



Cairngorms National Park Authority

Internal Audit Report 2024/25

Cairngorms 2030

November 2024



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Executive Summary

Conclusion

We confirmed that there is a clear plan in place for the delivery phase of Cairngorms 2030 that was presented to and approved by the Board in December 2023, prior to the commencement of the delivery phase in January 2024.

We also confirmed that there are clear reporting arrangements in place for Cairngorms 2030, which are defined in the Cairngorms 2030 Programme Report. We have confirmed that these operate in line with expectations through our review of a sample of Performance Committee minutes.

Through discussions with Non-Executive Directors we noted that forward-looking reporting had been requested from management, with there being a general feeling that reporting focused on what had already taken place. We confirmed through review of subsequent reports, meeting minutes and discussions with management that work has commenced in this area and forward-looking information is being developed for future reporting.

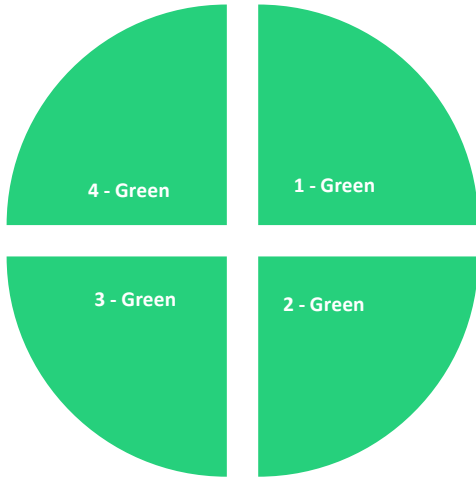
Background and scope

The Cairngorms 2030 programme consists of 20 long-term projects to tackle climate change and the nature crisis. The Programme aims to bring about transformational change in the Cairngorms National Park and is on a larger scale than previously implemented in the UK. Cairngorms 2030 will focus on projects for empowering communities, projects for transforming transport, projects for changing landscapes and projects for improving people's health and wellbeing.

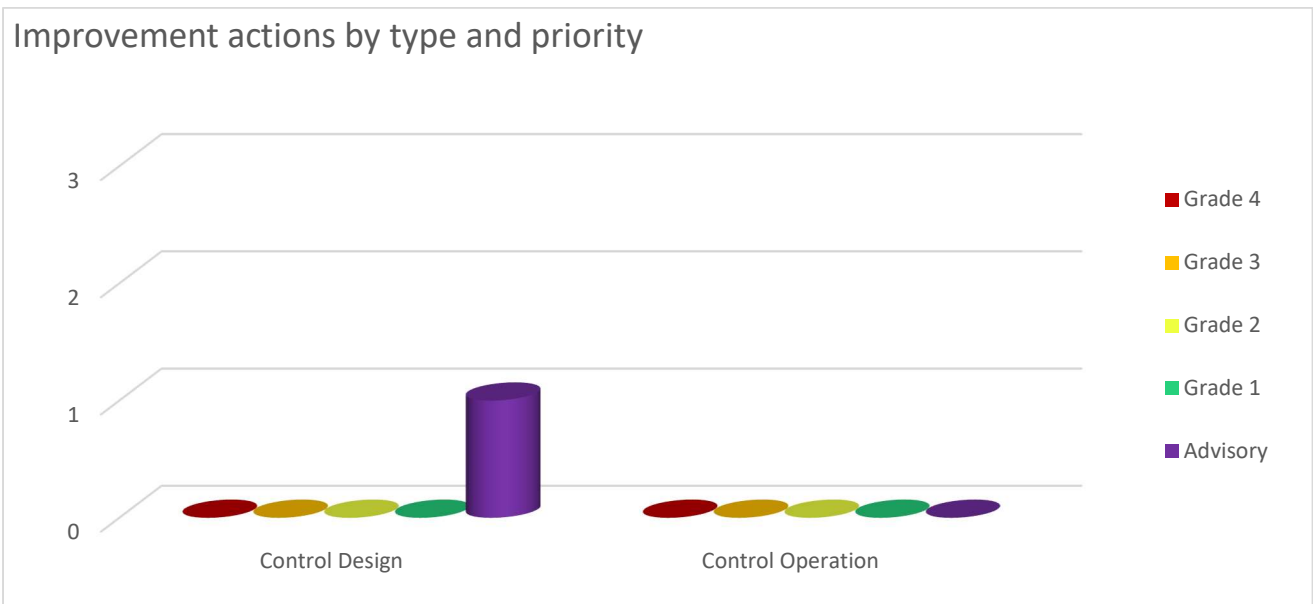
In accordance with the 2024/25 Internal Audit Plan we have reviewed the arrangements in place for the delivery phase of Cairngorms 2030 including whether there is a robust governance structure in place. This included consideration of the internal reporting arrangements in place, including reporting on NLHF funding claims, and the extent to which ongoing reporting and monitoring has been integrated as far as possible into wider organisational reporting.

