

Public Document Pack

Peak District National Park Authority

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Aldern House, Baslow Road, Bakewell, Derbyshire. DE45 1AE



Our Ref: A.1142/77

Date: 29 October 2015



NOTICE OF MEETING

Meeting: **Audit Resources & Performance Committee**

Date: **Friday 6 November 2015**

Time: **10.00 am**

Venue: **The Board Room, Aldern House, Baslow Road, Bakewell**

SARAH FOWLER
CHIEF EXECUTIVE

AGENDA

1. **Apologies for Absence**
2. **Minutes of previous meeting held on 18 September 2015** (*Pages 1 - 6*)
3. **Urgent Business**
4. **Public Participation**
To note any questions or to receive any statements, representations, deputations and petitions which relate to the published reports on Part A of the Agenda.
5. **Members Declarations of Interest**
Members are asked to declare any disclosable pecuniary, personal or prejudicial interests they may have in relation to items on the agenda for this meeting.
6. **Local Government Ombudsman Complaint (C355/JRS)** (*Pages 7 - 12*) 30 mins
Site Plan
7. **External Audit (KPMG): 2014/15 Annual Audit Letter (A1362/RMM)** (*Pages 13 - 22*) 10 mins
Appendix 1

8. **Internal Audit Report Block 1 2015/16 (A1362/7/PN)** (*Pages 23 - 46*) 15 mins
- Appendix 1
- Appendix 2
- Appendix 3
9. **2015/16 Quarter 2 Corporate Performance and Risk Management Report (A91941/WA)** (*Pages 47 - 72*) 20 mins
- Appendix 1.1
- Appendix 1.2
- Appendix 2
- Appendix 3
10. **Item for No Discussion**
- The Chair has identified the following item as an item for no discussion unless there is an advance request from an individual Member for a discussion to take place:
1. Risk Management Policy (A91941/WA) (*Pages 73 - 86*) 5 mins
- Appendix 1
- Appendix 2.1
- Appendix 2.2
- Appendix 2.3
11. **Exempt Information S100(A) Local Government Act 1972**
- The Committee is asked to consider, in respect of the exempt item, whether the public should be excluded from the meeting to avoid the disclosure of Exempt Information.
- Draft Motion:
- That the public be excluded from the meeting during consideration of Agenda Item No. 12 to avoid the disclosure of Exempt Information under S100 (A) (4) Local Government Act 1972, Schedule 12A, Paragraph 7 "Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.
- PART B**
12. **Internal Audit Report Block 1 2015/16 (A1362/7/PN)** (*Pages 87 - 108*) 15 mins
- Appendix 1
- Appendix 2

Duration of Meeting

In the event of not completing its business within 3 hours of the start of the meeting, in accordance with the Authority's Standing Orders, the Authority will decide whether or not to continue the meeting. If the Authority decides not to continue the meeting it will be adjourned and the remaining business considered at the next scheduled meeting.

If the Authority has not completed its business by 1.00pm and decides to continue the meeting the Chair will exercise discretion to adjourn the meeting at a suitable point for a 30 minute lunch break after which the committee will re-convene.

ACCESS TO INFORMATION - LOCAL GOVERNMENT ACT 1972 (as amended)

Agendas and reports

Copies of the Agenda and Part A reports are available for members of the public before and during the meeting. These are also available on the website www.peakdistrict.gov.uk.

Background Papers

The Local Government Act 1972 requires that the Authority shall list any unpublished Background Papers necessarily used in the preparation of the Reports. The Background Papers referred to in each report, PART A, excluding those papers that contain Exempt or Confidential Information, PART B, can be inspected by appointment at the National Park Office, Bakewell. Contact Democratic Services on 01629 816200, ext 362/382. E-mail address: democraticservices@peakdistrict.gov.uk.

Public Participation and Other Representations from third parties

Anyone wishing to participate at the meeting under the Authority's Public Participation Scheme is required to give notice to the Director of Corporate Resources to be received not later than 12.00 noon on the Wednesday preceding the Friday meeting. The Scheme is available on the website www.peakdistrict.gov.uk or on request from Democratic Services 01629 816362, email address: democraticservices@peakdistrict.gov.uk, fax number: 01629 816310.

Written Representations

Other written representations on items on the agenda, except those from formal consultees, will not be reported to the meeting if received after 12noon on the Wednesday preceding the Friday meeting.

Recording of Meetings

In accordance with the Local Audit and Accountability Act 2014 members of the public may record and report on our open meetings using sound, video, film, photograph or any other means this includes blogging or tweeting, posts on social media sites or publishing on video sharing sites. If you intend to record or report on one of our meetings you are asked to contact the Democratic and Legal Support Team in advance of the meeting so we can make sure it will not disrupt the meeting and is carried out in accordance with any published protocols and guidance.

The Authority uses an audio sound system to make it easier to hear public speakers and discussions during the meeting and to make a digital sound recording available after the meeting. The recordings will usually be retained only until the minutes of this meeting have been confirmed.

General Information for Members of the Public Attending Meetings

Aldern House is situated on the A619 Bakewell to Baslow Road, the entrance to the drive is opposite the Ambulance Station. Car parking is available. Local Bus Services from Bakewell centre and from Chesterfield and Sheffield pick up and set down near Aldern House. Further information on Public transport from surrounding areas can be obtained from Traveline on 0871 200 2233 or on the Traveline website at www.travelineeastmidlands.co.uk.

Please note that there is no catering provision for members of the public during meal breaks. However, there are cafes, pubs and shops in Bakewell town centre, approximately 15 minutes walk away.

To: Members of Audit Resources & Performance Committee:

Chair: Cllr A McCloy
Vice Chair: Cllr C Furness

Mrs P Anderson
Cllr A R Favell
Mr Z Hamid
Ms S Leckie
Cllr C McLaren
Mrs E Sayer
Cllr F J Walton

Mrs F Beatty
Cllr D Greenhalgh
Cllr Mrs G Heath
Cllr S Marshall-Clarke
Cllr Mrs L C Roberts
Cllr Mrs N Turner
Cllr D Williams

Other invited Members:

Mr P Ancell
Cllr D Chapman

Cllr D Birkinshaw

Constituent Authorities
Secretary of State for the Environment
Natural England

Peak District National Park Authority
Tel: 01629 816200
E-mail: customer.service@peakdistrict.gov.uk
Web: www.peakdistrict.gov.uk
Minicom: 01629 816319
Aldern House, Baslow Road, Bakewell, Derbyshire. DE45 1AE



MINUTES

Meeting: **Audit Resources & Performance Committee**

Date: Friday 18 September 2015 at 12.48 pm

Venue: The Board Room, Aldern House, Baslow Road, Bakewell

Chair: Cllr A McCloy

Present: Cllr C Furness, Mrs P Anderson, Cllr A R Favell, Cllr D Greenhalgh, Mr Z Hamid, Cllr Mrs G Heath, Ms S Leckie, Cllr S Marshall-Clarke, Cllr C McLaren, Cllr Mrs L C Roberts and Cllr Mrs N Turner

Apologies for absence: Mrs F Beatty, Mrs E Sayer, Cllr F J Walton and Cllr D Williams

47/15 MINUTES OF PREVIOUS MEETING 17 JULY 2015

The minutes of the last meeting of the Audit, Resources and Performance Committee held on 17 July 2015 were approved as a correct record subject to the following amendment:

Under apologies for absence add Cllr D Greenhalgh.

48/15 URGENT BUSINESS

The Chair reported that there were no items of urgent business to consider.

49/15 PUBLIC PARTICIPATION

Seven members of the public were present to make representations to the Committee.

50/15 MEMBERS DECLARATIONS OF INTEREST

Item 6

Cllr A McCloy declared a personal interest as he had received an email from Patricia Stubbs, one of the public speakers.

Items 6 and 7

Cllr A McCloy declared a personal interest as a member of the Ramblers' Association and as he wrote for the Ramblers' Association magazine.

Cllr D Greenhalgh and Cllr Mrs N Turner both declared personal interests as former members of the Local Access Forum, neither had taken part in any discussions relevant to these items.

51/15 PROPOSED TRAFFIC REGULATION ORDER AT WASHGATE (A76226/SAS)

It was noted that some Members of the Committee had visited the site on 16 September 2015 and the Access and Rights of Way Officer tabled notes of the visit. The officer reported that a letter had been received from Manchester 17 Motorcycle Club and Manchester Trail Riders Fellowship group requesting that they be included in any future consultations. The letter was summarised for the Committee.

The following spoke under the public participation at meetings scheme:

- Ms P Stubbs, Peak Horsepower, against the recommendation
- Mr C Woods, Peak District Green Lanes Alliance, against the recommendation.

In response to Members' queries officers stated that they were proposing deferral of proceeding with a Traffic Regulation Order (TRO) whilst the use of the route was monitored and because information arising on the status of the route during the statutory consultation process led officers to conclude that a TRO was not considered to be expedient at that time.

Members were concerned about the use of the route and felt that action should continue. A motion was proposed that the TRO process continue rather than be deferred. This was seconded.

The Access and Rights of Way Officer stated that a TRO would not deal with existing damage to the route and that this remained the responsibility of the Highway Authorities. It was noted that partnership working would be required to deal with issues on priority routes.

In response to Members' further queries officers stated that the gathering of more information on the status of the route could be undertaken at the same time as the TRO consultation process.

The wording of the motion was agreed as "That the Authority publishes notice of its proposals for a permanent Traffic Regulation Order under section 22 BB (2) (a) Road Traffic Regulation Act 1984 that will have the effect of prohibiting use by mechanically propelled vehicles at any time on the route". This was then voted on and carried.

RESOLVED:

That the Authority publishes notice of its proposals for a permanent Traffic Regulation Order under section 22 BB (2) (a) Road Traffic Regulation Act 1984 that will have the effect of prohibiting use by mechanically propelled vehicles at any time on the route.

52/15 ACTION UPDATE ON HURSTCLOUGH LANE (A76226/SAS)

The following spoke under the public participation at meetings scheme:

- Mrs Stoney, local resident, spoke in support of a TRO for Hurstclough Lane
- Ms C Farrell, individual, spoke regarding the state of the route
- Mr P Taylor, individual, spoke regarding effects of the state of the route on his use as a disabled person.

The Authority Members from Derbyshire County Council agreed to raise the issue of repairs to the route with the Council. It was noted that any action would depend on availability of resources. The Chief Executive stated that she was meeting with representatives from the Council soon and would also raise the issue.

The recommendation was moved, seconded, voted on and carried.

RESOLVED:

That the progress is noted and that a follow-up be provided to this Committee in 6 months' time as part of the annual action planning.

53/15 STANAGE-NORTH LEES PROGRESS REPORT (PM_6193/JRN)

The Property Manager (North Lees) introduced the report and thanked all the officers who had worked on the issues.

The following spoke under the public participation at meetings scheme:

- Mr N Porter, Stanage Forum, spoke regarding conservation issues
- Mr H Folkard, Stanage Forum Steering Group

The Chair thanked the Stanage Forum for their hard work done regarding the Estate.

The recommendation as set out in the report was moved.

In response to Members' queries the officer stated that any developments would be in keeping with the current nature and character of the campsite and that they were also working with the Sheffield Moors Partnership regarding Estate landscape issues.

The motion was then seconded, voted on and carried. The Chair thanked the Property Manager and her team for all their hard work.

RESOLVED:

- 1. Members endorse the approach adopted in the draft management plan and the proposals for further consultation and completion of the plan.**
- 2. Members acknowledge the progress made toward achieving Full Cost Recovery and with regard to increasing the delivery of our statutory purposes at Stanage-North Lees, including the campsite.**

54/15 CYCLE HIRE PROGRESS REPORT (HB)

The Cycle Hire Manager and the Assistant Director Enterprise and Field Services introduced the progress report on cycle hire, including finance and future business. The Assistant Director thanked the Cycle Hire Manager and the Cycle Hire Team for all their hard work.

The recommendations as set out in the report were moved. In response to Members' queries officers stated that no negative customer comments had been received and that corporate costs were included within the figures.

The motion was then seconded, voted on and carried.

RESOLVED:

- 1. Members support the Cycle Action Plan 2015/16**
- 2. Cycle Hire will continue to be monitored via quarterly budget and performance management meetings.**

The meeting adjourned at 2.35pm for a comfort break and reconvened at 2.40pm. doesn't seem to be any mention of the lunch break? Have I missed it?

55/15 EXTERNAL AUDIT: 2014/15 REPORT TO THOSE CHARGED WITH GOVERNANCE (A1362/ RMM)

Kathy Clarke from KPMG, external auditors, was present at the meeting and thanked the Chief Finance Officer and his team for all their help. She highlighted the headlines, significant risk, key issues and recommendations of the external auditor's annual report.

The recommendations as set out in the report were moved.

In response to Members' queries the Chief Finance Officer stated that he felt the current fixed asset register still worked well for the Authority's needs and he was not convinced that the investment needed to change to a new software system would be justified but he would keep under review. Improvements had been made to the current system in conjunction with the auditor's advice.

The motion was then seconded, voted on and carried.

RESOLVED:

1. That Members:

- a) Acknowledge the adjustments to the financial statements included in the report by the Chief Finance Officer in response to the External Auditor's findings.**
- b) Agree the management response to the recommendation at Appendix 1 of Annex A of the report.**
- c) Acknowledge the letter of management representations at Annex B of the report.**
- d) Acknowledge that the External Auditor expects to give an unqualified audit opinion on the 2014/15 financial statements and has no matters to report on the 2014/15 Annual Governance Statement.**

56/15 STATEMENT OF ACCOUNTS 2014-15 (A.137/21/PN)

The Chief Finance Officer introduced the report which requested approval of the audited Statement of Accounts for 2014-15.

The recommendation as set out in the report was moved and seconded. This was voted on and carried.

RESOLVED:

That the audited Statement of Accounts for 2014-15 as attached at Appendix 1 of the report be approved and that the amendments made to the draft accounts itemised in Appendix 2 of the report be noted.

57/15 2014/15 ANNUAL GOVERNANCE STATEMENT (A.137/13/RMM)

Members considered the report which requested them to review and approve the audited Annual Governance Statement for 2014/15.

The recommendation for approval of the Statement was moved, seconded, voted on and carried.

