



Cyngor Castell-nedd Port Talbot  
Neath Port Talbot Council

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

### **GOVERNANCE & AUDIT COMMITTEE**

**21<sup>st</sup> March 2024**

**Report of Head of Internal Audit– Diane Mulligan**

#### **Matters for Noting**

**Wards Affected:** All Wards

#### **Internal Audit Update Report**

##### **1. Purpose of the Report**

The purpose of this report is to provide details of the internal audit work undertaken since the last Governance & Audit Committee meeting in January 2024.

##### **2. Executive Summary**

Since the last committee meeting a total of 6 reports have been issued and 1 Post Audit Review has been undertaken.

Appendix 1 of this report details the formal audit reports issued, Appendix 2 gives details of progress against the plan for 23-24 and Appendix 3 provides a response from the Head of Engineering Services in relation to Report Number 50 – Mandatory Training Mandatory Training – Engineering Services.

### **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, an update is given below outlining internal audit work undertaken since the Governance & Audit Committee meeting held on 26<sup>th</sup> January 2024.

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

### **4. Staffing Issues**

One member of staff is currently on long term sickness, another has returned to work following long term sickness absence and will be working reduced hours for a period.

The vacant trainee auditor post has this month been successfully filled and the post holder will be commencing with the section in April 2024.

As at the 29<sup>th</sup> February a total of 152 audit days have been lost to sickness and 88 lost due to the vacancy.

### **5. Audit Work Undertaken**

Since the last committee meeting a total of 6 formal reports, as at 29<sup>th</sup> February 2024, have been issued in line with normal reporting processes.

#### Final Reports Issued

- Crymlyn Burrows Waste Transfer Station
- Safe Recruitment – Comprehensive Schools
- NFI – Duplicate Creditor Payments
- Review of Governance Arrangement re: Pale Road Supported Living Scheme
- Mandatory Training – Engineering Services
- Legal Regulatory Service.

In addition to the audits undertaken which resulted in the issue of a formal report the following work has also been undertaken:

- The Audit Manager has attended the fortnightly meetings of the Social Services Quality Practice Strategic Group.
- The Audit Manager has attended the Social Care Case Management Platform Project Board meetings.
- The Audit Manager and Senior Auditor are undertaking investigations in line with the Authority's Disciplinary Policy and Processes.
- The Senior Auditor has attended the iTrent System (Payroll & HR) Project Board meetings.
- 3 special investigations are in progress.
- Staff have continued to provide advice to staff from across the Authority.

## **6. Post Audit Reviews Undertaken & Recommendations Tracking**

1 Post Audit review has been undertaken during this reporting period with no issues identified with recommendations not being implemented.

<b>Audit Report Title</b>	<b>Number of recommendations made</b>	<b>Issues identified during Post audit Review</b>
Melin Primary School	1	All recommendations have been implemented

## **7. Integrated Impact Assessment**

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

## **8. Valley Communities Impact**

No impact

## **9. Workforce Impacts**

No impact

## **10. Legal Impacts**

No impact

## **11. Risk Management Impacts**

The work of Internal Audit is key in relation to ensuring compliance with internal controls. This work forms part of the Council's overall risk management arrangements.

## **12. Consultation**

There is no requirement for external consultation on this item.

## **13. Recommendations**

That members note the content of the report and appendices.

## **14. Reason for Proposed Decisions**

To comply with the Committee's Terms of Reference and the Public Sector Internal Audit Standards.

## **15. Implementation of Decision**

It is proposed that the decision is implemented immediately.

Appendix 1 – Audit Reports Issued.

Appendix 2 – Audit Plan Monitoring.

Appendix 3 – Response from the Head of Engineering Services in relation to Report Number 50.

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Appendix 1 – Published Reports

Report Ref	Responsible Head of Service & Report Subject	Report Conclusion	Assurance Rating
R46	Head of Streetcare - Crymlyn Burrows Waster Transfer Station	Excellent controls were in place for risk assessments and facility maintenance. Management should ensure that mandatory corporate training is brought up to date for all staff and prioritised appropriately.	Reasonable
R47	Head of Education Development Education, Leisure & Lifelong Learning Safe Recruitment – Comprehensive Schools	Overall the testing undertaken indicated that there are good processes in place within all the schools ensuring appropriate pre-employment checks are undertaken in line with policy.	Reasonable
R48	Chief Finance Officer National Fraud Initiative (NFI) - Duplicate Creditor Invoice Payments	Information was provided by NFI in relation to 21 instances of possible duplicate creditor invoice payments. No instances of fraud were suspected as all issues identified were as a result of human error. The work undertaken has identified that duplicate/incorrect creditor invoice payments totalling £3,038 have been made that had not otherwise been detected. The relevant officers have been informed and it is now their responsibility to obtain a refund. Duplicate/incorrect creditor invoice payments totalling £20,077 were also identified. These had already been identified as part of routine internal financial/budget reconciliations or by the Vendor	Not Applicable

Appendix 1 – Published Reports

Report Ref	Responsible Head of Service & Report Subject	Report Conclusion	Assurance Rating
		confirming they have received an incorrect payment. Full refunds have already been received in relation to these.	
R49	Head of Adult Services - Review of Governance Arrangements re Pale Road Supported Living	Overall the governance and decision making relating to the project was found to be robust.	Not Applicable
R50	Head of Engineering & Transport - Mandatory Training Engineering Service.	The staff sample of Engineering Services have up to date training in 82 of the expected 248 mandatory training courses required by NPTCBC. This gives an overall compliance score of 33.1%	Limited Please see appendix 3
R51	Head of Legal -Legal Regulatory Service	Overall the service demonstrated it had good controls in relation to all areas tested other than Travel & Subsistence claims, recommendations made within the report will address this issue.	Substantial

## Appendix 1 – Published Reports

### **Assurance Categories:**

**Substantial Assurance** - Substantial assurance is provided in relation to the effectiveness of the internal controls operating at the time of the audit.

