



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

# Audit Committee Update – Neath Port Talbot County Borough Council

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# Audit committee update

## About this document

- 1 This document provides the Audit Committee of Neath Port Talbot County Borough Council (the Council) with an update on current and planned Wales Audit Office work. It covers financial and performance audit work together with information on the Auditor General's programme of local government related studies.

## Audit plan

- 2 Details of our audit plans for 2017 and 2018 are set out in [Exhibit 1](#).

### Exhibit 1: audit plan

Area of work	Current status
Audit Plan 2017	Presented to Audit Committee April 2017.
Audit Plan 2018	To be presented to Audit Committee April 2018

## Financial audit update

- 3 Our financial audit work included in our 2017 audit plan is complete. [Exhibit 2](#) provides members of the Audit Committee with a brief overview of progress against the planned financial audit key outputs and milestones set out in our 2018 audit plan.

## Exhibit 2: financial audit work update

Planned output	Scope	Current status
<b>Financial Statements 2017-18</b>	Audit of the Council's 2017-18 financial statements.	Opinion to be issued July 2018
<b>Whole of Government Accounts 2017-18</b>	Audit of the Councils 2017-18 whole of government accounts	Opinion to be issued September 2018
<b>Certification of Grants 2017-18</b>	Certification of grants and returns 2017-18	Planned for December 2018
<b>Annual Audit Letter</b>	Report summarising our 2017-18 financial audit work.	Planned for December 2018

## Performance audit update

- 4 **Exhibit 3** summarises the progress of the performance audit work set out in the 2017 audit plan which is still in progress and provides a brief overview of progress against the planned performance outputs and milestones set out in our 2018 audit plan.

## Exhibit 3: performance audit work update

Topic	Scope	Status	Timescale
<b>Performance audit work - 2017 audit plan</b>			
<b>Overview and Scrutiny – Fit for the Future?</b>	This review will examine the impact of the WFG Act on the work of scrutiny committees including PSB scrutiny, facilitating improvement and sharing of good practice.	Fieldwork complete	Draft report April 2018

<b>Topic</b>	<b>Scope</b>	<b>Status</b>	<b>Timescale</b>
<b>Service User Review</b>	This project will test the service-user interface at all authorities. The review will evaluate what it feels like (as a member of the public) to deal with council services, involving a selection of services and scenarios.	Specific area to be reviewed is under discussion with the Council	Fieldwork to be scheduled for April/May 2018
<b>Digital Risk</b>	Short diagnostic project as part of the ongoing assurance and risk assessment work.	To be undertaken Autumn 2018 to inform the 2019-20 audit programme	Autumn 2018
<b>Local work – Audit Committee support</b>	Workshop to be held with the Audit Committee	Workshop date to be agreed with the Council	To be confirmed
<b>Local work - corporate risk register review</b>	To review the Council's revised approach to risk management	To be undertaken once new policy is in place	Review date to be agreed with the Council
<b>Annual Improvement Report (AIR)</b>	Annual report summarising the audit work undertaken in the last year which also includes a summary of the key findings from reports issued by 'relevant regulators'	In progress	Draft report May 2018
<b>Performance audit work - 2018 audit plan</b>			
<b>Improvement audit and assessment work including improvement planning and reporting audit</b>	Audit of discharge of duty to publish an improvement plan, and to publish an assessment of performance.	Work planned to be undertaken April to December 2018	May 2018 December 2018
<b>Well-being of Future Generations Act (Wales)</b>	Examination of the extent to which the Council has acted in accordance with the sustainable development principle when taking steps to	Work planned to be undertaken September 2018 – February 2019	By March 2019

<b>Topic</b>	<b>Scope</b>	<b>Status</b>	<b>Timescale</b>
<b>2015 (WFG Act) examinations</b>	meet one or more of its wellbeing objectives which we will discuss and agree with the Council during early 2018-19.		
<b>Assurance and Risk Assessment</b>	Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources.	Work planned to be undertaken throughout the audit year to inform the 2019-2020 audit programme	By March 2019
<b>Thematic review - Environmental Health</b>	Review of the arrangements the Council has put in place to deliver environmental health services building on the study previously undertaken by the Auditor General as part of the 'delivering with less' themed studies.	Work estimated to be undertaken July - November 2018	By March 2019
<b>Thematic review - Leisure Services</b>	Review of the arrangements the Council has put in place to deliver leisure services building on the 'study previously undertaken by the Auditor General as part of the 'delivering with less' themed studies.	Work estimated to be undertaken December 2018 – February 2019	By March 2019
<b>Thematic review - Corporate Safeguarding Arrangements</b>	Review of the effectiveness of corporate safeguarding arrangements building on the study previously undertaken by the Auditor General in this area.	Work estimated to be undertaken April – June 2018	By March 2019
<b>Annual improvement Report</b>	Annual report summarising the audit work undertaken in the last year which also includes a summary of the key findings from reports issued by 'relevant regulators'.	Work planned to be undertaken April 2018 – May 2019	May 2019

- 5 The Wales Audit Office also undertakes a programme of local government studies funded from the Welsh Consolidated Fund, which lead to national reports rather than local reports. **Exhibit 4** summarises the present position on the programme of studies currently underway.

