



Cyngor Castell-nedd Port Talbot  
Neath Port Talbot Council

## **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

### **AUDIT COMMITTEE**

**26<sup>th</sup> June 2019**

#### **Report of the Head of Finance – Huw Jones**

##### **Matter for Information**

##### **Wards Affected:**

All Wards

##### **Internal Audit Progress Report to 31<sup>st</sup> May 2019**

##### **Purpose of the Report**

The purpose of this report is to provide details of the work undertaken for the current financial year compared to that included in the Internal Audit Plan and to highlight issues relevant to the performance of the section.

##### **Executive Summary**

Details of achievement against the 2019/20 Audit Plan are outlined in appendix 1. Appendix 2 gives a summary of all reports issued in this reporting period.

## **Background**

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.

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

## **Audit Assignments Completed**

A total of 11 formal audit reports have been issued since 1<sup>st</sup> March 2019 in line with normal distribution guidelines. Attached as appendix 1 is a schedule of the reports together with a brief summary of the finding and the risk rating applied following the audit.

The following is a list of the reports issued;

- 3 Primary Schools
- DBS Sample Checks (non schools)
- Standby & On Call Procedures
- Cemeteries
- Petty Cash
- Gnoll Visitor Centre
- Hillside Secure Centre
- Procurement Cards (cross directorate)
- Youth Service

## Post Audit Reviews Undertaken

The following Post Audit Reviews (PARS) have been undertaken

<b>Audit</b>	<b>Date of PAR</b>	<b>Issues</b>
Assistive Technology	03.05.19	Limited implementation due to the service manager leaving NPTCBC. A follow up PAR will be undertaken.
Crymlyn Primary	09.05.19	None
St Joseph's RC School & 6 <sup>th</sup> Form Centre	10.05.19	None
Melin Primary School	10.05.19	None
St Joseph's Catholic Primary School	10.05.19	None
Abbeyview Complex Needs Centre	21.05.19	None

## Progress against Plan

Appendix 2 gives detail of the work carried out to date against the 2019/20 Plan.

There are currently 3 special investigations in progress.

## Staffing

There is currently one Assistant Auditor post vacant.

## Financial Impacts

No implications

## **Integrated Impact Assessment**

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

## **Valleys Communities Impacts**

No implications

## **Workforce Impacts**

No implications

## **Legal Impacts**

No implications

## **Risk Management Impacts**

No implications

## **Consultation**

There is no requirement for external consultation on this item

## **Appendices**

Appendix 1 – Published Reports

Appendix 2 – Audit Plan Monitoring 2019/20

## **List of Background Papers:**

None

## **Officer Contact:**

Huw Jones, Head of Finance

[h.jones@npt.gov.uk](mailto:h.jones@npt.gov.uk)

01639 763575

Anne-Marie O'Donnell, Audit Manager  
[am.odonnell@npt.gov.uk](mailto:am.odonnell@npt.gov.uk)  
01639 763628

Appendix 1 – Published Reports

<b>Report Ref</b>	<b>Report Subject &amp; Responsible Head of Service</b>	<b>Report Conclusion</b>	<b>Risk Category</b>
R51	YGG Rhosafan Head of Participation	The school was complying in full with current DBS guidance. Recommendations were made in relation to payment of invoices and the need for a Section 19 permit for the mini bus.	2
R52	DBS Sample Checks Cross Directorate	The required DBS disclosure was in place for all new starters checked.	1
R53	Tywyn Primary School Head of Participation	In one instance the DBS Update Service was not checked until after the employee had commenced duties. Recommendations were also made in relation to reclaiming VAT where appropriate and the operation of the Unofficial Fund.	2
R54	Standby & On Call Procedures Head of Streetcare	Generally good controls were found to be in place and recommendations were made in relation to the need for a review of standby and call handling rates.	2
R55	Cemeteries Head of Streetcare	Strong controls were found to be in place and operating well.	1
<b>19/20</b> R1	Petty Cash Cross Directorate	All of the Petty Cash Accounts examined as part of this audit could be reconciled and all were operated in accordance with the relevant Accounting Instruction.	1
R2	Gnoll Visitor Centre Head of Streetcare	Recommendations were made in relation to the café stock control, car park season tickets and lone working procedures.	2
R3	Hillside Secure Centre Head of Children's Services	This audit concentrated on the administration functions of the Centre and found generally good controls to be in place.	2