**Reasonable Assurance** - Reasonable assurance is provided in relation to the effectiveness of the internal controls operating within the service which will be further enhanced by the implementation of the agreed recommendations.

**Limited Assurance** - Limited assurance is provided in relation to the effectiveness of the internal controls operating within the service audited. The Head of Service is required to provide a written response to the Governance & Audit Committee on actions taken to address the issues raised during the audit.

**No Assurance** - Following the audit no assurance can be provided in relation to the internal controls operating within the service audited and the Head of Service will be required to attend this committee to advise members of what actions they have taken to address the failings identified during the audit.



Appendix 2 – Audit Plan Monitoring at 29<sup>th</sup> February 2024

<b>Audit Plan Item</b>	<b>Risk Rating</b>	<b>Quarters 1-3 position as at 31<sup>st</sup> December 2023</b>	<b>Quarter 4 position as at 29<sup>th</sup> February 2024</b>
Ethics – Members(carried forward from 22/23)	M	Audit paused due to resource issues	Audit in progress
Payroll	H	At planning stage	Audit in progress
Council Tax	L		
Housing Benefits	L		
National Non-Domestic Rates	M		
Debtors	L		
Creditors (monthly checks)	M	Ongoing	Ongoing
Creditors	M	Audit complete and report issued	
Risk Management	M	Audit in planning stage	Audit in progress
Direct Payments (added from contingency budget)	H	Final report issued.	
Capital Programme	H	The Audit Manager has attended meetings of the Capital Programme Steering Group	The Audit Manager has continued to attend meetings of the Capital Programme Steering Group
Court Deputy Service (added at request of Chief Finance Officer)	H	Audit complete and report issued.	

Appendix 2 – Audit Plan Monitoring at 29<sup>th</sup> February 2024

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Licencing	M	Audit almost complete, paused due to staffing constraints	Audit complete and final report issued
Cyber Security	H	Audit in planning stage	Audit in progress
Glamorgan Education Trust Grant & any other grants received	M	Independent Examination completed & opinion produced	
Primary Schools	M	19 schools audited	
Comprehensive Schools	H	1 school completed & 1 in progress	1 draft report issued. 1 in progress
Safe Recruitment in Comprehensive Schools	M	Audit in progress	Audit complete & final report issued.
Leisure Services Insourcing	H	Steering group meeting attended.	
Waste Costs	H		Audit in progress
Stores	H	Advice given when sought	Advice given when sought
South Wales Trunk Road Agency – Payment Processes	M	Advice given when sought	Advice given when sought
Waste Transfer Station (added from contingency budget)	H	Audit in progress	Audit complete & final report issued

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Supported Living Arrangements	H	Audit in planning stage	Audit in progress
Follow up on use of respite care (carried forward from 22/23)	M	Audit paused due to resource issues.	Audit in progress
Disabled Facilities Grants	M	Audit complete and report issued.	
Homelessness to include youth homelessness	H		Carried Forward to 2024-25 due to ongoing sickness
Community Independence Team	M	Audit complete and report issued	
Procurement Cards	H	Audit complete and report issued	
Officers Declarations	M	Audit Complete and report issued	
Mandatory Training (added from contingency budget following concerns raised)	H	2 directorate audits complete. Others in progress.	1 report issued
National Fraud Initiative (NFI)	H	6 reports in total issued	Ongoing
Staff Association/Lottery	Not applicable	Advice has been given and bonus draws attended.	Advice has been given and bonus draws attended.

Appendix 2 – Audit Plan Monitoring at 29<sup>th</sup> February 2024

<b>Audit Plan Item</b>	<b>Risk Rating</b>	<b>Quarters 1-3 position as at 31<sup>st</sup> December 2023</b>	<b>Quarter 4 position as at 29<sup>th</sup> February 2024</b>
Vision Impaired West Glamorgan	Not applicable	Audit complete and report issued.	
FOI requests	Not applicable	All received have been answered	All received have been answered.
Attendance at working parties & task & finish groups	Not Applicable	Various attended and 1 report issued.	Various attended.
Advice & Guidance requests	Not applicable	Ongoing	Ongoing

Appendix 3 – Response from the Head of Engineering Services relating to Report No. 50

To: Governance & Audit Committee

From: Head of Engineering & Transport

Subject: Internal Audit Report No 50 – Mandatory Training Engineering Service

All of the recommendations made within the Internal Audit report have been agreed and accepted. My accountable managers have given me assurances that their teams will undertake the mandatory training in line with the timescales agreed with the Auditor. The mandatory training required to be undertaken has been commenced.

As the iTrent system is updated when the mandatory training is undertaken this will enable automatic reminders to be issued to staff when refresher training is due. This will ensure that there are no further occasions when staff have not complied with the duty to undertake the training.

David W Griffiths  
Head of Engineering & Transport