RESOLVED:

That the audited Annual Governance Statement for 2014/15 be approved.

58/15 2015/16 QUARTER 1 CORPORATE PERFORMANCE AND RISK MANAGEMENT REPORT (A91941/WA)

Members considered the report on 2015/116 Quarter 1 Corporate Performance and Risk Management. The recommendation as set out in the report was moved and seconded.

In response to Members' queries the Director of Corporate Resources stated that any improvements in reporting would be considered as part of the streamlining of the performance management monitoring process.

The motion was then voted on and carried.

RESOLVED:

- 1. That the reporting format used in the report is approved for 2015-16 reporting.**
- 2. That the Quarter 1 Corporate Performance Return, given in Appendix 1 of the report, is reviewed and any remedial action agreed.**
- 3. That the corporate risk register, summary given in Appendix 2 of the report, be reviewed and status of risks accepted, including the removal of risk 5.**
- 4. That the status of complaints and Freedom of Information Requests, given in Appendix 3 of the report, be noted.**

59/15 EXEMPT INFORMATION S100(A) LOCAL GOVERNMENT ACT 1972

RESOLVED:

That the public be excluded from the meeting during consideration of Agenda Item No. 15 to avoid the disclosure of Exempt Information under S100 (A) (4) Local Government Act 1972, Schedule 12A, Paragraph 3 "Information relating to the financial or business affairs of any particular person (including the authority holding that information)."

60/15 EXEMPT MINUTES OF PREVIOUS MEETING 17 JULY 2015

RESOLVED:

The exempt minutes of the last meeting of the Audit, Resources and Performance Committee held on 17 July 2015 were approved as a correct record subject to the following amendment:

Add Cllr D Greenhalgh to the list of apologies for absence.

The meeting ended at 3.15 pm

6. LOCAL GOVERNMENT OMBUDSMAN COMPLAINT (C355/JRS)

Purpose of the report

1. This report asks Members to authorise arrangements to pay compensation in respect of the diminution in value of a complainant's property as part of the settlement of a Local Government Ombudsman case.

Recommendations

2. **1. To authorise arrangements to pay the diminution in value of a complainant's property following the 'before' and 'after' valuation of £35,000 in settlement of a Local Government Ombudsman case**

How does this contribute to our policies and legal obligations?

3. The Authority's complaint procedures state: 'We aim to deliver high quality and efficient services. We are always trying to do better and welcome your feedback. It is important because it helps us build on strengths and learn from mistakes. If things go wrong we want to rectify the problem as fairly and quickly as possible'. In our transitional year 2015/16 learning from complaints received will contribute to one of our four cornerstones: 'Our organisation – develop our organisation so we have a planned and sustained approach to performance at all levels (people, money, outputs)'. After exhausting the Authority's procedures a member of the public can complain to the Local Government Ombudsman as a final step.

Background

4. The Local Government Ombudsman has investigated this case, the details of which are set out below. The Ombudsman's investigator came to the decision that there had been fault by the Authority due to the failure of the Authority to consider material planning considerations, apply its own planning policies or consider separation distances and the overbearing impact on a neighbouring property when granting planning permission for an extension. The concerns of the complainant initially arose through a failure to consult him directly on an application for an extension to the neighbouring property in 2012. The application was publicised through a standard yellow site notice, but the neighbour was not directly consulted. Initially the complainant submitted a pre-action protocol letter, as a prelude to possible legal action (a judicial review of the decision), but he did not pursue this when the Authority argued that whilst he had not been directly consulted, the officer had taken account of the impact of the approved extension on neighbours and that the decision would have been the same even if the complainant had been aware of the application and had objected. The complaint then followed the Authority's formal complaints procedure. The Authority apologised and offered £500 as compensation for the failure to consult and for the complainant's time and trouble in pursuing the complaint, but not for any perceived loss of value. The complainant declined this. He then referred his complaint to the Local Government Ombudsman. The LGO investigation has taken over a year to deal with this and the Authority has responded in full at every stage.

Having found fault in the consultation and in the way in which the officer dealt with the impact on neighbouring property, the Investigator requested that the Authority pay for an independent planning consultant to advise on whether the extension was in accordance with Authority's policies and guidance. The Consultant concluded that it was not and that it had an unacceptable impact on the complainant's property and that the Authority should have sought a reduction in size, removing one of two proposed gables (this would have resulted in an extension to one approved in 2004 but for which the permission had lapsed). The Director of Planning responded to these findings,

disagreeing with the Consultant's finding and repeating the previously expressed view that the officer had taken account of the impact on neighbouring property when considering the application and had referred to neighbouring property (but not the complainant's property) in her delegated report.

The Investigator agreed with the Planning Consultant's findings that an extension of some form would have been acceptable, but not the approved extensions. She therefore asked the Authority to commission the District Valuer to assess the diminution in value of the property, assessing the difference in value between a scheme that would have been acceptable and the scheme as approved and now substantially built. The District Valuer has now done this and has concluded that the difference is £35,000; the complainant had said that the diminution in value was £90,000–£100,000.

5. Having seen the provisional findings, we have now received the Investigator's final findings. The key sections of her letter are set out below:

“Summary of fault and injustice

74. I agree with the Council Mr T has extended The Cottage very close to the boundary and in the knowledge The Property may also be extended in future. Mr T could not rely on the separation distance between the properties remaining as it was. A second storey extension of The Property in some form would have been approved in any event in 2014.

75. The view of the independent planning consultant confirms my own view, having visited the site. The Council should have refused permission for the extension to The Property in its current form. I agree with the consultant's finding that to be acceptable the second storey extension would need to be reduced in size with one, not two second floor gables allowed, keeping a larger separation distance at first floor level.

76. There is a loss of privacy to The Cottage's kitchen, main bedroom, downstairs bathroom and outdoor seating area. Even if this had been mitigated by obscure glass or screening of the new bathroom / dressing room windows that overlook these areas, this would not remedy the overbearing impact of the new extension given the extremely small separation distance that now exists.

77. I am not persuaded that if the Council had properly considered the impact of The Cottage at the relevant time it would have found such a small separation distance to an elevation containing principal windows acceptable. I am also not persuaded that the Council would not have successfully defended an appeal given the separation distance is much less than widely adopted 'rules of thumb'.

78. The District Valuer has assessed the diminution in the value of The Cottage, due to the faults identified, at £35,000.

Recommended action

79. The Authority should:

- apologise to Mr and Mrs T for granting planning permission for a neighbouring extension without applying its own planning policies and without giving them an opportunity to raise concerns;*
- pay Mr and Mrs T £35,000;*
- ensure staff responsible for approving planning applications check whether adjacent properties are likely to be affected and apply planning policies consistently.*

Final decision

80. The Authority failed to consider material planning considerations, apply its own planning policies or consider separation distances and the overbearing impact on a neighbouring property when granting planning permission for an extension. This was fault. The complaint is upheld.

6. Whilst Officers have accepted that the Complainant was not directly consulted in this case (for which the former CEO offered £500 in compensation), they have sought to defend the Authority's decision on the merits of the application and its impact on the Complainant's property. However, despite this the Investigator has found that the Authority did not give sufficient weight to its own policy and guidance, with the result that the approved extension has an unneighbourly impact on the Complainant's property. The Chair and Deputy Chair of the Authority and the Chairs and Vice Chairs of Planning and Audit Resources and Performance committees have been briefed on this case, but committee authority is needed to pay the Complainant compensation in respect of the estimated diminution value of £35,000.
7. The Complainant has now sold the property.

Proposals

8. It is recommended that the Authority pays £35,000 in recompense for a diminution in value of a complainant's property as part of concluding a settlement following a finding by the Local Government Ombudsman of fault. It is also accepted that the Authority should apologise to the complainant for granting planning permission for a neighbouring extension without applying its own planning policies and without giving them an opportunity to raise concerns; the former CEO has already done this, but for completeness and to accord with the Investigator's finding, it should be done again.

Lessons Learnt

9. As with all complaints we have considered the lessons learnt from the Ombudsman's investigation and conclusions on this complaint. The Director of Planning has reviewed this case with the relevant officers and confirmed the following.

Firstly, in response to this case, officers have been reminded that reports should include a proper written assessment of the potential impacts on the amenities of neighbouring properties and justify their conclusions with reference to SPD, where appropriate.

Secondly, in response to the current ombudsman case, planning managers have been visiting sites more often prior to making a final decision on an application where strong objections on neighbourliness issues have been raised in representations; where case officers have advised that the impact on the amenities of neighbouring properties are difficult to assess; or when scrutinising the officer's report and the application: there are concerns that the potential impacts on the amenities of neighbouring properties have not been fully understood or properly assessed in the officer report on the application.

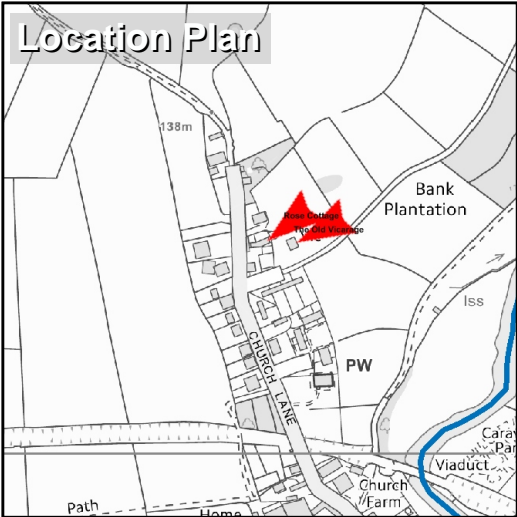
Thirdly, in response to the current ombudsman case, officers have been reminded that they should check which properties have received neighbour notification at the time of their site visit. Although the regulations allow the Authority to advertise an application by a site notice or by neighbour notification rather than require both, ensuring neighbouring properties affected by the development proposals are notified (by way of neighbour notification) would ensure that there is no longer a risk that it can be argued a site notice was inadequately, or inappropriately sited thereby prejudicing an individual householder's ability to comment on a particular application that would affect

their property. All planning staff have been briefed by the Director of Planning to confirm these “lessons learned”.

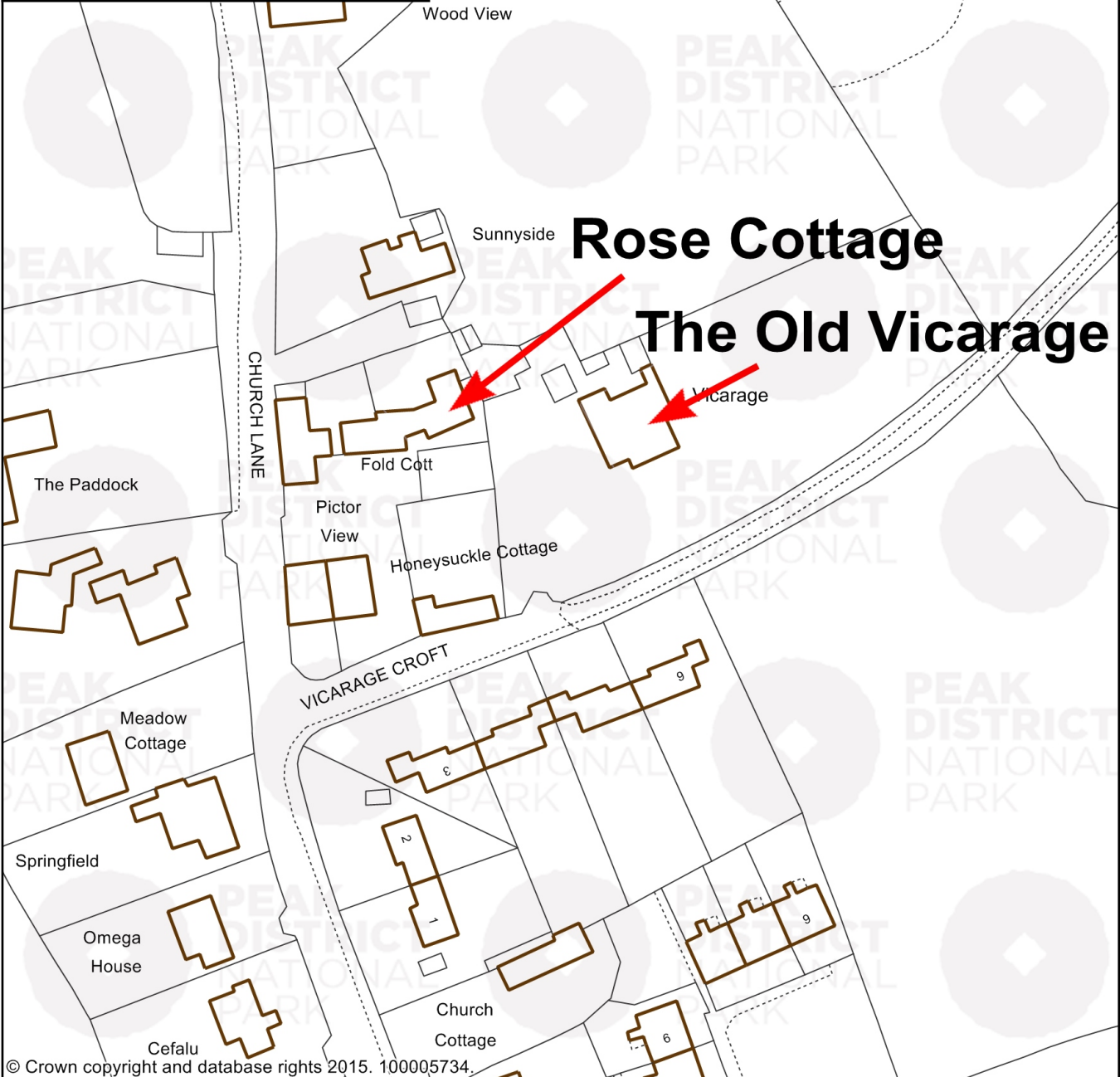
Are there any corporate implications members should be concerned about?

