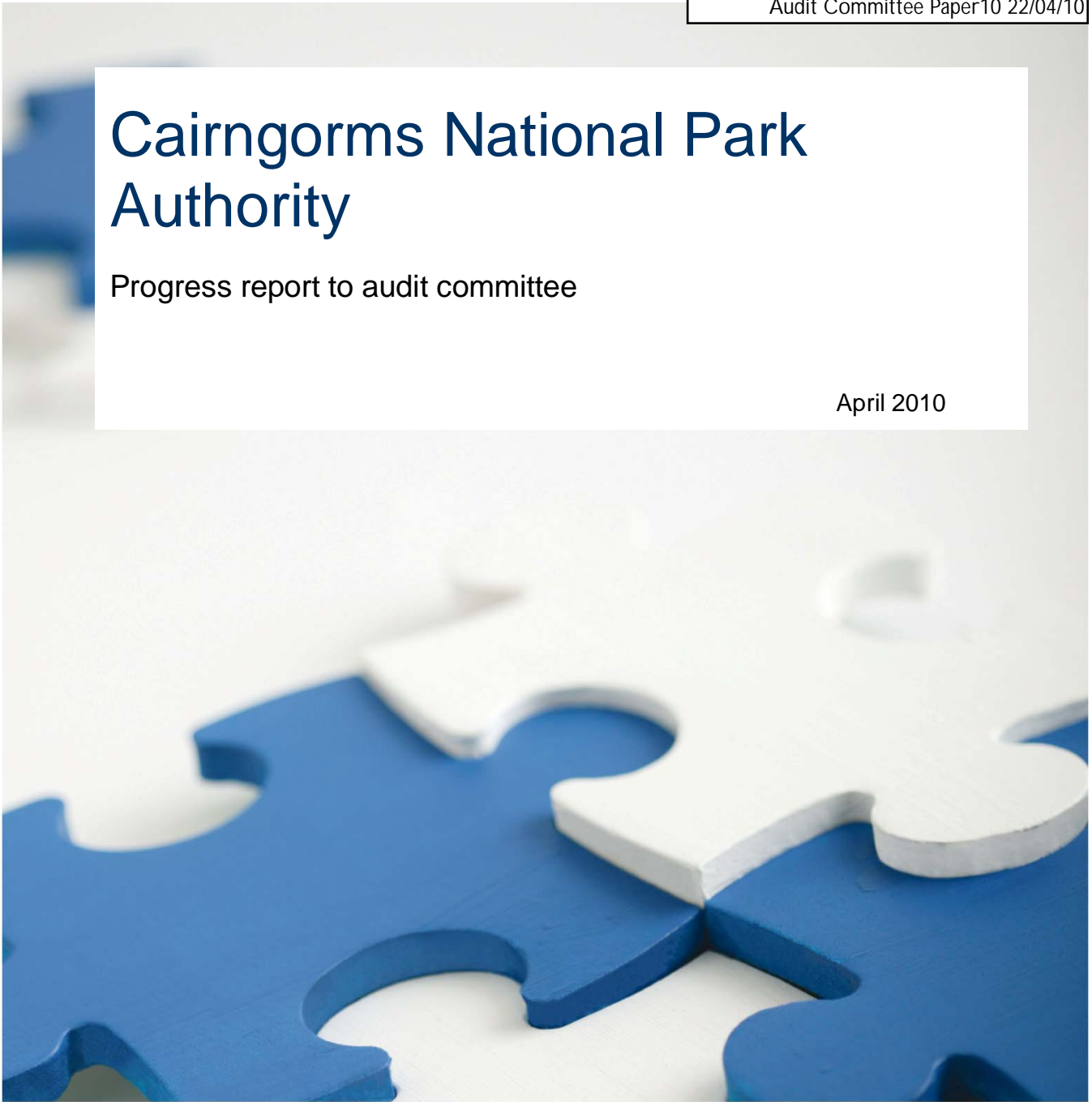


Cairngorms National Park Authority

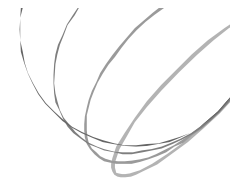
Progress report to audit committee

April 2010



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Progress update

Purpose

1. The purpose of this report is to provide the audit committee with an update on the progress of the external audit as at April 2010.

