

Regularity audit of bus infrastructure annual stock count

Committee Audit and Standards

Date of meeting 28 August 2020

Date of report 16 June 2020

Report by Assistant Chief Executive

1. Object of report

To advise the committee on the findings of a regularity audit of bus infrastructure annual stock count. This engagement is included in the annual Internal Audit plan for 2020/2021.

2. Background

Bus infrastructure stock includes components for bus stops, shelters and real-time passenger information displays.

Three separate contractors hold imprest stock at their premises on behalf of SPT. These arrangements form part of maintenance service level agreements.

The Financial Regulations contained within the governance manual provide guidance on stockholding records.

The objective of this engagement was to review the annual Bus infrastructure stock count arrangements.

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

3. Outline of findings

The Financial Regulations and financial year-end procedure 2019/2020 require Bus infrastructure management to complete an annual stocktaking exercise.

A stocktaking exercise was arranged at contractor locations for the end of March 2020. However, due to lockdown, a physical stock count did not take place.

To provide a 2019/2020 year-end stock figure, Bus infrastructure officers manually reviewed and updated records using opening balances adjusting for in-year stock issues and purchases.

This approach was deemed to be reasonable and sample testing was found to be satisfactory. Bus Infrastructure management informed the auditor that physical stock check(s) will be conducted on resumption of *'normal business'*.

4. Conclusions

The Audit and Assurance team has undertaken a regularity audit of bus infrastructure annual stock count.

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

Reasonable assurance can be taken from this engagement.

5. Committee action

The committee is asked to note the contents of this report.

6. Consequences

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

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Title Assistant Chief Executive

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