10. **Financial:** The diminution in value has been calculated by the District Valuer as £35,000, which will be funded from the Planning Services budget, which will also meet the Planning Consultant’s and the District Valuer’s fees.
11. **Risk Management:** There is a risk that the complainant will remain dissatisfied but the Authority will have responded to resolve the complaint in a reasonable way as judged by the Local Government Ombudsman.
12. **Sustainability:** No issues to highlight.
13. **Background papers** (not previously published) – Local Government Ombudsman’s decision dated 19 October 2015.
13. **Appendices** - None
14. **Report Author, Job Title and Publication Date**
John Scott, Director of Planning, 29 October 2015

Location Plan



1:1000



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Committee Date: 06/11/2015
 Item Number:
 Application No:
 Grid Reference:

Title: The Old Vicarage and Rose Cottage, Rowsley



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7. EXTERNAL AUDIT (KPMG): 2014/15 ANNUAL AUDIT LETTER (A1362/ RMM)

Purpose of the report

1. This report asks Members to consider the External Auditor's 2014/15 Annual Audit Letter.

Key issues

2. Key issues include:
 - The Annual Audit Letter provides a summary of the results of the external audit for 2014/15 (Appendix 2 of Annex 1 gives a description of the reports issued over the year)

Recommendations

3. **1. That the 2014/15 Annual Audit Letter be considered and acknowledged**

How does this contribute to our policies and legal obligations?

4. The work of the external auditors is a key part of our governance arrangements and helps us to monitor and improve performance to ensure the Authority has a solid foundation supporting achievement of our four cornerstones and four directional shifts as detailed in our 2015/16 performance and business plan. Achieving an unqualified opinion on the financial statements and satisfying the Auditor that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources through the review of the Annual Governance Statement are corporate performance indicators.

Background

5. The duties and powers of auditors appointed by the Audit Commission are set out in the Audit Commission Act 1998, the Local Government Act 1999, the Statement of Responsibilities of Auditors and Audited Bodies and the 2010 Code of Audit Practice issued by the Audit Commission. Considering the Auditor's annual letter is part of the Audit Resources and Performance Committee work programme.

Proposals

6. The full Letter for consideration is given at Annex 1. The key messages are given at page 2 of the Annex and include:
 - a) The External Auditor has given an unqualified opinion on the financial statements. This means that they believe the financial statements give a true and fair view of the financial position of the Authority and its expenditure and income for the year.
 - b) The External Auditor has reviewed the Annual Governance Statement and concluded that there are no matters to report and that it was consistent with their understanding. They critically assessed the controls the Authority has in place to ensure a sound financial standing and reviewed how the Authority is planning and managing its savings plan. They concluded that there was sufficient relevant work that had been completed by the Authority in relation to this risk area.
 - c) The External Auditor identified no issues in the course of the audit of the financial statements that were considered to be material and raised one

high priority recommendation relating to the Fixed Asset Register (FAR) as given at Appendix 1 of the Annex as follows:

- The Authority should consider whether the spreadsheet used for the FAR is still fit for purpose, or whether a FAR software package would be more appropriate. If the spreadsheet is maintained, the document should include the PPE (Property, Plant and Equipment) note from the accounts, detailing where all the information can be found in the spreadsheet

7. The management response to the above recommendation is given in Appendix 1 of the Annex at page 4.

Are there any corporate implications members should be concerned about?

8. **Financial:** The fees for external audit are funded from the existing Finance Services budget including the fee incurred for the additional auditing work around the reconciliation between the accounts and the fixed asset register

9. **Risk Management:**
The scrutiny and advice provided by external audit is part of our governance framework. The Auditor's work is based on an assessment of audit risk.

10. **Sustainability:**
There are no issues to highlight

11. **Background papers** (not previously published) – None

Appendices-

Annex 1: External Audit: 2014/15 Annual Audit Letter

Report Author, Job Title and Publication Date

Ruth Marchington, Director of Corporate Strategy and Development, 29 October 2015

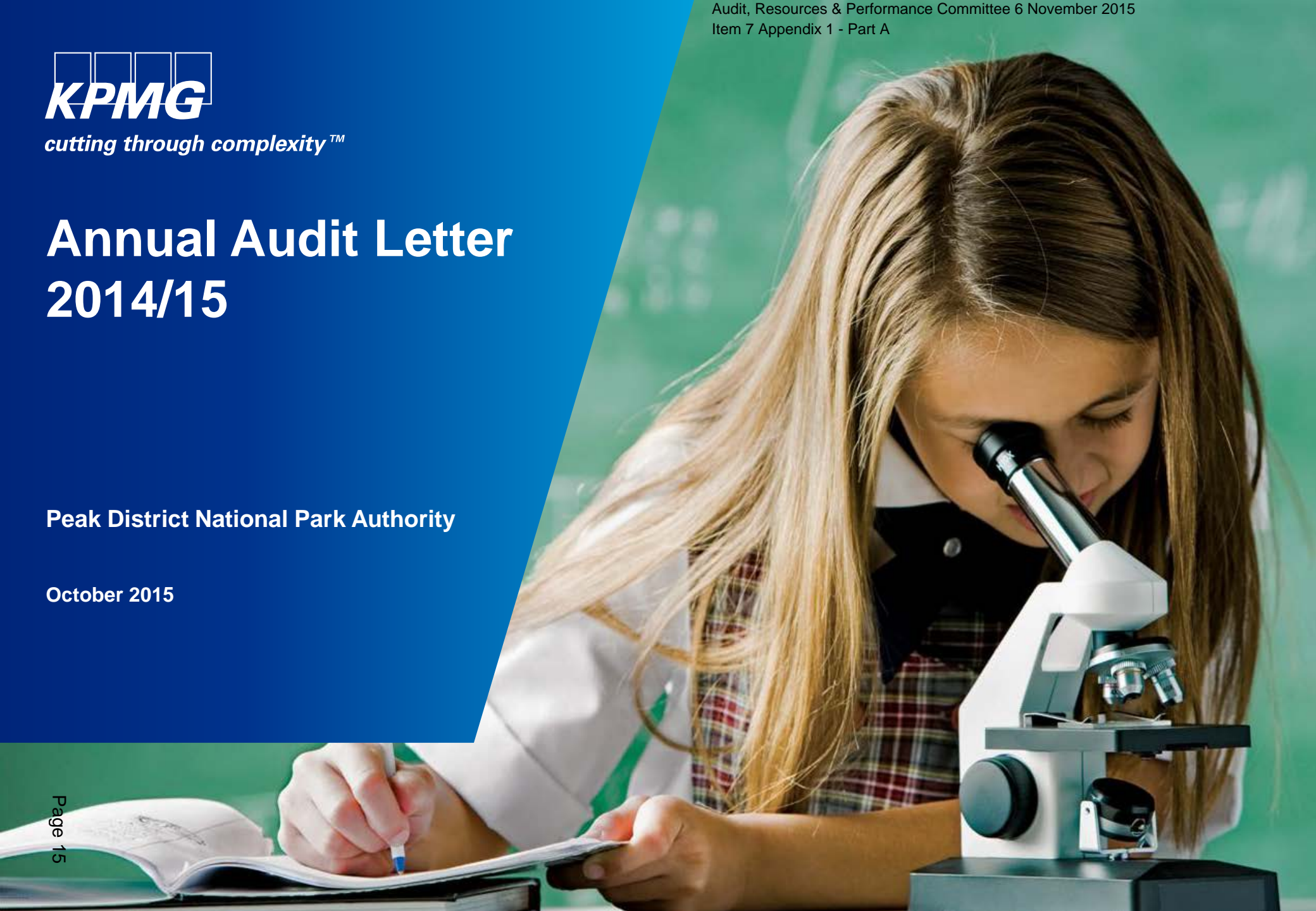


cutting through complexity™

Annual Audit Letter 2014/15

Peak District National Park Authority

October 2015



The contacts at KPMG in connection with this report are:

Sue Sunderland

Director

KPMG LLP (UK)

Tel: 0115 945 4490

Sue.Sunderland@kpmg.co.uk

Report sections

- Headlines

Page

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Appendices

1. Key issues and recommendations
2. Summary of reports issued
3. Audit fees

4

5

6

This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. The Audit Commission issued a document entitled *Statement of Responsibilities of Auditors and Audited Bodies* summarising where the responsibilities of auditors begin and end and what is expected from audited bodies. We draw your attention to this document which is available on Public Sector Audit Appointment's website (www.psa.co.uk).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact **Sue Sunderland**, the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Trevor Rees (on 0161 246 4000, or by email to trevor.rees@kpmg.co.uk). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing generalenquiries@psaa.co.uk, by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.

This report summarises the key findings from our 2014/15 audit of Peak District National Park Authority (the Authority).

Although this letter is addressed to the Members of the Authority, it is also intended to communicate these issues to key external stakeholders, including members of the public.

Our audit covers the audit of the Authority's 2014/15 financial statements and the 2014/15 VFM conclusion.

VFM conclusion	<p>The Audit Commission (now NAO) determined that the scope of our work on value for money at the Authority is limited to a review of your annual governance statement (AGS) unless any specific risks are identified.</p> <p>We reviewed your AGS and considered the specific risk area identified below and we had no matters to formally report within our opinion.</p>
VFM risk areas	<p>Our initial risk assessment work at the planning stage of the audit identified one risk area linked to the ongoing need to deliver savings and cost reductions to maintain financial resilience.</p> <p>We critically assessed the controls the Authority has in place to ensure a sound financial standing and reviewed how the Authority is planning and managing its savings plans. We concluded that we did not need to carry out additional work for this risk as there was sufficient relevant work that had been completed by the Authority in relation to this risk area.</p>
Audit opinion	<p>We issued an unqualified opinion on the Authority's financial statements on 21 September 2015. This means that we believe the financial statements give a true and fair view of the financial position of the Authority and of its expenditure and income for the year.</p>
Financial statements audit	<p>We identified no issues in the course of the audit that are considered to be material.</p> <p>We identified one risk area at the planning stage around the spreadsheet based fixed asset register. We noted some improvements to the register this year in response to last year's recommendations but had to spend additional time tracing through the reconciliation to the accounts. This identified a further, albeit minor formula error, which undermines the assurance we can place on the spreadsheet. We have made another high priority recommendation this year.</p> <p>Otherwise the Authority has good processes in place for the production of the accounts and good quality supporting working papers. Officers dealt efficiently with audit queries and the audit process has been completed within the planned timescales.</p> <p>We have had regular meetings with Officers throughout the year which has facilitated delivery of the audit.</p>
High priority recommendations	<p>We raised one recommendations as a result of our 2014/15 audit work which is set out in Appendix 1.</p>
Annual Governance Statement	<p>We reviewed your <i>Annual Governance Statement</i> and concluded that it was consistent with our understanding.</p>

Section one Headlines (continued)

All the issues in this Annual Audit Letter have been previously reported. The detailed findings are contained in the reports we have listed in Appendix 2.

Whole of Government Accounts	The Authority prepares a consolidation pack to support the production of Whole of Government Accounts by HM Treasury. We are not required to review your pack in detail as the Authority falls below the threshold where an audit is required. As required by the guidance we have confirmed this with the National Audit Office.
Certificate	We issued our certificate on 21 September 2015. The certificate confirms that we have concluded the audit for 2014/15 in accordance with the requirements of the <i>Audit Commission Act 1998</i> and the Audit Commission's <i>Code of Audit Practice</i> .
Audit fee	Our fee for 2014/15 was £14,275, excluding VAT. Further detail is contained in Appendix 2.

Appendix 1: Key issues and recommendations

This appendix summarises the one high priority recommendation that we identified during our 2014/15 audit, along with your responses to them.

No.	Issue and recommendation	Management response / responsible officer / due date
1	<p>Fixed Asset Register (FAR)</p> <p>The FAR was raised as a recommendation in 2013-14 and improvements have been made. However, a formula error was again identified and considerable work is required to confirm the integrity of the data.</p> <p>Recommendation</p> <p>The Authority should consider whether the spreadsheet used for the FAR is still fit for purpose, or whether a FAR software package would be more appropriate. If the spreadsheet is maintained, the document should include the PPE note from the accounts, detailing where all the information can be found in the spreadsheet.</p>	<p>The Head of Finance will look further at the possibility of a stand alone fixed asset register, and compare the benefits and costs with the current spreadsheet, as it is accepted that the issues within the spreadsheet (largely self-contained within Note 11 and the complexities of accounting for cumulative depreciation and derivations of gross book value) make for a complex spreadsheet.</p> <p>The PPE note already links to the fixed asset spreadsheet from the main accounts spreadsheet, and the links are considered to be clear as the formulas all point to relevant cells in the fixed asset register, but the recommendation will be an improvement and will be implemented for next year, together with improvements to the linkages in the opening and closing balances.</p>

Follow up of previous recommendations

As part of our audit work we followed up on the Authority's progress against previous audit recommendations. We are pleased to report that other than the reiteration of the recommendation above, the Authority has taken appropriate action to address the issues that we have previously highlighted through our recommendations.

Appendix 2: Summary of reports issued

This appendix summarises the reports we issued since our last *Annual Audit Letter*.

External Audit Plan (January 2015)

The *External Audit Plan* set out our approach to the audit of the Authority's financial statements and to work to support the VFM conclusion.

Audit Fee Letter (April 2015)

The *Audit Fee Letter* set out the proposed audit work and draft fee for the 2015/16 financial year.

Auditor's Report (September 2015)

The *Auditor's Report* included our audit opinion on the financial statements along with our VFM conclusion and our certificate.

December

2015

January

February

March

April

May

June

July

August

September

October

November

Report to Those Charged with Governance (September 2015)

The *Report to Those Charged with Governance* summarised the results of our audit work for 2014/15 including key issues and recommendations raised as a result of our observations. We also provided the mandatory declarations required under auditing standards as part of this report.

Annual Audit Letter (October 2015)

This *Annual Audit Letter* provides a summary of the results of our audit for 2014/15.

This appendix provides information on our final fees for the 2014/15 audit.

To ensure transparency about the extent of our fee relationship with the Authority we have summarised below the outturn against the 2014/15 planned audit fee.

