



CYNGOR BWRDEISTREF SIROL
RHONDDA CYNON TAF
COUNTY BOROUGH COUNCIL

COMMITTEE SUMMONS

C Hanagan
Service Director of Democratic Services & Communication
Rhondda Cynon Taf County Borough Council
The Pavilions
Cambrian Park
Clydach Vale, CF40 2XX

Meeting Contact: Hannah Williams - Council Business Unit, Democratic Services
(01443 424062)

YOU ARE SUMMONED to a meeting of **AUDIT COMMITTEE** to be held at the **Committee Room 1, The Pavilions, Cambrian Park, Clydach Vale, Tonypany, CF40 2XX** on **MONDAY, 3RD FEBRUARY, 2020** at **5.00 PM.**

Non Committee Members and Members of the public may request the facility to address the Committee at their meetings on the business listed although facilitation of this request is at the discretion of the Chair. It is kindly asked that such notification is made to Democratic Services by Thursday, 30 January 2020 on the contact details listed above, including stipulating whether the address will be in Welsh or English.

AGENDA

**Page
No's**

1. DECLARATION OF INTEREST

To receive disclosures of personal interest from Members in accordance with the Code of Conduct

Note:

1. Members are requested to identify the item number and subject matter that their interest relates to and signify the nature of the personal interest: and
2. Where Members withdraw from a meeting as a consequence of the disclosure of a prejudicial interest they must notify the Chairman when they leave.

2. MINUTES

To receive the minutes of the previous meeting of the Audit Committee held on 17th December 2019.

3. INTERNAL AUDIT PERFORMANCE	9 - 24
4. FINALISED AUDIT ASSIGNMENTS	25 - 46
5. WALES AUDIT OFFICE PROJECT BRIEF: RCT AUDIT COMMITTEE SUPPORT AND DEVELOPMENT	47 - 58
6. WALES AUDIT OFFICE ANNUAL IMPROVEMENT REPORT 2018/19 - COUNCIL PROGRESS UPDATE	59 - 80
7. URGENT BUSINESS	
To consider any items, which the Chairman, by reason of special circumstances, is of the opinion should be considered at the meeting as a matter of urgency.	

Service Director of Democratic Services & Communication

Circulation:-

County Borough Councillors:

Councillor G Caple, Councillor A Cox, Councillor J Cullwick,
Councillor M Fidler Jones, Councillor M Adams, Councillor M Powell,
Councillor G Davies, Councillor M Norris, Councillor D Owen-Jones,
Councillor S Rees, Councillor G Hughes, Councillor S Powell and Councillor R Yeo

Lay Member: Mr R Hull



RHONDDA CYNON TAF COUNCIL AUDIT COMMITTEE

Minutes of the Audit Committee meeting held on Tuesday, 17 December 2019 at 5.00 pm at the Committee Room 1, The Pavilions, Cambrian Park, Clydach Vale, Tonypanyd, CF40 2XX.

Chair in attendance

Mr R Hull

County Borough Councillors - Audit Committee Members in attendance:-

Councillor G Caple	Councillor A Cox
Councillor J Cullwick	Councillor M Adams
Councillor D Owen-Jones	Councillor S Rees
Councillor G Hughes	Councillor S Powell
Councillor R Yeo	

Officers in attendance

Mr A Wilkins, Director of Legal Services
Mr P Griffiths, Service Director – Finance & Improvement Services
Mr I Traylor, Service Director – Pensions, Procurement & Transactional Services
Mr M Thomas, Head of Regional Audit Service
Mr A Hopkins, Principal Auditor
Mr M Jones - Wales Audit Office
Mr C Rees - Wales Audit Office

35 Apologies for Absence

Apologies for absence were received from County Borough Councillors K. Jones, M Norris, M Fidler Jones, M Powell and G. Davies.

36 Declaration of Interest

In accordance with the Council's Code of Conduct, the following declarations were made pertaining to the agenda:

- County Borough Councillor M. Adams declared a personal interest in Item 4 – Internal Audit Finalised Audit Assignments “I am Chair of Governors at Pontygwaith Primary. I will stay in the meeting whilst it is discussed, but will not take part”; and
- County Borough Councillor D. Owen-Jones declared a personal interest in Item 4 – Internal Audit Finalised Audit Assignments “I am Chair of Governors at Williamstown Primary. I will stay in the meeting whilst it is discussed, but will not take part”.

37 Minutes

It was **RESOLVED** to approve the minutes of the 5th November 2019 as an accurate reflection of the meeting.

There were no matters arising to address in the minutes.

38 **Audit Committee - Appointment of Lay Member**

The Director of Legal Services presented the report, which set out arrangements to appoint a replacement Lay Member to the Audit Committee, to be effective from the start of the 2020-2021 Municipal Year, in accordance with the Local Government (Wales) Measure 2011.

During his presentation, the Director spoke of the Local Government and Elections (Wales) Bill, which was introduced by Julie James AM, Minister for Housing and Local Government on the 18th November 2019. Members were informed that should the bill be passed into legislation as drafted, it prescribes that one third of members must be lay members and that the Chair must be a lay member.

One Member questioned whether the appointment of the new Lay Member could be delayed to complement the potential changes made within the Local Government and Elections (Wales) Bill. The Director acknowledged the suggestion but advised that the timescales would not be suitable as the Bill would be passed in late Summer/Autumn, leaving the Audit Committee without a Lay Member for a number of months.

Members **RESOLVED:**

1. To acknowledge the decision of the Lay Member of the Audit Committee to resign from his position at the end of the 2019-2020 Municipal Year;
2. To acknowledge the arrangements, as set out in the report, relating to the appointment of a new Lay Member to the Audit Committee for a term of office commencing from the beginning of the 2020-2021 Municipal Year until the next ordinary Local Government Elections in 2022; and
3. To note that the [Local Government and Elections \(Wales\) Bill](#) contains provisions amending the constitution of the Audit Committee and its terms of reference.

39 **Internal Audit - Finalised Audit Assignments**

The Head of the Regional Internal Audit Service introduced the report of the Director of Finance and Digital Services, in respect of the audit assignments completed between 19th October 2019 and 30th November 2019.

Members were asked to consider the following audit assignments:

- Pre-Employment Checks – Schools 2018/19;
- Leisure Services – Cash & Banking 2019/20;
- Llanharan Primary 2019/20;
- Williamstown Primary 2019/20;
- Penygawsi Primary 2019/20;
- Maerdy Community Primary 2019/20;
- Pontyclun Primary 2019/20;
- YGG Abercynon 2019/20;
- Pontygwaith Primary 2019/20;
- Ysgol Llanhari Follow Up 2019/20;
- Enforcement 2019/20; and
- Waste Services 2019/20.

In respect of the audit report for Pre-Employment Checks for Schools, one Member raised concerns about the four retrospective checks and queried how long the people were in post without DBS checks. Officers advised that the information would be provided to the Member.

In relation to the audit report for Leisure Services, one Member noted that issues had been identified at Llantrisant Leisure Centre in respect of Paying In Books, E>Returns and LOOMIS receipts on more than one occasion and asked if there were any procedures in place to resolve it. Officers advised that they would write to the management of Leisure Services to draw their attention to this and that it had been raised by Audit Committee, and to request an update on these specific areas for Audit Committee.

In relation to the audit report for Williamstown Primary, Members spoke of the current requirements for safeguarding training and questioned whether all schools were aware that Level 1 and 2 needed to be reviewed every 3 years and facilitated by RCT, with Level 3 being trained every 2 years. Officers informed Members that this would be checked with relevant Officers to confirm whether the advice provided to schools is consistent.

One Member spoke of the irregular banking of income, which had been identified in 5.3.1 of the report for Williamstown Primary and the risk of carrying significant funds. Discussions ensued around the introduction of a secure cash collection from LOOMIS, the costs involved in the cash collection service and the latest guidance issued to schools from Education & Inclusion Services in respect of safeguarding training requirements. Officers advised that an email would be distributed to Members with the above-mentioned information.

In relation to the audit report for YGG Abercynon, Members spoke of the transitional protection measures for Free School Meals, introduced by Welsh Government on April 1st 2019, during the rollout of Universal Credit. Members agreed that it would be beneficial for the changes to be distributed to schools, if this had not already been actioned.

Discussions ensued in respect of the follow-up audit report for Ysgol Llanhari with the Head of the Regional Internal Audit Service informing Members that 18 of the recommendations had been completed at the time of the follow-up visit and, since then, it has been confirmed that more recommendations have been implemented. Members queried the certification process for confirming whether agreed recommendations have been implemented and sought assurance that the recommendations had been implemented for Ysgol Llanhari. The officer advised that Ysgol Llanhari would be included within the following year's audit plan and the outcome reported to Audit Committee.

Referring to 5.1.6 of the Enforcement audit report, one Member questioned whether an agreement had been reached regarding the transfer of the existing 3GS footage to RCT and spoke of its importance for officers to pursue this. Officers advised that it would be checked with the Council's Information Management Team and the Service Manager, and an update would be reported at the next meeting of the Audit Committee.

One Member referred to 5.1.2 of the same report and raised concerns that there was no 'formal' dispute process in place for individuals who have been issued with a Fixed Penalty Notice (FPN) to challenge the decision. The Member felt

that it should be a high priority in order to provide the public with assurance. Officers advised that an update in respect of the implementation of the recommendation would be reported at the next meeting of the Audit Committee.

It was **RESOLVED:**

1. To receive an update at the next meeting of the Audit Committee on the procedures in place to ensure payment issues identified at Llantrisant Leisure Centre are not repeated, in relation to the Leisure Services audit report;
2. To check whether the safeguarding training requirements to schools had been communicated consistently;
3. That officers distribute information in relation to LOOMIS to Members in advance of the next Audit Committee meeting;
4. That the transitional protection changes introduced by Welsh Government in respect of Free School Meals is communicated to schools, if required;
5. That a follow up review of Ysgol Llanhari is included in the Audit Plan for the next financial year;
6. That an update is provided at the next meeting of the Audit Committee on whether an agreement has been reached regarding the transfer of the existing 3GS footage to RCT; and
7. That an update is provided at the next meeting of the Audit Committee on whether a 'formal' dispute process had been put in place for individuals who have been issued with a FPN to challenge the decision.

40 Annual Governance Statement Update

The Service Director, Finance & Improvement Services provided the Audit Committee with an update on the status of the recommendations that were made within the 2018/19 Annual Governance Statement.

Referring to the principle 'Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law', one Member questioned if the payslip insert, which had been scheduled to be issued to all staff in December 2019, had been complete. The Officer confirmed that this had been actioned.

Referring to the principle 'Ensuring openness and comprehensive stakeholder engagement', one Member raised concerns regarding the capacity of the Scrutiny Committee work programmes due to the frequency of Notice of Motions referred from Council. Two of the Scrutiny Chairs took the opportunity to explain the scrutiny process and advised that sufficient space is left in Scrutiny Committee work programmes to accommodate such referrals.

It was **RESOLVED:**

1. That satisfactory progress is being made to implement the recommendations.

41 Arrangements in place for managing Corporate Risks

The Service Director, Finance and Improvement Services provided the Audit Committee with an overview of the arrangements in place for the management of corporate risks and set out proposals for improvement. It was explained that as part of reviewing current arrangements, opportunities had been identified to

build on this position to support Audit Committee in adding further value to the Council's overall governance arrangements and subject to consideration by Audit Committee, areas for improvement will be incorporated into an action plan for delivery from 2020 onwards.

The Service Director spoke of specific proposals for improvement to further strengthen Audit Committee's visibility of the Council's risk profile through presenting 'Strategic Risk Register' Information Reports to the Committee and also developing an on-going programme of training and support for Audit Committee.

Members fed back that they would welcome the opportunity to partake in training and the sharing of good practice with other Local Authorities that comprise the Regional Internal Audit Shared Service. A Member sought clarity around timescales for training noting that the Committee could comprise of more Lay Members, should the Local Government and Elections (Wales) Bill be passed in 2020 and that training would need to be repeated. The Service Director acknowledged that there could be changes to the membership of the Committee and confirmed that the roll-out and timescales for training would be agreed in consultation with the Committee.