Control assessment

- 1. There is a clear plan in place for the delivery phase of Cairngorms 2030 that has been reviewed and approved by the Board.
- 2. There is an effective governance structure in place to oversee the delivery of Cairngorms 2030, which is reflective of the structure of the programme.
- 3. CNPA has clearly outlined the expected reporting required for the programme including frequency and content of reporting.
- 4. The governance and monitoring arrangements for the programme align with the wider organisational arrangements already in place.



Improvement actions by type and priority



We have identified one advisory improvement action from this review, which relates to the design of controls in place. See Appendix A for definitions of colour coding.

Key findings

Good practice

- There is a clear plan in place for the delivery phase of Cairngorms 2030. We have reviewed the Delivery Phase Application and confirmed that it sets out the strategy, objectives, reporting arrangements and was approved by the Board prior to implementation.
- The delivery phase of the Cairngorms 2030 Programme is progressing in line with expected milestones. We have reviewed the Programme Milestones report from the September 2024 Performance Committee and confirmed that the Transforming Landscapes, Empowerment, Health and Wellbeing and Knowledge Exchange themes are progressing as expected. We noted that the Sustainable Transport Theme highlighted a concern around delivery in relation to travel, but that this was highlighted and discussed at the Performance Committee, with actions noted.
- There is also a well-designed governance structure in place for Cairngorms 2030. We have reviewed the Cairngorms 2030 Programme Report and confirmed that this sets out the governance framework, reporting requirements and terms of reference and we have confirmed that these arrangements are operating effectively, in line with expectations.
- The Cairngorms 2030 governance arrangements align with the overall structure of Cairngorms National Park Authority. We have reviewed Cairngorms 2030 governance structure and confirmed that it has been incorporated into existing governance and scrutiny processes, through quarterly reporting to the Performance Committee.
- Regular reporting takes place on Cairngorms 2030. We have reviewed a sample of Performance Committee meeting minutes and reports and confirmed that there are updates provided on Cairngorms 2030 projects and themes. We have also reviewed the quarterly theme progress reports which contain updates project milestones, budget, risks and key actions, and confirmed that these have been received and approved by the Head of Cairngorms 2030.
- Sufficient scrutiny and challenge on the Cairngorms 2030 Programme takes place on a sufficiently regular We have reviewed Performance Committee meetings minutes from June and September and confirmed that scrutiny on delivery, budget and milestones took place.

Areas for improvement

We have identified one advisory point for management to consider:

- Undertaking periodic horizon scanning/risk identification exercises with the Board to consider any potential issues which might impact delivery of Cairngorms 2030.

This is further discussed in the Management Action Plan below.

Impact on risk register

The Cairngorms National Park Authority's corporate risk register (dated November 2024) included the following risks relevant to this review:

- Risk 1: Public sector finances constrain capacity to allocate sufficient resources to deliver the corporate plan.
- Risk 2: Risk of C2030 match funding not being secured – current match funding in bid not fully committed and/or for one year only in many areas.

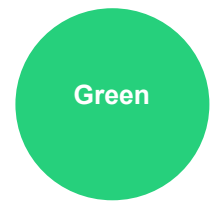
Overall, the conclusions within this report indicate well-managed, strong governance arrangements which include various reporting routes and content.

Acknowledgements

We would like to thank all staff consulted during this review for their assistance and co-operation.

Management Action Plan

Control Objective 1: There is a clear plan in place for the delivery phase of Cairngorms 2030 that has been reviewed and approved by the Board.



No weaknesses identified

From discussions with management, we confirmed that the delivery phase of Cairngorms 2030 was developed as a multi-stage process, with input from funding providers and partners involved in the programme. The five-year delivery phase began in January 2024, with milestones and funding requirements established in order to support delivery. Each project has its own project management plan and quarterly milestones against which delivery is tracked, including its own risk register.

We have reviewed the Cairngorms 2030 Delivery Phase Application and confirmed that it includes substantial detail on the expected areas of:

- Strategic context and objectives and risk management – including alignment with the strategic risk register.
- Staffing and financial resource requirements.
- Metrics for measuring success.
- Governance and assurance responsibilities, including governance structure and escalation routes.
- Risk management activities – including the Cairngorms 2030 programme, individual projects and CNPA wide risk registers.

We confirmed through review of meeting minutes that the Delivery Phase Application was presented to and approved by the Board in June 2023, prior to the commencement of the delivery phase in January 2024.

Control Objective 2: There is an effective governance structure in place to oversee the delivery of Cairngorms 2030, which is reflective of the structure of the programme.