External audit

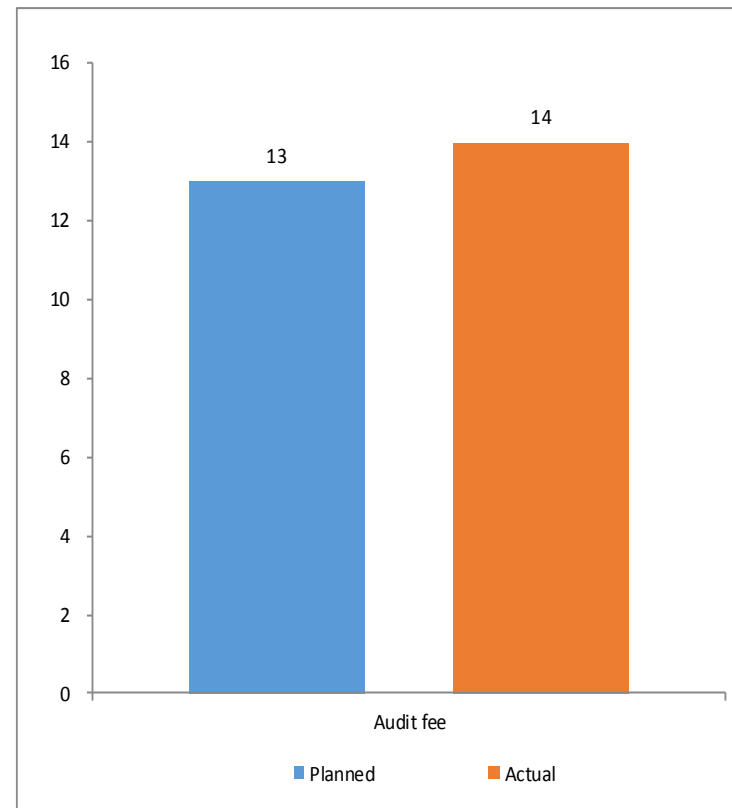
Our final fee for the 2014/15 audit was £14,275. This compares to a planned fee of £13,259.

The reasons for this variance is an increased fee for the audit of the financial statements reflecting additional work around auditing the reconciliation between the accounts and the fixed asset register.

Our proposed fees are still subject to final determination by PSAA Ltd.

Other services

We did not charge any additional fees for other services.



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8 INTERNAL AUDIT REPORT BLOCK 1, 2015/16 (A1362/7/PN)

Purpose of the report and key issues

1. This report presents to Members the internal auditors' recommendations for the first block of the 2015/16 audit and the agreed actions for consideration. The Internal Auditors will be available at the meeting to answer any questions relating to the audit report or process as usual.

Key issues include:

- The auditors give an opinion based on five grades of assurance (High / Substantial / Reasonable / Limited / No) Of the four areas audited Asset Management has been given a High level of assurance; Payroll and Fraud Awareness / Whistle blowing a Substantial level, and PCIDSS (Payment Card Industry Data Security Standard) a reasonable level. A follow up audit of Visitor Centre Security was also carried out.
- The priority of agreed actions is determined based on a scale of 1 – 3, with 1 representing a fundamental system weakness which needs urgent attention, 2 a significant weakness which needs attention, and 3 no significant weakness but merits attention. Managers have responded to 4 Priority 3 actions and 5 Priority 2 actions (including the PCIDSS report).
- The PCIDSS and the Visitor Centre Security report are reported under Part B as they contain information about the Authority's security procedures some of which exist for the prevention of crime and disclosure of their nature could prejudice their effectiveness.

2. Recommendations

1. **That the internal audit reports for three of the four areas covered under Block 1 for 2015/16 be received (in Appendices 1 – 3) and the agreed actions considered.**
2. **That the amendments to the Fraud Awareness and Whistleblowing Policy recommended in the Appendix 3 audit report be approved.**

How does this contribute to our policies and legal obligations?

3. As identified in the Annual Governance Statement, the Internal Audit process is regarded as an important part of the overall internal controls operated by the Authority and recommendations are addressed by the Authority's managers in the management response to the audit report.

Background

4. The Accounts and Audit Regulations 2011 require that the Authority maintains an adequate and effective system of internal audit of its accounting records and its system of internal control in accordance with proper practices in relation to internal control. The contract for the internal audit service is let to Veritau Ltd. The Internal Audit Plan for 2015/16 was approved by this committee in July 2015.

Proposals

5. Managers have carefully considered the internal auditors' recommendations and the agreed actions are set out in the audit reports in Appendices 1 - 3 for members' consideration.

Are there any corporate implications members should be concerned about?

Financial:

6. There are resource implications of implementing recommendations and this is why prioritisation of action is important as this has to be managed within existing budgets and staffing levels, taking account of the level of risk agreed by management. The cost of the Internal Audit Service Level Agreement is found from within the overall Finance budget.

Risk Management:

7. The Internal Audit process is regarded as an important part of the overall internal controls operated by the Authority.

Sustainability:

8. There are no implications to identify.
9. **Background papers** (not previously published) – None

Appendices -

Appendix 1: Asset Management
Appendix 2: Payroll
Appendix 3: Fraud Awareness / Whistleblowing

Report Author, Job Title and Publication Date

Philip Naylor, Head of Finance, 29 October 2015

Asset Management

Peak District National Park Authority

Internal Audit Report 2015/16

Business Unit:
Responsible Officer: Assistant Director
Service Manager:
Date Issued: 14 October 2015
Status: FINAL
Reference: 69115/001

	P1	P2	P3
Actions	0	0	0
Overall Audit Opinion	High Assurance		

Introduction

Peak District National Park has a variety of different assets. The value and range of assets shown in the 2014/15 statement of accounts was:

- Land and buildings: £17,276,076
- Vehicles, plant, furniture and equipment: £1,105,000
- Infrastructure assets: £209,733

Effective Asset Management would enable the Authority to maximise the service potential of those groups of different assets. High level Asset Management Strategies and associated plans, policies and procedures should help to provide the framework to deliver effective and strategic asset management.

Relevant information systems and effective internal working arrangements will also contribute to effective asset management.

Objectives and Scope of the Audit

The purpose of this audit was to provide assurance to management the controls it has put in place to manage key risks relating to Asset Management are effective. The audit covered the following key risks:

- The Council does not have the high level framework and strategies in place to help deliver effective asset management.
- All relevant information to effectively monitor asset management is not available or is not used to effectively manage the asset base.
- Procedures are not in place to manage the asset base to ensure that assets are fit for purpose and provide value for money

Key Findings

There is an efficient and useful asset management strategy in place at PDNPA, which defines the Authority's objectives and aims for asset management over a 10 year period. The Authority enlisted the help of consultants to conduct an asset review, which has informed their asset management strategy and plans. The policy clearly indicates the strategic intentions for asset management and offers information on how these will be achieved. One of the main focuses of the strategy is to reduce the current asset portfolio to make it more sustainable and less resource intensive to the Authority.

Due to the nature of the Peak District, the assets owned by the National Park Authority can be complex to maintain and difficult to enhance, which often makes working with other organisations difficult, however they have existing working relationships with The National Trust and are exploring new ways of working with similar organisations.

Responsibility for delivery is clearly allocated, and led from Senior Management within the Organisation with the Corporate Property Officer having a significant role in the delivery of the strategy. The Integrated Property Management Group was devised in order to lead on the delivery of the asset management strategy, with representatives from across the Authority attending the meetings to provide updates and information where necessary. The group meet on a bi monthly basis. In addition to the Property Management Group, quarterly reporting takes place to the Audit, Resources and Performance Committee, who have responsibility for performance monitoring the delivery of the strategy and also approve decisions to move the strategy forward

Overall Conclusions

It was found that the arrangements for managing risk were very good. An effective control environment appears to be in operation. Our overall opinion of the controls within the system at the time of the audit was that they provided High Assurance.

Audit Opinions and Priorities for Actions

Audit Opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit.

Our overall audit opinion is based on 5 grades of opinion, as set out below.

Opinion	Assessment of internal control
High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
Substantial Assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable Assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited Assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Priorities for Actions

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

Where information resulting from audit work is made public or is provided to a third party by the client or by Veritau then this must be done on the understanding that any third party will rely on the information at its own risk. Veritau will not owe a duty of care or assume any responsibility towards anyone other than the client in relation to the information supplied. Equally, no third party may assert any rights or bring any claims against Veritau in connection with the information. Where information is provided to a named third party, the third party will keep the information confidential.

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Payroll

Peak District National Park Authority

Internal Audit Report 2015/16

Business Unit: HR
 Responsible Officer: Director of Corporate Resources
 Service Manager: Head of HR/Head of Finance
 Date Issued: 22 October 2015
 Status: Final
 Reference: 69135/001

	P1	P2	P3
Actions	0	2	1
Overall Audit Opinion	Substantial Assurance		

Introduction

The Payroll function for the Peak District National Park Authority is currently provided as part of an SLA with Derbyshire County Council (DCC). This SLA runs from 1st April 2011 for a period of 5 years unless extended or terminated.

PDNPA use the Carval Unity system for HR and DCC use SAP for Payroll. Carval Unity is a partially self serve system which allows employees to keep their details up to date, but all other processes are managed separately by Finance and Payroll. There is the facility to manage mileage and timesheets online but the system has not been developed to accommodate this yet.

Each monthly payroll run makes approximately 420 individuals payments to roughly 200 fte staff and 30 Members, with a value of around £466,000.

Objectives and Scope of the Audit

The purpose of this audit was to provide assurance to management that procedures and controls within the system will ensure that:

- The payrun is accurate and all amendments and additions have been processed
- Effective monitoring arrangements are in place
- Legal requirements are met

Key Findings

PDNPA carry out a range of checks to verify the accuracy of the payroll information. This includes checking the report sent back from DCC to ensure all amendments have been actioned. In addition the following checks are carried out:

- all information held on the HR system is checked annually to the information held on the payroll system to ensure they hold the same information;
- an annual employee verification exercise is carried out;
- the BACS report is checked against the overall payments spreadsheet to make sure the figure is the same; and
- comparing month on month payments by using a 5% variance report created each month.

Finally, the Authority's own budget monitoring enables errors to be detected - for example an incorrect superannuation rate was detected through budget monitoring.

However, there are limited formal contract monitoring arrangements. No assurance is provided by DCC in relation to performance and data security, and improvements could be made on the security of data transfer between PDNPA and DCC.

Overall Conclusions

It was found the arrangements for managing risk were good with few weaknesses identified. An effective control environment is in operation, but there is scope for further improvement in the areas identified. Our overall opinion of the controls within the system at the time of the audit was that they provided **Substantial Assurance**

1 Monitoring Arrangements

Issue/Control Weakness

Failure to clarify monitoring arrangements in the contract

Risk

DCC do not provide the service that PDNPA expect

Findings

There are no monitoring arrangements included in the contract. There are a range of services that DCC should be providing, but there is nothing to state how and when the achievement of these will be measured, and what penalties there will be if they are not, or how complaints and errors will be recorded and dealt with. The contract does have a termination clause which states that either party can terminate the contract due to persistent or material breach of the agreement, but neither of these terms are quantified and whatever the reason for cancelling the contract, whoever cancels it, the PDNPA must pay the termination payment, which is the outstanding balance for the authority's contribution to the new payroll system that was implemented at DCC.

A series of KPIs would enable PDNPA to ensure that the services laid out in the contract are actually being provided, in the timescales that they are promised. These would need to be reviewed regularly and arrangements for reporting included.

It is appreciated that regular meetings are held between PDNPA and DCC, although they are not minuted, but even the frequency and reason for these is not included in the contract.

Agreed Action 1.1

The current Service Level Agreement reflects the document terms used successfully by both parties for a long time and is a similar document used by DCC to contract with Derbyshire schools. We benefit from our joint working with Derbyshire County Council on payroll matters in respect of the fact that they face the same Local Authority pay issues, and offer a competitive price, but we also seek improvements in the systems and processes we operate. The SLA is due to be renewed March 31st 2016 and we will have joint meetings with DCC to consider the recommendations and agree new terms where we can make improvements in line with the findings in this report.

Priority

2

Responsible Officer

Head of HR/Finance

Timescale

30 April 2016

2 Accuracy and Security of Data

Issue/Control Weakness

Failure to obtain assurance from the provider on the accuracy and security of the data

Risk

Payments and deductions are not calculated accurately

Findings

The contract specifically states that DCC will be responsible for ensuring that all payments and deductions will be calculated correctly, including maternity pay, sick pay, paternity pay, adoption pay, deductions and salaries, but no assurance is either requested from or provided by DCC that these amounts are correct. The contract also refers to the data protection act and retaining the confidentiality of documents, but no reference is made to or assurances provided as to how this will happen or that it is in fact happening.

DCC have their own retention policy and they apply this to PDNPA data, but there does not seem to have been any discussion as to whether this meets PDNPA requirements, and again no assurance is provided or requested that documents are retained and disposed of in line with the policy.

Agreed Action 2.1

See above response to Agreed Action 1.1

Priority

2

Responsible Officer

Head of HR / Finance

Timescale

30 April 2016

3 Transfer of Data

Issue/Control Weakness

Failure to use a secure method of transferring confidential data

Risk

Data is not kept securely

Findings

The hard copy signed forms are sent to DCC by post and also as a password protected email. Although it is accepted that the post is normally a special van, rather than Royal Mail, there are occasions when the forms are sent by normal post. DCC send the monthly payroll reports using Sharepoint, and there does not seem to be any reason why the PDNPA documents cannot also be sent using the same method. The secure electronic transfer of documents would improve speed of data transfer and data security, and would also remove the need for storage of hard copy documents. There are no details of how securely these documents are stored at DCC, although they are transferred to offsite TNT storage on a yearly basis.

Agreed Action 3.1

See above response to Agreed Action 1.1

Priority

3

Responsible Officer

Head of HR / Finance

Timescale

30 April 2016

Audit Opinions and Priorities for Actions

Audit Opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit.

Our overall audit opinion is based on 5 grades of opinion, as set out below.

Opinion	Assessment of internal control
High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
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Limited Assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Priorities for Actions

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

Where information resulting from audit work is made public or is provided to a third party by the client or by Veritau then this must be done on the understanding that any third party will rely on the information at its own risk. Veritau will not owe a duty of care or assume any responsibility towards anyone other than the client in relation to the information supplied. Equally, no third party may assert any rights or bring any claims against Veritau in connection with the information. Where information is provided to a named third party, the third party will keep the information confidential.

