



Cairngorms National Park Authority
Review of Corporate Planning
Internal Audit 2004/2005

August 2005

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Section 1 - Executive Summary

1.1 Introduction

This review of corporate planning is part of our coverage of core operational areas and is consistent with the audit plan approved by the Audit Committee. Detailed scope and objectives are contained within Appendix A and were agreed with the Director of Corporate Services prior to the commencement of the fieldwork.

1.2 Background

The Cairngorms National Park Authority (CNPA) became fully operational in 2003. The 2005-08 plan is the second to be completed by the organisation. The budget for this period is £13.1m.

The Corporate Plan has been finalised and sets out actions designed to deliver a range of objectives within the 5 broad strategic themes which are as follows:

- To enable current and future generations to understand and enjoy the special qualities of the Park in a way which fosters those qualities and supports the activities of others.
- To promote sustainable resource, land and water management; and to protect and enhance our wildlife and landscapes.
- To support and stimulate economic and social development within the Park that sustains and is sustained by its special natural and cultural qualities.
- To ensure our commitment to future generations we will look beyond the horizon and put in place plans to guide and co-ordinate the long term management of the Park.
- To be an open, innovative and professional organisation that engages effectively with the public and behaves with integrity.

In addition to the five main themes, three cross cutting themes have been identified that will run through all activities. They are not shown as separate themes with associated actions. Instead projects and plans are proofed against these themes as the work of the CNPA is taken forward. The 3 themes are as follows:

- Sustainability: ensuring that actions do not compromise those of future generations.
- A Park for All: creating a Park which is accessible to everyone, not just the fit and the few.
- Delivering the 3 E's: ensuring economy, effectiveness and efficiency in the use of resources.

20 goals, that are to be completed by December 2008 and that are based around the five strategic themes, have been documented in the plan. A number of action plans have been aligned to each goal.

Section 1 - Executive Summary (continued)

1.2 Background continued

An organisational plan has also been prepared which is aligned to the corporate plan. The organisational plan is in place for the following reasons:

- It shows goals broken down into actions and then into tasks for completion in a specified quarter of the year. This detailed list of tasks forms the basis of a work plan for managing and monitoring progress of both departments and staff.
- It provides for budgets to be allocated and managed, on a bottom-up basis.
- It provides for an assessment of staff needs through allocation of staff time input to the various tasks.
- It provides a structure for risk management: alongside goals, actions and tasks the related risks are highlighted which are subject to active management and monitoring.

A quarterly update on the Corporate Plan was presented to the Board in June 2005 by the Chief Executive based on targets and performance for Quarter 1. The outcomes from the update based on 3 criteria were as follows:

- Completed (*action has been completed*): 82 actions were flagged as completed.
- Delayed (*the action/outcome has not yet been completed by the date originally planned. The addition of "in hand" indicates that follow up action and timetable is already in hand*): 17 actions were flagged as delayed.
- On Track (*this is applied to those actions with no specified delivery date, as they are ongoing throughout the year*): 1 action was flagged as being on track.

1.3 Approach

The overall scope of the audit was to evaluate the process in place with regard to the completion of the corporate and operational plans. We achieved this by interviewing relevant staff and reviewing relevant documentation to identify the key controls within the system and the testing of these controls to determine compliance.

Section 1 - Executive Summary (Continued)

1.4 Overall Assessment

The following table summarises the areas of our review and our overall assessment of the control environment against each objective:

Objectives	Overall Assessment	Report Ref.
A corporate plan exists which can be measured and that encompasses the statutory aims and objectives of CNPA	****	
The plan includes actions that will facilitate the achievement of the CNPA objectives	****	
All relevant stakeholders are involved in the planning process	***	2.2
The corporate plan is approved by the CNPA Board	****	
Operational plans, with direct links to the corporate plan and management objectives, have been created and agreed by relevant personnel	****	
Progress against corporate and operational plans is monitored on a regular basis and reported to senior management	****	
Corporate and operational plans have been communicated to key stakeholders	***	2.1

Key:

- **** Arrangements accord with good practice and are operating satisfactorily (recommendations are in respect of minor matters).
- *** Adequate arrangements are in place, but certain matters noted as requiring improvement.
- ** Arrangements in place offer scope for improvement.
- * Inadequate level of control and unacceptable level of risk.