It was **RESOLVED:**

1. To acknowledge the arrangements in place for the management of corporate risks; and
2. To endorse the proposals for improvement as part of supporting an on-going programme of development for Audit Committee.

42 To consider passing the following under-mentioned Resolution:

It was **RESOLVED:** "That the press and public be excluded from the meeting under Section 100A(4) of the Local Government Act (as amended) for the following items of business on the grounds that it involves the likely disclosure of the exempt information as defined in paragraph 14 of Part 4 of the Schedule 12A of the Act".

43 National Fraud Initiative / Corporate Fraud Update

The Service Director Pensions, Procurement and Transactional Services outlined the progress made to date against the Anti-Fraud, Bribery & Corruption work programme for 2019/20.

Following discussion, it was **RESOLVED:**

1. To acknowledge the outcomes of the anti-fraud work progress during 2019/20.

This meeting closed at 6.40 pm

**R Hull
Chairman.**

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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2019/20

<p>AUDIT COMMITTEE</p> <p>3rd February 2020</p>	<p>AGENDA ITEM NO. 3</p>
<p>REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES</p>	<p>INTERNAL AUDIT PERFORMANCE 2019/20</p>

Author: Mark Thomas (Head of Regional Internal Audit Service)

1. PURPOSE OF THE REPORT

- 1.1 This report provides the performance information in respect of the Internal Audit Service between 1st April 2019 and 20th January 2020.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Review the information contained within the report and identify whether there are any areas where specific issues are of concern.
- 2.2 Consider what comments and recommendations, if any, they wish to make.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To help ensure that Audit Committee monitors the performance of the Council's Internal Audit Service, in accordance with its Terms of Reference.

4. BACKGROUND

- 4.1 The Audit Committee Terms of Reference (Point J) requires it *'To receive reports on the performance of the Internal Audit Service throughout the year particularly in relation to matters of financial probity and corporate governance'*.
- 4.2 In line with this requirement Appendix 1 sets out the Internal Audit Plan for 2019/20 and includes the status of each audit, the quarter in which

the audit is/was planned to commence and incorporates the detailed performance information for each audit.

- 4.3 The Internal Audit Plan currently includes 69 individual audit assignments and, as at 20th January 2020, 59% of the Plan had been completed to report stage. The detailed breakdown of the status of each review is provided in **Appendix 1** and is summarised as follows:

Status	No. Of Audits
Final Reports Issued	29
Draft Reports Issued	12
Fieldwork Complete	0
Audits In Progress	1
Audits Not Yet Started ('Planned')	27
Total:	69

- 4.4 **Appendix 2** provides a summary of the status of all recommendations made by the Internal Audit Service, grouped under the relevant service of the Council.

5. EQUALITY AND DIVERSITY IMPLICATIONS

- 5.1 There are no equality and diversity implications as a result of the recommendations set out in the report.

6. CONSULTATION

- 6.1 There are no consultation implications as a result of the recommendations set out in the report.

7. FINANCIAL IMPLICATION(S)

- 7.1 There are no financial implications as a result of the recommendations set out in the report.

8. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 8.1 The provision of regular information in respect of the Council's Internal Audit Service supports the Council in demonstrating compliance with the Accounts and Audit (Wales) (Amendment) Regulations 2018.
- 8.2 Regulation 7 (Internal Audit) of Part 3 of the 2018 Regulations directs that: *"A relevant body must maintain an adequate and effective system*

of internal audit of its accounting records and of its system of internal control.”

9. LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

THE COUNCIL’S CORPORATE PLAN PRIORITIES

- 9.1 The work of Internal Audit aims to support the delivery of the priorities contained within the Council’s Corporate Plan – *The Way Ahead*, in particular ‘Living Within Our Means’ through ensuring that appropriate internal controls are in place to effectively manage resources.

WELL-BEING OF FUTURE GENERATIONS ACT

- 9.2 The Sustainable Development Principles, in particular Prevention, can be applied to the systematic reviews undertaken in order to provide assurance that risks to the achievement of objectives are being managed.

10. CONCLUSION

- 10.1 Monitoring the performance of Internal Audit is a key responsibility for Audit Committee. This report provides Audit Committee with detailed information with which the performance of the Service can be reviewed and scrutinised.

Other Information:-

Relevant Scrutiny Committee

Not applicable.

Contact Officers –Mark Thomas/Lisa Cumpston

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

3rd February 2020

INTERNAL AUDIT PERFORMANCE 2019/20

REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES

Author:

Mark Thomas (Head of Regional Internal Audit Service)

Item: 3

Background Papers

None.

Officer to contact: Mark Thomas/Lisa Cumpston

Appendix 1 - Monitoring the Internal Audit Plan 2019/20

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
CHIEF EXECUTIVE											
HUMAN RESOURCES											
SICKNESS ABSENCE – SCHOOLS	High	QTR 4	Planned				0		0		0
PURCHASE CARDS – NON SCHOOLS SPEND	Medium	QTR 4	Planned				0		0		0
FINANCE & DIGITAL SERVICES											
ADMINISTRATION OF TRUST FUNDS	Low	QTR 3	Final Issued	07/10/2019	30/11/2019	02/12/2019	2	03/12/2019	1	03/12/2019	0
DEBTORS	High	QTR 4	Planned				0		0		0
PENSIONS	High	QTR 4	Planned				0		0		0
GENERAL LEDGER	Low	QTR 4	Planned				0		0		0
DIGITALISATION	High	QTR 4	Planned				0		0		0
BUSINESS SUPPORT UNIT	High	QTR 4	Planned				0		0		0
VALUE FOR MONEY	High	QTR 4	Planned				0		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
TREASURY MANAGEMENT	Medium	QTR 4	Planned				0		0		0
CORPORATE ESTATES											
21ST CENTURY SCHOOLS – CAPITAL PROJECT C/F	High	QTR 4	Planned				0		0		0
LEGAL SERVICES											
LEGAL SERVICES	Medium	QTR 4	Planned				0		0		0
COMMUNITY & CHILDREN'S SERVICES											
ADULT SERVICES											
DIRECT PAYMENTS C/F	High	QTR 1	Final Issued	01/05/2019	15/08/2019	05/09/2019	21	02/12/2019	88	10/12/2019	8
BROKER SERVICE C/F	High	QTR 1	Final Issued	24/06/2019	09/08/2019	15/08/2019	6	20/12/2019	127	06/01/2020	17
WCCIS	High	QTR 4	Planned				0		0		0
THE REVIEW TEAM C/F	Medium	QTR 4	Planned				0		0		0
FAIRER CHARGING	High	QTR 2	Draft Issued	09/08/2019	05/12/2019	06/01/2020	32		0		0
CHILDREN'S SERVICES											

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
CONTRACT MANAGEMENT – PLACEMENTS C/F	High	QTR 4	Planned				0		0		0
ADOPTION SUPPORT & FOSTER CARER PAYMENTS – FOLLOW UP	High	QTR 4	Planned				0		0		0
PUBLIC HEALTH & COMMUNITY SERVICES											
LLWYDCOED CREMATORIUM	Low	QTR 3	Final Issued	18/10/2019	04/11/2019	08/11/2019	4	03/12/2019	25	04/12/2019	1
ENGAGEMENT, INTERVENTION & PREVENTION C/F	High	QTR 4	In Progress	16/12/2019			0		0		0
YOUTH OFFENDING SERVICE C/F	Medium	QTR 1	Final Issued	08/05/2019	14/06/2019	01/07/2019	17	18/07/2019	17	25/07/2019	7
REGISTRATION SERVICES	Low	QTR 2	Draft Issued	24/09/2019	10/12/2019	06/01/2020	27		0		0
LEISURE SERVICES - CASH COLLECTION & BANKING	Medium	QTR 2	Final Issued	01/07/2019	02/09/2019	27/09/2018	25	21/10/2019	24	25/10/2019	4
EDUCATION & INCLUSION SERVICES											
EDUCATION IMPROVEMENT SERVICES											
EARLY YEARS PROVISION C/F	High	QTR 4	Planned				0		0		0
ATTENDANCE & WELLBEING SERVICE											
ATTENDANCE : REFERRALS & INTERVENTION	High	QTR 3	Draft Issued	30/09/2019	16/01/2020	20/01/2020	4		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
EXCLUSIONS	High	QTR 4	Planned				0		0		0
S.E.N. SCHOOLS											
YSGOL HEN FELIN	High	QTR 2	Draft Issued	08/07/2019	26/07/2019	06/08/2019	11		0		0
MAESGWYN SPECIAL SCHOOL	High	QTR 3	Draft Issued	18/11/2019	29/11/2019	20/12/2019	31		0		0
PRIMARY SCHOOLS											
PENRHIWCEIBER PRIMARY SCHOOL	Medium	QTR 1	Final Issued	20/05/2019	29/05/2019	14/06/2019	16	05/09/2019	83	10/09/2019	5
PENYGAWSI PRIMARY SCHOOL	Medium	QTR 2	Final Issued	25/09/2019	11/10/2019	16/10/2019	5	18/11/2019	33	19/11/2019	1
PERTHCELYN COMMUNITY PRIMARY	Medium	QTR 3	Final Issued	18/10/2019	24/10/2019	18/11/2019	25	28/11/2019	10	03/12/2019	5
PONTYGWAITH PRIMARY SCHOOL	Medium	QTR 3	Final Issued	09/10/2019	14/10/2019	18/10/2019	4	21/11/2019	34	29/11/2019	8
RHIGOS PRIMARY SCHOOL	Medium	QTR 1	Final Issued	05/06/2019	07/06/2019	11/07/2019	34	17/07/2019	6	18/07/2019	1
TON PENTRE PRIMARY SCHOOL	Medium	QTR 1	Final Issued	17/06/2019	20/06/2019	11/07/2019	21	09/09/2019	60	09/09/2019	0
TONYSGUBORIAU PRIMARY SCHOOL	Medium	QTR 1	Final Issued	20/05/2019	04/06/2019	01/07/2019	27	05/07/2019	4	08/07/2019	3
TREALAW PRIMARY SCHOOL	Medium	QTR 4	Planned				0		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
WILLIAMSTOWN PRIMARY SCHOOL	Medium	QTR 3	Final Issued	01/10/2019	03/10/2019	18/10/2019	15	05/11/2019	18	08/11/2019	3
YGG ABERCYNON	Medium	QTR 3	Final Issued	02/10/2019	11/10/2019	17/10/2019	6	26/11/2019	40	28/11/2019	2
YGG ABERDAR	Medium	QTR 3	Draft Issued	20/11/2019	01/12/2019	20/12/2019	19		0		0
CRAIG YR HESG PRIMARY SCHOOL	Medium	QTR 4	Planned				0		0		0
LLANHARAN PRIMARY SCHOOL	Medium	QTR 2	Final Issued	17/09/2019	23/09/2019	30/09/2019	7	18/10/2019	18	22/10/2019	4
MAERDY COMMUNITY PRIMARY SCHOOL	Medium	QTR 2	Final Issued	17/09/2019	18/09/2019	30/09/2019	12	04/11/2019	35	20/11/2019	16
MAES Y COED PRIMARY SCHOOL	Medium	QTR 3	Draft Issued	11/11/2019	14/11/2019	14/01/2020	59		0		0
PENGEULAN PRIMARY SCHOOL	Medium	QTR 3	Draft Issued	06/11/2019	07/11/2019	09/01/2020	63		0		0
PENYRENGLYN COMMUNITY PRIMARY SCHOOL	Medium	QTR 3	Draft Issued	26/11/2019	27/11/2019	16/01/2019	50		0		0
PONTYCLUN PRIMARY SCHOOL	Medium	QTR 3	Final Issued	24/09/2019	02/10/2019	15/10/2019	13	14/11/2019	30	21/11/2019	7
YNYSHIR PRIMARY SCHOOL	Medium	QTR 3	Draft Issued	04/12/2019	05/12/2019	17/01/2020	43		0		0
YGG BODRINGALLT	Medium	QTR 4	Planned				0		0		0
YGG TONYREFAIL	Medium	QTR 4	Planned				0		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
PRIMARY SCHOOL SELF ASSESSMENT REPORT 19/20	Medium	QTR 4	Planned				0		0		0
THROUGH SCHOOLS											
YSGOL LLANHARI FOLLOW UP C/F	High	QTR 1	Final Issued	10/06/2019	18/06/2019	29/07/2019	41	21/11/2019	115	22/11/2019	1
TONYREFAIL COMMUNITY SCHOOL	High	QTR 1	Final Issued	17/06/2019	01/07/2019	07/08/2019	37	07/10/2019	61	09/10/2019	2
SECONDARY SCHOOLS											
Y PANT COMPREHENSIVE FOLLOW UP	High	QTR 1	Final Issued	24/06/2019	01/07/2019	17/07/2019	16	10/09/2019	55	17/09/2019	7
HAWTHORN HIGH SCHOOL FOLLOW UP	High	QTR 4	Planned				0		0		0
SCHOOLS & COMMUNITY											
EDUCATION IMPROVEMENT GRANT	High	QTR 2	Final Issued	01/09/2019	30/09/2019	04/10/2019	4	10/10/2019	6	10/10/2019	0
POST 16 GRANT	High	QTR 4	Draft Issued	15/01/2020	17/01/2020	20/01/2020	3		0		0
POST 16 PLANNING AND FUNDING 2019/20	High	QTR 4	Planned				0		0		0
PUPIL DEPRIVATION GRANT	High	QTR 2	Final Issued	01/09/2019	30/09/2019	04/10/2019	4	10/10/2019	6	10/10/2019	0
PROSPERITY, DEVELOPMENT & FRONTLINE SERVICES											