Fraud Awareness-Whistleblowing

Peak District National Park Authority

Internal Audit Report 2015/16

Business Unit: Law
 Responsible Officer: Head of Law
 Service Manager: Head of Law
 Date Issued: 20 October 2015
 Status: FINAL
 Reference: 69175/001

	P1	P2	P3
Actions	0	0	2
Overall Audit Opinion	Substantial Assurance		

Introduction

Peak District National Park Authority (PDNPA) have a responsibility to embed effective standards for countering fraud and corruption in their Authority. This demonstrates effective governance and financial management. The key five principles to achieve this area;

- acknowledge the responsibility of the governing body for countering fraud and corruption
- identify the fraud and corruption risks
- develop and appropriate counter fraud and corruption policy, and whistling policy
- provide adequate resources to implement the policies
- take appropriate action in response of fraud and corruption

Objectives and Scope of the Audit

The purpose of this audit was to provide assurance to management that the anti fraud and corruption policy, and the whistleblowing policy are effective, and fit for purpose. Best practice guidance issued by the National Audit Office provided basic criteria for the review.

Key Findings

The Monitoring Officer is responsible for the Anti Fraud & Corruption Policy and the Confidential Reporting Policy ensuring they are up to date, reflective of current legislation and communicated to all employees. There has been one case in which the whistleblowing policy was utilised, Management confirmed the policy was effective, and assisted in reaching an appropriate outcome. There has been one instance of potential fraud and corruption over the past 12 month, and internal audit were contacted at the first opportunity to investigate the issue.

Confidential Reporting Policy

Overall the policy is written to a high standard and is available to all users. The tone of the policy is reassuring and approachable, with a clear commitment made by the Authority. The policy is well structured and laid out in a clear and easy to read format. Clear guidance is offered to Employees and offers alternatives to the standard whistleblowing procedure. Confidentiality is appropriately addressed in the policy and access to independent advice is offered. However, the Policy does not provide contact details of people to be contacted, and does not provide guidance on the type of feedback to be provided

Anti Fraud and Corruption Policy

The policy is up to date, and reflects current legislation and best practice. All required documents are available under the fraud and corruption policy, including gifts and hospitality register, information and communication users, and standing orders. The documents are available to all staff and updated when necessary. The Authority reports annually to KPMG on fraud and corruption throughout the year.

All staff are shown the anti fraud and corruption documents as part of the induction to the Council.

Overall Conclusions

It was found that the arrangements for managing risk were good with few weaknesses identified. An effective control environment is in operation, but there is scope for further improvement in the areas identified. Our overall opinion of the controls within the system at the time of the audit was that they provided Substantial Assurance

1 Contact Details

Issue/Control Weakness

No contact details are available on the confidential reporting policy.

Risk

Whistleblower may not raise concerns. The policy should be as simple as possible for the user.

Findings

Within the Whistleblowing policy there are a number of responsible officers listed to obtain advice and guidance from, however there are no contact details for the Officers stated within the Confidential Reporting Policy. Management should consider the benefits of adding contact details to ensure ease of use to the user.

Agreed Action 1.1

Contact details including email addresses and extension numbers will be included in the Policy to ensure ease of use to the user.

Priority

3

Responsible Officer

Monitoring Officer

Timescale

30 November 2015

2 Feedback

Issue/Control Weakness

There is very little detail offered to policy users regarding the feedback procedure.

Risk

Unsatisfied whistleblower, unclear feedback procedure.

Findings

The Whistleblowing Policy does state that feedback will be provided on all whistleblowing cases; however no further detail is available. Best practice states that the Whistleblowing policy should offer guidance on the type of feedback provided, potential timescales if possible, and guidance to Management on providing feedback. This may also be useful for lessons learned on whistleblowing referrals, and for continuous improvement of the procedure. Management may want to consider including this advice and information for the reader of the policy.

Agreed Action 2.1

Further detail will be added to the Policy to confirm that at the time of responding to concerns the Authority will outline how it intends to feedback including an estimate of anticipated timescales.

Priority

3

Responsible Officer

Monitoring Officer

Timescale

30 November 2015

Audit Opinions and Priorities for Actions

Audit Opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit.

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Priorities for Actions

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
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9. 2015/16 QUARTER 2 CORPORATE PERFORMANCE AND RISK MANAGEMENT REPORT (A91941/WA)

1. Purpose of the report

This report provides Members with monitoring information at the end of Quarter 2 (July - Sept 2015) for review of performance against our 4 Cornerstones and 4 Directional Shifts (our Corporate Objectives) during our transitional year; monitoring of the Corporate Risk Register; monitoring of Freedom of Information Requests and monitoring of complaints.

2. Key Issues

- The format of the report provided for this transitional year is a little different from that previously agreed by this committee, reflecting a change in our Corporate Strategy.
- At the end of Quarter 2, following monitoring of Service operational actions and corporate indicators, 3 of our Areas of Focus are amber in their overall status and 13 are green.
- Five Corporate risks have lowered in risk rating:
 - 6. Failure to have a medium term financial plan in place 2015-19 (updated risk for 2014/15)
 - 7. Failure to effectively communicate our corporate direction to external audiences
 - 8. Failure to have the appropriate commercial skills to help us diversify income streams (updated risk from 2014/15)
 - 9. Failure to have a clear, effective and well planned commercial programme in place (updated from 2014/15 register)
 - 10. Moors for the Future (Moorlife 2020) failure of:
 - a. the Authority providing an increased level of support to MFF
 - b. partners contributing sufficiently
 - c. delivering against the project objectives.
- There are no risks remaining as high risk (high likelihood and high impact).
- Compared with Q1, there have been fewer Freedom of Information requests.
- Compared with Q1, there have been fewer complaints registered.

Recommendations

- 3.
1. **That the Quarter 2 Corporate Performance Return, given in Appendix 1, is reviewed and any remedial action agreed.**
 2. **That the Corporate Risk Register, summary given in Appendix 2 be reviewed and status of risks accepted.**
 3. **That the status of complaints and Freedom of Information Requests, given in Appendix 3, be noted.**

How does this contribute to our policies and legal obligations?

4. Performance and Risk Management contributes to Cornerstone C4: Our organisation – develop our organisation so we have a planned and sustained approach to performance at all levels (people, money, outputs). Monitoring the Corporate Indicators and Service operational actions against our Corporate Strategy is part of our approach to ensuring mitigating action can be taken to maintain and improve performance or to reprioritise work in consultation with staff and Members.

Background

5. The format of performance reporting to this committee follows the format agreed in January 2013 (minute 7/13) with changes agreed to reporting for the transitional year at this Committee in September (minute 58/15).
6. The visual representation of our performance is on a traffic light system (using green for on target, amber for some remedial work required and red where there are some significant issues) and is based on an analysis of:
 - a) the status of activity within service plans contributing to the delivery of that focus and priority actions for 2015-16;
 - b) the outturn against the performance indicator relating to the priority actions for each focus.
7. More detailed performance information is reported by each Corporate Objective (4 cornerstones and 4 shifts) as previously agreed by providing: an overview of the activity contributing to each Objective; a commentary on where we are doing well; an understanding of associated risks; specific issues; and remedial action.
8. The Authority's risk management policy and supporting documentation was approved by Authority on 25 March 2011 (minute 21/11), and is reviewed annually as part of the Authority's review of the Code of Corporate Governance. In line with these arrangements, Appendix 2 shows movement of five risks to a lower risk status.
9. No risks have been escalated to the Corporate Risk Register during the quarter.
10. Information is given so that Members of Audit, Resources and Performance Committee, in accordance with the scrutiny and performance management brief of the Committee, can review the performance of the Authority and the risks being managed corporately.
11. Reporting is dependent on the accuracy of data provided by the Heads of Service, Assistant Directors and indicator lead officers, as agreed with Directors and Chief Executive.

Proposals

12. Members are asked to review and agree the Quarter 3 Corporate Performance Return as detailed in Appendix 1.
13. Members are further asked to review and agree the proposed changes to the Corporate Risk Register in Appendix 2.
14. That the status of complaints, Freedom of Information (FOI), and Environmental Information Regulations (EIR) Enquiries in Appendix 3 be noted.

Are there any corporate implications members should be concerned about?

15. This report gives Members an overview of the achievement of targets in the past quarter and includes ICT, financial, risk management and sustainability considerations where appropriate. There are no additional implications in, for example, Health and Safety.
16. A number of fixed term officer posts support the work contributing to a number of Objectives and are resourced to the end of 2015/16. Resources beyond this point are discussed as part of the Authority's budget planning process, in Autumn 2015.

17. **Background papers** (not previously published) – None

Appendices

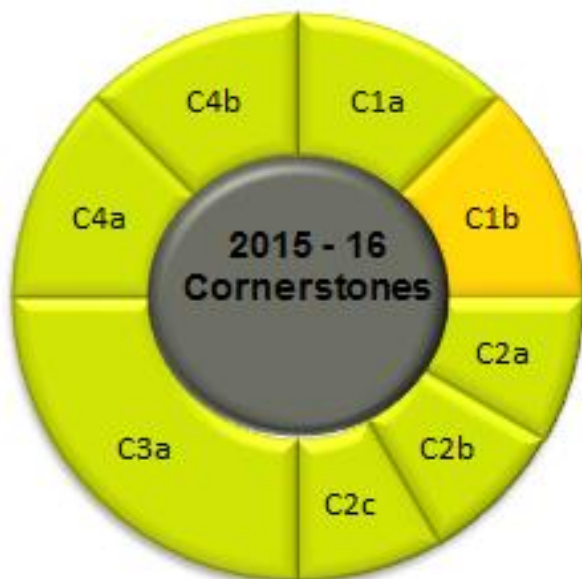
1. Quarter 2, 2015-16 Corporate Performance Return
2. Quarter 2, Corporate Risk Register status
3. Quarter 2, Complaints, Freedom of Information (FOI), and Environmental Information Regulations (EIR) Enquiries

Report Author, Job Title and Publication Date

Wendy Amis, Senior Performance Officer, 29 October 2015

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APPENDIX 1.1 : Q2 PERFORMANCE SUMMARY 2015-16



Our People

- C1a - Supporting leadership at all levels
- C1b - Better staff engagement

Our Assets

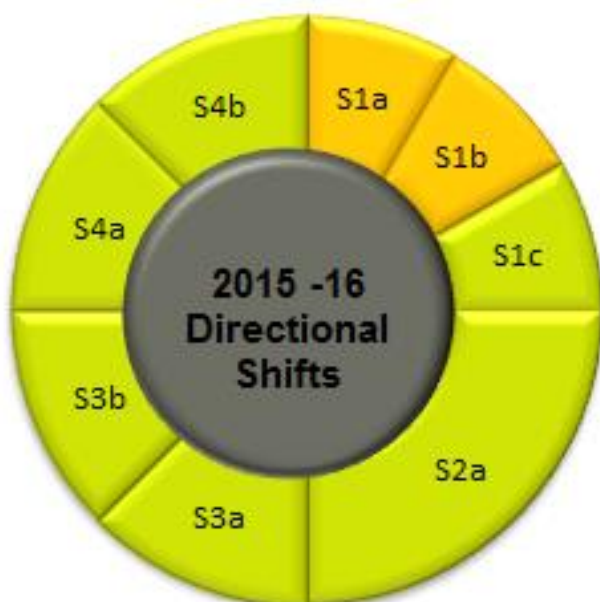
- C2a - Excellence in our property
- C2b - Our wider visitor infrastructure
- C2c - Supporting our brand

Our Services

- C3a - Excellence in our Planning Service

Our Organisation

- C4a - Solid performance management
- C4b - A clear plan for the future



Developing strong commercial & fund raising

- S1a - Giving
- S1b - Income generation
- S1c - Fund raising from external sources

Landscape scale delivery

- S2a - Nurture partnerships to help grow the value of & income to our assets in MFTF, SW Peak & Sheffield Moors

Creating visitor experiences that inspire growth

- S3a - Develop products & services to grow as the National Park for cycling
- S3b - Enhance and maximise the visitor experience

Helping people connect with the park

- S4a - Nurture and build our active base of volunteers
- S4b - Improve access for less represented audiences

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APPENDIX 1.2 : 2015-16 Quarter 2 Summary of Corporate Performance

	Focus:	2015-16 priority actions:	RAG status
Cornerstone C1: Our People –supported, valued, empowered staff (RMM)	C1a. Supporting leadership at all levels	Support leaders in working towards new focus through programmes including: ‘big conversation’ discussions with Chief Executive, training and development events on internal communication skills; line management competence in people and performance management; competence in change management.	
	C1b. Better staff engagement	Implementation of employee engagement action plan against 4 priorities: <ul style="list-style-type: none"> - Vision, mission and corporate direction - Internal communications strategy - Managing change effectively - Line management competencies in people and communication skills. Implementation of strategic, financial planning and employee engagement Communications Plan.	

Overall Status:

Progress has been made on most key actions but an overall rating of amber has been given on ‘better staff engagement’ to reflect one significant key action not being on target relating to the production and agreement of communications plans for each Directorate/Assistant Directorate.

Key Activity towards achieving this objective this quarter:

1. A programme of discussions on the development of the 2016-2019 Corporate Strategy has been planned and started – a full communications plan for development and launch of the strategy will be drafted in quarter 3.
2. Our commitment to improve internal communications has been progressed through:
 - a) Identifying ways of addressing issues around communication with casual staff through a meeting of all managers who prioritised 5 key actions to progress;
 - b) Tendering for a provider to deliver a programme of communication skills workshops from November to March for all relevant managers;
 - c) 3 out of 5 Directorate/Assistant Directorate communications plans being agreed and put in place.
3. The Managing Change Policy and guidelines have been updated. To support the policy:
 - a) A number of briefing sessions have been held to ensure understanding - these were well received;
 - b) a package of support mechanisms to help staff has been put in place;
 - c) written guidance on communication and consultation processes has been included;
 - d) tendering has been progressed to identify a provider to deliver ‘resilience’ training over the autumn and winter.

Specific issues hindering progress against this objective:

- a) Communications plans are behind schedule;
- b) It is likely that some planned HR policy review work will be delayed.

Action being taken to address:

- a) Outstanding communications plans will be in place by the end of quarter 3;
- b) This will be scheduled into 2016 work programme and will not affect the delivery of the 2015/16 key focus activity.

