



Internal Audit Report
The Environment Service
MOT Testing
13-04
September 2013

Final Report

Chief Executive's Service
Finance Division
Perth & Kinross Council
2 High Street
Perth PH1 5PH

Background and Introduction

This audit was carried out as part of the audit plan for 2013/14, which was approved by the Audit Committee on 27 March 2013.

Compulsory vehicle testing was introduced when the Motor Vehicles (Tests) Regulations 1960 came into operation. Sections 45 to 48 of the Road Traffic Act 1988 provide the legislative basis for the Ministry of Transport (MOT) testing. The detailed requirements are contained in the Regulations. It is an offence to use, cause or permit to be used, a vehicle of testable age on a road at any time, unless it has a current valid test certificate.

The Vehicle & Operator Services Agency (VOSA) is the government agency responsible for supervising the MOT Scheme. As such the following roles are carried out by them:

- Authorising MOT Test Stations & approving MOT testers;
- Setting standards for testing and requirements for authorisation for the MOT test station and testers;
- Training Authorised Examiners and MOT testers;
- Visiting MOT test stations and carrying out checks to ensure testing standards & facilities are maintained;
- Giving advice/taking disciplinary action where tests are not being carried out to the required standards;
- Dealing with appeals and complaints from MOT customers;
- Taking test stations and testers out of the MOT scheme when appropriate;
- Prosecuting MOT personnel when in the public interest.

The testing of vehicles is conducted principally at commercial garages and by some local authorities. Perth & Kinross Council are authorised by VOSA, and are known as a Vehicle Testing Station. Vehicles Testing Stations and their staff are subject to inspections by VOSA to ensure that testing is properly carried out. Test equipment used must also be approved by VOSA. Only specifically approved people may conduct tests, sign official test documentation, and make database entries. Test record's are created on the VOSA MOT database and Test Certificate's are issued following successful completion of an examination.

Acknowledgements

Internal Audit acknowledges with thanks the co-operation of The Environment Service's Fleet Management team including workshop staff and members of The Environment Service's Finance team.

Control Objectives and Opinions

This section describes the purpose of the audit and summarises the results. A 'control objective' is a management objective that requires the maintenance of adequate and effective internal controls to ensure that it is achieved. Each control objective has been given a rating describing, on the basis of the audit work done, the actual strength of the internal controls found to be in place. Areas of good or poor practice are described where appropriate.

Control Objective 1: To ensure the adequacy of arrangements for the identification of Council vehicles for MOT testing;	
<p>Auditor's Comments: A clearly defined list of Council vehicles is in operation in the form of the Fleet Management Computerised System, Key 2. MOT Service Schedule reports are produced, as are Service Planners and weekly reports highlighting all vehicles due for MOT by month. These collectively provide the key information required for identifying Council vehicles requiring MOT testing.</p> <p>Tests were carried out in co-operation with relevant staff to verify that the Key 2 system accurately reflected the status of selected vehicles. The selected vehicles status's agreed to that on the schedule, planner and the associated report.</p>	
Strength of Internal Controls:	Strong

Control Objective 2: To ensure that adequate records of testing are maintained for each Council vehicle.	
<p>Auditor's Comments: The MOT Testing Guide and the MOT Inspection Manuals are issued by VOSA under the Motor Vehicles (Tests) Regulations 1960. All designated Councils, as a condition of designation, agree that they understand and accept those requirements.</p> <p>VOSA periodically assess every Vehicle Testing Station to gauge its potential risk of non-compliance with the scheme's requirements and to verify that testing standards and facilities are maintained. This involves unannounced visits to Vehicle Testing Stations by a site assessor. The ultimate test is whether the customer has been provided with the correct test outcome for the condition of the vehicle at a compliant Vehicle Testing Station. Assessments are carried out via a traffic light system; the most recent assessment was carried out in October 2012 and the site assessment report deemed Perth & Kinross Council as 'green' and showed the disciplinary events history as Nil.</p> <p>The review highlighted a clear awareness within the Service of legislative requirements and expected professional standards. The roles and responsibilities regarding MOT testing process were clearly defined. The arrangements for ensuring awareness and understanding of changes to the scheme's rules and regulations were satisfactory. MOT testing is carried out in line with VOSA's published MOT scheme standards.</p>	

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In addition the quality control arrangements were highlighted throughout the review as being strong, indicating that records produced and maintained are adequate.	
Strength of Internal Controls:	Strong

Management Action and Follow-Up

Responsibility for the maintenance of adequate and effective internal controls rests with management. Management should ensure that the relevant risk profiles are reviewed and updated where necessary to take account of the contents of Internal Audit reports. The completeness of risk profiles will be examined as part of Internal Audit's normal planned work.

Feedback

Internal Audit welcomes feedback from management, in connection with this audit or with the Internal Audit service in general.

Distribution

This report has been distributed to:

B Malone, Chief Executive

J Valentine, Executive Director (The Environment Service)

K McNamara, Head of Environmental & Consumer Services

J Symon, Head of Finance

W Young, Direct Services Manager

B Morton, Fleet Manager

P Dickson, Complaints & Governance Officer

External Audit

Authorisation

The auditor for this assignment was J O'Connor. The supervising auditors were D Farquhar and J Clark.

This report is authorised for issue:

Jacqueline Clark

Chief Internal Auditor

Date: 23 September 2013