<b>Report Ref</b>	<b>Report Subject &amp; Responsible Head of Service</b>	<b>Report Conclusion</b>	<b>Risk Category</b>
		Recommendations were made in relation to reclaiming VAT, inventory records and driver declarations.	
R4	Procurement Cards Cross Directorate	This audit concentrated on the coding and authorisation processes in place. Heads of Service were notified of all instances on non-compliance with policy in their service areas.	2
R5	Youth Service Head of Participation	Generally good controls were found to be in place and recommendations were made in relation to reclaiming VAT, payment of invoices and inventory records.	2
R6	YGG Gwaun Cae Gurwen Head of Participation	This extended audit was undertaken following the Special Investigation undertaken last year, all recommendations made following that investigation have been implemented and the new school clerk is to be commended for the work she has undertaken since being in post. Recommendations were made which will further enhance the existing controls.	2

## **Risk Categories**

Category 1 – testing found good controls to be in place

Category 2 – testing found some controls that need enhancing which will be achieved by the implementation of the recommendations

Category 3 – testing revealed a number of areas where improvements in controls are required. A verbal update will be provided

Category 4 – testing revealed areas of concern, the Head of Service will provide a written response to the audit report for consideration by Members of Audit Committee

Category 5 – testing revealed areas of significant concern. The Head of Service and/or Service Manager will attend audit committee



**Monitoring Date****31st May 2019****Audit Plan Item 2019-20****Risk  
Factor****Quarter 1****Quarter 2****Quarter 3****Quarter 4****Education, Leisure and Lifelong Learning****School Based Audits**

20 Primary Schools

M

1 school audited

3 Secondary Schools

H

**Other Education**

Unofficial Funds (Primary)

H

Unofficial Funds (Secondary)

H

Education Grants

M

1 grant being audited

**Leisure, Culture and Lifelong Learning**

Margam Country Park &amp; Orangery

M

**Finance and Corporate Services****Revenue Collection**

Council Tax

L

Council Tax Recovery

M

NNDR

L

Sundry Debtors

L

Cash Collection

H

**Monitoring Date****31st May 2019****Audit Plan Item 2019-20****Risk****Quarter 1****Quarter 2****Quarter 3****Quarter 4****Benefits Administration**

Housing Benefits

L

Unannounced  
visits  
undertaken**Exchequer**

Payroll

L

Creditor Payments

L

Creditor (FIS Checks)

H

Regular monthly  
checks  
undertaken

Off Payroll Payments (IR 35)

H

**Accountancy**

Treasury Management

M

VAT

M

**Other**

Financial Assessments

M

Audit in  
progress

Court Deputy

M

Audit in  
progress

Contingency

N/A

Mobile phone  
audit in  
progress**Legal Services**

None

**Monitoring Date****31st May 2019****Audit Plan Item 2019-20****Risk****Quarter 1****Quarter 2****Quarter 3****Quarter 4****Chief Executive's**

Members' Driver Declarations

M

Audit in progress

**Social Services, Health and Housing****Housing General Fund:**

None

**Social Services**

Hillside Secure Unit

M

Grant Certification

M

1 grant being audited

**Safeguarding - Children & Adult Services**

Child Sexual Exploitation

H

Professional Abuse Strategy Meetings

H

Contingency

H

N/A

**Environment**

Stores/Equipment attendance at stock takes

Stores processes

H

H

**Monitoring Date****31st May 2019****Audit Plan Item 2019-20****Risk****Quarter 1****Quarter 2****Quarter 3****Quarter 4**

Equipment Tracking /Write Offs

M

Audit in  
progress

Winter Gritting Processes

M

Town Centre Regeneration Programme

M

Contingency

N/A

**Cross Directorate**

Special Investigations

N/A

3 in progress

Advice &amp; Guidance Requests

N/A

Ongoing

Corporate Governance Arrangements

N/A

Data Security

H

Contract Audit

M

Officer Declarations

M

Audit complete

Risk Registers

M

DBS Checks

H

Complaints Processes

M

Audit in  
progress

Procurement

H

Money Laundering

M

Fraud

H

Work ongoing

GDPR

M

**Other Commitments**

Banking Administrator

N/A

Work ongoing

Attendance at working parties

N/A

Work ongoing

**Monitoring Date****31st May 2019****Audit Plan Item 2019-20****Risk****Quarter 1****Quarter 2****Quarter 3****Quarter 4**

Servicing Audit Committee

N/A

Work ongoing

Vision Impaired West Glamorgan

L

SWTRA

N/A

FOI Requests

N/A

All requests  
have been  
replied to.  
Year end  
accounts  
audited and  
Auditor's  
Statement  
provided.

Staff association/lottery

N/A

National Fraud Initiative

N/A

Matches being  
reviewed