Risks associated with this objective:

Corporate Risk 1: no specific issues to highlight

Contextual information/ published information relating to this objective: None

APPENDIX 1.2 : 2015-16 Quarter 2 Summary of Corporate Performance

Cornerstone C2: Our Assets – looking after the places we own and operate (RG)	Focus:	2015-16 priority actions:	RAG status
	C2a Excellence in our property	Implementation of Management Plans for 3 key properties and portfolio. Delivery of a programme of review and disposal. Development and implementation of property business plans.	
	C2b Gaining clarity on the wider visitor infrastructure we will continue to support	Review of non-estate visitor assets	
	C2c Supporting our brand by ensuring brand management activities/ processes underpin all our work	Identify and recommend how to measure the 'reach and emotional attachment' of the Peak District National Park brand. Achievement of roll-out of our brand identity through our operations	

Overall Status:

Development plans for our key properties are underway, with management plans and external funding ideas under development. Good progress continues against the Asset Management Action Plan for the Authority's property portfolio, in particular on disposals.

Key Activity towards achieving this objective this quarter:

1. The Management Plan for Stanage North Lees is under development with the Stanage Forum. ARP Committee approved the approach, consultation plan and timescales for completion.
2. The trails management plan is up to date and being delivered; the inspection regime is being updated.
3. ARP approved a detailed and outline North Lees business plan for 2015-17 and 2017-19 respectively.
4. Warlswold Estate is on track to achieve financial targets for the year.
5. In relation to the trails income, plans for a 2016 event are underway. A recent structures survey revealed significant maintenance costs which are being built into plans. We received a grant of £42,000 from Natural England via Pennine Ways Partnership for surface improvements.
6. At North Lees the 'Stanage Sticker' has been taken up by over 400 supporters, generating over £5,000 for the estate. Further consideration is being given to the development of the toilets at Hollin Bank.
7. An active programme of review and disposal of woodlands and minor properties is underway. The first six woodlands have generated considerable interest and we hope to progress five of the woodlands through to completion. A minor property is being prepared for sale later in this financial year.
8. Early review work on the toilets and car parks has identified a pilot scheme for Dovedale toilets, to be implemented over the Winter; car park charging changes will come into effect April 2017.
9. Visitor centre business plan is being updated. Development plans for Castleton are underway.
10. As part of the 'brand on the ground' project (to improve the presentation and impact of the national park brand at our owned sites) a delivery list has been agreed with an identified £30,000 budget for implementation during 2015/16 year.
11. Have set the baseline for brand measurement metrics for audience (growth and insight) and reach.
12. Website page views and unique page views up 35% and 37% respectively on the same period last year.
13. Social media – has seen phenomenal growth; Google+ over 351%, Twitter 39% and Facebook 106% from same period last year.

Specific issues hindering progress against this objective:

- a) The progress of the Brosterfield site slowed to enable further discussions with the community.

Action being taken to address issues: a) Adjust and resume the project plan for Brosterfield.

Risks associated with this objective: Corporate Risk 2: no specific issues to highlight
Corporate risk 3: no specific issues to highlight

Contextual information/ published information relating to this objective: None

APPENDIX 1.2 : 2015-16 Quarter 2 Summary of Corporate Performance

Cornerstone C3: Our Services – delivering our services in a way that helps resident communities deepen their understanding and support for the special qualities of the national park (JS)	Focus:	2015-16 priority actions:	RAG status
	C3a. Excellence in the way we deliver our Planning Service	Providing a high quality planning service by doing the basics well in a transparent and consistent manner. Maintain our high quality support for community planning. Agree and deliver an action plan for Monitoring and Enforcement.	

Overall Status:

Good progress has been made in Quarter 2 to deliver key actions and maintain a good level of service and work on Development Management policies has progressed as planned, with draft policies being considered by the Authority on 2 October.

Key Activity towards achieving this objective this quarter:

1. Good performance on planning application determination has been maintained. Of the 171 Planning Applications decided, 142 (83%) were within the statutory period. Performance on major applications was on target at 60% (three out of five), above the 40% figure set by the Government to identify under-performing Authorities. There have been 149 Planning Enquiries completed, of which 106 (71.14%) were completed within 15 working days.
2. 24 enforcement cases were resolved in the second quarter, giving a running total of 49 so far this year which means it is now unlikely that the annual target of resolving 120 cases will be met although efforts will be made to do so.
3. Planning appeals: Of 10 Appeals, four were allowed, three of which were refusals by Planning Committee contrary to the officer recommendation (Endcliffe, Bakewell; Five Acres, Wardlow; and Goldcrest, Stanton).
4. The number of formal complaints relating to the Planning Service is at a low level compared to recent years. An Ombudsman decision on a case in Rowsley is imminent and is likely to find the Authority at fault on neighbour notification (there will be a separate report to this committee on this).
5. Feedback will be collected at Parishes Day on 3 October on the performance of the Service.
6. Community Planning: notable progress has been made on the Bradwell Neighbourhood Plan (referendum in October), the Chapel-en-le-frith NP (agreed at referendum), initial work on the Leekfrith NP, and work on the Bakewell NP.
7. Work on Development Management policies has progressed as planned, with draft policies being considered by the Authority on 2 October.
8. On-going positive work with the Housing Enabler in Derbyshire Dales and High Peak.
9. An Action Plan for Monitoring and Enforcement has been produced and agreed and the actions within the Plan are being implemented on an on-going basis.

Specific issues hindering progress against this objective: None

Action being taken to address issues: None.

Risks associated with this objective: Corporate Risk 4: no specific issues to highlight

Contextual information/ published information relating to this objective: None

APPENDIX 1.2 : 2015-16 Quarter 2 Summary of Corporate Performance

Cornerstone C4: Our Organisation – develop our organisation so we have a planned and sustained approach to performance at all levels (people, money, outputs) (RMM)	Focus:	2015-16 priority actions:	RAG status
	C4a. A solid performance management approach	2015/16 performance management monitoring in place. Quarterly exception reporting to achieve 2015/16 focus.	
	C4b. A clear plan for the future to give ourselves strategic certainty for 2016/17 and beyond	Develop Strategic Framework answering 4 questions: Why we do – special qualities What we do – role and funding How we do it – organisation design Way we do it – culture. Develop medium term financial plan 2016-2019 and detailed proposals for 2016-17. Develop new 2016-2019 Corporate Plan.	

Overall Status:

Good progress has been made in Quarter 2 with key actions on target and, significantly, the strategic framework and 2016/17 budget proposals were agreed by the Authority. We have met the targets for four of the five corporate indicators for this cornerstone.

Key Activity towards achieving this objective this quarter:

1. The 2014/15 pre audited statement of accounts and annual governance statement were reviewed by KPMG, our external auditors. We have received an unqualified external audit opinion on the final accounts and a satisfactory conclusion on Value for Money.
2. Progress has been made on the development of the 2016-2019 corporate strategy and success factors and we are on target to bring this to the Authority in December.
3. Our medium term strategic and financial planning has continued with:
 - Approval of the Strategic Framework by the Authority (a corporate indicator);
 - Approval of the 2016-2019 medium term financial plan by the Authority (a corporate indicator) following a members' workshop in July;
 - Approval of the shape of the new leadership team and the organisation into three new directorates;
4. Formal consultation with staff, UNISON and staff committee has been undertaken on the detailed 2016/17 budget proposals so that we can move into the implementation period during the second half of 2015/16.
5. Stakeholders and partners have been advised of the new corporate direction in the Strategic Framework and the implications of our medium term financial plan as part of our normal pattern of regular meetings. A communication to all stakeholders is being prepared and will be released in quarter 3.

Specific issues hindering progress against this objective: No issues to highlight

Action being taken to address issues: n/a

Risks associated with this objective:

Corporate Risk 6: No specific issues to highlight.

Corporate Risk 7: No specific issues to highlight.

Contextual information/ published information relating to this objective: None

APPENDIX 1.2 : 2015-16 Quarter 2 Summary of Corporate Performance

Directional Shift S1: Develop strong commercial and fund raising programme of activities (SF)	Focus:	2015-16 priority actions:	RAG status
	S1a. Giving	Review giving opportunities and develop a strategy of quick win opportunities	
	S1b. Income generation	Develop Commercial Programme to increase income generation and giving opportunities. Achieve 61% full cost recovery at Visitor Centres. Achieve 87% full cost recovery for cycle hire. Develop a brand fit for commercial use adding value to services and products	
	S1c. Fundraising from external sources	Agree a strategy for external funding and funding bids consistent with this strategy	

Overall Status:

The external funding strategy has clear direction and is being implemented; the commercial programme is in place with stretching targets, but requires good programme management and development of supporting platforms to assure delivery; the Giving Strategy development still in progress.

Key Activity towards achieving this objective this quarter:

1. Giving Strategy still in development, with agreement for implementing a quick win campaign for the trails in 2016/17. The strategic principles for the strategy are emerging in the following areas: the supporting platform required, the early areas of activity for adoption on giving; the resources required to implement; and the targets for rate of return on investment.
2. Progress against the commercial programme of activities includes:
 - Strategic Framework agreed, with £341k income target for the commercial programme.
 - Enterprise + Programme Board owns the programme, and is developing a framework for delivery.
3. £14,373 has been raised in giving this quarter, taking the figure to £20,717 for the year to date.
4. The strategy for external funding is agreed and two expressions of interests submitted to HLF for North Lees and the Trails, next stage discussions with HLF in train.
5. This quarter Visitor centres are at 61% full cost recovery, cycle hire is at 126%.

Specific issues hindering progress against this objective:

- a) This is a deliberate shift towards a more commercial way of operating, which requires a re-engineering of our processes, ways of working and commercial skills to be developed and a stronger focus on brand management.

Action being taken to address issues:

- a) The 2016-19 Strategic Framework approved by the Authority articulates this clear shift, training and development in progress, organisational re-design and change in train, brand on the ground work being rolled out.

Risks associated with this objective:

Corporate Risk 8: risk being managed down

Corporate Risk 9: risk being managed down

Contextual information/ published information relating to this objective:

Strategic Framework 2016-19 agreed by the Authority on 18 September 2015.

APPENDIX 1.2 : 2015-16 Quarter 2 Summary of Corporate Performance

Directional Shift S2: Landscape scale delivery (JC)	Focus:	2015-16 priority actions:	RAG status
	S2a. Nurture partnerships that help grow the value of, and income to, our assets within: Moors for the Future, SW Peak, Sheffield Moors	<p>Ensure strategic certainty for the MFF partnership either through a successful Moorlife 2020 bid or alternative funding mechanisms.</p> <p>Ensure that part of the SW Peak delivery phase includes actions to benefit the Warslow Estate.</p> <p>Ensure North Lees Management Plan dovetails with the Sheffield Moors Masterplan</p>	

Overall Status:

Key actions are on target, particularly with the award to MoorLIFE 2020 by the European Commission. The Authority is now delivering the biggest grant ever given to a UK conservation project by the EU LIFE programme and the collective works of the Moors for the Future Partnership make this the biggest initiative of its type across all the uplands of Europe.

Key Activity towards achieving this objective this quarter:

1. The South West Peak HLF funded Landscape Partnership Development Phase: visitor surveys completed, development of proposed projects by partners for the round 2 bid in May 2016;
2. The MoorLIFE 2020 EU LIFE: almost 16m Euros for a range of activities to support the active blanket bog landscape of the South Pennine Moors Special Area of Conservation;
3. The Moorlife bid is reaching the completion stage;
4. The Private Lands Partnership extending: £9.4m value of works already committed and pending;
5. Final reporting is being prepared as part of the Making Space for Water work;
6. The Community Science: held a successful launch for the new volunteers and was awarded a commendation in the Europarc communications award;
7. The new partnership agreement with the Woodland Trust has generated interest from farmers and landowners;
8. Clough Woodland Project: working with partners to develop detailed plans for woodland creation in Alport Dale and up to 330 hectares in the Upper Derwent; further funding being sought.
9. Sheffield Moors Partnership Masterplan: partners continue to deliver the agreed actions;
10. Local Nature Partnership: drawing up agreed priorities with a particular focus on moorland issues in the Dark Peak and addressing connectivity and fragmentation of habitats in the White Peak;
11. A major baseline survey of dales Ash woodlands was completed to monitor the long-term impacts of Ash Dieback and management to mitigate its effects;
12. Responded in confidence on the draft Environmental Statement for the Hope Valley Capacity Improvement Scheme and began to assess the Transport and Works Act Order documents; presented the impacts of the traffic on the National Park and the opportunities a tunnel may provide at the July Trans Pennine Tunnel Study stakeholder group meeting.

Specific issues hindering progress against this objective:

- a) Not met targets for key Bird of Prey populations.
- b) The new national agri-environment scheme, Countryside Stewardship has been launched this quarter, with a minimum annual value requirement which is difficult for many of the Peak District small holdings to achieve, reduced payments (particularly for uplands) and limited funding for new agreements. It is therefore likely that land within agri-environment agreements could decrease from about 85% to less than 50% across the national park, leaving most non-designated sites (67%) unprotected.

APPENDIX 1.2 : 2015-16 Quarter 2 Summary of Corporate Performance

- c) Ash Dieback has now been confirmed in the National Park. It is expected that between 60-90% of Ash trees, which dominate the limestone dale woodlands, will succumb over the next 20-30 years.
- d) There is ongoing debate about the sustainability some aspects of grouse moor management including burning on deep peat, birds of prey and moorland tracks.

Action being taken to address issues:

- a) A revised action plan is being produced and liaison with the Moorland Association strengthened.
- b) Agri-environment scheme delivery - We are proactively approaching agreeees to encourage their continued engagement with conservation. A bid to the scheme's facilitation fund to enable our advisers to support a landscape scale network of farmers, was not successful but further bids will be considered.
- c) A statement on Ash Dieback has been prepared, a management strategy is being agreed between partners and monitoring has been established.
- d) Discussions continue with key stakeholders on moorland issues.


Risks associated with this objective:

Contextual information/ published information relating to this objective:

www.moorsforthefuture.org.uk

www.southwestpeak.co.uk

APPENDIX 1.2 : 2015-16 Quarter 2 Summary of Corporate Performance

Directional Shift S3: Create visitor experiences that inspire and grow our income and supporters (RG)	Focus:	2015-16 priority actions:	RAG status
	S3a. Develop products and services to grow the Peak district as a national park for cycling.	Agree preferred option for the development of the Trails. Identify and pursue proposals for the development of a sustainable travel product for the Peak District. Provide a national park cycle experience.	
	S3b. Enhance and maximise the visitor experience at our assets.	Provide and continue to enhance visitor experience at our visitor centres. Manage and enhance the visitor experience on our trails network and estates. Maintain a strategic influence in visitor experiences in the Peak District, develop new policy recreation hubs and research visitor patterns. Enhance the visitor experience through partnerships with all users including opportunities for involvement across the open Access land, Public Rights of Way and Green Lanes. Maintain visitor management through rangers, litter control and other interventions.	

