

## CAIRNGORMS NATIONAL PARK AUTHORITY

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### FOR DISCUSSION

**Title: REPORT ON CORPORATE SERVICES ACTIVITY**

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#### **Purpose**

To present an update to Audit Committee on relevant areas of work undertaken by the Corporate Services Group.

#### **Recommendations**

The Committee is asked to:

- a) Consider the updates set out in the paper and highlight any issues or comments.

#### **Executive Summary**

1. Over the course of the last 4 months, the Corporate Services Group has been engaged in a range of activities which are relevant to the remit of the Audit Committee:
  - a) International Financial Reporting Standards;
  - b) Scottish Government Procurement Capability Assessment;
  - c) Corporate Services Benchmarking;
  - d) Joint working with Loch Lomond and the Trossachs on development of more integrated corporate services.
2. It is likely that these areas of activity will give rise to more detailed papers to Committee in the future. At this juncture, this update paper is intended to ensure members are kept up to date with progress and have an opportunity to discuss any issues identified.

#### ***International Financial Reporting Standards (IFRS)***

3. The Finance Manager has submitted the Authority's "shadow" accounts for 2008/09, converted to the required IFRS format, in line with the deadline for this exercise of 30 November.
4. Our understanding is that these accounts will now be reviewed by the external auditor, Audit Scotland, to ensure they are in an appropriate format, provide required disclosure, and form an appropriate set of 2008/09 comparator figures for the forthcoming 2009/10 accounts.

### **Scottish Government Procurement Capability Assessment**

5. Scottish Government has launched a Procurement Capability Assessment exercise across the public sector in Scotland.
6. We have used the tool to undertake an initial self assessment, which has complemented the internal audit procurement review to be considered separately at today's meeting. We expect to work with representatives of Central Government's Centre of Procurement Expertise (CGCoPE), using the self assessment as the basis for a review of our procurement activity. Once this is complete, we will report the detail of the Procurement Capability Assessment to Committee in detail.
7. To date, assessments have been completed with 15 public bodies and the emerging themes have been set out in a letter from CGCoPE at the end of November:
  - a) Some organisations do not have a overall procurement strategy
  - b) Proved a good opportunity for reinforcement and updating organisations on systems and tools
  - c) Delegated Purchasing Authority is well controlled in most organisations
  - d) How organisations interact with the supply chain is a concern
    - i. Inconsistent approach to market and how they approach the supply chain
    - ii. The Portal is becoming used more frequently (helped by new tools such as Quick Quote)
    - iii. Need for further training and toolkits for delegated purchasers
  - e) Post Contract Award and supplier management is often delegated to the internal "owner" with no real procurement involvement until contract re-let or project completed
  - f) Some organisations do not have contract logs held centrally (Best Practice Indicators have helped to bring together contract logs)
  - g) Need to ensure targeted communications on Procurement to ensure uptake on collaborative contracts

### **Corporate Services Benchmarking**

8. The Finance Manager has developed and submitted the Authority's third annual return to the Scottish Government's Corporate Services Benchmarking exercise. The purpose of this exercise is primarily to assist in identifying areas of corporate services where efficiencies may be achieved, based on the like for like comparison of costs of service delivery in finance, human resources, estates management and IT management across Scottish NDPBs.
9. To date, previous exercises have confirmed that, while a small organisation, the Authority appears at or better than average in terms of benchmarked cost of service across the majority of service indicators. This suggests that services have been designed to be fit for purpose given the scale of the Authority.
10. While some use of earlier benchmarking figures was made by the strategic review, the results of the previous 2 exercises have not been reported in detail to the Committee as the method has been evolving and some lack of reliability and consistency has remained in figures. We hope to be able to report the results of this current round of benchmarking by summer 2010.

***Joint Working with Loch Lomond and the Trossachs NPA***

11. The main item of relevance to the Committee within this strand of activity is our work in developing a joint post to manage procurement for both organisations.
12. This is a good example of where the combined scale of both NPAs provides a critical mass of activity which can justify the establishment of an officer to be trained in and take responsibility for the development of procurement for both NPAs, while either organisation working independently found it difficult to operationally justify such a post.
13. We expect this post to become operational in the next month or so.

David Cameron

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