2.1 Risk reporting and escalation processes

We have reviewed the governance structure defined within the Cairngorms 2030 Programme Report and noted that it takes into account the existing governance structure of CNPA, and as such involves the Performance Committee, Resources Committee and Audit and Risk Committee.

We reviewed the Programme Management Group Terms of Reference and confirmed that it has the responsibility for day-to-day risk evaluation and management. We confirmed there is a hierarchy of risk management and escalation, defined to ensure that risks are identified and managed at an appropriate level of the programme, and escalated where required. Risks are managed at the most relevant governance level, and if significant risks are raised or result in changes to risk rating which affect overall programme level risks to reach 'red' status, this would be escalated to the Audit and Risk Committee, and the Board if required.

We confirmed that the Cairngorms 2030 programme risk register was presented to the Audit and Risk Committee in June and September 2024, with reporting to the Audit and Risk Committee in June 2024 noting that the risk register for Cairngorms 2030 sits with the Performance Committee and Programme Board, and that any observations by the Audit and Risk Committee on the risks will be fed into the Performance Committee and Programme Board following the Audit and Risk Committee meeting.

From discussions with the Chair of the Audit and Risk Committee, a concern was raised that the Committee does not have oversight of existing or potential emerging risks and mitigating actions being taken, due to a lack of reporting. However, we confirmed through review of the governance structure, committee terms of reference and meeting minutes, that reporting takes place in line with defined expectations.

Recommendation

Management should consider undertaking periodic horizon scanning/risk identification exercises with the Board to consider any potential issues which might impact delivery of Cairngorms 2030.

Management Action

Advisory
(Design)

This is in place. A horizon scanning session with the board took place in November 2024 which is the second such session. Horizon scanning sessions will be repeated at least annually with some focus on Cairngorms 2030 issues while this programme remains relevant to those exercises.

Action owner: Deputy Chief Executive

Due date: Now in place.

Control Objective 3: CNPA has clearly outlined the expected reporting required, including frequency and content of reporting.



Green

No weaknesses identified

From discussions with management and review of the Cairngorms 2030 Programme Report, we confirmed that there is clearly defined reporting arrangements in place, including the frequency of meetings and terms of reference for each.

From discussions with a number of Non-Executive Directors, and review of Performance Committee meeting minutes from June 2024, we noted that more forward-looking reporting has been requested and agreed in order to provide further insight into the programme and the opportunity for scrutiny of project delivery.

We confirmed through review of the Performance Committee papers and minutes from the September 2024 meeting that the minutes include discussions on upcoming milestones, and that adjustments have been made to the reporting to include more forward-looking information. We also confirmed that there is now quarterly reporting by each Theme Lead on a rotational basis to allow further insight, with the Empowerment Theme being presented at the September meeting.

Additionally, we have reviewed the meeting agenda for the December Performance Committee and confirmed that this includes proposed discussion on Cairngorms 2030 project milestones and the Transport Theme, showing the evolution of reporting on Cairngorms 2030 in line with requests from members.

We support the adjustments made to reporting and understand management's desire to maintain the balance between forward-looking information and scrutiny of past performance, respecting the strategic nature of the Performance Committee.

Control Objective 4: The governance and monitoring arrangements for the programme align with the wider organisational arrangements already in place.

Green

No weaknesses identified

From discussions with management, we confirmed that the Cairngorms 2030 governance structure was developed following detailed consultation with parties involved, including partners and the CNPA Board. The structure developed is reflective of the significant scale of the programme, while being cognisant of the existing governance structure in place within CNPA.

The Cairngorms 2030 Programme Report sets out the governance structure and reporting expectations for the project, this includes details of the additional governance groups created to manage the day-to-day activities of the programme, and also scrutinise delivery against objectives and milestones through the creation of the Cairngorms 2030 Programme Board. We confirmed that this report sets out the terms of reference for the Programme Board, Programme Management Group, Project Theme Groups, and Communications and Engagement Group.

We confirmed that the following reporting structure specific to Cairngorms 2030 has been implemented:

