

Neath Port Talbot Council – Annual Audit Summary 2025

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

Introduction



Adrian Crompton

Auditor General for
Wales

I am pleased to share my Annual Audit Summary for Neath Port Talbot Council (the Council). It summarises the main findings from my 2025 audit work undertaken to fulfil my responsibilities under the Public Audit (Wales) Act 2004 and the Well-Being of Future Generations (Wales) Act 2015.

I provided an opinion on whether the accounts were properly prepared and gave a true and fair view, in all material aspects.

My audit team has also assessed whether the Council has made proper arrangements for securing economy, efficiency and effectiveness

in its use of resources, and has acted in line with the sustainable development principle. In doing so, my audit team has reviewed corporate risk management arrangements and undertaken an audit of the Council's cyber security arrangements. As set out in my audit plan, these reviews have been carried out in line with the International Organisation of Supreme Audit Institutions (INTOSAI) standards.

The detailed audit findings for each of my reviews are set out in the respective reports which my audit team have presented throughout the year. The performance audit reports are available on the Audit Wales website and further links are available in the summary.

The Annual Audit Summary should be shared with the Governance and Audit Committee. I will then make the summary available to the public on the Audit Wales website.

I would like to extend my gratitude to the Council's officers for their help and cooperation throughout my audit.

Your audit at a glance



I received the draft accounts in advance of the statutory deadline of 30 June 2025. The quality of the draft accounts and working papers was good.



I issued an unqualified opinion on the accounts in advance of the statutory deadline of 31 October 2025. There was one uncorrected misstatement in the accounts. There were no other significant issues to report.



My performance audit work found that the Council recognises weaknesses in its risk management arrangements which are undermining its role in supporting the delivery of the Council's strategic objectives. We also reported our findings to the Council on its arrangements for cyber security. Due to the nature of the topic, our report was considered by the Council's Governance and Audit Committee in private, and the report is not published on our website.



My audit team made several recommendations to the Council aimed at improving the Council's risk management arrangements and further strengthening cyber security.



My audit team has substantially completed the audit work as set out in my Audit Plan 2024, dated July 2024.

Audit of accounts findings

Preparing annual accounts is an essential part of demonstrating the stewardship of public money. The accounts show the organisation's financial performance and set out its net assets/reserves, total comprehensive income and expenditure, and cash flows. My annual audit of those accounts provides an opinion on whether the accounts were properly prepared and gave a true and fair view, in all material aspects.

My responsibilities in auditing the accounts are described in my [Statement of Responsibilities](#) publications, which are available on the [Audit Wales website](#).

The draft accounts were presented for audit on 27 May 2025. This was in advance of the deadline of 30 June 2025 set by the Welsh Government. The quality of the draft accounts presented for audit was generally good.

My audit opinion

I must report issues arising from my work to those charged with governance for consideration before I issue my audit opinion on the accounts. I reported these issues within my Audit of Accounts Report to the Governance and Audit Committee on 9 September 2025.

Accuracy of preparation

A number of changes were made to the draft accounts arising from my audit work.

There was one uncorrected misstatement in relation to the incorrect accounting for short-term leases.

There were no other significant issues to report.

My work did not identify any material weaknesses in internal controls (as relevant to my audit), and I made no recommendations.

The Council's Annual Governance Statement and Narrative Report were prepared in line with the CIPFA Code and relevant guidance. They were also consistent with the financial statements and with my knowledge of the Council.

I concluded that the Council's accounts were properly prepared and materially accurate and issued an unqualified audit opinion on them.

Audit completion

I issued the certificate confirming that the audit of accounts for 2024-25 was completed on 10 September 2025.

Whole of Government Accounts

I also undertook a review of the Whole of Government Accounts return. I concluded that the counterparty consolidation information was consistent with the Council's financial position on 31 March 2025 and the return was prepared in accordance with the Treasury's instructions.

Other accounts work still underway

In addition to my responsibilities for auditing the Council's accounts, I also have responsibility for the certification of a number of grant claims and returns.

The work to date has not identified any significant issues.

At the time of reporting, my audit team were still undertaking grants work at the Council. This work is due to be completed by 31 January 2026.

Performance audit findings

Review of corporate risk management arrangements

My team looked at whether the Council's corporate risk management arrangements support the delivery of its strategic objectives.

I found that the Council is taking steps to strengthen its culture around risk management and is reviewing its arrangements. However, we found a number of areas where the Council could further strengthen its arrangements. These include ensuring alignment between the corporate risk register and its strategic objectives, clearly articulating risks, and the comprehensiveness of reporting.

I made four recommendations aimed at improving the Council's risk management arrangements. These cover risk identification, management, monitoring and reporting, as well as the Council's evaluation of its arrangements.

Audit of cyber security arrangements

My team looked at the Council's cyber security and resilience arrangements.

Due to the nature of the topic, our report was considered by the Council's Governance and Audit Committee in private, and the report is not published on our website.

Performance audit work still underway

At the time of reporting, the following reviews from the 2025 Audit Plan are underway at the Council:

- Thematic review – recruitment and retention challenges
- Local review – counter fraud

Audit quality

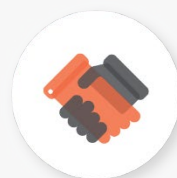
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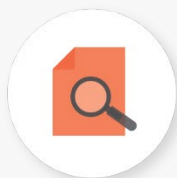
Our People

- Selection of right team
- Use of specialists
- Supervisions and review



Arrangements for achieving audit quality Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



Independent assurance

- EQRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
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