



Regularity audit of Travel Centre administration

Committee Audit and Standards

Date of meeting 15 September 2017

Date of report 23 March 2017

Report by Assistant Chief Executive (Business Support)

1. Object of report

To advise the committee on the findings of a regularity audit of Travel Centre administration. This engagement is included in the annual Internal Audit plan for 2016/17.

2. Background

As at the date of engagement testing, there were four Travel Centres operated by SPT. All four Travel Centres are located within bus stations at Buchanan, Glasgow (BBS), East Kilbride, Greenock and Hamilton. Travel centre staff provide travel information and sell a range of tickets to commuters.

All Travel Centre office staff have customer facing posts and are responsible for cash handling and ticket administration. All Travel Centre staff have access to a Standard Practice Instruction (SPI) manual. The manual is maintained in electronic format, and staff receive email confirmation when updates and amendments have been made.

The objective of this engagement was to review the application of internal controls in accordance with policy and procedural guidance. Prior to the start of this engagement, data analytics were employed, to systems operated within Travel Centres, to inform engagement testing.

This engagement tested elements of the internal controls and mitigation against SPT 6: security and SPT 22: governance arrangements, as identified in the corporate risk register.

3. Outline of findings

Electronic Cash Reconciliation (ECR) has been further developed in 2016/17 to increase efficiency in the reconciliation and reporting of the ticket sales income process. There is scope to further enhance the level of management reports currently available.

Engagement testing (in January/February 2017) identified a requirement to utilise the systems operated within Travel Centres to enhance internal controls and provide a more uniform approach to service provision.

There are areas for improvement, and these areas have been addressed by nine audit recommendations. Customer Services management have agreed to implement these recommendations.

4. Conclusions

The Audit and Assurance team has undertaken a regularity audit of Travel Centre administration.

Areas for improvement have been identified and nine recommendations have been agreed.

Key controls exist and are applied consistently and effectively in the majority of areas.

Reasonable assurance can be taken from the controls in place for the areas covered in this engagement.

5. Committee action

The committee is asked to note the contents of this report and agree that the Audit and Assurance Manager submits a follow-up report on the implementation of the recommendation to a future meeting.

6. Consequences

Policy consequences	<i>None</i>
Legal consequences	<i>None</i>
Financial consequences	<i>None</i>
Personnel consequences	<i>None</i>
Social Inclusion consequences	<i>None</i>
Risk consequences	<i>As detailed in the report</i>

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