OPERATIONAL RISK MANAGEMENT C/F	Medium	QTR 4	Planned								
	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report

Appendix 2 - The Status of Recommendations

CHIEF EXECUTIVE

Number of HIGH Recs	STATUS		
12	Implemented	Overdue / Outstanding	Target Date in the Future
	12	0	0
Number of MEDIUM Recs	STATUS		
87	Implemented	Overdue / Outstanding	Target Date in the Future
	84	0	3
Number of LOW Recs	STATUS		
68	Implemented	Overdue / Outstanding	Target Date in the Future
	66	0	2

COMMUNITY & CHILDREN'S SERVICES

Number of HIGH Recs	STATUS		
25	Implemented	Overdue / Outstanding	Target Date in the Future
	23	0	2
Number of MEDIUM Recs	STATUS		
178	Implemented	Overdue / Outstanding	Target Date in the Future
	156	8	14
Number of LOW Recs	STATUS		
105	Implemented	Overdue / Outstanding	Target Date in the Future
	100	0	5

CORPORATE & FRONTLINE SERVICES

Number of HIGH Recs	STATUS		
33	Implemented	Overdue / Outstanding	Target Date in the Future
	33	0	0
Number of MEDIUM Recs	STATUS		
100	Implemented	Overdue / Outstanding	Target Date in the Future

	99	0	1
Number of LOW Recs	STATUS		
47	Implemented	Overdue / Outstanding	Target Date in the Future
	47	0	0

EDUCATION & INCLUSION SERVICES

Number of HIGH Recs	STATUS		
345	Implemented	Overdue / Outstanding	Target Date in the Future
	341	0	4
Number of MEDIUM Recs	STATUS		
938	Implemented	Overdue / Outstanding	Target Date in the Future
	918	4	16
Number of LOW Recs	STATUS		
671	Implemented	Overdue / Outstanding	Target Date in the Future
	663	3	5

PROSPERITY, DEVELOPMENT & FRONTLINE SERVICES

Number of HIGH Recs	STATUS		
0	Implemented	Overdue / Outstanding	Target Date in the Future
	0	0	0
Number of MEDIUM Recs	STATUS		
20	Implemented	Overdue / Outstanding	Target Date in the Future
	7	0	13
Number of LOW Recs	STATUS		
2	Implemented	Overdue / Outstanding	Target Date in the Future
	2	0	0

WHOLE AUTHORITY ARRANGEMENTS

Number of HIGH Recs	STATUS		
9	Implemented	Overdue /	Target Date in the

		Outstanding	Future
	9	0	0
Number of MEDIUM Recs	STATUS		
11	Implemented	Overdue / Outstanding	Target Date in the Future
	10	0	1
Number of LOW Recs	STATUS		
0	Implemented	Overdue / Outstanding	Target Date in the Future
	0	0	0

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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2019/20

AUDIT COMMITTEE 3rd February 2020	AGENDA ITEM NO. 4
REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES	FINALISED AUDIT ASSIGNMENTS

Author: Mark Thomas (Head of Regional Internal Audit Service)

1. PURPOSE OF THE REPORT

- 1.1 This report provides Members with a summary of audit assignments completed between 1st December 2019 and 20th January 2020.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Seek clarity and explanation where there are areas of concern.
- 2.2 Identify further action to be taken where deemed necessary.

3. REASON FOR RECOMMENDATIONS

- 3.1 To help ensure that Audit Committee discharges its responsibilities in respect of reviewing the overall control environment in place across the Council.

4. BACKGROUND

- 4.1 The Audit Committee Terms of Reference (Point C) requires it to 'Review, scrutinise and issue reports and recommendations on the appropriateness of the Authority's risk management, internal control and corporate governance arrangements, and providing the opportunity for direct discussion with the auditor(s) on these'.
- 4.2 In line with this requirement **Appendix 1** provides a summary of the audit assignments completed between 1st December 2019 and 20th January 2020. Members will note that the summary provides for each assignment: the Introduction, Scope & Objectives, Auditor's stated opinion and a summary of

all recommendations made for each audit review completed to final report stage within the stated period.

- 4.3 To help ensure Audit Committee effectively discharges the responsibility as set out in its Terms of Reference (and replicated at point 4.1 above), Members may wish to consider the principles noted below in addition to their own lines of enquiry:
- Are the conclusions made by Internal Audit reasonable / backed up by the findings reported?
 - Are the recommendations made by Internal Audit likely to support the necessary improvement in internal control?

- 4.4 Members will note that 4 audit assignments have been finalised in the period and are set out in Table 1 below.

Table 1 – finalised audit assignments

<p>COMMUNITY & CHILDREN'S SERVICES</p> <ul style="list-style-type: none">• DIRECT PAYMENTS 2019/20• LLWYDCOED CREMATORIUM 2019/20• THE BROKER SERVICE 2019/20 <p>EDUCATION & INCLUSION SERVICES</p> <ul style="list-style-type: none">• PERTHCELYN COMMUNITY PRIMARY SCHOOL 2019/20

5. EQUALITY AND DIVERSITY IMPLICATIONS

- 5.1 There are no equality and diversity implications as a result of the recommendations set out in the report.

6. CONSULTATION

- 6.1 There are no consultation implications as a result of the recommendations set out in the report.

7. FINANCIAL IMPLICATION(S)

- 7.1 There are no financial implications as a result of the recommendations set out in the report.

8. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 8.1 The provision of regular information in respect of the Council's Internal Audit Service supports the Council in demonstrating compliance with the Accounts and Audit (Wales) (Amendment) Regulations 2018.
- 8.2 Regulation 7 (Internal Audit) of Part 3 of the 2018 Regulations directs that: "*A relevant body must maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control.*"

9. LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

THE COUNCIL'S CORPORATE PLAN PRIORITIES

- 9.1 The work of Internal Audit aims to support the delivery of the priorities contained within the Council's Corporate Plan – *The Way Ahead*, in particular 'Living Within Our Means' through ensuring that appropriate internal controls are in place to effectively manage resources.

WELL-BEING OF FUTURE GENERATIONS ACT

- 9.2 The Sustainable Development Principles, in particular Prevention, can be applied to the systematic reviews undertaken in order to provide assurance that risks to the achievement of objectives are being managed.

10. CONCLUSION

- 10.1 The regular provision of all summarised audit assignments to Audit Committee throughout the year is aimed at assisting Members in evaluating the effectiveness of Internal Audit work across all Council systems and services.
- 10.2 In doing so, it informs Members knowledge of the overall control environment of the Council.

Other Information:-

Relevant Scrutiny Committee

Not applicable.

Contact Officers – Mark Thomas/Lisa Cumpston

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

3rd February 2020

FINALISED AUDIT ASSIGNMENTS

REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES

Author: Mark Thomas (Head of Regional Internal Audit Service)

Item: 4

Background Papers

None.

Officer to contact: Mark Thomas/Lisa Cumpston

Appendix 1 - Summary of audit assignments completed between 1st December 2019 and 20th January 2020

COMMUNITY & CHILDREN'S SERVICES

AUDIT NAME: BROKER SERVICE C/F

DATE FINAL REPORT WAS ISSUED: 06/01/2020

INTRODUCTION

The Council operates a Broker Service who are responsible for liaising with the commissioned framework home care providers in order to put packages of home care in place. Care package requests are submitted to the Broker Service following approval from Quality Assurance Panels / Service Managers for them to source a provider.

The Broker Service is required to promptly contact providers who should respond within set timescales as to whether they are able to deliver the package.

If providers are unable to deliver the package then the Broker will contact the 'In-House' Home Care Service to determine if they have capacity to provide the package of care on a temporary basis, which is then placed in 'holding' whilst the Broker continues to attempt to source a framework provider.

At the 31/3/2019 the following home care packages were being delivered:-

In House – 2,968hrs of care per week to 291 service users at an annual cost of approximately £4.65m.

External providers – 13,197hrs of care per week to 1041 users at an annual cost of approximately £11.44m.

The overall responsibility for the Broker Service lies with the Strategic Commissioning Manager within Adult Services.

SCOPE & OBJECTIVES

In accordance with the Internal Audit Plan for financial year 2019/20, agreed by Audit Committee, a review of the key controls within the system for the Broker Service was undertaken.

The primary purpose of the audit review was to provide management with an opinion on the adequacy and effectiveness of the controls surrounding the Broker Service.

The specific objectives of the review were to ensure that the Broker Service is:-

- Complying with the guidance notes / process map developed by the Service.
- Working efficiently with other Council Departments / Service Providers.

AUDIT OPINION

The overall control environment in relation to the management of the Broker Service is considered to be effective with opportunity for improvement.

Complying with the guidance notes / process map developed by the Service.

The Broker Service uses spreadsheets to record care package information. Testing identified that the spreadsheets are promptly updated and the service perform tasks on a timely basis, for example, returning incomplete requests to Care Managers and advertising packages of care to Providers.

Testing identified that providers do not always reply promptly as to whether they can deliver packages of care; for the sample of packages examined the longest period taken to reply was 13 days, whereas replies should typically be within 24 hours.

Where packages had been agreed with providers, commissioning forms had been completed and issued to all appropriate parties.

Working efficiently with other Council Departments / Service Providers.

Care package requests are submitted to the Broker Service daily by Care Managers following approval by Panel / Service Managers. Examination of requests made in the period April 2018 to March 2019 established that :-

- 412 (17%) were returned to Care Managers as they were incomplete.
- Care Managers are not always promptly replying to the Broker Service for incomplete requests, the longest delay in the sample was 8 days.

Where providers are unable to deliver the exact package of care, the Broker Service ask Care Managers to confirm the package on offer. No significant delays were noted by either party, however management should consider whether a tolerance can be set to avoid potential delays / inefficient use of staff resources.

