

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

COUNCIL

4th SEPTEMBER 2024

JOINT REPORT OF

DIRECTOR OF STRATEGY & CORPORATE SERVICES – N DANIEL

&

DIRECTOR OF FINANCE – H JONES

Matter for Information

Wards Affected: All Wards

Audit Wales – Annual Audit Summary 2023

Purpose of Report

1. To receive a presentation from Alison Lewis (Audit Lead, Audit Wales) on the Annual Audit Summary 2023.

Executive Summary

2. The Annual Audit Summary attached at Appendix 1, sets out the work completed by Audit Wales since the last Annual Audit Summary was issued March 2023.
3. **Summary of work undertaken by Audit Wales:**
 - a. **Audit of Neath Port Talbot's 2022-2023 Accounts** – Every year the Auditor General audits the council's financial statements to make sure that public money is being properly accounted for. On 14th November 2023, the Auditor General gave an unqualified true and fair opinion on the Council's financial statements for 2022-2023, following a small

number of changes which were made as a result of Audit Wales' work.

- b. **Assurance and Risk Assessment Review** – Audit Wales have reviewed the arrangements put in place by the council to secure value for money in the use of its own resources.

The work included the council's arrangements in relation to the setting of well-being objectives and the use of performance information. It was acknowledged that the Authority had carried out extensive engagement work when setting its Well Being Objectives and work is underway to enhance the availability of service user perspective data to senior leaders.

This report and the organisational response form was presented to Cabinet on 17th April 2024 and Governance and Audit Committee on 12th July 2024.

- c. **Digital Strategy** – Audit Wales reported on the strategic approach to digital, and specifically the extent to which this has been developed in accordance with the sustainable development principle; and that it will help to secure value for money in the use of the council's resources.

One recommendation was made as part of the review and the Authority has implemented its agreed actions as stipulated within the Organisational Response Form. Officers have implemented comprehensive governance arrangements to assess, monitor the impact of the strategy and address our ability to clearly articulate benefits and align resources to our prioritised programmes of work within a clear timeframe.

This report and the organisational response form was presented to Cabinet 28th November 2023 and Governance and Audit Committee on 26th January 2024.

- d. **Review of Scrutiny Arrangements** – Audit Wales reported on the effectiveness of the council's scrutiny arrangements. They found that the council is missing opportunities for scrutiny to maximise its impact, influence and effectiveness in holding cabinet to account, shaping council policies and reviewing performance.

Five recommendations were made as part of the review and were responded to positively within the Organisational Response Form. Members of Council agreed that the Chairs and Vice Chairs of Scrutiny Forum take forward the recommendations. The Task and

Finish Group reported their findings and proposals for improvement to Council in March 2024 with administrative changes to adapt the model of scrutiny actioned in the Council's Annual General Meeting (AGM) May 2024, informing the 2024-2025 Civic Year arrangements.

This report and the organisational response form was presented to Governance and Audit Committee on 26th January 2024 and Council on 20th March 2024.

- e. **Springing Forward – Strategic Management of Assets** – The report focused on the council's arrangements for managing its assets, namely office accommodation and buildings from which the council delivers services to its residents. Audit Wales looked at how the council strategically plans the use of its assets, how it monitors the use of its assets and how it reviews and evaluates the effectiveness of its arrangements.

Three recommendations were made as part of the review and have been responded to positively within the Organisational Response Form. Since Audit Wales have undertaken the review the council has finalised its Corporate Asset Management Plan Policy, which sets out its five main objectives. One of these relates to sustainable development and growth, outlining not only the long term vision but also the outcomes it wants to achieve over the short and medium term via the Asset Management Plan Strategy and Action Plan. The governance structure has been updated to ensure that property decisions are made transparently and inclusively. Oversight and monitoring of progress against the Strategy and the associated Asset Management Action Plan, will be undertaken by the Strategic Asset Management Group who will then report annually to the Corporate Directors Group and Cabinet.

The report will be presented to Cabinet and Governance and Audit Committee in the autumn.

- f. **Springing Forward – Strategic Workforce Management – Audit Wales** reported on the council's strategic approach to its workforce and if this was strengthening its ability to transform adapt and maintain the delivery of its services in the short and longer term.

Two recommendations were made as part of the review which have been responded to positively within the Organisational Response Form. The Strategic Workforce Plan - Delivery Plan for 2024/2025 includes actions to further embed succession planning and the identification of business critical roles across the council. The recent formation of the HR Data and People Analytics Team, and the development of data analytics capacity will support the development of measures and metrics and identify further opportunities to benchmark. The Organisational Development Delivery Board has been re-established to ensure effective oversight and integration across the enabling change programmes.

This report and the organisational response form was presented to Cabinet on 14th February 2024 and Governance and Audit Committee on 21st March 2024.

4. **Other Inspectorates** - Audit Wales also consider the reports of Care Inspectorate Wales (CIW) and Estyn as well as any subsequent actions taken by the council in response.
5. **On-going Work** - The Annual Audit Summary sets out ongoing work, which includes:
 - Assurance and risk assessment work:
 - Thematic review – financial sustainability
 - Thematic review – commissioning arrangements
 - Unscheduled care review

Financial Appraisal

6. The programme of local audit and improvement assessment work undertaken by the Audit Wales during the period has been delivered within the budget allocated for audit and inspection work.

Integrated Impact Assessment

7. There is no requirement to undertake an Integrated Impact Assessment as this report is for information purposes.

Valleys Communities Impact

8. No implications.

Workforce Impact

9. There are no workforce impacts.

Legal Impact

10. The Auditor General is required to conduct local government value for money studies and assess compliance with the remaining requirements of the Local Government (Wales) Measure 2009 and Local Government & Elections (Wales) Act 2021.

Risk Management

11. The findings of Audit Wales are a key input into the council's corporate governance arrangements and the areas identified for improvement work inform the Annual Governance Statement, Self-Assessment and the associated improvement action plans.

Consultation

12. There is no requirement for external consultation on this item.

Recommendation

13. For Council to note the content of the Annual Audit Summary 2023.

Appendices

14. Appendix 1 – Audit Wales – Annual Audit Summary 2023

List of Background Papers

15. None

Officer Contact

16. Noelwyn Daniel – Director of Strategy & Corporate Services
E-mail: n.daniel@npt.gov.uk

Huw Jones – Chief Finance Officer
E-mail: h.jones@npt.gov.uk

Caryn Furlow-Harris – Strategic Manager – Policy & Executive Support
Email: c.furlow@npt.gov.uk

Louise McAndrew – Corporate Strategic Planning & Governance Officer
Email: l.mcandrew@npt.gov.uk