



Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

4th December 2019

Report of the Head of Finance – Huw Jones

Matter for Information

Wards Affected:

All Wards

Internal Audit Progress Report to 15th November 2019

1. 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.

2. 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.

3. 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.

4. Audit Assignments Completed

A total of 11 formal audit reports have been issued since 1st September 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;

1 Private Report
7 Primary Schools
Equipment Tracking – Environment Directorate
Concessionary Fares – First Cymru
Complaints & Compliments

5. Post Audit Reviews Undertaken

The following Post Audit Reviews (PARS) have been undertaken

Audit	Date of PAR	Issues
Cefn Saeson Comprehensive	04.10.19	None
YGG Rhosafan	06.11.19	None

6. Progress against Plan

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

There are currently 4 special investigations in progress.

7. Staffing.

The vacant Assistant Auditor Post has been filled with effect from 6th January 2020. None of the candidates who applied for the vacant Fraud Officer post were shortlisted and it is hoped that permission will be granted to advertise externally in early 2020.

8. Financial Impacts

No implications

9. Integrated Impact Assessment

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

10. Valleys Communities Impacts

No implications

11. Workforce Impacts

No implications

12. Legal Impacts

No implications

13. Risk Management Impacts

No implications

14. Consultation

There is no requirement for external consultation on this item

15. Appendices

Appendix 1 – Published Reports

Appendix 2 – Audit Plan Monitoring 2019/20

16. List of Background Papers:

None

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Appendix 1 – Published Reports

Report Ref	Report Subject & Responsible Head of Service	Report Conclusion	Risk Category
R21	Blaengwarch Primary School Head of Participation	Good controls were found to be in place and the school is complying in full with current DBS guidance.	1
R22	St. Joseph's Catholic Infant School Head of Participation	Generally good controls were found to be in place and the school is complying with current DBS guidance. Recommendations were made in relation to the school unofficial fund and compliance with IR35 legislation.	2
R23	Waunceirch Primary School Head of Participation	Generally good controls were found to be in place and the school is complying with current DBS guidance in respect of staff. Recommendations were made in relation to Governors' DBS and the school unofficial fund.	2
R24	St. Joseph's Catholic Junior School Head of Participation	Generally good controls were found to be in place and the school is complying with current DBS guidance. Recommendations were made in relation to school meal debt, coding of procurement card purchases and the school unofficial fund.	2
R25	Private Item		
R26	Central Primary School Head of Participation	Good controls were found to be in place and the school is complying in full with current DBS guidance.	1

Appendix 1 – Published Reports

Report Ref	Report Subject & Responsible Head of Service	Report Conclusion	Risk Category
R27	Cwmafan Primary School Head of Participation	Good controls were found to be in place and the school is complying in full with current DBS guidance.	1
R28	Equipment Tracking Head of Engineering & Transport	Generally good controls were found to be in place and recommendations were made which will further enhance the existing controls.	2
R29	YGG Pontardawe Head of Participation	Generally good controls were found to be in place and the school is complying with current DBS guidance. Recommendations were made in relation to raising orders and the school unofficial fund.	2
R30	Concessionary Fares – First Cymru Head of Engineering & Transport	Good controls were found to be in place and no issues were identified.	1
R31	Complaints & Compliments All Chief Officers	Good controls were found to be in place for Complaints Officers' identifying, resolving and reporting of complaints. Recommendations were made in relation to training for complaints officers, risk assessments, enhancements to the	2

Appendix 1 – Published Reports

Report Ref	Report Subject & Responsible Head of Service	Report Conclusion	Risk Category
		Corporate Complaints and Compliments Policy and deploying the IT system used within Social Services to all complaints officers.	