The implementation of the recommendations made within this report will enable Management to enhance the overall control environment further.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 Low	Spreadsheets are used by the Broker Service team to record / monitor all care package requests. Examination of 10 dates recorded on the spreadsheet established that 2 had been incorrectly recorded (the incorrect sent back / received dates recorded) – <ul style="list-style-type: none"> • 1970766 • 2171287 	Care should be taken to ensure the correct dates are always recorded on the spreadsheets used by the Service.	Implemented

<p>5.1.2</p> <p>Low</p>	<p>The Broker Service advertise care packages to providers and each of them should reply if they are able to provide the service or not within agreed timescales, typically within 24 hours. Testing identified 9 out of 16 referrals took in excess of that:-</p> <table border="1" data-bbox="369 384 645 644"> <thead> <tr> <th>Days reply</th> <th>to Number</th> </tr> </thead> <tbody> <tr> <td>2</td> <td>2</td> </tr> <tr> <td>3</td> <td>2</td> </tr> <tr> <td>4</td> <td>2</td> </tr> <tr> <td>8</td> <td>1</td> </tr> <tr> <td>11</td> <td>1</td> </tr> <tr> <td>13</td> <td>1</td> </tr> </tbody> </table> <p>Note – the package is awarded to the provider who closely matches the times requested regardless of whether all providers have responded, therefore no delay to awarding the package based on non-response from all providers.</p>	Days reply	to Number	2	2	3	2	4	2	8	1	11	1	13	1	<p>The Broker Service should remind providers to comply with the time frames developed to ensure that care packages are arranged / commence as promptly as possible.</p> <p>Thereafter, Management should monitor the replies of providers and consider action if they continue to not comply.</p>	<p>Implemented</p>
Days reply	to Number																
2	2																
3	2																
4	2																
8	1																
11	1																
13	1																
<p>5.1.3</p> <p>Medium</p>	<p>Care Managers submit package requests to the Broker Service once they have been authorised. The submitted requests should contain comprehensive information to enable the Broker Service to liaise with providers to put a package of care in place.</p> <p>In the period April 2018 to March 2019, the Broker Service returned 412 referrals (17%) of those received from Care Managers as the request contained incomplete information.</p> <ul style="list-style-type: none"> • 202 referrals were returned in the period April 2018 to September 2018. • 210 referrals were returned in the period October 2018 to March 2019. 	<p>Care Managers should submit accurate / complete care requests to the Broker Service to enable prompt processing.</p> <p>To help improve the quality of information included with each request, the Broker Service should monitor / record the reasons as to why requests are being returned to Care Managers and share these reasons with the appropriate managers.</p>	<p>Implemented</p>														

<p>5.1.4</p> <p>Medium</p>	<p>When incomplete referrals are received by the Broker Service they are returned to the Care Managers for full details to be recorded. Upon receipt of the complete information, the Broker Service will commence their search for a provider.</p> <p>Testing noted that 4 out of 17 referrals returned to the Care Managers took 2 or more days to reply:-</p> <table border="1" data-bbox="369 491 696 619"> <thead> <tr> <th>No of days to reply</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>2</td> <td>2</td> </tr> <tr> <td>3</td> <td>1</td> </tr> <tr> <td>8</td> <td>1</td> </tr> </tbody> </table> <p>Note – the 8 day reply was a complex variation to an existing package which comprised of temporary decreases / permanent increases, the package started as required.</p>	No of days to reply	Number	2	2	3	1	8	1	<p>The Broker Service should remind Care Managers of the importance of promptly receiving completed referrals</p>	<p>Implemented</p>
No of days to reply	Number										
2	2										
3	1										
8	1										
<p>5.1.5</p> <p>Low</p>	<p>All new / variations to care packages once authorised should be submitted to the Broker Service.</p> <p>For a sample of 17 care packages, 16 were submitted to the Broker Service the day they were authorised. However:-</p> <ul style="list-style-type: none"> The variation in a complex care package for 2115817 was authorised 6/2/19, submitted to the Broker Service 8/2/19, delay of 2 days and no package start date highlighted. <p>Note – The above was a variation, package of care was already in place.</p>	<p>The Broker Service should remind Care Managers that all requests for packages of care should be promptly and accurately submitted.</p>	<p>Implemented</p>								
<p>5.1.6</p> <p>Medium</p>	<p>When providers are unable to deliver the exact package of care the Broker Service has stated, the Service are required to ask Care Managers to accept / decline the package offered.</p> <p>It was identified that variations regularly occur, however there is no tolerance for the Broker Service to allow the package to proceed.</p>	<p>Management should consider whether a tolerance can be set to avoid potential delays / inefficient use of staff resources.</p>	<p>31 March 2020</p>								

AUDIT NAME: DIRECT PAYMENTS C/F

DATE FINAL REPORT WAS ISSUED: 10/12/2019

INTRODUCTION

Direct payments are made by the Council to individuals towards the cost of meeting a person's care and support needs. These payments are in lieu of services, which the adult, carer, child or family have been assessed as needing following a review against their eligibility for the Direct Payments Scheme by Social Workers.

Direct payments provide individuals and families with more choice and control over the way their care and support needs are met. They promote independence by offering opportunities for choice and self-determination.

The responsibility for administering Direct Payments lies within the Community and Children's Services Directorate and on an operational level is managed by the Strategic Commissioning Manager.

Payments are monitored from a Care Management perspective to ensure the level of payment granted continues to meet the ongoing care needs of the Service User and from a Financial Services perspective to ensure monies issued are being expended appropriately and in accordance with need.

This audit review concentrated on the Adult element of Direct Payments and during the 2018/2019 financial year, in excess of £4.9m was awarded in respect of Adult Direct Payments. For the current financial year the budget is in excess of £5.4m.

SCOPE & OBJECTIVES

In accordance with the Internal Audit Plan for financial year 2019/20, agreed by Audit Committee, a review of key controls within the system was undertaken. Audit testing was carried out on a sample of 20 service users in receipt of an Adult Direct Payment to ensure that the process is working effectively.

The primary purpose of the audit review is to provide management with an opinion on the adequacy and effectiveness of the internal control system. The objective of the review is to ensure that:

The processes in place were operating consistently and in accordance with the Direct Payments Policy (2017).

AUDIT OPINION

The overall control environment in respect of the administration of Direct Payments is considered to be effective with opportunity for improvement.

The Direct Payments Policy was last reviewed and updated in June 2017. This review focussed on a sample of 20 Adult Direct Payment recipients to ensure that each Direct Payment is being administered effectively, consistently and in accordance with the Council's Direct Payment Policy.

Testing identified that not all Direct Payments are being administered consistently as some compliance issues with the Policy were identified:

- 1 Direct Payment Policy agreement had not been signed by all parties.
- There is 1 family member employed as a Personal Assistant yet there was no evidence that they had received formal panel consideration and

agreement.

- It could not be determined whether the risk rating template had been used for 1 Service User.
- Only 1 Care and Support Plan had been reviewed in accordance with the timescales prescribed within the Direct Payments Policy.
- Financial reviews are not being undertaken in accordance with the Direct Payments Policy.

The application for a Direct Payment and the Direct Payment Agreement form states that the completed form needs to be returned to the Clients Finance Team at Mountain Ash Town Hall. The Clients Finance Team relocated to Bronwydd, Porth during October 2016 and this detail is no longer accurate.

This report recommends that Management should update all official stationery with the correct administrative address to avoid any confusion experienced by applicants which could result in a delay in applications / agreements being administered.

All staff should also be reminded of the requirements of the most recently introduced Policy (2017) to ensure that the procedures followed meet the expectations of the service and are administered consistently.

By implementing the associated recommendations contained within this report, management will enhance further the standard of control.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 Medium	The Application for a Direct Payment and the Direct Payment Agreement form states that the completed form needs to be returned to the Clients Finance Team at Mountain Ash Town Hall. The Clients Finance Team relocated to Bronwydd, Porth from Mountain Ash Town Hall in 2016.	Management should ensure that all official stationery is updated with the correct administrative address.	Implemented
5.1.2 Low	Part 3 of the Direct Payment Agreement must be signed by the direct payment recipient and Care Manager / Social Worker. The Direct Payment agreement had not been signed by the Care Manager / Social Worker for 1 Direct Payment recipient examined (1981090). It is however accepted that a request was made by the Clients Finance team for the agreement to be signed.	In accordance with the Direct Payments Policy, all parties should sign the Direct Payment agreement prior to the commencement of the Direct Payment. Any instances of non-compliance should be followed up prior to the commencement of the Direct Payment.	31 January 2020

<p>5.1.3</p> <p>Medium</p>	<p>Point 7.10 of the Council's Direct Payment Policy states:</p> <p>"When considering whether employing a relative will provide the best way of promoting and delivering the individuals personal outcomes; evidence must be compiled and submitted by both the direct payment recipient and care manager to the Direct Payment Panel for consideration. Panel agreement must be obtained for the relative to be appointed as a personal assistant".</p> <p>From the sample of Direct Payments examined, there is 1 Service User who has appointed Family members as a Personal Assistant without formal panel consideration and agreement (2018479).</p>	<p>In accordance with the Direct Payment Policy, Management should ensure that where a family member is employed as a Personal Assistant, a Direct Payment Panel Consideration Proforma is completed and is formally approved. This will provide the Council with assurance that the best person has been appointed to deliver the individual's needs.</p>	<p>31 January 2020</p>
<p>5.1.4</p> <p>High</p>	<p>Care managers will consider sensitively how to treat someone with a fluctuating condition, which affects their ability to manage direct payments. To assist the Care Manager with this decision, a Risk Rating template has been devised.</p> <p>Point 11.4 of the Direct Payment policy states:</p> <p>"The Risk Rating Matrix needs to be considered at each review and revised if necessary"</p> <p>It could not be determined whether the risk rating template was used for all Service Users examined as 1 Risk Rating Template could not be found (2102734).</p>	<p>Care Managers should ensure that each Service User is appropriately risk assessed to determine the frequency of all future reviews, with evidence of the Risk Assessment being retain on record.</p>	<p>31 January 2020</p>
<p>5.1.5</p> <p>High</p>	<p>Point 11.4 of the Direct Payments Policy states:</p> <p>"The Local Authority retains its responsibility to assess and review the needs of the individual in the normal way. The frequency of monitoring</p>	<p>Management should ensure that the frequency of Care and Support plan reviews are in line with the timescales outlined within the Direct Payments Policy.</p>	<p>31 January 2020</p>

	<p>and review of the direct payments and the care and support plan as a whole will be:</p> <ul style="list-style-type: none"> The first review will be held after three months for both children's and adult services. Within Children's Services this first review should be chaired by a team manager / senior practitioner". <p>Audit testing identified only 1 file (2018479) had been reviewed in accordance with the requirements of the Direct Payments Policy.</p>		
5.1.6 Medium	<p>Point 12.5 of the Direct Payments Policy states:</p> <p>"Once the direct payment has been started, client finance will undertake monitoring, at intervals indicated by the Risk Rating (Appendix 9), on the use of the money in order to ensure that the recipient is keeping accurate records.</p> <p>From the sample of Direct Payments examined no evidence could be found that the financial reviews have been undertaken within the set timescales.</p> <p>It is accepted that in respect of the Direct Payments with a High Risk rating, a letter had been sent advising that a review was due. However, the letter had been issued after 6 months of the Direct Payment starting, and not 3 months as indicated within the Direct Payments policy.</p> <p>No evidence of a review being undertaken was available for any of the Medium and Low Risk rated Direct Payments.</p>	Management should ensure that Financial reviews are undertaken in accordance with the Direct Payments Policy.	31 January 2020

AUDIT NAME: LLWYDCOED CREMATORIUM

DATE FINAL REPORT WAS ISSUED: 04/12/2019

INTRODUCTION

Llwydcoed Crematorium is managed and administered by the Llwydcoed Crematorium Joint Committee, under the Local Government (Wales) Act 1994. The Committee is made up of nine members, five from Rhondda Cynon Taf CBC and four from Merthyr Tydfil CBC. In 1996 RCTCBC became the host authority for the Joint Committee.

SCOPE & OBJECTIVES

In accordance with the Internal Audit Plan for financial year 2019/20, as agreed by Audit Committee, a review of the key controls within each of the main financial systems was undertaken. The primary purpose of the audit review is to provide management with an opinion on the adequacy and effectiveness of the internal control system.

Audit testing was carried out on a sample of transactions made during the financial year 2019/20 to ensure that fundamental controls are present and operating satisfactorily.

The objectives of the audit review were to ensure that:

- Receipts are retained in an orderly manner and are produced for all income received.
- The Purchase Card is being used in accordance with guidance and procedures issued by the Procurement Service.
- All confidential data is retained securely and electronic records/systems are backed up regularly with access restricted to authorised users.
- Accurate and up to date records are maintained of all cremations and purchased plots.

AUDIT OPINION

Statutory Obligations

The overall control environment in respect of Statutory Obligations is considered to be effective and there are no findings contained in this report.

The Burial and Cremation Administration System (BACAS) is used to administer the day to day functions of the Service.

