

Neath Port Talbot County Borough Council

Audit Committee / Governance and Audit Committee – Annual Report 2020-2021

Introduction

This report summarises the work undertaken by the Audit Committee of Neath Port Talbot County Borough Council throughout the 2020-2021 Civic Year (replaced by the Governance & Audit committee from 17 March 2021).

Membership

The members of the Audit Committee were: Councillors Dr D.Morgan, L. Purcell, S.apDafydd (until July 2020), S Freeguard, J Miller, R Wood, O Davies, A Woolcock, A Richards, H Clarke, S Renkes, R Mizen, R L Taylor (from September 2020). and Mrs J Jenkins (Voting Lay Member)

The Committee Chair was Cllr. Dr. Del Morgan, and the Vice Chair was Cllr. Linet Purcell.

Work Programme

The Committee's forward work programme is agreed by members on a rolling basis, although this Committee's work is often driven by statutory requirements or by the dynamic necessities of particular circumstances as they arise.

The Committee met four times remotely via Teams during the year.

Specific Duties and Tasks Undertaken by the Committee

The Committee received and approved the Council's Statement of Accounts for 2019-2020, which included consideration of the Audit Wales Audit of Accounts Report. As part of this process the Committee also received the Annual Governance Statement.

In common with a number of other support services, the Internal Audit team were seconded to assist with the Council's response to the pandemic and the majority of the team worked within the Test, Trace & Protect Service until September 2020. Two staff members remained providing an audit service.

The Committee received the 2019-2020 Internal Audit Annual Report and details of the achievement against the 2019-2020 approved Internal Audit Plan at the September meeting. This was the first committee meeting attended by the Audit Manager following her secondment to manage the Test, Trace & Protect Team.

Due to the secondment of the team, it was not until September that an Internal Audit Plan for 2020-2021 was approved and due to the uncertainty around the pandemic it was agreed that for 2020-2021 a plan would be agreed on a quarterly basis. The various risks associated with regards to delaying audits that were unable to be undertaken due to the pandemic were discussed. Members received assurance that

there was no added risk to the Authority as there were system controls in place in the service areas where audits were delayed and it was intended that the audits would be undertaken as soon as circumstances allowed.

The Committee monitored Internal Audit performance against the quarterly plan. The Audit Manager responded to all questions asked by Members and provided further information at future meetings where appropriate.

The Committee received the draft Internal Audit plan for the period 2021-2022, whereby it was recommended that the historic system of applying a risk rating to completed audits be changed to a more up-to-date assurance rating system, in line with the Public Sector Internal Audit Standards. A Members' discussion around good practice that had been developed through experience was undertaken and the ability for the Committee to call a Head of service or accountable manager to address issues remained unchanged. Officers would look at assigning risk colour ratings to audit reports and the protocol regarding an assurance rating of 'no assurance' was discussed and agreed.

The Committee received regular details of all investigations relating to theft, fraud and malpractice.

The Committee received no formal risk reports during the year as the risk registers were not being physically updated on a regular basis due to the Covid 19 pandemic. The risks arising from the pandemic were managed via the establishment of a Corporate Incident Management Team chaired by the Council's Chief Executive.

The Committee monitored External Audit Performance and received update reports from Audit Wales. The Committee also received a presentation from Audit Wales on their 2020-2021 Audit Plan, the impact of COVID-19 thereon and the Audit Wales Work Programme.

A special meeting was held on 15th March 2021 attended by the Chief Executive who presented members with the terms of reference for the external, independent review of governance arrangements which she had commissioned. The review was commissioned following the release of an audio tape featuring comments made by the then Leader. She also gave a commitment to report back to members when the review was complete (during early 2021-2022).

The Committee received Treasury Management Progress Reports in order to fulfill their obligations in relation to the Scrutiny of Treasury Management activity.

The Committee received an update report on the Local Government and Elections (Wales) Bill 2020 and how this would impact the Council and how the proposed changes would affect the role of the Audit Committee. Following royal assent in respect of this Bill, the Audit Committee was replaced by the Governance & Audit Committee from 17 March 2021.

(Cllr. Dr. Del Morgan, Chair)