Overall Status:

Good progress against a range of developments to enhance visitor experiences, especially on assets we own, and as a cycle friendly destination.

Key Activity towards achieving this objective this quarter:

- 1 Visitor centres recorded 254,364 visitors over Q1 and Q2, 2.5% lower than previous year possibly due in part to poor weather and colder than average temperatures during spring and summer.
- 2 5.8% increase in average spend at visitor centres; 11% increase in number of transactions
- 3 Agreed a new measure of % of gross income achieved vs profiled budget (target for the year 100%) and performance at second quarter is 104.9%.
- 4 Agreed target of 41% gross margin vs budgeted gross margin and current performance is 45%
- 5 Proposals for Castleton Visitor Centre are under development with an initial commitment to invest redevelopment agreed and further interpretation plans underway.
- 6 Proposals for improvements at Bakewell Visitor Centre are under development.
- 7 A project enquiry for Heritage Lottery Funding for the trails has been submitted and the proposals for Millers Dale and Parsley Hay are under development, although the business case for investment in Millers Dale is now delayed in coming to committee in line with the HLF funding.
- 8 All grant from the DfT has now been spent (by the deadline). The marketing element of the project included: developing an interactive cycle map, interpretation panels along new routes and a behaviour campaign with a series of marketing products to raise awareness of cycling responsibly on the trails.
- 9 An expression of interest has been accepted for European funds to enable more businesses to offer a cyclist welcome as part of a wider Peak District and Derbyshire tourism package.
- 10 At Stanage North Lees the camping pods are helping the performance of the campsite and further campsite enhancements are on track for the autumn, with high levels of positive visitor feedback reported.

Specific issues hindering progress against this objective: None

Action being taken to address issues: None

Risks associated with this objective: None

Contextual information/ published information relating to this objective: None

APPENDIX 1.2 : 2015-16 Quarter 2 Summary of Corporate Performance

Directional Shift S4: Help people connect with the park (MB)	Focus:	2015-16 priority actions:	RAG status
	S4a. Nurture and build our already active supporter base of volunteers	Review the volunteer strategy and produce an action plan to grow our volunteers throughout the organisation and from less represented groups. Develop an 'Ambassador Programme' for visitor centres.	
	S4b. Improve access to the NP for less represented audiences	The three agreed priorities: Green Lanes Action Plan Provide increasing opportunities for young people to understand and enjoy the national park. Develop opportunities to promote the understanding of the park through the provision of health and wellbeing activities.	

Overall Status:

All projects are on track with their delivery timetable.

Key Activity towards achieving this objective this quarter:

1. Value of volunteer days organised by the Authority - this work has started through a review of the service user's survey in September.
2. The Volunteer Business Process Review report has been reported to SMT and the recommendations incorporated into the 2016-19 Corporate Strategy.
3. Year to date of volunteer days delivered for rangers is 4,944.
4. Programmes of introduction to the national park for asylum seekers in association with the Northern Refugee Centre have been successful and led to further independent visits.
5. The Inspiring Generations Partnership has agreed to focus on developing a project to engage pre-school children and their families, with an expansion to include young children. The partnership has been encouraged to make a full application to the HLF for Play Wild.
6. Action plans for both Health and Wellbeing and Young people are being developed, and consultations taking place with different teams. Particular focus is being made on how teams can work together to make the best use of resources to deliver services and products.
7. A paper setting out two options for the future of PDNPA engagement with the health and wellbeing agenda has been drafted.
8. Green Lanes
 - 22 route plans in place and being implemented in conjunction with the action plans on priority routes, illegal use and communications.
 - In July, Local Access Forum members inspected Hurstclough Lane, nr Hathersage to inform an update report to Authority Members.
 - In September, Authority Members resolved to proceed to publication of proposals for a permanent traffic regulation order at Washgate, nr Hartington.

Specific issues hindering progress against this objective: None

Action being taken to address issues: none

Risks associated with this objective:

Green lanes work: reputational risk and the potential for legal challenges.

Contextual information/ published information relating to this objective: None

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Appendix 2: Corporate Risk Register 2015/16, Q2 (Summary)

IMPACT	High	3. Lack of robust financial analysis in capital investment proposals	<ul style="list-style-type: none"> 1. Loss of performance/ Staff not engaged/ motivated 2. Insufficient plans for financial sustainability of properties 8. Commercial skills not available to diversify income streams ← 9. Commercial programme not in place ← 10. MFF (MoorLIFE 2020) bid ← 	
	Medium	7. Ineffective communication of corporate direction externally ←	4. Delivery fails to increase ownership and understanding in communities	
	Low	6. Medium term financial plan not in place		
		Low	Medium	High
LIKELIHOOD				

Appendix 2: Corporate Risk Register 2015/16, Q2 (Summary)

Corporate Risk Register: list of risks

1. Loss of performance/ delivery in a time of uncertainty as a result of staff not being engaged and motivated
2. Insufficient plans in place to realise financial sustainability of our properties in future years (updated risk from 2014/15)
3. Failure to ensure robust financial analysis and financial objectives in the assessment of significant capital investment proposals (carried over from 2014/15)
4. Failure to deliver in a way that we increase ownership and understanding of our policies among communities
5. *Failure to commit, and plan, to replace our ICT infrastructure in 2015/16 to underpin our corporate strategy (updated risk from 2014/15):*
Q1 REMOVE FROM REGISTER
6. Failure to have a medium term financial plan in place 2015-19 (updated risk for 2014/15)
7. Failure to effectively communicate our corporate direction to external audiences
8. Failure to have the appropriate commercial skills to help us diversify income streams (updated risk from 2014/15)
9. Failure to have a clear, effective and well planned commercial programme in place (updated from 2014/15 register)
10. Moors for the Future (Moorlife 2020) failure of:
 - a) the Authority providing an increased level of support to MFF
 - b) partners contributing sufficiently
 - c) delivering against the project objectives.

Appendix 2: Corporate Risk Register 2015/16, Q2 (Summary)

Corp. Obj	Risk Description	Existing controls	Risk before mitigation	Additional mitigating action	Risk rating with mitigating action					Timeframe of action	Lead officer	How monitor/ indicator	Quarterly update	
					Lxl (expressed as Green, Amber or Red)									
					Start	Q1	Q2	Q3	Q4					
C4	6. Failure to have a medium term financial plan in place 2015-19 (updated risk for 2014/15 – risk 4)	Financial planning process in place and started	Likelihood: Medium Impact: High		Impact	High	High	Low			December 2015	RMM	RMT Quarterly monitoring	Agreed plan in place. Risk remains as it is subject to the Defra settlement.
					Likelihood	Medium	Medium	Low						
					Rating	AMBER	AMBER	GREEN						

Appendix 2: Corporate Risk Register 2015/16, Q2 (Summary)

Corp. Obj	Risk Description	Existing controls	Risk before mitigation	Additional mitigating action	Risk rating with mitigating action LxI (expressed as Green, Amber or Red)						Timeframe of action	Lead officer	How monitor/indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
C4	7. Failure to effectively communicate our corporate direction to external audiences	Development of our brand values.	Likelihood: Medium Impact: Medium	a) Use our assets to demonstrate our approach	Impact	Medium	Medium	Medium			a) Delivery against Asset Management Asset Plan	RMM	Quarterly monitoring	a) Continued delivery against Asset Management Plan. b) Chief Executive has written out to stakeholders. Using a network of regular meetings to discuss strategic direction with partners/ stakeholders. C) agreed strategic framework.
				b) External communications plan.	Likelihood	Medium	Medium	Low			b) Sept '15 Authority and ongoing			
				c) Agree our strategic framework.	Rating	AMBER	AMBER	GREEN			c) Dec '15			

Appendix 2: Corporate Risk Register 2015/16, Q2 (Summary)

Corp. Obj	Risk Description	Existing controls	Risk before mitigation	Additional mitigating action	Risk rating with mitigating action Lxl (expressed as Green, Amber or Red)						Timeframe of action	Lead officer	How monitor/ indicator	Quarterly update
					Start	Q1	Q2	Q3	Q4					
S1	8. Failure to have the appropriate commercial skills to help us diversify income streams (updated risk from 2014/15 – risk 6)	Financial planning work	Likelihood: High Impact: High	a) Develop the design of the organisation around our strategy.	Impact	High	High	High			Sept '15	SF	RMT Quarterly monitoring Authority	Design of the Leadership Team and strategic framework has been signed off by Authority. Next steps are to implement the Leadership review (Q3/4) and plan the design of the rest of the organisation (Q4 on).
					Likelihood	High	High	Medium						
					Rating	RED	RED	AMBER						

Appendix 2: Corporate Risk Register 2015/16, Q2 (Summary)

Corp. Obj	Risk Description	Existing controls	Risk before mitigation	Additional mitigating action	Risk rating with mitigating action LxI (expressed as Green, Amber or Red)					Timeframe of action	Lead officer	How monitor/indicator	Quarterly update	
					Start	Q1	Q2	Q3	Q4					
S1	9. Failure to have a clear, effective and well planned commercial programme in place (updated from 2014/15 register – risk 10)	Enterprise + Board	Likelihood: High Impact: High	a) Review pilot activities and projects to date b) Prepare a programme approach to deliver against corporate indicators/targets	Impact	High	High	High			a) July '15	SF	SMT	Commercial programme with £341K net income target agreed for 2016-2019. Programme in place, requires management and addition of underlying platforms to secure effective delivery. Giving Strategy and plans and ambitions for Trails, Visitor Centres and Millers Dale being discussed at SMT for December Authority.
					Likelihood	High	High	Medium			b) Sept '15		Quarterly monitoring	
					Rating	RED	RED	AMBER						

Appendix 2: Corporate Risk Register 2015/16, Q2 (Summary)

Corp. Obj	Risk Description	Existing controls	Risk before mitigation	Additional mitigating action	Risk rating with mitigating action LxI (expressed as Green, Amber or Red)						Timeframe of action	Lead officer	How monitor/ indicator	Quarterly update
						Start	Q1	Q2	Q3	Q4				
S2	10. Moors for the Future (Moorlife 2020) failure of: a) the Authority providing an increased level of support to MFF b) partners contributing sufficiently c) delivering against the project objectives.	MFF business plan in place. RMT risk assessment.	Likelihood: High Impact: High	Programme and project planning of activity for timely decision making	Impact	High	High	High			a) Dec '15	JC	RMT/ SMT Strategic Management Group (MFF) Quarterly monitoring	Successful EU Life bid. a) Corporate planning in place to support delivery. b) Dialogue taking place with partners to confirm contribution. c) Project planning underway.
					Likelihood	High	High	Medium						
					Rating	RED	RED	AMBER						

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**Quarter 2 Report on Complaints and Freedom of Information (FOI) and Environmental Information Regulations (EIR) Enquiries
(1 July to 30 September 2015)**

Number of complaints received

Number of complaints received in Quarter 2 was 1.

Total number of complaints received in year to date is 5.

Complaint Ref, Date Made and Stage	Service and Reason for Complaint	Date Response Sent	Outcome	Any Change in Processes/Practices as a Result of Complaint Investigation
C407 05/08/15 Ombudsman	Complaint regarding the Council's delay in determining the Complainant's planning application.	None required	Ombudsman's Decision: The Ombudsman will not investigate this complaint because there is a right of appeal to a Planning Inspector.	None required.

Quarter 2 Report on Freedom of Information (FOI) and Environment Information Regulation Enquiries (EIR)

Quarter	No. of FOI Enquiries dealt with	No. of EIR Enquiries dealt with	No. of Enquiries dealt with in time (20 days)	No. of late Enquiry responses	No. of Enquiries still being processed	No. of referrals to the Information Commissioner
Q1(April June 2015)	17	9	22	4	4	0
Q2 (July- Sept 2015)	8	8	14	2	3	0

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10.1 **RISK MANAGEMENT POLICY (A91941/WA)**

Purpose of the report

1. This report asks Members to approve amendments to the Authority's Risk Policy and supporting documentation to more explicitly reflect the process we employ to allow for risks to be escalated onto the Corporate Risk Register during the year, an agreed action following the last internal audit on risk management (Audit, Resources and Performance Committee, 7 Nov 2014, ref:89/14).

Key Issues

2. At inspection in 2014, Internal audit found that:
'significant risks are not automatically promoted to the corporate register. Corporate risks are treated separately and new corporate risks are agreed at the monitoring meetings. It would be beneficial for risks over a certain threshold on the service risk registers to be automatically escalated. This would require a consistency of approach across the service areas to ensure that all relevant risks are being escalated'
3. The agreed actions were:
 1. Performance team to review updated service risk registers and prepare a list of all red risks
 2. All service red risks will be reviewed at the quarterly management meeting to determine whether they need to be escalated to the Corporate Risk Register
 3. The Risk Policy will be amended to reflect this approach for approval by Audit, Resources and Performance Committee on 20 March 2015.
4. The supporting documentation to the Risk Policy was clear in terms of the process of escalating risks from service level to corporate level, but this was not explicit in the policy itself.

Recommendation

5. **1. That the updated Risk Management Policy in Appendix 1, and supporting documentation in Appendix 2, are approved**

How does this contribute to our policies and legal obligations?

6. Risk Management contributes to Cornerstone C4: Our organisation – develop our organisation so we have a planned and sustained approach to performance at all levels (people, money, outputs).

Background

7. The Authority approved and adopted a Code of Corporate Governance in May 2009 which is consistent with the CIPFA/ SOLACE (Chartered Institute of Public Finance and Accountancy/ Society of Local Authority Chief Executives) *Framework Delivering Good Governance in Local Government*. A copy of the Authority's Code of Corporate Governance can be found on our website at www.peakdistrict.gov.uk or can be obtained from the Director of Corporate Resources at Aldern House, Baslow Road, Bakewell, DE45 1AE.
8. One of the six core principles in the Code of Corporate Governance is *'taking informed and transparent decisions which are subject to effective scrutiny and managing risk'*, which includes the supporting principle of *'ensuring that an effective risk management system is in place'*.