A sample of 10 applications confirmed that all of the required application forms and documents were in place such as Confirmatory Notice of Cremation, Application for Cremation and Medical Certificate.

The purchase of plots is recorded on the 'Register of Graves & Grants of Exclusive Rights of Burial' ledgers and on BACAS. The owner of the plot is provided with a deed which is printed from the BACAS system.

The 'Register of Graves & Grants Exclusive Rights of Burial' ledgers are used to record each interment of each plot. The maximum number of interments for all plots is 4 and these are all recorded on the BACAS system.

Information Management & I.T Security

The overall control environment in respect of Information Management & I.T. Security is considered to be effective and there are no findings contained in this report.

The site has a number of fireproof safes in which the statutory ledgers for the service are held. In addition, access to the BACAS system is restricted to those members of staff that have a unique username and password. Since the previous review the site has now upgraded its network connection so there are fewer issues with disconnections which can affect devices such as the chip and pin machines. It was also noted that the chip and pin machine printer has been out of commission for a number of months and arrangements should be made for this to be repaired or a replacement acquired.

Collections & Deposits / Receipts

The overall control environment in respect of Collections & Deposits / Receipts is considered to be effective with opportunity for improvement.

The site uses the Webpaystaff system to record all income received directly on site. The system allows payments to be taken in person, over the phone and take card payments via chip and pin devices, and entries onto the Financials system are in real time. The system generates receipts which are given directly to or sent to customers (via email) and a copy retained on site. As a back up to the system an income ledger is in place which is updated as and when income is received.

One occasion was identified where income has been identified as banked on Financials but no receipt was present and no details recorded in the income ledger. Another occasion was noted where details of payment were recorded in the ledger but no receipt was present although a receipt number was recorded in ledger.

A verbal recommendation was also made to record the totals of income collected via the Loomis Collection Service split into the respective income ledgers for the Crematorium and the Cynon Valley cemeteries.

Purchase Card

The overall control environment in respect of the Purchase Card is considered to be effective with opportunity for improvement.

There is one purchase card in operation and the supporting transaction log was found to be up to date with the latest transactions with the exception of the 4 most recent payments (made during the week of visit). It was noted that Amazon is used frequently for purchases, and whilst online orders were present, no invoices were available. This has implications for reclaiming VAT especially with Amazon third party suppliers outside of the UK.

Implementing the recommendations in the report will improve the control environment further.

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 Low	<p>Review of the income records identified the following discrepancies;</p> <ul style="list-style-type: none"> 2.8.19 – entries identified on Financials for £113.00 (8352) and £62.00 (8357) respectively. However, it was identified that no receipt was present and no entries made in the Income Ledger. 7.8.19 – amount of £58.00 (8351) recorded in the Income Ledger but was not supported by a receipt, even though the receipt number has been recorded in the income ledger. 	Care should be taken to ensure that all income is receipted and entered into the income ledger. All transactions should be supported by relevant receipts.	Implemented
5.2.1 Low	<p>A review of transactions since April 2019 revealed that all were supported with documentary evidence.</p> <p>However, it was noted that a number of purchases are to Amazon and the Amazon Marketplace. Whilst for each of these transactions there were copies of the online orders present and delivery notes (where received) only one instance was noted where an invoice was present showing the VAT breakdown.</p> <p>There are implications for the reclaiming of VAT on Amazon purchases due to the fact that many of the 3rd party suppliers who use the marketplace are not based in the UK. In the absence of this information the VAT registration status of suppliers outside the UK cannot be identified.</p>	<p>The Purchase Cardholder should ensure that requests are made for VAT invoices for all Amazon and Amazon Marketplace purchases and these are printed and retained with the relevant copies of orders etc.</p> <p>The Purchase Card Manual has recently been updated to reflect the VAT treatment on the purchase of goods and supplies outside the UK, and this guidance should be followed going forward.</p>	Implemented

EDUCATION & INCLUSION SERVICES			
AUDIT NAME: PERTHCELYN COMMUNITY PRIMARY			
DATE FINAL REPORT WAS ISSUED: 03/12/2019			
<p>INTRODUCTION</p> <p>The self-evaluation process is designed to help and advise Headteachers and support staff to evaluate the effectiveness of their financial and governance arrangements. The process requires primary schools to complete a self-evaluation checklist against expected controls. Perthcelyn Community Primary was last subject to an Internal Audit Review in November 2014, and this is the fourth cyclical visit made to the school to examine progress made under the self-evaluation process. The Headteacher has confirmed that this report will be presented to the Full Governing Body at their Spring Term 2020 meeting.</p>			
<p>SCOPE & OBJECTIVES</p> <p>The checklist for non-chequebook primary schools comprises of 101 standards that need to be reviewed. Audit testing was carried out on a sample of standards applicable to the school, using transactions processed during financial years 2018/19 and 2019/20. The objectives of the review were:</p> <ul style="list-style-type: none"> • To review the Governance arrangements in place at the school. • To ensure compliance with Section 175 of the Education Act 2002, this requires Governing Bodies to have arrangements for exercising their functions with a view to Safeguarding. • To ensure that the School Private Fund is appropriately administered in accordance with the requirements of the 2018 School Private Fund Regulations. • To ensure that the Purchase Card is being used in accordance with the guidance and procedures issued by the Procurement Service. • To ensure that all school meals income is identified, received and collected in accordance with Council Policy, arrears regularly reported and followed up and free meals only provided where entitlement has been confirmed by the Council. • To ensure that all Formula Funding allocations are based on up to date and correct numbers of registered pupils, and an audit trail is maintained to ensure accountability and transparency of the numbers submitted. • To ensure that the opportunities for unauthorised use of the school's I.T equipment are restricted, that hardware and software is adequately protected and that the School and Governing Body are appropriately registered under the Data Protection Act 2018. 			

AUDIT OPINION

Governance

The control environment in respect of Governance is considered to be effective with opportunity for improvement.

The roles and responsibilities of the Governing Body and its sub committees have been set out in writing. The Governing Body and its sub committees have the requisite number of members, and quorate levels for meetings are achieved. A Register of Business Interests is in place at the School, and whilst it is updated annually, business declarations had not been completed in respect of 5 Governors.

The Headteacher has not been formally delegated a limit for purchases; this report recommends that the Governing Body confirm a scheme of delegation to formally record the Headteacher's financial limits for expenditure.

Whilst all statutory policies and documents are present at the School, it could not be evidenced that all had been formally reviewed by the Full Governing Body within the last 3 years. This report recommends that when policies and documents are reviewed, they are presented to the Governing Body for ratification with this being clearly detailed in the Governing Body minutes.

Safeguarding & Educational Visits

The control environment in relation to Safeguarding and Educational Visits is considered to be effective with opportunity for improvement.

Testing identified that all staff received the appropriate clearances before commencing duties in their posts. The School has a Safeguarding Policy which is reviewed annually and has been endorsed by all Officers with delegated responsibility for Safeguarding and Child Protection. Whilst there was documentary evidence at the School to confirm staff have received a copy of the Policy and have read and understood it, this was not evidenced for 3 members of staff. It was also noted that 6 members of staff did not attend the latest safeguarding training at the School during February 2019.

The School does not make use of the EVOLVE system as required within the document 'Planning and Approval Procedures for Educational Visits'. Routine class trips are however recorded using a risk assessment template which the Headteacher has devised. While the EVOLVE system is used to record residential trips, from a sample of 10 trips examined, 3 had not been authorised within the correct timescales.

School Private Fund

The control environment in relation to the School Private Fund is considered to be effective with opportunity for improvement.

The Treasurer maintains an adequate audit trail of all income and expenditure transactions. A manual ledger is maintained and was up to date at the time of the review.

The Ledger is reconciled to the bank statements monthly and for the previous academic year all expenditure was solely for the benefit of the pupils / School, in accordance with the School Private Fund Regulations and supported with receipts / invoices. This review has however highlighted that an additional cheque

signatory for the account is required as at the time of the audit visit, there were only 2 members of staff able to sign cheques which could prove problematical. A review of the income identified that bankings are not undertaken in accordance with the recommended limits / timescales included within the School Private Fund Regulations and therefore, this report recommends that the Headteacher considers using a secure collection service in order to minimise the risk to staff transporting large quantities of cash to the bank.

Purchase Card

The control environment in relation to the Purchase Card system is considered to be effective and there are no findings contained within this report.

There is a sufficient audit trail in respect of evidence being available that supports the expenditure for the card. Audit testing identified that a Transaction Log is in use at the School, and is updated with items of expenditure immediately as the cost is incurred and reconciled to the electronic Bank Statement weekly.

School Meals

The control environment in relation to the School Meals system is considered to be effective and there are no findings contained within this report.

Dinner money is updated to SIMS and banked fortnightly, and the School manage their arrears in line with the Catering Finance School Meal Protocol. Testing identified that free school meals are only provided to those for whom eligibility has been confirmed and retained, and the school meals income records are regularly reviewed by an independent senior member of staff to ensure that these are complete, accurate and agree with deposits made at the bank.

School Budget

The control environment in relation to the School Budget is considered to be effective and there are no findings contained within this report.

A regular review of the Budget is undertaken by the Headteacher and details of the School's budgetary position is reported to the Governing Body at every meeting. Pupil numbers were reviewed and no discrepancies were noted.

Data Protection & Security

The control environment in relation to Data Protection & Security is considered to be effective with opportunity for improvement.

The School is registered with the Information Commissioner. School data is backed up regularly and confidential data is kept securely. Audit testing identified that the School's inventory has not been updated for a number of years and this report recommends that an up to date inventory of School assets / equipment be undertaken immediately.

Implementation of the recommendations contained within this report will enhance the control environment further.

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 High	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p>'Governing Bodies should....ensure that all staff and volunteers who work with children undertake appropriate training to equip them with the knowledge and skills that are necessary to carry out their responsibilities for child protection effectively, which is kept up to date by refresher training'.</p> <p>The current requirements for safeguarding training are that Level 1 and 2 needs to be reviewed every 3 years and facilitated by RCT, with Level 3 being trained every 2 years. In house Level 1 refresher training should also be delivered annually by Level 3 trained staff.</p> <p>Although it was established that Level 1 training was provided to the whole School on 2nd September 2019, the School were unable to demonstrate that 6 members of staff have received the training. This includes Teachers, Support Staff and casual members of staff.</p>	<p>Arrangements should be made to ensure that Level 1 training is provided to the 6 members of staff identified as soon as possible.</p> <p>The Headteacher should also ensure the training record presently in use at the School is regularly reviewed to ensure that safeguarding training is renewed as and when required for all members of staff.</p>	31 January 2020
5.1.2 Medium	<p>Point 3.1 of the (CTSCB) Model Safeguarding Policy (that should be adopted by schools) states:</p> <p>'The Designated Senior Person (DSP) for Child Protection will...Ensure that all staff have signed to say that they have received, read and understood the Child Safeguarding Policy.'</p> <p>It was identified that 3 members of staff have not signed to confirm that they had received, read and understood the Child Protection Policy.</p>	<p>The Designated Senior Person should ensure that all members of staff (including casual members of staff) sign to demonstrate that they have received, read and understood the most recent Child Protection Policy.</p> <p>The 3 outstanding declarations should be obtained as soon as possible.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.3 Medium	<p>The document, Planning and Approval Procedures for Educational Visits 2014-2017 states that “Schools / establishments can determine their own planning and approval requirements but are strongly advised to use the EVOLVE system”.</p> <p>EVOLVE is not used to record routine class trips, however a separate risk assessment system has been devised by the Headteacher.</p> <p>Of the 10 most recent trips recorded onto EVOLVE the following was noted:</p> <ul style="list-style-type: none"> Manor Adventure 13.05.19 - the status remains as processed, as it was not created on EVOLVE until 12.05.19, and therefore not submitted to the Outdoor Education Advisor within the correct timescales. Manor Adventure 10.5.17 – created on EVOLVE on 4.4.17 but not submitted to the Outdoor Education Advisor until 3.5.17. Manor Adventure 11.5.16 – the status remains at EVC, the trip was never authorised. 	<p>All trips / activities should be entered onto EVOLVE.</p> <p>The Headteacher is reminded that under Guidance for Educational Visits the Local Authority requires 28 days’ notice to process and approve all trips that involve overnight, overseas or adventurous activities in order for the Outdoor Education Advisor to give the necessary assurance that the provider and trip arrangements are appropriate.</p> <p>If there is a training requirement for staff, the School should contact the Outdoor Education Advisor to make the necessary arrangements.</p>	31 March 2020
5.2.1 Medium	<p>Whilst the Headteacher was formally delegated a limit for making virements between budget headings during the Full Governing Body meeting of the 8th November 2017, a purchasing limit has not been formally delegated. The Headteacher has been in post for a number of years.</p>	<p>The Governing Body should confirm a scheme of delegation, to formally record the Headteacher's financial limits for expenditure. The agreed limits should be minuted and be incorporated into the School's Financial Procedures document.</p>	31 March 2020

