



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

# Audit Committee Update – Neath Port Talbot Council

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# Contents

## Progress update

About this document	4
Audit plan	4
Financial audit update	5
Performance audit update	6
WAO national studies	8

# Audit committee update

## About this document

- 1 This document provides the Audit Committee of Neath Port Talbot 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 the finalisation of our audit plans for 2019 and 2020 are set out in [Exhibit 1](#).

[Exhibit 1: audit plan.](#)

Area of work	Status
Audit Plan 2019	Presented to Audit Committee March 2019
Audit Plan 2020	To be presented to Audit Committee March 2020

## Financial audit update

- 3 Our financial audit work included in our 2019 audit plan is complete. The status of our financial audit work included in our 2020 audit plan is set out in [Exhibit 2](#)

### Exhibit 2: financial audit update

Planned output	Scope	Status
<b>Financial Statements 2019-20</b>	Audit of the Council's 2019-20 financial statements.	Opinion planned to be issued July 2020.
<b>Margam Crematorium Joint Committee Annual Return 2019-20</b>	Audit of the Committees 2019-20 Annual Return	Opinion planned to be issued July 2020.
<b>Welsh Church Act Trust Fund 2019-20</b>	Independent examination of the Trust Fund 2019-20 financial statements	Opinion planned to be issued October 2020
<b>Certification of Grants 2019-20</b>	Certification of grants and returns 2019-20	Planned for November 2020
<b>Annual Audit Letter</b>	Letter summarising our 2019-20 audit work.	Planned for December 2020

## Performance audit update

- 4 The progress of the performance audit work included in our 2018 and 2019 audit plans which is still in progress and progress against the planned performance outputs and milestones set out in our 2020 audit plan are summarised in [Exhibit 3](#).

### Exhibit 3: performance audit update

Topic	Scope	Status	Timescale
<b>Performance audit work - 2018 audit plan</b>			
<b>Review of Corporate Arrangements for Safeguarding</b>	Review of the effectiveness of corporate safeguarding arrangements, building on the study previously undertaken by the Auditor General in this area.	Complete.	Draft report issued to Council. Final report to be issued March 2020.
<b>Performance audit work - 2019 audit plan</b>			
<b>Well-being of Future Generations an examination: 'We will deliver strategic regeneration programmes'</b>	Examination of the extent to which the Council has acted in accordance with the sustainable development principle when taking steps to meet its well-being objectives.	Fieldwork complete. Draft report issued November 2019	Waiting for the Council's action plan to include in final report.
<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.	Complete	Fed back to CDG – February 2020

<b>Topic</b>	<b>Scope</b>	<b>Status</b>	<b>Timescale</b>
<b>Financial Sustainability</b>	A project common to all local councils that will assess financial sustainability in light of current and anticipated future challenges.	Fieldwork complete. Draft report issued February 2020	Waiting for Council response to the draft report.
<b>Local Performance Audit Project</b>	Review of the Council's corporate performance management system.	Fieldwork stage	Draft report due June 2020.
<b>Performance audit work - 2020 audit plan</b>			
<b>Well-being of Future Generations Act (Wales) 2015 (WFG Act) examination</b>	A project common to all local councils that will focus on the theme of 'prevention'	Not started	To be confirmed
<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.	Not started	Feedback to CDG – January 2021
<b>Financial Sustainability</b>	A project common to all local councils that will assess financial sustainability in light of current and anticipated future challenges building on work undertaken during 2019-20.	Not started	To be confirmed
<b>Local Performance Audit Project</b>	Review of workforce planning.	Not started	To be confirmed
<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.	Improvement Plan audit - not started	Certification – June 2020
		Assessment of Performance Audit – not started	Certification – November 2020

## WAO national studies

- 5 The Audit Committee may also be interested in the WAO national studies programme that are related to local government. **Exhibit 4** provides information on our recently published national studies that have relevance to local authority organisations. These studies are typically funded by the National Assembly and are presented to the National Assembly's Public Accounts Committee to support its scrutiny of public expenditure.

### Exhibit 4: local authority related national studies

Topic	Findings	Status
<b>A465 Section 2 – Interim Findings</b>	The Welsh Government is converting 40 kilometres of the existing A465 'Heads of the Valleys' road between Abergavenny and Hirwaun into a dual carriageway. Our report looked at the A465 Section 2, which is an 8km stretch of road between Gilwern and Brynmawr.	Published 20 February 2020 <a href="https://www.audit.wales/publication/a465-section-2-interim-findings">https://www.audit.wales/publication/a465-section-2-interim-findings</a>
<b>Financial management and governance – Community and town councils 2018-19</b>	This report summarising issues identified by external auditors during their statutory audit of community councils in Wales. The audit process involves a review of the annual accounts and an examination of the council's financial management and governance arrangements that underpin securing value for money in councils' use of resources.	Published 5 February 2020 <a href="https://www.audit.wales/publication/financial-management-and-governance-community-and-town-councils-2018-19">https://www.audit.wales/publication/financial-management-and-governance-community-and-town-councils-2018-19</a>
<b>Progress in implementing the Violence Against Women, Domestic Abuse and Sexual Violence Act</b>	Victims and survivors of domestic abuse and sexual violence are often let down by an inconsistent, complex and fragmented system. We have examined how the new duties and responsibilities of the Violence against Women,	Published 21 November 2019 <a href="http://www.audit.wales/publication/progress-implementing-violence-against-women-domestic-abuse-and-sexual-violence-act">http://www.audit.wales/publication/progress-implementing-violence-against-women-domestic-abuse-and-sexual-violence-act</a>



Topic	Findings	Status
	Domestic Abuse and Sexual Violence (Wales) Act are being rolled out and delivered.	
<b>Review of Public Services Boards</b>	We examined how Public Service Boards are operating; looking at their membership, terms of reference, frequency and focus of meetings, alignment with other partnerships, resources and scrutiny arrangements We concluded that Public Services Boards are unlikely to realise their potential unless they are given freedom to work more flexibly and think and act differently.	Published 8 Oct 2019 <a href="http://www.audit.wales/publication/review-public-services-boards">www.audit.wales/publication/review-public-services-boards</a>

6 **Exhibit 5** provides information on local government related studies currently underway.

**Exhibit 5: local government related studies currently underway by the Wales Audit Office**

Topic	Scope	Timescale
<b>Review of PSBs (second stage) – rough sleeping</b>	Following on from the review of PSBs (report published October 2019) this work is looking at partnership work around rough sleeping	Report to be published April 2020
<b>Preventing fraud and corruption</b>	Following a June 2019 overview report for the National Assembly's Public Accounts Committee, we are undertaking further work to consider in more detail the effectiveness of public bodies' arrangements. Fieldwork is being undertaken at all local government bodies.	Report to be published June 2020
<b>Covering teacher's absence</b>	We plan to follow-up on developments since our 2013 report, including in response to the 'Ministerial Supply Model Taskforce's	Report to be published June 2020

Topic	Scope	Timescale
	2017' report.	
<b>The impact of austerity on LA discretionary services</b>	This review will provide independent assurance that councils approaches to discretionary services are sustainable and that changes in provision or cessation of activity do not adversely impact future generations or those with protected characteristics.	Report to be published in 2020
<b>Commercialisation in local authorities</b>	This review will focus on producing good practice case studies and support materials to help authorities develop their approaches to commercialisation. It will also comment on long-term approaches to financial sustainability and how commercial activity supports organisations to deliver their wider wellbeing objectives and corporate priorities. Neath Port Talbot Council is one of the fieldwork sites.	Report to be published in 2020



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