

ARGYLL & BUTE COUNCIL

Internal Audit Section

INTERNAL AUDIT REPORT

CUSTOMER DEPARTMENT	DEVELOPMENT AND INFRASTRUCTURE SERVICES
AUDIT DESCRIPTION	VERIFICATION AUDIT
AUDIT TITLE	OBAN AIRPORT
AUDIT DATE	AUGUST 2015

2015/2016



1. BACKGROUND

This report has been prepared as a result of the Internal Audit review of Operational Procedures at Oban Airport as part of the 2015/16 Internal Audit programme. As part of the CAA requirements an independent review is required on an annual basis.

Oban Airport Aerodrome Manual has been produced to satisfy the requirements of the UK Civil Aviation Authority, Health and Safety legislation and the Air Navigation Order. The Aerodrome Manual sets out operational procedures, accountability by personnel and importantly acts as an information manual to assist personnel in performing their role.

Records are kept on an Access database called the 'Navigator System' which has been created in house by the airport manager. In addition the service also operates the 'RedKite' system tracker which is a recognised equipment management and personal development system.

Scheduled services operate from Oban airport to Coll, Colonsay, Islay and Tiree. They also operate scholar flights for island school children. In addition the Airport deals with chartered traffic and military flights as well as general aviation traffic such as medevacs, training flights and scenic tours by private operators.

2. AUDIT SCOPE AND OBJECTIVES

- Review previous audits to ensure that corrective actions have been completed.
- Evidence availability and completeness of inspections and reporting logs in respect of the undernoted:

Airfield Inspections

Incidents and Accidents

Aerodrome Safeguarding

Generic Airside Safety

Control objectives will include Authority, Occurrence, Completeness, Measurement, Timeliness and Regularity. Testing will be undertaken using a modified CIPFA SBA control matrix where appropriate will use random sampling.

3. RISKS CONSIDERED

- Failure to adhere to formal procedures manual leads to non-compliance resulting in licence potential licence restrictions
- Lack of formal procedures potentially leads to mal practice resulting in safety issues.

4. AUDIT OPINION

The level of assurance given for this report is Substantial

Level of Assurance	Reason for the level of Assurance given
High	Internal Control, Governance and the Management of Risk are at a high standard with only marginal elements of residual risk, which are either being accepted or dealt with.
Substantial	Internal Control, Governance and the Management of Risk have displayed a mixture of little residual risk, but other elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.
Limited	Internal Control, Governance and the Management of Risk are displaying a general trend of unacceptable residual risk and weaknesses must be addressed within a reasonable timescale, with management allocating appropriate resource to the issues.
Very Limited	Internal Control, Governance and the Management of Risk are displaying key weaknesses and extensive residual risk above an acceptable level which must be addressed urgently, with management allocating appropriate resource to the issues.

This framework for internal audit ratings has been developed and agreed with Council management for prioritising internal audit findings according to their relative significance depending on their impact to the process. The individual internal audit findings contained in this report have been discussed and rated with management.

A system of grading audit findings, which have resulted in an action, has been adopted in order that the significance of the findings can be ascertained. Each finding is classified as High, Medium or Low. The definitions of each classification are set out below:-

High - major observations on high level controls and other important internal controls. Significant matters relating to factors critical to the success of the objectives of the system. The weakness may therefore give rise to loss or error;

Medium - observations on less important internal controls, improvements to the efficiency and effectiveness of controls which will assist in meeting the objectives of the system and items which could be significant in the future. The weakness is not necessarily great, but the risk of error would be significantly reduced if it were rectified;

Low - minor recommendations to improve the efficiency and effectiveness of controls, one-off items subsequently corrected. The weakness does not appear to affect the ability of the system to meet its objectives in any significant way.

5. FINDINGS

The following findings were generated by the audit:

Airfield Inspections

- The procedure manual stipulates that aerodrome inspections should be carried out for :
 - i) Surface checks
 - ii) Lighting checks
 - iii) Aerodrome features
 - iv) Defects
 - v) Aerodrome Flight information Service Officer (AFISO) daily checks

A review of the reports recorded within the airport “Navigator” database concerning the above inspections evidenced the following:

1. It was evidenced that daily surface checks for all runway areas and the runway condition is recorded as stipulated in the manual.
2. It was evidenced that daily lighting checks are carried out and defects recorded for all lighting areas in the aerodrome. Lighting faults are noted against specific lights with comments, where appropriate, recorded in the comments box.
3. It was evidenced that stipulated aerodrome features are inspected daily and commented against as regard to whether they are serviceable or non-serviceable.
4. It was evidenced that defects are recorded and split between due and overdue defects. An analysis of the data showed that in total there were 14 overdue defects. Of the 14, 9 defects related to the year 2015, 3 related to 2014 and 2 were outstanding from 2012. On further enquiry regarding the reasons for non-correction of the defects it was found that 5 had in fact been addressed but the database had not been updated. In addition it was noted that the defect description requires fuller detail and there is no indication of the impact on the operation/safety of the airport. Discussions with Operational Manager concerning the associated risk exposure of jobs remaining outstanding noted that they do not impact on the operation or safety of the airport.