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.2.2 Medium	<p>Section 2.9 of the Scheme for Financing Schools states that:</p> <p><i>'Governing bodies are required to establish a register of business interests...which lists for each member of the Governing Body and the Head Teacher any business interests they or any member of their immediate family have. The register must be kept up-to-date by notification of changes from governors and the Head Teacher, and through an annual review process'.</i></p> <p>Although a register was in place for the previous academic year, no declarations had been completed for 5 Governors.</p>	<p>A declaration of business interests for all Governors, the Headteacher and any other staff who may influence financial decisions at the School should be completed annually.</p> <p>Whilst it is accepted that a new register will be established during the Autumn Term meeting, the School is reminded that if Governors are not present in that meeting then a postal declaration should be completed and returned to the School.</p>	31 March 2020
5.2.3 Medium	<p>All statutory policies and documents are in place at the School.</p> <p>However, it was not evident within the Governing Body minutes that all policies / documents had been reviewed by the Full Governing Body within the last 3 years.</p>	<p>The policies / documents identified should be presented to the Governing Body for review and ratification (and this should be minuted).</p> <p>Details of review should be captured on the document covers i.e. date reviewed, date to be reviewed, signed and dated etc.</p>	31 March 2020
5.3.1 Medium	<p>Examination of the income banked since September 2018 identified that whilst bankings are undertaken fortnightly, deposits are not made in accordance with the limits / timescales included within the School Private Fund Regulations. The most significant of these are:</p> <ul style="list-style-type: none"> • 15.11.18 - £894.32 	<p>The School should consider the introduction of a secure cash collection from LOOMIS. If this seems a feasible option, then contact should be made with the Council's Bank Reconciliation Team to discuss this option. There may be a charge for this service, but</p>	31 March 2020

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<ul style="list-style-type: none"> • 15.03.19 - £1010.00 • 10.05.19 - £725.00 • 14.06.19 - £1435.78 • 14.06.19 - £2359.75 • 28.06.19 - £841.76 <p>It is acknowledged that income is securely retained whilst at the School.</p>	this would allow the School to make deposits in respect of the School Private Fund (and School Dinner Money) in a safe environment thus eliminating the risks associated with visits to the bank / post office.	
5.3.2 Low	There are only 2 cheque signatories for the School Private Fund and both signatures are required to authorise a cheque.	The School should add another cheque signatory to ensure that cheques can always be authorised and issued promptly.	Implemented
5.4.1 Medium	The School's inventory has not been updated for a number of years.	<p>A full inventory review of all School equipment should be undertaken as soon as possible.</p> <p>Thereafter an annual review should be carried out to ensure that the record is accurate and up-to-date.</p>	31 March 2020

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2019/20

<p>AUDIT COMMITTEE</p> <p>3RD FEBRUARY 2020</p>	<p>AGENDA ITEM NO. 5</p>
<p>JOINT REPORT OF THE SERVICE DIRECTOR FOR DEMOCRATIC SERVICES AND COMMUNICATION AND THE DIRECTOR OF FINANCE AND DIGITAL SERVICES</p>	<p>WALES AUDIT OFFICE PROJECT BRIEF: RHONDDA CYNON TAF COUNCIL AUDIT COMMITTEE SUPPORT AND DEVELOPMENT</p>

1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to provide Members with the Wales Audit Office Project Brief, which has been produced to support and develop the Audit Committee, as part of the Council’s wider governance arrangements.

2. RECOMMENDATION

It is recommended that the Audit Committee:

- 2.1 Acknowledge the content of the Wales Audit Office Project Brief for Rhondda Cynon Taf County Borough Council’s Audit Committee, which is attached as Appendix 1 to the report.

3. REASONS FOR RECOMMENDATION

- 3.1 To inform Members of the work, which will be undertaken by the Wales Audit Office, to support and develop the Audit Committee in continuing to effectively discharge its role.

4. BACKGROUND

- 4.1 Good governance within Rhondda Cynon Taf is ultimately the responsibility of Full Council. Full Council is supported in this role by those with leadership roles and statutory responsibilities along with the accountability arrangements in place in the form of its structure of Committees.

- 4.2 At the Audit Committee meeting on 5th November 2019, Wales Audit Office provided Members with an overview of the role of the Auditor General for Wales and the Wales Audit Office. The presentation covered External Audit's assessment functions, the responsibilities in relation to the Well-being of Future Generations (Wales) Act 2015, the 2019 Work Programme and examples of recent reports for Members to access.
- 4.3 The above update also included an overview of the Wales Audit Office Audit Performance Plan for Rhondda Cynon Taf County Borough Council in 2019-20 and in particular the project for the Wales Audit Office to work alongside Audit Committee members and relevant officers to support and further develop the Committee, as part of the Council's wider governance arrangements.
- 4.4 Audit Committee Members spoke positively of this project and acknowledged the improvements made to the Council's Scrutiny Committees, following a number of reviews undertaken by the Wales Audit Office, which have helped to further strengthen the Council's governance arrangements. For Audit Committee's information, the progress made by the Council in addressing the Wales Audit Office Report 'Fit for the Future' was reported to the Overview and Scrutiny Committee on [1st May 2019](#).

5. WALES AUDIT OFFICE PROJECT BRIEF: RHONDDA CYNON TAF COUNCIL AUDIT COMMITTEE SUPPORT AND DEVELOPMENT

- 5.1 As detailed in Appendix 1, the Wales Audit Office will seek to develop and scope activities with the Council that align with Audit Committee's forward plan and work programme.
- 5.2 The project will run over a 12 month period, whereby the Wales Audit Office will evaluate the effectiveness of the work undertaken by officers and Members and provide feedback.
- 5.3 The project will consider:
- The Council's training and development for members, aligning with annual appraisals and personal development priorities;
 - Changes in membership of Audit Committee, including new Chair and appointment of a new lay member to the Committee;
 - The impact of new local government legislation (as and when enacted) on the role of the audit committee, its responsibilities and its function; and
 - The Regional Internal Audit Service and the relationship with audit committee and council officers.

- 5.4 This project will also run in parallel with the work being progressed by the Council to take forward the recommendations set out in the Audit Committee Annual Report reported to Audit Committee on [25th March 2019](#). This work has included updating the Audit Committee's Terms of Reference and also undertaking preparatory work to enable the Committee to assess its skills and knowledge (with an update on the latter being scheduled to be reported to the next Audit Committee meeting).

6. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 6.1 The Wales Audit Office project is being undertaken to help discharge the Auditor General's duties under section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act) and section 18 of the Local Government (Wales) Measure 2009, and it may also inform a study for improving value for money under section 41 of the 2004 Act, and/or an examination undertaken by the Auditor General under section 15 of the Well-being of Future Generations Act (Wales) 2015.

7. EQUALITY AND DIVERSITY IMPLICATIONS

- 7.1 There are no equality or diversity implications as a result of the recommendations set out in the report.

8. CONSULTATION / INVOLVEMENT

- 8.1 There are no consultation implications aligned to this report.

9. FINANCIAL IMPLICATION(S)

- 9.1 There are no financial implications associated with this report.

10. LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

- 10.1 The work of the Council's Audit Committee aims to support the delivery of the priorities contained within the Council's Corporate Plan – The Way Ahead, in particular 'Living Within Our Means' through ensuring that appropriate governance arrangements are in place to effectively manage resources.

11. CONCLUSION

- 11.1 Members will be aware of the positive changes made to the Council's Scrutiny function, following a number of reviews undertaken by the Wales Audit Office.
- 11.2 Members are asked to acknowledge the Wales Audit Office Project Brief, which has been produced to support and develop the Audit Committee, as part of the Council's wider governance arrangements.

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

3RD FEBRUARY 2020

**WALES AUDIT OFFICE PROJECT BRIEF: RHONDDA CYNON TAF COUNCIL
AUDIT COMMITTEE SUPPORT AND DEVELOPMENT**

**JOINT REPORT OF THE SERVICE DIRECTOR FOR DEMOCRATIC SERVICES
AND COMMUNICATION AND THE DIRECTOR OF FINANCE AND DIGITAL
SERVICES**



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Project Brief – Audit Committee Support and Development – Rhondda Cynon Taf County Borough Council

Audit year: 2019-20

Date issued: January 2020

Document reference: 1691A2020-21

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Contents

Project brief

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Background

- 1 Arising from our audit and risk assessment work undertaken in 2018-19 at Rhondda Cynon Taf County Borough Council, it was identified in the Audit Plan 2019-20 that we would undertake work to support and develop the Audit Committee, as part of the Council's wider governance arrangements.
- 2 This project brief sets out why we are undertaking the review and outlines its focus, methodology, outputs and timing.

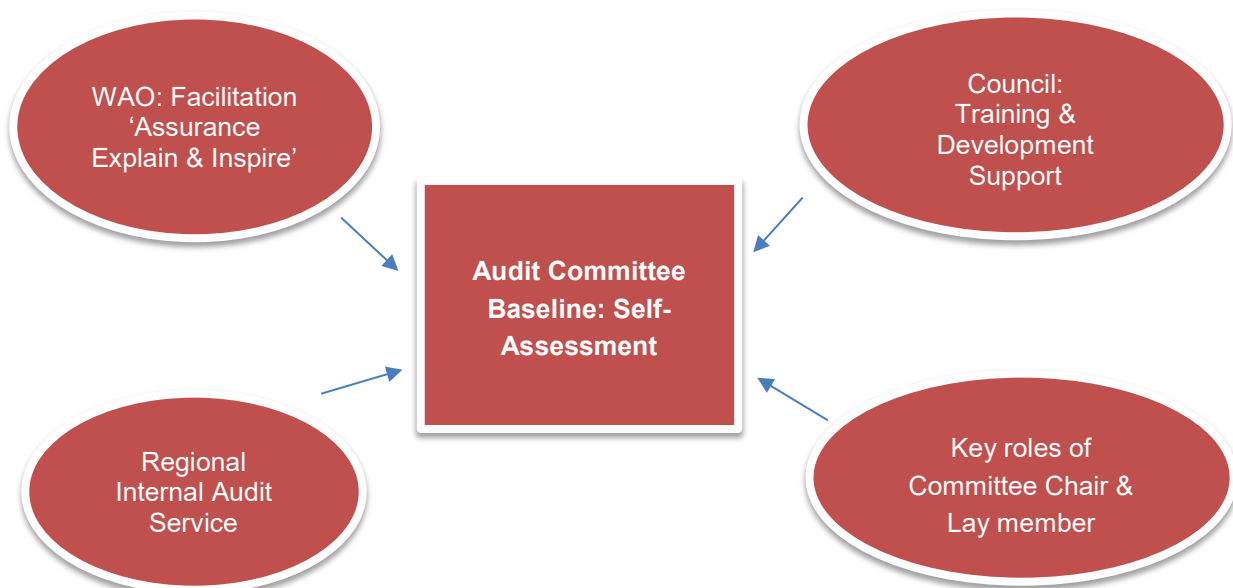
Legislative basis for the review

- 3 This project is being undertaken to help discharge the Auditor General's duties under section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act) and section 18 of the Local Government (Wales) Measure 2009, and it may also inform a study for improving value for money under section 41 of the 2004 Act, and/or an examination undertaken by the Auditor General under section 15 of the Well-being of Future Generations Act (Wales) 2015.

