



Systems review of grant funded projects

Committee Audit and Standards

Date of meeting 17 March 2017

Date of report 6 March 2017

Report by Assistant Chief Executive (Business Support)

1. Object of report

To advise the committee on the findings of a systems review of grant funded projects. This engagement is included in the Internal Audit plan for 2016/17.

2. Background

SPT receives Capital and Revenue grant awards, primarily from the Scottish Government to achieve the outcomes of the Regional Transport Strategy.

SPT offers grant funding for projects to partner local authorities and other community organisations in the Partnership area. The funding is provided to improve and encourage the use of public transport, cycle routes and footpaths. Improvements to public transport may be achieved, for example, through enhancement of park and ride facilities, bus corridors, and bus infrastructure.

Grant administration is governed by Committee Terms of Reference, the Scheme of Delegated Functions and the Financial Regulations.

The objective of this engagement was to assess, review and evaluate internal controls and procedures for the administration of grants.

This engagement tested elements of the internal controls and mitigation against SPT 1: capital funding allocation not matched to programme demands and SPT 22: governance arrangements.

3. Outline of findings

Engagement testing found that the current grant administration arrangements require review and enhancement.

Engagement testing (as at January 2017) also identified a requirement to enhance performance monitoring arrangements.

There are areas for improvement, and these areas have been addressed by nine audit recommendations. Finance, Legal and Projects management have agreed to implement these recommendations, which are currently being actioned.

4. Conclusions

The Audit and Assurance team has undertaken a systems review of grant funded projects. Areas for improvement have been identified and nine recommendations have been agreed.

Key controls exist and are applied consistently and effectively.

Reasonable assurance can be taken from 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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