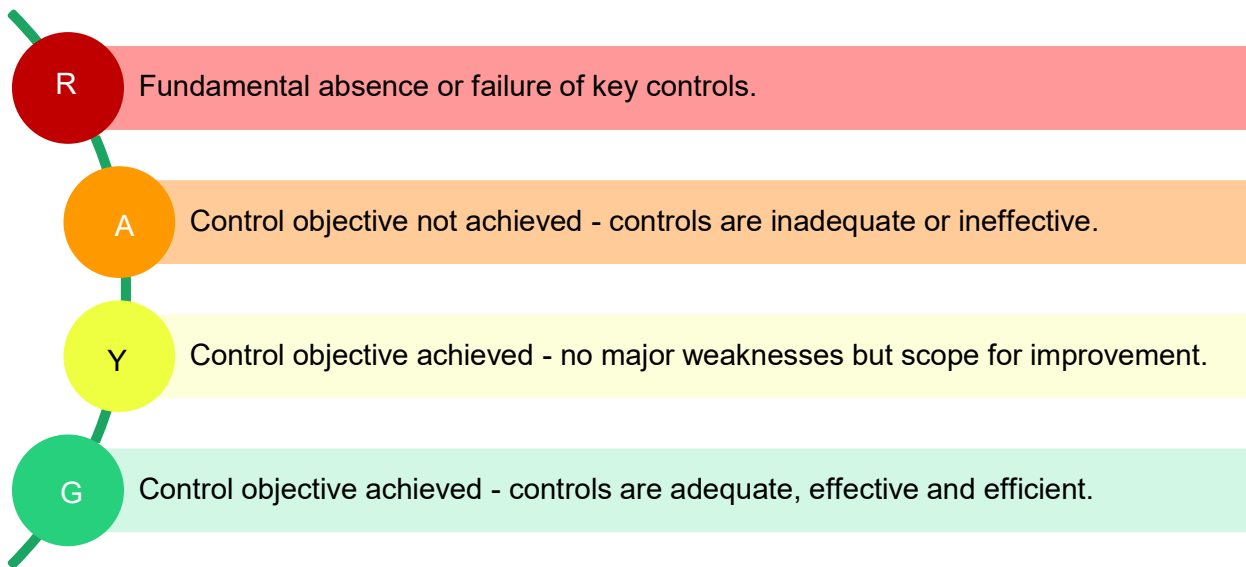
- Each project reports bi-weekly into the project team meetings consisting of Theme Leads and Project Leads.
- Theme Leads meet monthly, and attendees include the Head of Cairngorms 2030, Cairngorms 2030 Programme Manager, and Project Leads as required, Project Partners as required, and Deputy CEO as required.
- The Programme Management Group meets monthly, monitoring strategic and operational performance and risk and consisting of CNPA's executive management team.
- The Cairngorms 2030 Programme Board, meets quarterly and consists of both CNPA members and external partners.

In addition to the Cairngorms 2030 Programme specific governance arrangements, we confirmed that the Programme Report also sets out the integration of the Programme with the existing CNPA governance structure, through quarterly reporting into the Performance Committee, and annual reporting into Board.

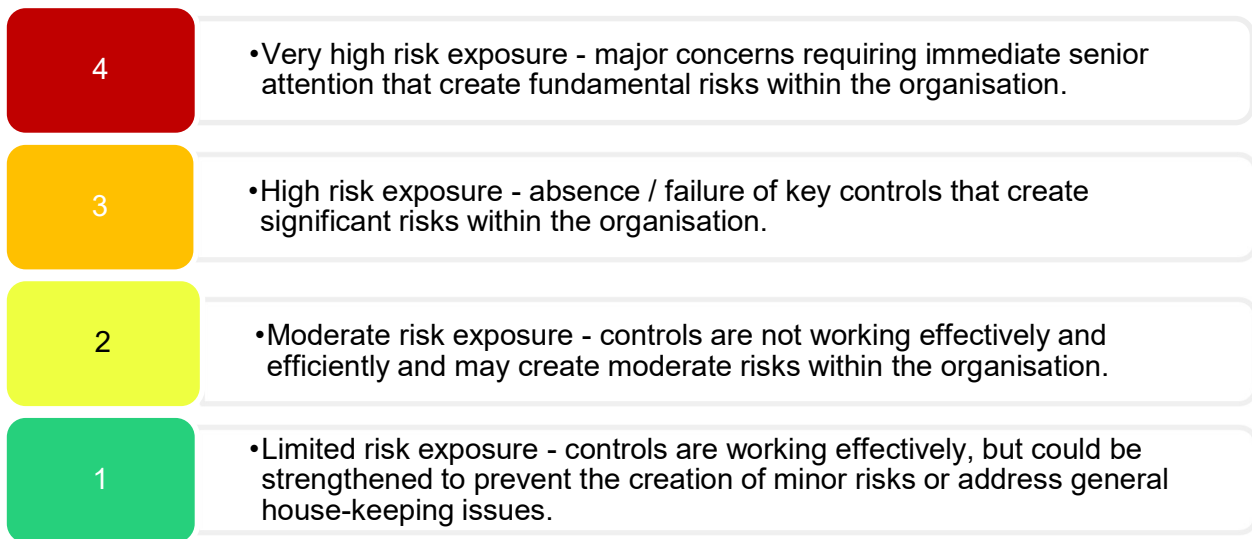
We confirmed the governance structure of Cairngorms 2030 is reflective of the requirements of the programme and is consistent with the overall reporting structure of CNPA. The detailed reporting structure ensures that all areas are covered by reporting at a granular level and reported upwards for a more high-level overview.

Appendix A – Definitions

Control assessments



Management action grades



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