

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		

Summary and Overall Conclusions

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.

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