



East Kilbride travel centre controls report

Committee Audit and Standards

Date of meeting 11 November 2016 **Date of report** 31 October 2016

Report by Assistant Chief Executive (Business Support)

1. Object of report

With reference to the minute of the committee meeting of 9 September 2016, this report is to advise the committee on a controls report of East Kilbride travel centre cash administration. This engagement has been completed from the contingency allocation included in the annual Internal Audit plan for 2016/17.

2. Background

East Kilbride travel centre is located within the bus station. The main purpose of the travel centre is to sell operator tickets and provide travel information to service users on bus, ferry, rail and Subway travel.

The Standard Practice Instructions (SPI) manual provides procedural guidance to travel centre staff on cash administration and ticketing arrangements in travel centre offices.

Physical access to the East Kilbride travel centre office is by way of an electronic data reader held with an ID card.

On 22 July 2016, Bus Operations reported to Audit and Assurance a discrepancy from the ticket office at East Kilbride travel centre.

Audit and Assurance completed an investigation in accordance with recognised procedures and presented the findings to Bus Operations management.

The objective of this engagement was to assess and evaluate the current internal controls and procedures operating within East Kilbride travel centre office, in relation to cash administration.

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 engagement identified a requirement to review the current cash uplift process.

In addition, the engagement also identified a requirement to develop and supplement this process with enhanced reconciliation and reporting arrangements, including data analytics, to strengthen the internal controls for cash administration in operation at this travel centre.

There are areas for improvement, and these areas have been addressed by seven audit recommendations which relate to all four SPT travel centres. Bus Operations and Finance management have agreed to implement these recommendations, which are currently being actioned.

4. Conclusions

The Audit and Assurance team has undertaken a regularity audit of East Kilbride travel centre cash administration arrangements. Areas for improvement have been identified and seven recommendations have been agreed.

Key controls exist but are not applied consistently and effectively.

Reasonable assurance can be taken from the controls in place for the areas covered in this engagement with the exception of cash uplift arrangements.

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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Title **Assistant Chief Executive
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