

AUDIT COMMITTEE

REPORT OF THE HEAD OF FINANCIAL SERVICES – DAVE REES

24th SEPTEMBER 2015

MATTERS FOR INFORMATION

WARDS AFFECTED - ALL

UPDATE ON GRANT MANAGEMENT CONTROL ARRANGEMENTS

1. Purpose of Report

- 1.1 The purpose of this report is to provide Members with an update as to the proposed changes to control arrangements of external grants. The process is very much 'work in progress' and further updates will be provided as the process develops.

2. Background

- 2.1 The Wales Audit Office have for several years been reporting that the control arrangements for external grants in Neath Port Talbot are not satisfactory. In their latest report which related to the 2013/14 financial year they concluded:

- The quality of working papers needs to be improved and handover arrangements need to be strengthened when grants are passed to new officers.
- Fifty five percent of claims were submitted late for audit
- Seventy five percent of claims required amendment and/or qualification

The purpose of this note is to update Members as to the work carried out to date to improve these arrangements.

3. Grants Register

- 3.1 The Authority has previously tried to implement an electronic grants register to capture details of all grants received by the Council. Unfortunately the system was found to be too onerous, was not being populated fully and therefore failed to provide any meaningful information.
- 3.2 Instead of re-introducing this electronic system the Head of Financial Services has now tasked one of his Officers, the Group Accountant (Projects) with setting up a simplified spreadsheet based recording system. The initial data gathering for this exercise has been completed and there is now a spreadsheet which contains details of all grants expected by Service Directorates in 2015/16.
- 3.3 Further work is required in this area to develop procedures and processes for ensuring that this spreadsheet based system remains up to date and accurate.

4. Accounting Instruction Update

- 4.1 The Council's Accounting Instruction 14 deals with Grants Administration and the duties of officers. This accounting instruction has not been updated since 2005 and is out of date.
- 4.2 It is proposed that over the forthcoming months this Accounting Instruction is updated to reflect improved control arrangements which take into account the weaknesses identified by the Wales Audit Office.

The updated Accounting Instruction will also include:

- A detailed checklist to be completed by Council Officers when submitting a grant claim to the Wales Audit Office.
- Details of 'bare minimum' information requirements from third parties where they are the recipient of grant funding from Neath Port Talbot.

5. Recommendation

It is recommended that Members note the ongoing 'work in progress' surrounding grant management control arrangements in the Council.

List of Background Papers

WAO – Certification of Grants and Returns 2013/14

Appendix

None

Wards Affected

All

Officer Contact

For further information on this report item, please contact:

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