before the report is submitted to the Board.</p>	<p>An independent check should be made of a sample of the quantitative data and information included in the Annual Operational Plan progress reports at least once each year. This will provide reassurance of the accuracy of the information / data included in the report.</p>	Low	<p>Internal independent checks of the quantitative data reported as part of the Annual Operational Plan progress updates will be undertaken on a sample basis.</p>	<p>Director of Corporate Services</p>	<p>On-going from next Board progress report (December 2018)</p>

Appendix 1. Priority Levels

Recommendations have timescales for completion in line with the following priorities.

Priority	Expected implementation timescale
<p><u>High Risk:</u> Material observations requiring immediate action. These require to be added to the risk register of a Service (Council context).</p>	<p>Generally, implementation of recommendations should start immediately and be fully completed within three months of action plan being agreed</p>
<p><u>Medium risk:</u> Significant observations requiring reasonably urgent action.</p>	<p>Generally, complete implementation of recommendations within six months of action plan being agreed.</p>
<p><u>Low risk:</u> Minor observations which require action to improve the efficiency, effectiveness and economy of operations or which otherwise require to be brought to the attention of senior management.</p>	<p>Generally, complete implementation of recommendations within twelve months of action plan being agreed.</p>

Note: About this report

This Report has been prepared on the basis set out in the Memorandum of Understanding (MOU) between the National Park Authority as the Client and West Dunbartonshire Council (WDC) as the provider of Internal Audit services. Nothing in this report constitutes a valuation or legal advice. We have not verified the reliability or accuracy of any information obtained in the course of our work, other than in the limited circumstances set out in the MOU. This Report has been prepared for the benefit of the Client only. This Report has not been designed to be of benefit to anyone except the Client. In preparing this Report we have not taken into account the interests, needs or circumstances of anyone apart from the Client, even though we may have been aware that others might read this Report. This Report is not suitable to be relied on by any party wishing to acquire rights against WDC, other than the Client for any purpose or in any context. Any party other than the Client that obtains access to this Report or a copy (under the Freedom of Information (Scotland) Act 2002, the Environmental Information (Scotland) Regulations 2004 through the Client's Publication Scheme or otherwise) and chooses to rely on this Report (or any part of it) does so at its own risk. To the fullest extent permitted by law, WDC does not assume any responsibility and will not accept any liability in respect of this Report to any party other than the Client. In particular, and without limiting the general statement above, since we have prepared this Report for the benefit of the Client alone, this Report has not been prepared for the benefit of any other public sector body nor for any other person or organisation who might have an interest in the matters discussed in this Report, including for example those who work in the public sector or those who provide goods or services to those who operate in the public sector.