

Argyll and Bute Council
Internal Audit Report
February 2025
FINAL

Oban Airport

Audit Opinion: High

	High	Medium	Low	VFM
Number of Findings	0	0	0	0

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Contact Details

Internal Auditor: **Leanne Rennie**
Telephone: **01369 708516**
e-mail: **Leanne.rennie@argyll-bute.gov.uk**

www.argyll-bute.gov.uk

1. Executive Summary

Introduction

1. As part of the 2024/25 internal audit plan, approved by the Audit & Scrutiny Committee in March 2024, 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. No actions were identified 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 Air Navigation Order (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 Civil Aviation Publication (CAP) 168 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 24 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 six 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. The operating instructions audited in February 2025 were:
- AOI 11 – Managing Airside Developments & Works
 - AOI 12 – Reduced Runway Length Operations
 - AOI 13 – Fuel Management
 - AOI 14 – Aeronautical Information
 - AOI 15 – Survey Data & Treatment of Obstacles
 - AOI 23 – Defect Reporting

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 1 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,	Audit Risk 1	High	The Manual is updated annually and is available to appropriate officers and published on the Council's intranet site, the Hub. The document

	Control Objective	Link to Risk	Assessment	Summary Conclusion
	appropriate and accessible to all relevant staff.			was found to be comprehensive with each section outlining the Council policy for compliance with regulations and procedures.
CO2	AOI11 – Airside developments and works are conducted in accordance with CAA regulations.	Audit Risk 1	High	Airside developments are not a common occurrence. The last development, for the installation of a self-service fuel tank installation, occurred in 2019 and we have been provided with evidence of CAA permission for works. There are no minutes documented for the meeting that should have taken place at this time, however, there is a new Station Manager in post and going forward this will be recorded appropriately.
CO3	AOI12 – Measures are in place to consider operational reasons for a re-declaration of the runway length.	Audit Risk 1	High	A re-declaration of the runway length would only happen in very exceptional circumstances. The runway length has not been reduced in the last 10 years. The Manual sets out the procedures which should be adopted in the event of this being required.
CO4	AOI13 – The airport complies with refuelling, de-fuelling and fuel storage procedures.	Audit Risk 1	High	A copy of the refuelling procedures has been provided. Trading Standards carry out a petroleum inspection every 18 months and external company TotalEnergies check the stock and the equipment (visually) on an annual basis. CAA had also included fuel management checks in their own inspection in June 2024, no findings or observations were raised.
CO5	AOI14 – There are appropriate measures to ensure aeronautical data is up to date and accurate.	Audit Risk 1	High	All amendments to aeronautical data are notified to pilots and other relevant personnel timeously, and unplanned changes of services, infrastructure and/or facilities at the airport are properly communicated.
CO6	AOI15 – There are effective measures in place to ensure airport airspace is free from obstacles so aeroplane operations can be conducted safely.	Audit Risk 1	High	An aerodrome survey which contains runway data relating to airspace obstacles was conducted in October 2024 by an approved contractor and forwarded to the CAA.

	Control Objective	Link to Risk	Assessment	Summary Conclusion
CO7	AOI23 – The Airport complies with the operating instructions for all defects found.	Audit Risk 1	High	All defects, property and vehicle, are reported, recorded and dealt with appropriately.

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’s intranet site, the ‘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, and was last updated in November 2024. 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. The current Manual is version 8.6.
17. The CAA document 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.
18. When updating the Manual, the Station Manager ensures that it reflects any updates or revisions as published by the CAA. A check of the CAA website found that there has been no alterations, other than formatting, to the CAP 168 document since January 2022.
19. The CAA carry out periodic on-site audits to verify continued compliance with national licensing requirements. The latest inspection was June 2024, we have been provided with findings and responses to date. There is one action that remains outstanding, paint marking has been delayed due to the weather and is due to be completed by the end of March 2025.

[Airside developments and works are conducted in accordance with CAA regulations](#)

20. Airside developments/works are not a common occurrence and no developments have been undertaken in the past 12 months. The last development was for the installation of a self-service fuel tank installation in 2019 and we have been provided with evidence of CAA permission for works.

Measures are in place to consider operational to consider operational reasons for a re-declaration of the runway length

21. There have been no changes to the runway length in the last 10 years. Should this happen, the Manual clearly sets out the procedures to follow.

The airport complies with refuelling, de-fuelling and fuel storage procedures.

22. The Airport has a fuel operating manual. It was last updated in May 2024 and provides guidance on:

- responsibilities
- fuel ordering and receiving
- daily sampling
- fuel storage
- incident reporting
- cleaning and maintenance etc

23. The Manual requires the airport to be responsible for fuel operation, storage, distribution and that the quality complies with the Air Navigation Order and all regulatory requirements. On my visit to the airport I was able to ensure that fuelling is carried out in open areas, operating instructions are clear and that fuel is checked for grade, quantity and daily fuel sampling tests are carried out.
24. Trading Standards carry out a petroleum inspection on an 18 month basis and external company TotalEnergies perform a stock test along with visually checking the condition of the equipment on an annual basis. There were no findings raised as a result of visits that took place in March and November 2024.

There are appropriate measures to ensure aeronautical data is up to date and accurate

25. The Manual requires the station manager and/or duty officer to ensure that all operators and pilots are in possession of current and accurate aeronautical information. For safety reasons any updates should be circulated immediately. We confirm that all planned amendments to aeronautical data are notified to pilots and other relevant personnel on the UK Aeronautical Information Publication (AIP) website and a hard copy of aeronautical updates are displayed in the crew room. For unplanned amendments, a Notice to Airmen (NOTAM) is issued as well as a hard copy displayed in the crew room for all aircrew to view
26. As stated in the Manual all staff are aware of their responsibilities involved in any changes/amendments. Duty Officers are aware that in the absence of the Station Manager it is their duty to issue a NOTAM.

There are effective measures to ensure airport airspace is free from obstacles so aeroplane operations can be conducted safely.

27. The manual states that an annual aerodrome survey should be carried out with regards to runway data relating to distances and elevations. The last survey was conducted in October 2024 by an approved contractor and thereafter sent onto the CAA.
28. The airspace around the aerodromes should be maintained free of obstacles in order to permit intended aeroplane operations to be conducted safely. Where an obstruction occurs an Obstacle Limitation Surface (OLS) is prepared and details forwarded to the Civil Aviation Authority (CAA). As mentioned above, the last survey was carried out in October 2024 and we have been provided with details of the OLS submitted due to obtrusive trees.

There are procedures to report and record defects in place

29. The Manual states that all staff have a responsibility to report any known defects within the appropriate systems. Safety Critical defects are required to be reported within 24/48 hours and reported immediately to the officer in charge and Flight Information Services Officer.
30. Vehicle, fire alarms, equipment and property defects are all reported accordingly. The vehicles each have a defect book, which is kept within the vehicle and details are recorded onto the Council's system, 'Tranman'. Property defects are reported to the Council's helpdesk line. All defects are also recorded onto the airport database and equipment defects are automatically emailed to the Station Manager/Crew Commander by the Redkite system. No duplicate reporting of defects was found and evidence was provided of reported defects being completed.

Appendix 1 – Audit Opinion

Level of Assurance	Definition
High	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.
Substantial	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.
Reasonable	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.
Limited	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.
No Assurance	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.