2009/10 audit

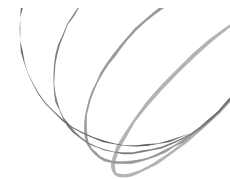
2. A draft audit plan was presented at the December 2009 audit committee. Following feedback from officers, the plan was updated to include some additional narrative in the management assurances within appendix A and reissued.
3. As part of our planned audit work, we undertake controls and substantive testing on Park Authority transactions during the year. This work provides assurance for both our financial statements audit opinion and our consideration of governance arrangements in the organisation. Our work in this area has been completed and was reported in March. No significant issues were noted in our work and we have therefore taken assurance from the controls framework in place within the Park Authority when developing our financial statements testing strategy.
4. The Park Authority submitted a set of restated 2008/09 accounts, completed on an IFRS basis, by the target deadline of the end of November 2009. We reviewed the submitted accounts and highlighted two minor points relating to first time adoption disclosure and cashflow presentation. Officers are addressing these as part of the financial statements preparation.

National performance studies

5. There have been two national reports of relevance to the Park Authority issued since the last audit committee.

Environment overview

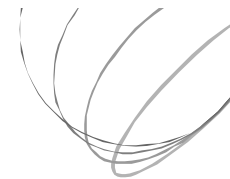
6. In January 2010, Audit Scotland published *Protecting and improving Scotland's environment*. The report provides an overview of the Scottish public sector's performance against targets for:
 - improving air quality



- protecting and improving the water environment
 - protecting and improving biodiversity
 - improving waste management.
7. The report concluded that the overall quality of Scotland's environment is good but there is a risk that some targets will not be met. A number of public bodies are involved to varying degrees in achieving targets. The key messages in the report particularly relevant to the Park Authority include:
- there has been mixed progress in protecting and improving Scotland's biodiversity
 - the duty on all public bodies to promote biodiversity has had limited impact, due to a lack of sufficient guidance on how to implement it and the absence of any monitoring or reporting system to enforce it
 - the quality of Scotland's water environment has improved significantly
 - over half of Scotland's waters currently meet the European standard of good ecological status
 - pollution from agricultural sources is now the leading threat to the water environment.
8. The full report is available on Audit Scotland's website at www.audit-scotland.gov.uk

Public sector efficiency

9. The Audit Scotland report *Improving public sector efficiency* was published on 25 February 2010. It provides a position statement on the first year (2008/09) of the Efficient Government Programme, which aims to deliver £1.6 billion efficiency savings over the three years to 2010/11. It also gives an update on how the Scottish Government and public bodies have addressed the recommendations made in Audit Scotland's 2006 report about the previous efficiency programme.
10. The report found that Scottish public bodies, including the Park Authority, reported more efficiency savings than the Government's two per cent target, but there are serious financial challenges ahead and making the required savings through efficiency will become increasingly difficult. It recommends bodies consider fresh approaches to improving efficiency and productivity, and highlights a number of areas where bodies should challenge existing arrangements, including:
- ensuring they have a priority-based approach to budgeting and spending
 - continuing to improve collaboration and joint working, overcoming traditional service boundaries
 - considering using alternative providers of services, if these providers can improve the efficiency, productivity or quality of services



- improving information on costs, activity, productivity and outcomes, including setting baselines to measure performance against
- giving greater urgency to developing benchmarking programmes
- maintaining the momentum of activities and initiatives to improve purchasing and asset management and extend shared services
- ensuring there is a joined-up approach to efficiency savings across the public sector, avoiding duplication
- ensuring that plans are in place to deliver savings, clearly setting out what action will be taken, the level of savings to be delivered and how these will be measured
- strengthening the involvement of front-line staff, service providers and users in redesigning public services
- reducing reliance on non-recurring savings to meet financial targets and generally use these as part of a wider and longer term strategy
- reporting efficiency savings consistently.

11. The full report is available on Audit Scotland's website at www.audit-scotland.gov.uk

Concluding remarks

12. The audit committee is asked to note the progress.

Stephen O'Hagan
Senior Audit Manager