Section 1 - Executive Summary (Continued)

1.4 Overall Assessment (continued)

In total, we identified **two** recommendations as follows.

Description	Priority	Number
Major issues that we consider need to be brought to the attention of Management and the Audit Committee	1	0
Important issues which should be addressed by management in their areas of responsibility	2	0
Minor issues where management may wish to consider our recommendations	3	2
Key		2

1.5 Overall Conclusion

We can conclude that the controls over the creation and approval of the corporate and operational plans are adequate. However there are minor areas of improvement identified with regard to Board involvement in the planning process and advertisement of the corporate and operational plans on the CNPA website. Due to the timing of this review, we were unable to provide an opinion on the monitoring controls in place in relation to corporate planning. We recommend that a secondary review is undertaken during 2005/06 to assess the controls.

We have summarised the weaknesses and issues below and further details of our findings and recommendations can be found within **Section 2** of this report.

Our key findings are as follows:

- The corporate plan has not yet been added to the CNPA website. (*Recommendation 2.1*);
- Board members were not involved in the brainstorming and prioritisation stages of planning. (*Recommendation 2.2*);

1.6 Acknowledgements

We would like to take the opportunity to thank all of the staff involved in assisting us in this audit. The findings and recommendations in this report were discussed with the Director of Corporate Services at the conclusion of our fieldwork.

To assist management in using our reports, we categorise our recommendations according to their level of priority as follows:

- **Priority One** - Major issues that we consider need to be brought to the attention of management and the Audit Committee,
- **Priority Two** - Important issues which should be addressed by the management in their areas of responsibility,
- **Priority Three** - Minor issues where management may wish to consider our recommendations.

Section 2 - Detailed Findings and Recommendations

2.1 Corporate and Operational Plans

Finding	Recommendation	Rationale	
Discussions with staff and review of the CNPA website highlighted that the new finalised plans have not yet been included on the website. At present the 2004/07 corporate plan is available and there is no operational plan on the website.	The corporate and operational plans should be added to the CNPA website as soon as possible.	Key stakeholders will not have access to these plans unless they are on the website.	
Management Response		Responsibility/ Deadline	Priority
			Three

Section 2 - Detailed Findings and Recommendations

2.2 Board Involvement in the Planning Process

Finding	Recommendation	Rationale	
<p>During our review we identified that the Board members were involved in initial discussions with regard to completion of the corporate and operational plans and were involved in their final approval. However they did not attend any of the brainstorming sessions and were not involved in the prioritisation process in terms of choosing goals and actions.</p>	<p>Board members (especially those who have been elected by members of the public) should ensure that they are involved in the brainstorming sessions with staff and also in the management team prioritisation sessions to ensure the views of their constituents are fairly reflected.</p>	<p>The public’s expectations of the organisation may not be adequately reflected in the corporate or operational plans.</p>	
Management Response		Responsibility/ Deadline	Priority
			<p>Three</p>

Section 3 - Statement of Responsibility

We take responsibility for this report, which is prepared on the basis of the limitations set out below.

Enterprise Risk Services

Deloitte & Touche LLP

Inverness

June 2005

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Appendix A - Audit Scope and Objectives

Scope

The Cairngorms National Park Authority has recently undergone its first strategic and corporate planning exercise. In order to assess the adequacy and effectiveness of the controls over this process, Deloitte will undertake a review of the creation of the corporate plan, the linkage between this, the organisation's objectives and operational plans. Communication of this plan is also essential in its success, and the arrangements for this will be reviewed during this audit.

Objectives

Accordingly, the control objectives of this audit will be to assess the controls in place to ensure that:

- A corporate plan exists which can be measured and that encompasses the statutory aims and objectives of CNPA;
- The plan includes actions that will facilitate the achievement of the CNPA objectives;
- All relevant stakeholders are involved in the planning process;
- The corporate plan is approved by the CNPA Board;
- Operational plans, with direct links to the corporate plan and management objectives, have been created and agreed by relevant personnel;
- Progress against corporate and operational plans is monitored on a regular basis and reported to senior management;
- Corporate and operational plans have been communicated to key stakeholders.

Appendix B - Personnel Interviewed

- **Jane Hope – Chief Executive**
- **David Cameron – Director of Corporate Services**
- **Nick Halfhide – Head of Development**
- **Fiona Newcombe – Head of Development**
- **Andrew Harper – Head of Development**