**Exhibit 4: local authority improvement studies currently underway by the Wales Audit Office**

Topic	Scope	Status	Timescale
<b>2016-17 Local Government Improvement Studies – 2016 audit plan</b>			
Strategic commissioning of learning disability services by local authorities	This review looks at how effective are authorities in using strategic commissioning of services for learning disabilities to improve outcomes and the wellbeing of service users.	Report in clearance	National report due to be published 1st Quarter 2018
<b>2017-18 Local Government Improvement Studies – 2017 audit plan</b>			
Services to rural communities	This review will assess how well public bodies are working together to assess needs, identify priorities, deliver and maintain the provision of key operational services to meet the needs of people in rural communities. The Council is one of the sample of councils where fieldwork will be undertaken.	Fieldwork underway	National report due to be published Summer/Autumn 2018
Using data effectively	Review will primarily focus on the role of local authorities in how effective they are at managing and using data to support decision making and the use of resources. Interviews will be undertaken with each local authority and their key Public Service Board partners.	Fieldwork underway	National report due to be published Summer/Autumn 2018

Topic	Scope	Status	Timescale
Integrated care fund	The review will examine if the Integrated Care Fund is being used effectively to deliver sustainable services that achieve better outcomes for service users. Interviews will be undertaken with a selection of officers on each of the Regional Partnership Boards and Welsh Government officials.	Terms of reference issued March 2018.	National report due to be published January 2019.
<b>2018-19 Local Government Improvement Studies – 2018 audit plan</b>			
Implementation of the Social Services and Well-being Act	The study will review progress by authorities in delivering their new duties under the Act and help to identify opportunities for improving current management and delivery arrangements.	Scoping	To be determined
Implementation of Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015	Our review will focus on the effectiveness of arrangements to improve support for people affected by such abuse and violence.	Scoping	To be determined
Value for Money of Planning Services	Our review will consider the effectiveness and impact of planning services on local communities in Wales.	Scoping	To be determined

## Local government related national studies

6 The Audit Committee may also be interested in the local authority related national studies recently published by the Wales Audit Office.

**Exhibit 5** provides information on our national studies that have relevance to local authority organisations.

### Exhibit 5: local authority-related national studies recently published by the Wales Audit Office

Topic	Findings	Published
Housing Adaptations	We looked at whether public bodies, with responsibilities for delivering housing adaptations, have an effective strategic approach that delivers value for money. We concluded that user satisfaction with housing adaptations masks a hugely complicated, reactive and inequitable system that is not delivering for all those who may need it.	Published: 22 February 2018 <a href="http://www.audit.wales/publication/housing-adaptations">http://www.audit.wales/publication/housing-adaptations</a>
How Local Government manages demand – Homelessness	We found that local authorities are reacting to the problems caused by homelessness with varying degrees of success. But there is limited focus on preventing the fundamental causes of homelessness.	Published: 9 January 2018 <a href="http://www.audit.wales/publication/how-local-government-manages-demand-homelessness">http://www.audit.wales/publication/how-local-government-manages-demand-homelessness</a>
Local Government Financial Reporting 2016-17	This is the seventh annual report on local government bodies' financial statements in Wales for 2016-17. We found that local government bodies have improved the quality of their pre-audit financial statements, but still face challenges in the medium term to improve and produce their financial statements earlier.	Published: 20 December 2017 <a href="http://www.audit.wales/publication/local-government-financial-reporting-201617">http://www.audit.wales/publication/local-government-financial-reporting-201617</a>
The National Procurement Service	We found that indicative figures show that public bodies in Wales spent £234 million through National Procurement	Published: 30 November 2017

Topic	Findings	Published
	<p>Service frameworks and contracts in 2016-17, £222 million of which related to members' organisations. However, public bodies are not using NPS frameworks as much as anticipated, resulting in concerns over its funding, less than anticipated savings – £14.8 million reported for 2016-17 – and with many of its members dissatisfied.</p>	<p><a href="http://www.audit.wales/publication/national-procurement-service">http://www.audit.wales/publication/national-procurement-service</a></p>
<p>Good governance when determining significant service changes – National Summary</p>	<p>This report is designed primarily to provide insight, share existing practice and prompt further conversations and discussions between councils and other organisations. We found that governance arrangements for determining significant service change are generally clear and well understood. We have not included any recommendations in this report, as we have already issued each council with relevant proposals for improvement in their own local report.</p>	<p>Published: 11 October 2017  <a href="http://www.audit.wales/publication/good-governance-when-determining-significant-service-changes">http://www.audit.wales/publication/good-governance-when-determining-significant-service-changes</a></p>
<p>Public Procurement in Wales</p>	<p>We have examined whether there is evidence that current procurement arrangements in Wales are helping to deliver value for money in public spending and are fit for the future. We have concluded that national governance arrangements for procurement could be strengthened and there is clear scope for improvement in procurement arrangements at a national and local level. Public bodies also face challenges in balancing potentially competing procurement priorities, responding to new policy, legislation and technology, and in the recruitment and retention of key personnel.</p>	<p>Published: 17 October 2017  <a href="http://www.audit.wales/publication/public-procurement-wales">http://www.audit.wales/publication/public-procurement-wales</a></p>

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