Performance Management

Peak District National Park Authority
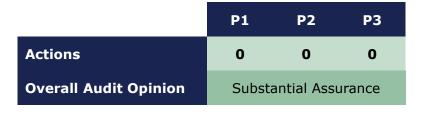
Internal Audit Report

Business Unit: Resources
Responsible Officer: Head of Information and Performance Management
Date Issued: 05 January 2024
Status: Final
Reference: P3280/001

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

Summary and Overall Conclusions

Introduction

The National Park Management Plan (NPMP) provides the framework for all Peak District stakeholders to work together to achieve national park purposes and conserve and enhance its special qualities. The Authority Plan outlines how the Peak District National Park Authority (PDNPA) will contribute to the delivery of the NPMP. Both the 2023-28 NPMP and the 2023-28 Authority Plan were implemented in April 2023.

The PDNPA monitors and measures performance to understand whether it is achieving the outcomes set out in the Authority Plan. Monitoring performance helps the authority demonstrate that it is making the best use of resources to accomplish the authority's outcomes. The 2023-28 NPMP involves monitoring and reporting on performance every six months, and a performance report is shared with full authority meetings.

A Key Performance Indicator (KPI) is the measure of performance of an activity that is critical to the success of the authority's outcomes. Successfully designed KPIs are specific, measurable, achievable, relevant, and timely (SMART). Associated with the Authority Plan, the PDNPA measures a set of KPIs, and each of these has a supporting data dictionary. The data dictionary includes an outline of the source of information used to record performance, the methodology for calculating performance, and previous performance for each KPI.

Objectives and Scope of the Audit

The purpose of this audit was to provide assurance to management that procedures and controls within the system ensure that:
- An appropriate performance management framework and reporting cycle is in place.
- KPIs have supporting data dictionaries that are accurate and complete.
- Performance of objectives and their KPIs are reviewed appropriately on a regular basis.

Key Findings

The Peak District National Park Authority's performance is measured through a range of objectives and targets set out in its Authority Plan, approved by Members in December 2022, which form the basis of the Authority's performance management system. This framework enables areas of performance for which the NPA contributes toward the National Park Management Plan to be monitored and ensures performance in these areas is regularly reported to Members and to the public. Officers have developed Key Performance Indicators (KPIs) alongside the Authority Plan, in collaboration between the Performance Management team and service area specialists, which are clearly defined, and correspond directly to the Authority's priorities. The KPIs represent measures that are 'SMART', referring directly to the specific goals and timescales of the Authority Plan, are achievable, and can be measured by clearly defined criteria. Members raised the lack of ambition in the KPI targets during the first decile of progress reporting. The Head of Information and Performance

Management explained that due to potential financial consequences from the Department for Environment, Food & Rural Affairs (DEFRA) for not meeting these targets, longer-term and more ambitious targets have instead been included in the National Park Management Plan.

Officers have set out the required information and clear reporting deadlines to officers, who, with the support and guidance of the Performance Management team, are responsible for the collation and publication of their service areas' data on the new 'Performance Reporting' website. Responsibility for each area of data is clear, and the reporting mechanism feeds clearly through into the Progress Report, which presents the objectives of the Authority Plan and reports on progress in meeting them over time. This procedure was carried out successfully in the first round of reporting in November 2023, with all the available information being shared ahead of the National Park Authority meeting. The reporting frequencies for this data – 10 deciles of reporting, during Q2 and Q4 of each year – are appropriate, though less regular than the Authority had previously updated and reported on their performance-related actions.

To ensure performance data is calculated in a reliable and repeatable manner, the Performance Management team have produced a consolidated data dictionary, which defines how the Authority produces its performance data for the eight objectives which together form the overarching 'Enabling Delivery' aim. This document collates information from across the relevant service areas of the Authority. Testing found that for all delivery objectives, the data owner, frequency of calculation, reporting date and frequency are clearly defined. The geographic and temporal scope of the data to be calculated are also defined where relevant, to ensure the correct data is used in calculations. Where the service is required to produce quantitative performance measures, a formula or worked example is also provided. However, where data is based on regular indicators, the source of the data within the relevant department is not always specified for the use of the Performance Management team. The performance data itself is no longer stored within data dictionaries at the corporate level, instead being used directly by service areas to update the online Progress Report. The data dictionary is therefore suitable for ensuring these statistics refer directly to the Authority Plan's objectives and can be reviewed if necessary.

Through the online Progress Report, as supplemented by the standard-format Authority Progress Report, Members are able to effectively monitor the Authority's progress against the objective delivery targets set out in its Authority Plan and identify the areas in which there are potential delays, a lack of resources, or quality issues. This online format is now more accessible and actionable for Members and the public than previously. The presentation of the performance data clearly identifies the NPA's progress against their targets, enables progress to be tracked over time, and contextualises each objective's progress with commentary from the relevant Head of Service. Members were consulted in the development of the new performance reporting mechanism at the regular Members' Forum – their review resulted in their suggestion of introducing an additional performance dashboard by the second decile of reporting, which was accepted by officers. All KPIs created with the Authority Plan were reported to Members for the first time in November 2023; this presentation was effective in initiating further discussion of areas of interest highlighted in the report and their associated actions.

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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