Purpose of the review

- 4 The Wales Audit Office will provide a contribution to Audit Committee's development, as part of the Council's wider governance arrangements, and see our role working alongside the Council's own development programme for Audit Committee. The work will provide assurance, support and insight.

Exhibit 1 Wales Audit Office role in supporting Audit Committee development



Focus of the review

- 5 We will develop and scope activities with the Council that align with its Audit Committee's forward plan and work programme. In doing so, we will use the Committee's self-assessment as a base-line and take due consideration of the evolving changes that will impact Audit Committee over the next 12 months. The project will consider:
- the Council's training and development for members, aligning with annual appraisals and personal development priorities;
 - changes in membership of Audit Committee, including new Chair and appointment of a new lay member to the Committee;
 - impact of new local government legislation on the role of the audit committee, its responsibilities and its function; and
 - regional Internal Audit Service (RIAS) and relationship with audit committee and council officers.
- 6 In undertaking this project, we will also draw on the findings of our other ongoing and recent work.

Output

- 7 We will work alongside the Council, providing feedback in real time and report an evaluation of the effectiveness of the work undertaken by officers and members over a 12 month period.

Timetable

Exhibit 2: timetable

The table below sets out a proposed timetable for the review at Rhondda Cynon Taf Council.

Proposed timetable	
Set up meeting	October 2019
Project brief issued	January 2020
Fieldwork Meeting observations Interviews	February 2020 – TBA with Council
Evaluation Report issued	TBA with Council – Sept 2020

Fieldwork schedule

Workshops/Focus groups

Exhibit 3: workshops

The table below sets out the initial list of workshops we would like to run with officers and councillors as part of this review.

Workshops
Baselining and Mapping the position with officers and members
Observation and feedback at a sample of Audit Committee meetings
Governance: Getting the basics right and delivering Audit Committee Effectiveness
The Influential Audit Committee

Document request

Prior to on-site fieldwork and observations we will undertake a review of the documents identified below. However, we would be grateful if you could supply us with any additional documents which you feel may be relevant to our work in this area. The list is not exhaustive and requests for additional documents may be made during the course of the review. Where documents in the list below are publicly available on the Council's website we would be grateful if you could please direct us to where we can find them.

Exhibit 4: the table below sets out the documents we would like to request initially as part of this review

Document title
<ul style="list-style-type: none">Audit Committee Annual Report, incorporating a Self-Assessment against the CIPFA 2018 guidance – Audit Committee March 2019 - Received

Wales Audit Office contacts

Exhibit 5: Wales Audit Office contacts

The table below sets out the Wales Audit Office team that will be working on this review at Rhondda Cynon Taf County Borough Council.

Name	Contact details
Performance Audit Director	Huw Rees
Performance Audit Manager	Colin Davies
Performance Audit Lead	Justine Morgan
Performance Auditor	Chris Bolton

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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2019/20

Audit Committee

3 February 2020

Item No. 6
Wales Audit Office Annual Improvement Report 2018/19 – Council Progress Update

REPORT OF: THE SERVICE DIRECTOR FOR DEMOCRATIC SERVICES AND COMMUNICATION

Author: Christian Hanagan

1. PURPOSE OF THE REPORT

To consider the Wales Audit Office 'Annual Improvement Report 2018/19' presented to Council on [18 September 2019](#) and the progress made to date by the Council in implementing the proposals for improvement.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Consider whether there are any matters of a governance, internal control or risk management nature that require further action or attention by Audit Committee.
- 2.2 Consider whether there are any matters of a performance nature that require review by the Council's scrutiny committees.

3. ARRANGEMENTS FOR MONITORING WALES AUDIT OFFICE PROPOSALS FOR IMPROVEMENT / RECOMMENDATIONS

- 3.1 The Council recognises the important role the Wales Audit Office plays in supporting on-going improvement to governance and service delivery, and uses the oversight of Audit Committee and Scrutiny Committees to oversee the arrangements and the monitoring of progress.

Audit Committee

- 3.2 The Terms of Reference of the Council's Audit Committee include the following responsibilities in relation to reports from the Council's External Auditor (for the

purposes of this report the External Auditor being the Wales Audit Office): *Point O - 'To receive and consider reports of the External Auditor in relation to matters of financial probity and corporate governance and providing the opportunity for direct discussion with the auditor(s) on these'* and *Point P - 'Consider national reports, for example, from the Wales Audit Office, of relevance to the work of the Authority'*.

- 3.3 To discharge the above requirements, the Council's Audit Committee has responsibility for:
- Providing independent assurance that there are adequate controls in place to mitigate key risks; and
 - Determining whether there are any matters of a governance, internal control or risk management nature that require further action or attention.
- 3.4 As part of discharging its Terms of Reference, Audit Committee should also take account of the conclusions and findings from each Wales Audit Office report when forming an opinion on the adequacy of internal control / governance arrangements in place.
- 3.5 In addition to the above, where Audit Committee considers there are performance related matters that require further review, it is able to refer these to the designated Scrutiny Committee for review

Scrutiny Committees

- 3.6 Members will note the Council's Scrutiny function has a different, albeit, complementary role, in respect of overseeing the reports issued by the Wales Audit Office i.e. to review and challenge the progress the Council is making toward implementing agreed actions.
- 3.7 Where a Scrutiny Committee determines there are matters of a governance, internal control or risk management nature that require further review, it is able to refer these to Audit Committee for consideration.

4. WALES AUDIT OFFICE – ANNUAL IMPROVEMENT REPORT 2018/19

- 4.1 At the meeting of Council held on the [18th September 2019](#) Members received the Wales Audit Office [Annual Improvement Report 2018/19](#) (AIR). The AIR contained proposals for improvement/recommendations from published reports that were specific to Rhondda Cynon Taf and also national reports that relate to local authorities more generally and also Welsh Government. Table 1 provides a list of the published reports covered by the AIR together with electronic links to each of these reports.

Table 1 – Published reports covered by the AIR

Type of Report	Report Title	Proposals For Improvement Reported
WAO - RCT Specific Reports <i>(audit, regulatory and inspection work reported during 2018-19)</i>	Annual Audit Letter 2017-18 Letter summarising the key messages arising from the Auditor General’s statutory responsibilities under the Public Audit (Wales) Act 2004 and his reporting responsibilities under the Code of Audit Practice Compliance confirmed as part of AIR	No
	Assurance and Risk Assessment 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.	No
	Well-being of Future Generations Act (Wales) 2015 (WFG Act) examinations Examination of the extent to which the Council has acted in accordance with the Sustainable Development principle when developing new community based models of service with a focus on early intervention and prevention, choice, control and independence to meet the following wellbeing objective: People – promoting independence and positive lives for everyone	No
	Review of the Council’s published plans for delivering on improvement objectives.	No Compliance confirmed
	Review of the Council’s published performance assessment.	No Compliance confirmed
	Leisure Services Review of the arrangements the Council has put in place to deliver leisure services building on the study previously undertaken by the Auditor General as part of the ‘Delivering with Less’ themed studies.	No
	Environmental Health – follow up Review of the arrangements the Council has put in place to deliver environmental health services	3 Proposals for Improvement

Type of Report	Report Title	Proposals For Improvement Reported
	building on the study previously undertaken by the Auditor General as part of the 'Delivering with Less' themed studies.	<i>included in Appendix 1</i>
	Corporate Safeguarding Arrangements Review of the effectiveness of Corporate Safeguarding arrangements building on the study previously undertaken by the Auditor General in this area.	6 Proposals for Improvement <i>included in Appendix 1</i>
Reviews by other inspection and regulation bodies		
Care Inspectorate Wales (CIW):	Inspection of Older Adults Services	4 Proposals for Improvement <i>included in Appendix 1</i>
Care Inspectorate Wales:	Local authority annual performance review letter	No

4.2 An update on the progress made by Council services, to date, to implement the proposals for improvement/recommendations made by the Wales Audit Office, where applicable to Rhondda Cynon Taf, is set out in Appendix 1. For Members information, this up date was also reported to the Overview and Scrutiny Committee on [20 January 2020](#).

4.3 In line with the Audit Committee's Terms of Reference, the Committee is requested to (in addition to Members own lines of enquiry):

- Consider whether there are any matters of a governance, internal control or risk management nature that require further action or attention; and
- Consider whether there are any matters of a performance nature that require review by the Council's scrutiny committees

5. **CONCLUSIONS**

5.1 Wales Audit Office reports play an important role in supporting on-going improvement to the Council's governance and service delivery arrangements. As part of this process the Council utilises its Audit Committee, in line with its Terms of Reference, and Scrutiny Committees to oversee the arrangements and the monitoring of progress.

LOCAL GOVERNMENT ACT, 1972

as amended by

THE ACCESS TO INFORMATION ACT, 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

LIST OF BACKGROUND PAPERS

AUDIT COMMITTEE

3 February 2020

REPORT OF: THE SERVICE DIRECTOR OF DEMOCRATIC SERVICES AND COMMUNICATION

Author: Christian Hanagan

Item 6 Wales Audit Office Annual Improvement Report [2018/19 – Council Progress Update](#)

Contact Officer:
Christian Hanagan
(01443 424005)

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Wales Audit Office - Annual Improvement Report [2018/19](#)

Local and National Reports – Progress to date

Compliance	
Annual Audit Letter 2017-18 Letter summarising the key messages arising from the Auditor General’s statutory responsibilities under the Public Audit (Wales) Act 2004 and his reporting responsibilities under the Code of Audit Practice Compliance confirmed as part of AIR	No proposals for improvement
Annual Improvement Plan Audit (of 19/20 Plans contained in the Council’s annual Corporate Performance Report) Compliance confirmed	No proposals for improvement
Annual Assessment of Performance (evaluation of 18/19 Plans contained in the Council’s Corporate Performance Report) Compliance confirmed	No proposals for improvement
Care Inspectorate Wales Local Authority Performance Review Annual Letter 2018-19	No proposals for improvement

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[Well-being of Future Generations Act \(Wales\) 2015 \(WFG Act\) examination](#)

“Examination of the extent to which the Council has acted in accordance with the sustainable development principle when developing new community based models of service with a focus on early intervention and prevention, choice, control and independence to meet the following Well- being objective: People – promoting independence and positive lives for everyone.”

Proposals for Improvement	Next Steps
Whilst our examination did not make any proposals for improvement, we identified issues for the Council to consider in developing its future plans for the new community based models of service. These are detailed in our full report .	The WFG examination findings will be used to ensure the Council and its services are acting in accordance with the requirements of the Well-being of Future Generations Act including the Sustainable Development principles when developing and implementing its Service Delivery and Priority Plans and plans for key projects.

Local risk-based performance audit

Leisure services

“Building on the study previously undertaken by the Auditor General as part of the ‘delivering with less’ themed studies. **Leisure Services** - Review of the arrangements the council has put in place to deliver.” – A [feedback presentation](#) was presented to Council officers in September 2019. A formal published report is not expected from WAO.

No proposals/recommendations for Improvement

Overall finding:

“The Council, in responding to the challenges of austerity, has invested appropriately in a model of delivering leisure services based upon its strategic vision and priorities. The Council’s investment has realised increased membership and income but it is too early to evaluate any impact on long term well-being.”

Environmental Health

“Review of the arrangements the council has put in place to deliver environmental health services building on the study previously undertaken by the Auditor General as part of the ‘delivering with less’ themed studies.”

Proposals for Improvement

P1 The Council should refresh its analysis of statutory/discretionary environmental health functions to ensure it remains a relevant and robust information base for any future decisions around budgets and service changes.

P2 As part of a fresh analysis of statutory/discretionary services in environmental health, the Council should formally agree what constitutes ‘required’ and ‘better’ levels of environmental service provision for each service area. This will enable the Council to reinforce the focus on key statutory priorities and make better-informed decisions around future service provision, whilst increasing transparency for residents.

P3 The Council should undertake an annual self-assessment of the effectiveness of the Health and Wellbeing Scrutiny Committee in line with an appropriate framework, for example the FRC Corporate Governance Code, to provide additional assurance to members.

Next Steps

A detailed plan setting out progress and next steps to address the proposals is being considered by Health and Well-being Scrutiny Committee on [28 January 2020](#).