Description of outstanding job on database	Date of job notification	Reason for job being outstanding
Easterly panel approx 3rd from the top on southerly EWS fence is missing	8 th January 2015	This is works which is non-essential to the overall operation of the airport. The work will be prioritised and rectified within the current constraints of the airport maintenance budget.
Southern EWS tank is missing the top panel of wood from perimeter facing to the east	20 th December 2014	This work is non-essential to the overall operation of the airport. The work will be prioritised and rectified within the current constraints of the airport maintenance budget.

Description of outstanding job on database	Date of job notification	Reason for job being outstanding
Depression adjacent Taxiway G, is requiring rectification work	21 st July 2012	The work will be prioritised and rectified within the current constraints of the airport maintenance budget.
Concrete path to H1 &H2 one slab appears to have dropped resulting in slight lip, possible trip hazard possibly due to weather conditions	1 st March 2014	The work will be prioritised and rectified within the current constraints of the airport maintenance budget.
Restriction on use of Taxiway Golf	1 st September 2014	The work will be prioritised and rectified within the current constraints of the airport maintenance budget.
White Lines at E, F and VH4 and Yellow taxi lines at G need repainting	1 st September 2014	The work will be prioritised and rectified within the current constraints of the airport maintenance budget.

5. It was evidenced that daily AFISO checks are carried out as stipulated in the aerodrome manual.

Incidents and Accidents

- A sample of 12 incident and accident reports was reviewed between December 2014 and August 2015. The reports outlined the nature of the incidents as prescribed in the manual. No corrective action was recommended by the Civil Aviation Authority as a result of these incidents.

Aerodrome safeguarding

- There are a number of measures such as changes to the bird hazard, wind turbines within 30km of the aerodrome and lighting within the area of the aerodrome that are undertaken to ensure that both the approach to the airport and the airport itself is secure. This also includes liaising with Argyll and Bute Council planning department to ensure that any planning applications that may affect the safe operation of the airport are notified to airport management. It was evidenced that such notifications take place.
- The operating manual stipulates that an aerodrome survey regime should be carried out on an annual basis and this was evidenced as having been done.
- It was evidenced that daily inspection regimes concerning the safeguarding of the aerodrome are carried out.

Generic Airside Safety

- The operating manual stipulates the following as regard generic airside safety namely :
 1. All airport staff must be appropriately trained
 2. All airport staff is responsible for compliance with the rules set out in the airport operating manual.
 3. Airport staff are responsible for the safety of any person under their supervision
 4. Airport Staff should monitor the movement of personnel in airside areas.
 5. Six monthly mandatory meetings of the airport safety committee

It was evidenced from a review of the course details and the training certificates entitled “General security Awareness Training” that airport personnel had been trained in the issues appropriate to Generic Airside safety.

- It was evidenced from the minutes of the last 2 meetings that the airport safety committee had met in each of the 6 month periods.
- Although not directly linked to the above it was noted that the person responsible for record management of safeguarding had not been formally trained.

Aerodrome Manual

- It was noted that the version of the Aerodrome manual on the Argyll and Bute Council website is out of date.

6. CONCLUSION

This audit has provided a Substantial level of assurance. There were a number of recommendations for improvement identified as part of the audit and these are set out in Appendix 1 and 2. There was 1 high and 1 medium recommendation set out in Appendix 1 which will be reported to the Audit Committee. There are 2 low recommendations which are not reported to the Audit Committee. Appendices 1 and 2 set out the action management have agreed to take as a result of the recommendations, the persons responsible for the action and the target date for completion of the action. Progress with implementation of actions will be monitored by Internal Audit and reported to management and the Audit Committee.

Thanks are due to the Airport Staff and management for their co-operation and assistance during the Audit and the preparation of the report and action plan.

APPENDIX 1 ACTION PLAN

Findings	Risk Impact	Rating	Agreed Action	Responsible person agreed implementation date
Database Defects		High/ Medium or Low		
1. A review of the overdue defects database gave no indication of the risk impact of jobs being overdue.	Lack of impact assessment on overdue jobs has potential for safety/security implications resulting in risk to airport operations	High	The defect reporting form will be updated to indicate the risk of jobs overdue. This will be done by 30 Nov 2015 due to current workload.	Airport Manager 30 Nov 2015
2. A review of the overdue defects database showed that it had not been updated to reflect jobs completed or provide reasons as to jobs overview	Failure to maintain accurate and complete records leads to misreporting information resulting in potential ineffective decision making.	Medium	This action has now been rectified with the jobs that have been completed, removed from the overdue list and arrangements for ongoing monitoring are in place	Airport Manager Completed 21 Aug 2015



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