

Argyll and Bute Council  
Internal Audit Report  
September 2023  
Final

# Oban Airport

Audit Opinion: High

	High	Medium	Low	VFM
Number of Findings	0	0	0	0

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## 1. Executive Summary

### Introduction

1. As part of the 2023/24 internal audit plan, approved by the Audit & Scrutiny Committee in March 2023, we have undertaken an audit of Argyll and Bute Council's (the Council) system of internal control and governance in relation to Oban Airport.
2. The audit was conducted in accordance with the Public Sector Internal Audit Standards (PSIAS) with our conclusions based on discussions with council officers and the information available at the time the fieldwork was performed. The findings outlined in this report are only those which have come to our attention during the course of our normal audit work and are not necessarily all the issues which may exist. If necessary, Appendix 1 to this report includes agreed actions to strengthen internal control however it is the responsibility of management to determine the extent of the internal control system appropriate to the Council.
3. The contents of this report have been agreed with the appropriate council officers to confirm factual accuracy and appreciation is due for the cooperation and assistance received from all officers over the course of the audit.

### Background

4. Oban Airport is one of three aerodromes operated by the Council, and licensed under Article 211 of the ANO 2009 by the Civil Aviation Authority (CAA). Deemed as a Public Service Obligation (PSO), scheduled services, and scholar flights for island school children, operate from Oban airport to Coll, Colonsay, Islay and Tiree. Additionally, the airport deals with chartered traffic and military flights as well as general aviation traffic such as medevacs, coastguard operations, training flights and scenic tours by private operators.
5. Prior to the grant of a licence and for continued licensing, the CAA requires the Aerodrome Operator to meet the minimum standards detailed in CAP168 Licensing of Aerodromes. CAP 168 sets out the standards required at UK national licensed aerodromes relating to management systems, operational procedures, physical characteristics, assessment and treatment of obstacles, visual aids, rescue and fire-fighting services and medical services.
6. The Oban Airport Aerodrome Manual (the Manual) provides information about the airport, its systems for managing safety and the required operational procedures. The Airport Rescue & Fire Fighting Service (RFFS) manual provides guidance on the agreed policy and procedures designed to achieve an effective and efficient RFFS. Both manuals are derived from CAP168.
7. Oban Airport operate the 'Redkite Equipment Management system' which is used in all UK airports to help ensure they meet the requirements of the CAA in regard to RFFS personnel and equipment.
8. The overall remit of internal audit is to provide assurance over compliance with the 22 airport operating instructions (AOIs) established by the Manual and the further procedures established by the RFFS manual.

## Scope

9. The scope of the audit was to provide assurance over compliance with five of the airport operating instructions (AOIs) established by the Manual and the further procedures established by the RFFS manual as outlined in the Terms of Reference agreed with the Oban Airport Station Manager on 18 August 2023. The operating instructions audited in September 2023 were:
- AOI 6 – Foreign Object Debris/Foreign Object Damage (FOD)
  - AOI 7 – Airfield Facilities and Infrastructure
  - AOI 8 – Aerodrome Ground Lighting
  - AOI 9 – Airside Snow and De-Icing Plans
  - AOI 10 – Aerodrome Wildlife Hazard Management Plans

## Risks

10. The risks considered throughout the audit were:
- Audit Risk 1: Failure to comply with operating instructions could result in increased risk of accidents and/or the airport losing its CAA licence

## Audit Opinion

11. We provide an overall audit opinion for all the audits we conduct. This is based on our judgement on the level of assurance which we can take over the established internal controls, governance and management of risk as evidenced by our audit work. Full details of the five possible categories of audit opinion is provided in Appendix 2 to this report.
12. Our overall audit opinion for this audit is that we can take a high level of assurance. This means that internal control, governance and the management of risk are at a high standard. Only marginal elements of residual risk have been identified with these either being accepted or dealt with. A sound system of control designed to achieve the system objectives is in place and being applied consistently.

## 2. Objectives and Summary Assessment

13. Exhibit 1 sets out the control objectives identified during the planning phase of the audit and our assessment against each objective.

### Exhibit 1 – Summary Assessment of Control Objectives

	Control Objective	Link to Risk	Assessment	Summary Conclusion
CO1	The Manual, setting out the operational procedures of the airport, is up to date, appropriate and accessible to all relevant staff.	Audit Risk 1	High	The Manual is updated annually and is available to appropriate officers. The document was found to be comprehensive with each section outlining the Council

	Control Objective	Link to Risk	Assessment	Summary Conclusion
				policy for compliance with regulations and procedures.
CO2	AOI6 – Ensure cleanliness & sweeping of the movement area of the Airport	Audit Risk 1	High	The removal of foreign object debris to avoid damage is the responsibility of all aerodrome staff. Inspections and sweeping of the movement area is performed twice daily and recorded on the navigator system accordingly. The FODBOSS equipment is inspected before every use. Training is provided as part of a presentation to all airside users.
CO3	AOI7 – Ensure inspections of airfield facilities and infrastructure are adhered to as part of safety management	Audit Risk 1	High	Inspections of the airfield, movement area and runway are carried out twice daily. Additional inspections are carried out at a higher level and recorded on the airport navigator system as well as Redkite. Runway friction levels are also inspected by an external body on an annual basis.
CO4	AOI8 – Ensure Aerodrome Ground Lighting guidance is followed	Audit Risk 1	High	Aerodrome Ground Lighting (AGL) is not a licensing requirement at the airport, however, it is airport policy to follow the guidance stated in CAP168 with regards to inspections, maintenance and cleaning. Lighting inspections are carried out and recorded accordingly. Signs and markings are also inspected and recorded. Faults and maintenance are carried out by the same external body as mentioned above in CO3.
CO5	AOI9 – Ensure snow and de-icing plans are in place	Audit Risk 1	High	There are no instructions to follow regarding snow and ice. The airport would generally close in this instance. In the event of a