9. The Risk Management Policy represents the Authority's underlying approach to risk management. The Authority's current Risk Management Policy was developed and approved in September 2013 (ref. 63/13).

10. **Proposals**

That the revised Corporate Risk Policy be approved incorporating clarity in the process to escalate risks during the year to the Corporate Risk Register.

Are there any corporate implications members should be concerned about?

11. **Financial:** All work covered by the Risk Management Policy is undertaken within existing service budgets.

12. **Risk Management:** The policy forms the foundation of the Authority's approach to risk management.

13. **Sustainability:** No issues have been identified.

14. **Background papers** (not previously published) – None

Appendices

Appendix 1: Risk Management Policy

Appendix 2: Supporting Documentation (Key Components of the Authority's Risk Management System, Risk Register, Risk Scoring)

Report Author, Job Title and Publication Date

Wendy Amis, Senior Performance Officer, 29 October 2015

Peak District National Park Authority Risk Management Policy (October 2015)

Purpose of This Document

1. This Risk Management Policy (the policy) supports one of the core principles in the Authority's Code of Corporate Governance (approved at Authority, May 2009) of 'Taking informed and transparent decisions which are subject to effective scrutiny and managing risk'.
2. The policy explains the Authority's underlying approach to risk management, documents the roles and responsibilities of Members, Management Team, Chief Finance Officer, Assistant Directors, Heads of Service, Performance Team and other key parties. It also outlines key aspects of the risk management process, and identifies the main reporting procedures.

Underlying Approach to Risk Management

3. The following key principles outline the Authority's approach to risk management and internal control:
 - a. Members have responsibility for overseeing risk management within the Authority as a whole;
 - b. An open and receptive approach to mitigating risk problems is adopted by Members;
 - c. The Chief Executive and the senior management team supports, advises and implements policies approved by Members;
 - d. The Authority makes prudent recognition and disclosure of the financial and non-financial implications of risks in line with its risk appetite;
 - e. Directors, Assistant Directors, Heads of Service, Team Managers, Project Managers and Strategic Partnership Lead Officers are responsible for encouraging good risk management practice within their designated managed area; and
 - f. Key risks will be identified and closely monitored on a regular basis.

Statement of the Authority's Risk Appetite

4. The Authority will use risk management to achieve its objectives through pro-actively managing its exposure to risk. It will seek to recognise risk and mitigate the adverse consequences but recognises that, in pursuit of its vision and objectives, it may choose to accept an increased degree of risk in certain circumstances. It will do so, subject always to ensuring that the potential benefits and risks are fully

understood before developments are authorised, and that sensible measures to mitigate risk are established.

Role of Members

5. Members' role in the management of risk is to:
 - a. Set the tone and influence the culture of risk management within the Authority, including;
 - Determining whether the Authority is 'risk taking' or 'risk averse' as a whole or on any relevant individual issue (the Authority's risk appetite);
 - Determining what levels of risk are acceptable and which are not, on the advice of Management Team, and setting the standards and expectations of staff with respect to conduct and probity.
 - b. Approve major decisions affecting the Authority's risk profile or exposure;
 - c. Monitor quarterly the management of significant risks to reduce the likelihood of unwelcome surprises or impact;
 - d. Satisfy themselves that the less significant risks are being actively managed, with the appropriate controls in place and working effectively;
 - e. Annually review the Authority's approach to risk management and approve changes or improvements to key elements of its processes and procedures as part of the Annual Governance Statement. (This is the annual review of the Code of Corporate Governance (which includes the Chair and Vice Chair of Audit, Resources and Performance Committee and is approved by the Audit, Resources and Performance Committee).

Role of the Senior Management Team (Chief Executive, Directors and Chief Finance Officer)

6. Key roles of the Senior Management Team are to:
 - a. Set the overall culture of risk management in the Authority;
 - b. Take overall responsibility for the administration and implementation of the risk management process within the Authority;
 - c. Identify and evaluate the significant risks faced by the Authority for review by Members (the corporate risk register);
 - d. Provide adequate information in a timely manner to Members and its committees on the status of risks and controls;

- e. Annually review the Authority's approach to risk management as part of the annual review of the Code of Corporate Governance and recommend changes or improvements;
- f. Review and monitor the risks identified in their individual services with their Assistant Directors, Heads of Service, Team Managers and Lead Officers (the service risk registers) including consideration of risks from working with strategic and major delivery partnerships, and escalate risks to the Corporate Risk Register as considered appropriate;
- g. Annually review the Authority's uninsured and insured risks.

Role of the Chief Finance Officer (statutory responsibility)

- 7. The role of the Chief Finance Officer is to:
 - a. Help ensure the effective governance of the Authority by supporting the development of risk management and reporting frameworks and ensuring risks are fully considered;
 - b. Lead on the implementation and maintenance of a framework of financial controls and procedures for managing financial risks ensuring robust systems of risk management and internal control;
 - c. Help promote arrangements to identify and manage key business risks including safeguarding assets, risk mitigation and insurance.

Role of Assistant Directors, Heads of Service, Team Managers and Lead Officers of Major Delivery Partnerships (for which we are the accountable body)

- 8. Key roles are to:
 - a. Take overall responsibility for the administration and implementation of risk management within the Directorate/ Service/ Team/ Partnership;
 - b. Identify and evaluate the significant risks faced in the Directorate/ Service/ Partnership;
 - c. Provide adequate information in a timely manner to Senior Management Team on the status of risks and controls;
 - d. Manage significant risks within the policy guidelines;
 - e. Propose escalation of service risks to the Corporate Register as considered appropriate.

Role of Lead Officers of Strategic Partnerships or Major Delivery Partnerships where the Authority is not the accountable body

9. Key roles are to:
 - a. Undertake an initial risk assessment for the partnership and review on an annual basis with the relevant Assistant Director or Head of Service the risks to the Authority associated with being involved in the partnership, to enable identified risks to be incorporated into the service risk register.
 - b. Review, on a quarterly basis, with relevant Assistant Director or Head of Service any risks that appear on the service risk register relating to the partnership and inform of any risks that should be escalated to the service risk register or the Corporate Risk Register.

Role of the Performance Management Team

10. Key roles of the Performance Management Team are to:
 - a. Take day to day responsibility for the administration and implementation of the risk management process;
 - b. Support Senior Management Team, Assistant Directors, Heads of Service and Lead Officers of Strategic and Major Delivery Partnerships in managing and monitoring risks;
 - c. Facilitate the process of consideration of risks onto the Corporate Risk Register on a quarterly basis;
 - d. Support Senior Management Team in the annual review of the Authority's approach to risk management.

Monitoring and Evaluation of this Policy

11. This policy will be monitored and evaluated annually as part of the Authority's annual review of the Code of Corporate Governance and reported to Audit, Resources and Performance Committee with any recommendations for change.

APPENDIX 2: Supporting documentation to the Authority's Risk Management Policy

1. Key Components of the Authority's Risk Management System

A. Identification of Risk

a. The Corporate Risk Register

The Authority manages risk at a corporate level through the Corporate Risk Register which is compiled by the Senior Management Team and approved by Audit, Resources and Performance Committee. It helps to facilitate the identification, assessment and ongoing monitoring of risks significant to the Authority. The document is formally appraised annually but every quarter emerging risks are reviewed and added as required, whilst current risks are assessed to determine whether the level of risk has been managed down sufficiently to remove the risk from the register. Improvement actions are also monitored through Audit, Resources and Performance Committee.

b. Service Risk Registers

Assistant Directors and Heads of Service develop and use these registers to ensure that significant risks in their directorate/ service are identified, assessed and monitored. The document is formally appraised annually by the respective director and Chief Executive as part of the service planning process and allows for significant risks to be escalated to the Corporate Risk Register. Risks are added or removed as appropriate, and improvement actions to address risks are monitored with their Director through the Quarterly Performance Outturn Meeting. This allows any emerging significant risks to be escalated to the Corporate Risk Register during the year.

c. Major project/ partnership risk registers

A risk register (following the template for the service risk register) is completed for all major projects which are monitored on a quarterly basis by the project team and the respective Head of Service, Assistant Director or Director. If there is a significant risk (red) the project will be put on the respective Service Risk Register.

As stated in the Partnership Protocol, the lead officer for each major or strategic partnership will undertake an initial risk assessment of the partnership which is reviewed annually with the respective Assistant Directors or Head of Service. If there is a significant risk (red) it will be placed on the Service Risk Register.

d. Insurance risks

The Authority decides on uninsured and insured risks as part of its annual review of insurance arrangements.

B. Monitoring of Risk

a. Quarterly monitoring

Comprehensive quarterly reporting is designed to monitor key risks and their controls. Decisions to rectify problems, if appropriate, are made at regular meetings of:

- i) the Senior Management Team and Audit, Resources and Performance Committee, for corporate risks,
- ii) Heads of Service, Assistant Directors and the Senior Management Team, for service level risks (at the Quarterly Performance Outturn Meetings),
- iii) Project Managers and Heads of Service/ Assistant Director/ Director for major project risks. More frequent monitoring may be adopted depending upon the nature of the project.

b. Annual review

An annual review is conducted to:

- i) support the development of the subsequent year's risk registers (both corporate and service levels) and
- ii) review the effectiveness of our risk management strategy as part of the Annual governance Statement.

C. Reporting

a. Audit, Resources and Performance Committee

The Audit, Resources and Performance Committee receive quarterly reports on risk and respond to any emerging issues. In addition, the committee receives the Annual Governance Statement. The committee is therefore well-placed to monitor and scrutinise the Authority's system for the management of risk.

b. Quarterly Performance Outturn Meetings

Senior Management Team, Assistant Directors and Heads of Service meet every quarter to progress and consider issues relating to risk as part of this meeting and decisions to rectify problems, if appropriate, are made.

D. Assurance

a. Internal Audit Programme

Internal audit monitors the effectiveness of our internal control systems including our management of risk and reports to Audit, Resources and Performance Committee three times per year.

b. External audit

The District Auditors assess the Authority's arrangements to achieve economy, efficiency and effectiveness in our use of money, time and people against criteria specified by the Audit Commission. This includes assessing whether the Authority has adequate arrangements in place for risk management and internal control as part of giving their value for money opinion as reported in the annual governance report from the Audit Commission.

c. Other external assessments

We will consider feedback received (for example through the National Park Authorities Performance Assessment process) as part of our ongoing assessment of risk.

d. Annual Insurance Report

Resource Management Team approve annually the insurance arrangements in place to mitigate risks inherent in the Authority's portfolio of property and equipment assets, vehicle operations and potential liabilities arising from officer and member actions.

E. Support

a. Skills and Training

Directors, Assistant Directors and Heads of Service are responsible for ensuring that staff who have responsibility for risk management are familiar with the Authority's risk policy and have the appropriate skills and training to undertake their role.

b. Toolkit

A toolkit of documents that support the management of risk are provided and are included as follows:

- i. Risk Register template
- ii. Risk Scoring guide (Defining likelihood and impact levels)

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Appendix 2.2 - Risk Register

<p>Likelihood: Refer to Risk Scoring System for guidance Low = 1 Medium = 2 High = 3</p>
<p>Impact: Refer to Risk Scoring System for guidance Low = 1 Medium = 2 High = 3</p>

IMPACT	High	AMBER (3) Closely monitor	AMBER (6) Manage and monitor	RED (9) Significant focus and attention
	Med	GREEN (2) Accept but monitor	AMBER (4) Management effort worthwhile	AMBER (6) Manage and monitor
	Low	GREEN (1) Accept risks	GREEN (2) Accept but review periodically	GREEN (3) Accept but monitor
		Low	Med	High

LIKELIHOOD

Overall Risk Rating

201- /1- Risk Register for

Corp. Obj.	Risk Description	Existing controls	Risk rating before mitigation L x I	Additional mitigating action (add to service plan)	Risk rating with mitigating action L x I (expressed as Red, Amber, Green)					Time frame of action	Lead officer	How monitor/ Indicator	Quarterly update
					Start	Q1	Q2	Q3	Q4				
	<i>A risk should be expressed as: If (x were to happen)..... then (the consequence would be) or "failure to"</i>	<i>Actions currently taken or controls we have in place that mitigate the risk eg standing orders</i>	<i>This should take into account existing controls</i>	<i>If the rating BEFORE mitigation is green, then no further action is essential. Otherwise, complete what actions you intend to take</i>	<i>The risk level taking into account the mitigating action you are proposing</i>					<i>To complete the mitigating action (s)</i>		<i>Monitoring you intend to use to ensure the action is completed</i>	Against mitigating action and source of assurance <i>To be completed prior to ¼ly meetings</i>

APPENDIX 2.3 - RISK SCORING

Risk Grid:

<i>Impact</i>	<i>High</i>	AMBER (3)	AMBER (3)	RED (9)
	<i>Medium</i>	GREEN (2)	AMBER (6)	AMBER (6)
	<i>Low</i>	GREEN (1)	GREEN (2)	GREEN (3)
		<i>Low</i>	<i>Medium</i>	<i>High</i>
			<i>Likelihood</i>	

Guidance on defining likelihood and impact levels:

<u>Likelihood</u>	<u>Description</u>
Low	Unlikely to occur/ only in exceptional circumstances
Medium	Possibly would occur/ may occur
High	Likely to occur/ Probable

<u>Impact</u>	<u>Description</u>
Low	<ul style="list-style-type: none"> • Less than £20k in unplanned cost • Little or no reputational damage • Little or no effect on service delivery • Minor delay or interruption • Little or no effect on the environment • Minor or no legal implications
Medium	<ul style="list-style-type: none"> • £20k to £100k in unplanned cost • Limited but recoverable reputational damage • Significant reduction in service delivery • Waste of time and/or resources • Significant impact on the environment • Some legal implications (eg legal challenge may be successful)
High	<ul style="list-style-type: none"> • Over £100k in unplanned cost • Significant reputational damage with key stakeholders • Severe impairment of service delivery • Critical impact on the achievement of objectives and overall performance • Major environmental impact • Serious legal implications (eg legal challenge likely to be successful)

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