

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

23rd September 2016

REPORT OF THE HEAD OF FINANCIAL SERVICES – DAVID REES

SECTION B – MATTERS FOR INFORMATION

ALL WARDS

INTERNAL AUDIT SERVICE – PROGRESS REPORT TO 31 AUGUST 2016

Purpose of the Report

1. The purpose of this report is to:
 - Provide details of the work undertaken for the last quarter
 - Provide an update on progress against the plan
 - Provide details of performance indicators for 2015/16
 - Update members on any queries raised at the last committee meeting
 - Advise members of any staffing issues within the team

Background

2. One of the terms of reference of this Committee is to ‘monitor internal (and) external audit performance’. In order to comply with this requirement to monitor the in-house service, a progress report is given below outlining internal audit work undertaken in the last quarter. This work is then set against the original Internal Audit Plan to show what progress has been achieved. As is customary at the September meeting the service’s performance indicators for the previous financial year are provided.

In addition, information is provided for members on the current position regarding staff vacancies and other staffing issues within the team.

Audit Assignments Completed

3. A total of 13 formal audit reports have been issued since 1st June 2016 in line with normal distribution guidelines. Attached as appendix 1 is a schedule of the reports along with a brief summary of the findings and the risk rating applied following the audit.

The following is a list of those reports issued:

- 2 special investigations
- Home Improvement Loans & Houses into Homes Loans
- Direct Payment Support Service
- Medication Competency – Home Care Service
- Creditors – Year end Procedures in Schools
- Live Kilometre Service Grant
- St Therese's Catholic Primary School
- Creditors 15/16
- Honoraria & Additional Payments
- General Schools Report 15/16
- Purchasing Cards
- Creditors Year End Procedures Corporate

Progress against plan

4. Appendix 2 gives details of the work carried out to date against the 2016/17 plan. There are also currently 3 special investigations in progress.

Performance

5. A comparison of the work completed during the last financial year with the work planned was provided to members at the June meeting. Attached as appendix 3 are the performance indicators for the service for 2015/16 with comments provided below.

- 97.06% of high risk audits planned were undertaken, the reason for the drop in performance from last year when 100% were undertaken was the fact that WAO undertook the audit of Treasury Management which we had planned to do.
- 99.35% of all auditees were at least satisfied with the service provided. The drop in performance from 100% can be attributed to 1 service manager who was unhappy with the timing of the audit
- 100% of recommendations made had been implemented within the normal post audit review period

Response to queries raised at June committee meeting

6. At the last committee meeting members queried what specific reference was made in the Authority's Whistleblowing Policy to malicious allegations.

The policy states under section 3 – General Principles “The malicious use of the Whistleblowing Policy will result in disciplinary action against the complainant up to and including termination of employment.”

Update on Risk Management Process

7. A presentation will be given following the meeting.

Staffing

8. There are no vacancies however one part time auditor is on maternity leave and she will not be back in work this financial year.

Financial Impact

9. There is no financial impact associated with this report.

Equality Impact Assessment

10. There are no equality impacts associated with this report.

Workforce Impacts

11. There are no workforce impacts associated with this report.

Legal Impacts

12. There are no legal impacts associated with this report.

Risk Management

13. There are no risk management impacts associated with this report

Consultation

14. There is no requirement under the Constitution for external consultation on this item.

15. **Appendices**

Appendix 1 – Published Reports
Appendix 2 – Audit Plan Monitoring 2016/17
Appendix 3 – Performance Indicators 2015/16

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