



Visitor Centres

Peak District National Park Authority

Internal Audit Report 2021/22

Business Unit: Corporate
Responsible Officer: Head of Engagement
Service Manager: Visitor Experience Development Manager
Date Issued: 10th June 2022
Status: Final
Reference: 69155/003

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

Summary and Overall Conclusions

Introduction

The Peak District National Park Authority (PDNPA) runs four visitor centres located at Bakewell, Castleton, Edale and Derwent. Three Cycle Hire Centres are also located at Ashbourne, Derwent and Parsley Hay. The main storage of stock and distribution to other centres is managed from the Castleton site.

In the 2020/21 financial year, the authority had income of £211,800 across the four visitor centres which was a 60% reduction compared to the previous year, predominantly due to the Covid-19 Pandemic. During the same financial year, the authority spent £118,110 on salaries with the majority of staff working in the visitor centres being part time or casual.

Objectives and Scope of the Audit

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

- Income from the visitor centres was collected correctly, reconciled and banked promptly.
- The ordering and monitoring of stock was managed effectively.
- Payroll for the visitor centres was suitably reviewed and authorised.

Key Findings

The audit included a visit to Castleton Visitors Centre carried out in March 2022. All income received at Castleton Visitor Centre is processed through the tills in the retail shop. Each member of staff has their own 4-digit pin to access the tills and they are trained to process all the necessary transactions. The cafe in Castleton Visitor Centre is leased out under formal contract arrangement and is not run by the PDNPA. During our visit, we found that the cashing up process was performed accurately and in line with established procedures. A reconciliation between the Z read on the till roll and the daily cash received was performed. This allowed for the income through card, cash, and subsequently total income to be confirmed. Any discrepancies were identified and highlighted on the income record sheet, with a £5 upper and lower limit. During the site visit review was carried out of the collections made that week, there were no discrepancies exceeding the limit set by the authority. Where necessary the discrepancies would be investigated by the Visitor Centre Manager. An income record sheet was seen to be completed accurately on a daily basis.

Banking was being performed effectively, on a weekly basis. We observed that the daily income was stored in the cash safe prior to collection by Kings Armoured. Upon collection the cash is receipted by the Visitor Centre Manager and by Kings Armoured. A spreadsheet is used by the Visitor Centre staff to record income, including the total income on a daily and weekly basis. The daily income record sheets were also completed accurately on a daily basis, with any discrepancies and resulting action highlighted. During the visit there were no discrepancies recorded over or under the £5 limit. The spreadsheets and daily income records sheets are used to verify the

correct amount has been banked on a weekly basis. Suitable processes were place to ensure that the floats were reconciled appropriately, with checks carried out and signed off by staff at the end of the day and recounted at the start of the next day.

The ordering and monitoring of stock were being managed at an appropriate level, with automatic and manual checks carried out. The Exchequer financial system has minimum and maximum limits on all stock, with a manual check carried out on a weekly basis to monitor and review seasonal and real time stock patterns. A sample of ten orders were reviewed and all had an appropriate purchase order in place and were suitably authorised based on the scheme of delegation. All orders were reconciled from the original stock order form to the delivery note. Purchase Delivery Note (PDN) numbers were processed in a timely manner, updating the stock management system with the new purchases. All invoices were authorised for payment after the PDN numbers were processed.

For the management of stock between the main stock centre at Castleton and the other sites, there were some good processes in place to ensure that deliveries were being carried out with the appropriate stock. All deliveries of stock from the main centre to other sites is carried out by two members of staff within the authority. A review was carried out of stock delivery to Derwent Visitor Centre, North Lees Campsite and Derwent Cycle Centre between December 2021 and March 2022. For the visitor centre, all deliveries were evidenced as being physically checked and signed off by a member of staff on site. At the other two sites, four of the five deliveries at the campsite and three of the four at the cycle centre were not checked and signed by staff. Upon discussion, it was highlighted that many of the smaller sites are not staffed every day, so when deliveries are made there is not always someone to carry out the delivery check and it may not be financially viable to have staff working at the site just for the purpose of receiving a delivery. Furthermore, the stock management system records the number of items delivered to a particular site with a unique reference number including date. For visitor centres, a stock take is carried out in line with the authority's procedure notes, however it is not clear if the same stock take is completed at smaller sites. As there is only two members of staff who delivery stock, it would be easy to track who has delivered the stock if something was to go missing.

The majority of visitors centre staff employed by the Authority are casual, therefore most did not have minimum contracted hours that need to be met. In advance, a monthly rota is shared with all staff electronically, with staff requesting shifts on a first come first serve basis. Staff will normally work for the full period the centre is open, although there may be occasions where a part shift is required to fit around other commitments. A sample of timesheets for casual staff was reviewed against the rota, with all of the sample's timesheets matching the hours recorded on the corresponding rota. Each of the timesheets completed was suitably authorised by management within an appropriate timescale.

Overall Conclusions

A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited. Our overall opinion of the controls within the system at the time of the audit was that they provided Substantial Assurance.

Audit Opinions and Priorities for Actions

Audit Opinions

Our work is based on using a variety of audit techniques to test the operation of systems. This may include sampling and data analysis of wider populations. It cannot guarantee the elimination of fraud or error. Our opinion relates only to the objectives set out in the audit scope and is based on risks related to those objectives that we identify at the time of the audit.

Our overall audit opinion is based on 4 grades of opinion, as set out below.

Opinion Assessment of internal control

Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

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.

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