



Regularity audit of the CRC energy efficiency scheme

Committee Audit and Standards

Date of meeting 9 September 2016

Date of report 29 August 2016

Report by Assistant Chief Executive (Business Support)

1. Object of report

To advise the committee on the findings of a regularity audit of the carbon reduction commitment (CRC) energy efficiency scheme. This engagement is included in the annual Internal Audit plan for 2016/17.

2. Background

The Carbon Reduction Commitment (CRC) Energy Efficiency Scheme is a UK government scheme designed to improve energy efficiency and cut carbon dioxide (CO₂) emissions in private and public sector organisations with high energy use.

The Scottish Environment Protection Agency (SEPA) regulates the scheme.

SPT is required to submit an annual summary report to SEPA on energy usage and purchase allowances based upon CO₂ emissions.

The objective of this engagement was to provide a level of assurance on the CRC annual summary report for 2015/16 and test supporting information.

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

3. Outline of findings

SPT has and continues to introduce a range of energy efficiency initiatives.

Engagement testing found that SPT has registered with SEPA for the CRC energy efficiency scheme in accordance with prescribed guidance. The annual summary report for 2015/16 was presented to SEPA on 27 June 2016.

Some areas for improvement were identified during the engagement and these areas were addressed prior to submission of the annual summary report 2015/16.

4. Conclusions

The Audit and Assurance team has undertaken a regularity audit of the CRC energy efficiency scheme. Some areas for improvement were identified during the engagement and these areas were addressed prior to submission of the annual summary report 2015/16.

Key controls exist and are applied consistently and effectively in the majority of areas tested as part of this engagement.

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.

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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