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

Appendix 2 – Audit Plan Monitoring

Monitoring Date

15th November 2019

Audit Plan Item 2019-20

Risk Factor

Quarter 1

Quarter 2

Quarter 3

Education, Leisure and Lifelong Learning

School Based Audits

20 Primary Schools

M

1 school audited

3 schools audited

7 schools audited

3 Secondary Schools

H

1 school audited

1 Audit being undertaken.

Other Education

Unofficial Funds (Primary)

H

Audit in progress

Unofficial Funds (Secondary)

H

Audit in progress

Education Grants

M

1 grant being audited

Grant audit finalised

2 Grants audited and draft reports issued.

Leisure, Culture and Lifelong Learning

Margam Country Park & Orangery

M

Audit in progress

Finance and Corporate Services

Appendix 2 – Audit Plan Monitoring

<u>Audit Plan Item 2019-20</u>	<u>Risk Factor</u>	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>
Revenue Collection				
Council Tax	L			
Council Tax Recovery	M			
NNDR	L			
Sundry Debtors	L			
Cash Collection	H	Unannounced visits undertaken	Unannounced visits undertaken	Unannounced visits undertaken
Benefits Administration				
Housing Benefits	L			
Exchequer				
Payroll	L			
Creditor Payments	L			
Creditor (FIS Checks)	H	Regular monthly checks undertaken	Regular monthly checks undertaken	Regular monthly checks undertaken
Off Payroll Payments (IR 35)	H		Advice given	Advice given to a number of service areas
Accountancy				
Treasury Management	M		Audit in planning stage	Audit in progress
VAT	M			

Appendix 2 – Audit Plan Monitoring

<u>Audit Plan Item 2019-20</u>	<u>Risk Factor</u>	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>
Other				
Financial Assessments	M	Audit in progress	Audit complete	
Court Deputy	M	Audit in progress		Draft Report issued
Contingency	N/A	Mobile phone audit in progress		Third Sector Grant audit in planning stage.
Legal Services				
None				
<u>Chief Executive's</u>				
Members' Driver Declarations	M	Audit in progress	Audit ceased following legal advice	Replaced with Chief Executive Directorate Travel & Subsistence Claims to be undertaken in Q4
<u>Social Services, Health and Housing</u>				
Housing General Fund:				
None				

Appendix 2 – Audit Plan Monitoring

<u>Audit Plan Item 2019-20</u>	<u>Risk Factor</u>	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>
Social Services				
Hillside Secure Unit	M			Audit in planning stage
Grant Certification	M	1 grant being audited	2 grants audited	
Safeguarding - Children & Adult Services				
Child Sexual Exploitation	H			
Professional Abuse Strategy Meetings	H			
Contingency	N/A			Warm Homes Fund to be Audited in Q4.
<u>Environment</u>				
Stores/Equipment attendance at stock takes	H			
Stores processes	H			Audit in progress
Equipment Tracking /Write Offs	M	Audit in progress	Draft report issued	Final report issued
Winter Gritting Processes	M			
Town Centre Regeneration Programme	M			
Contingency	N/A			

Appendix 2 – Audit Plan Monitoring

<u>Audit Plan Item 2019-20</u>	<u>Risk Factor</u>	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>
<u>Cross Directorate</u>				
Special Investigations	N/A	3 in progress	5 in progress	4 in progress
Advice & Guidance Requests	N/A	Ongoing	Ongoing	Ongoing
Corporate Governance Arrangements	N/A			
Data Security	H			
Contract Audit	M		1 final account processed	2 final accounts processed
Officer Declarations	M	Audit complete		
Risk Registers	M			
DBS Checks	H		1 Audit Completed	Audit in progress
Complaints Processes	M	Audit in progress	Audit in progress	Final report issued
Procurement	H			Audit in planning stage
Money Laundering	M			
Fraud	H	Work ongoing	Blue Badge Audit in progress	Blue Badge Audit still ongoing
GDPR	M			Audit in planning stage
<u>Other Commitments</u>				
Banking Administrator	N/A	Work ongoing	Work ongoing	Work ongoing
Attendance at working parties	N/A	Work ongoing	Work ongoing	Work ongoing

Appendix 2 – Audit Plan Monitoring

<u>Audit Plan Item 2019-20</u>	<u>Risk Factor</u>	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>
Servicing Audit Committee	N/A	Work ongoing	Work ongoing	Work ongoing
Vision Impaired West Glamorgan	L			
SWTRA	N/A		Audit in progress	
FOI Requests	N/A	All requests have been replied to.	All requests have been replied to	All requests have been replied to
Staff association/lottery	N/A	Year end accounts audited and Auditor's Statement provided.		Advice given when requested
National Fraud Initiative	N/A	Matches being reviewed	Matches being reviewed	Matches being reviewed