	Control Objective	Link to Risk	Assessment	Summary Conclusion
				light dusting of snow then hard brushes and Tracmaster snow brushes can be used. Hazards signs have been installed on the outside of the building and these illuminate when the temperature reaches 2 degrees or below to warn of potential hazards.
CO6	AOI10 – Ensure plans are in place and records are kept regarding wildlife hazard management	Audit Risk 1	High	The airport adhere to CAP772 regarding the wildlife control plan. Bird and wildlife control is recorded twice a day. Inspections are performed. Machinery and props are used to minimise the impact of wildlife on the Airport.

14. Further details of our conclusions against each control objective can be found in Section 3 of this report.

### 3. Detailed Findings

The Manual, setting out the operational procedures of the airport, is up to date, appropriate and accessible to all relevant staff

15. The Manual is available to all relevant personnel on the Council HUB with a hard copy held onsite at the airport. Each section within the Manual sets out:

- the Council’s policy and established procedures to ensure compliance with relevant rules and/or regulations
- appropriate monitoring arrangements (where applicable)
- roles and responsibilities of relevant personnel.

16. The Manual is reviewed annually by the Station Manager, last updated in August 2023. The updated version is submitted to the CAA who have 28 days to highlight any queries on the Manual’s content. If no response is received in 28 days then the revised Manual is adopted.

17. In June 2020, in response to COVID, a guidance manual entitled ‘Oban & the Isles Airports – COVID secure procedures’ was issued by the Station Manager. It is available on the Council HUB and paper copies are kept in the office.

The airport complies with the operating instructions regarding cleanliness and sweeping around the movement are of the Airport.

18. The Manual states that all FOD (Foreign Object Debris/Foreign Object Damage) must be removed and discarded accordingly, using the appropriate equipment.

The airport complies with the operating instructions to inspect and monitor airfield facilities.

19. The Manual states that daily inspections are carried out of the airfield facilities and infrastructure. Movement areas around the airside are inspected and recorded accordingly.

The Airport complies with the operating instructions regarding visual aids.

20. Aerodrome Ground Lighting (AGL) is not a licensing requirement however it is the airports policy to follow CAP168 guidance with regards to inspections, maintenance and cleaning of visual aids. Faults and inspections are carried out by an external body and recordings are kept accordingly. The cleaning of the AGL ties in with the maintenance of the airport and is carried out on a monthly basis.

The airport complies with the operating instructions regarding snow and de-icing plans.

21. There are no instructions for snow or de-icing. In the event of snow the airport generally closes as this can cause hazardous conditions. Light snow or ice would be dealt with using hard brushes or the Tracmaster snow brush.

The airport complies with the instructions regarding wildlife control.

22. The Manual states that the airport must adhere to CAP772 regarding wildlife control plans. There are regular bird runs and inspections and this is recorded twice a day. Machinery and props are used to minimise the impact of wildlife on the Airport. Figures of bird strikes and any birds that are disposed of is reported to the CAA on an annual basis.

## Appendix 1 – Action Plan

In order to assist management in using our reports a system of grading audit findings has been adopted to allow the significance of findings to be ascertained. The definitions of each classification are as follows:

Grading	Definition
High	A major observation on high level controls and other important internal controls or a significant matter relating to the critical success of the objectives of the system. The weakness may therefore give rise to loss or error.
Medium	Observations on less significant internal controls and/or improvements to the efficiency and effectiveness of controls which will assist in meeting the objectives of the system. The weakness is not necessarily substantial however the risk of error would be significantly reduced if corrective action was taken.
Low	Minor recommendations to improve the efficiency and effectiveness of controls or an isolated issue subsequently corrected. The weakness does not appear to significantly affect the ability of the system to meet its objectives.
VFM	An observation which does not highlight an issue relating to internal controls but represents a possible opportunity for the council to achieve better value for money (VFM).



## Appendix 2 – Audit Opinion

Level of Assurance	Definition
<b>High</b>	Internal control, governance and the management of risk are at a high standard. Only marginal elements of residual risk have been identified with these either being accepted or dealt with. A sound system of control designed to achieve the system objectives is in place and being applied consistently.
<b>Substantial</b>	Internal control, governance and the management of risk is sound. However, there are minor areas of weakness which put some system objectives at risk and specific elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.
<b>Reasonable</b>	Internal control, governance and the management of risk are broadly reliable. However, whilst not displaying a general trend, there are areas of concern which have been identified where elements of residual risk or weakness may put some of the system objectives at risk.
<b>Limited</b>	Internal control, governance and the management of risk are displaying a general trend of unacceptable residual risk above an acceptable level and placing system objectives are at risk. Weakness must be addressed with a reasonable timescale with management allocating appropriate resources to the issues raised.
<b>No Assurance</b>	Internal control, governance and the management of risk is poor. Significant residual risk and/or significant non-compliance with basic controls exists leaving the system open to error, loss or abuse. Residual risk must be addressed immediately with management allocating appropriate resources to the issues.