



## Location audits: Travel centre offices

**Committee**            Audit and Standards

**Date of meeting**    17 June 2016

**Date of report**    6 June 2016

### Report by Assistant Chief Executive (Business Support)

#### 1. Object of report

To advise the committee on the findings of location audits to travel centre offices during the year. This engagement was included in the annual Internal Audit plan for 2015/16.

#### 2. Background

There are four travel centres operated by SPT. All centres are located within bus stations at Buchanan Street, 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.

The objective of this engagement was to assess the systems in place for cash handling and ticket administration using a standard audit programme for all visits. The programme content included cash control, ticket stocks, authorisation of documents, and security procedures in operation at each travel centre.

An Electronic Cash Reconciliation system (ECR) was introduced in-year. The completion of reconciliations and the summary reports available from the system were also subject to examination during the course of the engagement.

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

All travel centre office staff have access to a Standard Procedures Instruction (SPI) manual to offer guidance on practices and procedures within travel centres. Engagement testing as at the date of each location visit found that the authorisation of weekly cash reconciliation and ticket stock count sheets was not fully in accordance with SPI guidance.

Electronic Cash Reconciliation (ECR) has streamlined the reconciliation and reporting of ticket income process. There is scope to enhance the level of management reports currently available.

There are areas for improvement, and these areas have been addressed by five audit recommendations. Bus Operations management have agreed to implement these recommendations.

#### 4. Conclusions

The Audit and Assurance team has undertaken location audits at all travel centre offices in early 2016. Areas for improvement have been identified and five 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 recommendations 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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