Corporate Arrangements for Safeguarding Children

“Review of the effectiveness of corporate safeguarding arrangements building on the study previously undertaken by the Auditor General in this area.”

The Council agrees with all the Proposals for Improvement identified within the WAO report. A detailed plan setting out progress and next steps to address these proposals is scheduled for consideration by Overview and Scrutiny Committee in March 2020. In the meantime, a brief update is set out below for information

Proposal for Improvement	Next Steps
<p>P1 Strengthen the Corporate Safeguarding Policy in the following ways:</p> <ul style="list-style-type: none"> • Provide information on topics that have safeguarding implications such as modern day slavery, trafficking, child sexual exploitation, counter terrorism and the risk of radicalisation, the Violence Against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015 and self-harm; • Cross-refer to the Council’s Disclosure and Barring Service (DBS) Policy; and • Clarify the role and status of the Corporate Safeguarding Working Group. 	<p>Agreed</p> <p>This proposal widens the scope of the current Corporate Safeguarding Policy to include VAWDASV. To address this more fully, a revised Safeguarding Policy is being developed that updates the current Policy in the light of current best practice and also addresses the Proposals for Improvement.</p>
<p>P2 Strengthen the Recruitment and Selection Procedures in the following ways:</p> <ul style="list-style-type: none"> • Refer to safeguarding as a key commitment in the opening section of the procedures; • The job descriptions section could refer to safeguarding for relevant posts; • Specify that job adverts for posts that require a DBS check will contain an explicit statement on safeguarding; • The induction section could refer to safeguarding; and • The Corporate Safeguarding Policy and the DBS Policy should be referenced in the ‘Related Policies’ section. 	<p>Agreed</p> <p>Safeguarding implications are being considered as part of the Council’s review of its current recruitment and selection processes.</p>
<p>P3 The Council should gather contractual monitoring information from across all Council Directorates</p>	<p>Agreed</p> <p>The response to this proposal will include a review of current contracts to establish where monitoring is already in place and where monitoring needs to be strengthened.</p>
<p>P4 The Council should improve its approach to safeguarding training in the following ways:</p> <ul style="list-style-type: none"> • Accelerate the rate of compliance with the completion of its mandatory safeguarding training and the Violence Against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015 training; • Clarify when mandatory safeguarding training needs to be refreshed; • Consider ways in which it could extend its safeguarding training offer, for example to taxi drivers and to those working in the night time economy; • Improve its monitoring of safeguarding training compliance; and • Clarify how soon new starters must complete the mandatory safeguarding training 	<p>Agreed</p> <p>A wide ranging review of Safeguarding training and the potential to widen its scope is being undertaken.</p> <p>A Cross Council working group is in place to identify/take steps to strengthen the training compliance for both Safeguarding and Violence Against Women, Domestic Abuse and Sexual Violence.</p>

Proposal for Improvement	Next Steps
<p>P5 The Council should consider producing performance measures (for example in respect of DBS check compliance) to enhance the performance information that goes to scrutiny and aid transparency.</p>	<p>Agreed Performance measures will be developed in line with agreed actions within the plan.</p>
<p>P6 The Corporate Safeguarding Working Group should have oversight of corporate safeguarding risks from across the Council.</p>	<p>Agreed The Corporate Safeguarding risks arising from the 19/20 Service Delivery Plans have been made available to the Corporate Safeguarding Strategic Group. This process will be strengthened as part of the 2020/21 Performance arrangements.</p>

Care Inspectorate Wales (CIW): Inspection of Older Adults Services

Findings	Next Steps
<p>Well-being CIW found that there was a need to consistently recognise carers' roles and to ensure the voice of the carer is heard; with improved support for carers tailored to enable them to achieve their own wellbeing outcomes.</p>	<p>A detailed plan setting out progress and next steps to address the proposals is scheduled for consideration by Health and Well-being Scrutiny Committee on 24 February 2020 – (not 28 Jan as previously indicated)</p>
<p>People voice and choice CIW identified a need to ensure a consistent approach to involving people's networks of significant family and friends as appropriate so they actively participate and contribute to the assessment, planning and safeguarding process.</p>	
<p>Partnerships, integration and co-production CIW recommend that more developed links and effective links with GPs could improve utilisation of community services to reduce the potential deterioration of older people living independently in the community.</p>	
<p>Prevention and early intervention CIW identified a need to ensure there is clarity in health and social care collaborative planning of preventative services (for example in the development of primary care hubs and community hubs).</p>	

National report recommendations 2018-19

Procuring Residual and Food Waste Treatment Capacity The national report contained two recommendations. Both of the recommendations were for the Welsh Government

Recommendations for Improvement		RCT comment
WAO FWTC 01	<p>We recommend that the Welsh Government (WG):</p> <ul style="list-style-type: none"> • in reviewing the Towards Zero Waste strategy, considers how its ambition of there being no residual waste by 2050 aligns with current projections for residual waste treatment; and • works with councils to consider the impact of changes in projections on the likely cost of residual waste projects and any mitigating action needed to manage these costs. 	<p>Agree that WG should align residual tonnage projections to their ambition of no residual waste by 2050. If the projections are accurate, consider changing zero waste to something more achievable. The long-term nature of these projections should also be considered as it's highly likely that there will be new ways to deal with the remaining residual waste in this timeframe which will have a significant impact. Due to the uncertain nature of long-term projections, local authorities should be aware of any financial pressures as a result of this but also be mindful that developments within timeframe would reduce these figures. In parallel, further discussions required between WG and local authorities in respect of financial implications and funding requirements.</p>
WAO FWTC 02	<p>We recommend that the Welsh Government continue its oversight of projects during the operational phase by:</p> <ul style="list-style-type: none"> • building on its existing model of providing experienced individuals to assist with project development and procurement and making sure input is available to assist with contract management if required; • setting out its expectations of councils regarding contract management; • ensuring partnerships revisit their waste projections and associated risks periodically, for example to reflect updated population projections or economic forecasts; and • obtaining from partnerships basic management information on gate fees paid, amount of waste sent to facilities and quality of contractor service. 	<p>The words "if required" are key. Contract management teams have been set up as part of these projects and should be allowed to manage them accordingly. It is helpful to know that if there is a lack of knowledge in a particular area then assistance is available from Welsh Government.</p> <p>Current tonnage projections are provided regularly and any actions resulting from these followed up.</p>

Waste Management in Wales: Municipal Recycling- The national report contained four recommendations. All recommendations were for the Welsh Government.

Recommendations for Improvement		RCT comment
WAO MR01	The Welsh Government should work with councils to understand better the basis of the variation in spending on waste management services that are fundamentally the same and ensure that waste management costs are accounted for in a consistent way.	The WLGA has a comprehensive Local Authority waste benchmarking group that breaks down expenditure with this aim in mind. The challenge is that all Local Authorities treat support service costs differently and also have different overhead allocation methods. With this in mind, it would currently be resource intensive to achieve a level of comparison in this area.
WAO MR02	When undertaking its further analysis to understand better the reasons for differences in councils' reported costs, and the impact on costs where councils have adopted the Collections Blueprint, we recommend that the Welsh Government: <ul style="list-style-type: none"> explores how the cost of collecting dry recyclables may affect the overall cost of providing kerbside waste management services to households; and compares the actual costs with the costs modelled previously as part of the Welsh Government-commissioned review of the Collections Blueprint for councils that now operate the Collections Blueprint. 	RCT does not fully comply with the Collections Blueprint, consequently it is difficult to comment. However, we would welcome an up to date analysis of costs of providing source segregated recycling collection to ensure that it is the most cost-effective way of providing this service.
WAO MR03	We recommend that the Welsh Government replace or complement the current target to recycle, compost and reuse wastes with performance measures to refocus recycling on the waste resources that have the largest impact on carbon reduction, and/or are scarce. We recognise that the Welsh Government may need to consider the affordability of data collection for any alternative means of measurement.	Agree that any additional cost/burden to assess impact of these additional measures would need to be assessed. Consideration should also be given to simplifying the current process as there are a number of waste streams that are split in a number of different ways. For example, residual waste is split into metals, incinerator bottom ash (IBA), energy, air pollution control residues (APCr) and landfill, and the proportions change on a monthly basis. We would welcome a way where standard percentages are used for all authorities, for example, 1 tonne of residual waste constitutes 30% IBA, 60% Energy, 5% APCr, 5% Landfill.
WAO MR04	The Welsh Government should demonstrate in the revised waste strategy that not only is it possible to recycle a greater proportion of municipal waste, but how doing so maximises its contribution to achieving its sustainable development objectives.	It is useful to include this element as it's a good tool that local authorities can use in their own business planning processes.

Waste Management in Wales – Preventing Waste The national report contained three recommendations. All recommendations were for the Welsh Government.

Recommendations for Improvement		RCT comment
WAO PW01	<p>We recommend that the Welsh Government:</p> <ul style="list-style-type: none"> • revisits the relative priority it gives to recycling and waste prevention as part of its review of Towards Zero Waste; • sets out clearly the expectations on different organisations and sectors for waste prevention; and • revisits its overall waste prevention targets and the approach it has taken to monitor them in light of progress to date, examples from other countries and in the context of current projections about waste arising through to 2050. 	Agree with proposals.
WAO PW02	<p>We recommend that the Welsh Government works with Natural Resources Wales to explore the costs and benefits of other options to improve non-municipal waste data in Wales, including additional powers to require waste data from businesses.</p>	This is a step in the right direction. Currently, it is not a level playing field due to the amount of data and work that goes into producing this information. It is a burden that only Local Authorities have to meet and if there are Welsh targets then the whole of Wales should be contributing to them.
WAO PW03	<p>We recommend that the Welsh Government consider whether provisions to extend producer responsibility and the use of financial powers such as grant conditions, fiscal measures and customer charges and incentives, are needed to promote and to prioritise waste prevention.</p>	As waste reduction is primary in the Waste Hierarchy this can only be a good thing. However, the impact on Local Authority recycling percentages should also be considered.

Local Government Services to Rural Communities Note - RCT is defined as Semi rural. Three areas i.e. Maerdy, Rhigos and Ynysybwl, feature in the list of Eligible Wards to which the Rural Community Development fund applies

The national report contained four recommendations

Recommendations for Improvement		RCT comment
WAO SRC 01	<p>Socio economic change, poor infrastructure and shifts in provision of key services and facilities has resulted in the residualisation of communities in rural Wales. (See paragraphs 1.2 – 1.16) We recommend that Welsh Government support public bodies to deliver a more integrated approach to service delivery in rural areas by: refreshing rural grant programmes to create sustainable financial structures, with multi-year allocations; and helping people and businesses make the most of digital connectivity through targeted and more effective business and adult education support programmes</p>	<p>The Council delivers a wide range of adult community learning opportunities to communities across RCT. The majority of courses and programmes are delivered at libraries, community centres and other venues. In 2017/18 learning was delivered at 96 venues across the County Borough including our rural communities.</p> <p>Provision is targeted at those who are most disadvantaged and would benefit from gaining skills and qualifications although there is also a programme of activities designed to enhance the well-being of participants and to support the social integration and independence of older residents or those who have a life-limiting health condition. The service provides a range of digital skills courses, from basic Introduction to Computing to ECDL courses.</p>
WAO SRC 02	<p>The role of Public Service Boards is evolving but there are opportunities to articulate a clearer and more ambitious shared vision for rural Wales (see paragraphs 2.2 to 2.9 and 2.28 to 2.31). We recommend that PSB public services partners respond more effectively to the challenges faced by rural communities by:</p> <ul style="list-style-type: none"> • assessing the strengths and weaknesses of their different rural communities using the Welsh Government’s Rural Proofing Tool and identify and agree the local and strategic actions needed to support community sustainability; and • ensuring the Local Well-Being Plan sets out a more optimistic and ambitious vision for ‘place’ with joint priorities co-produced by partners and with citizens to address agreed challenges. 	<p>The Cwm Taf Well-being Plan responds to the challenge around ‘Place’ through its ‘Thriving Communities’ objective under which the PSB is taking forward a programme of developing community hubs, each supporting a neighbourhood network within up to ten Community Zones across RCT. This aims to deliver a better public service offer in co-production between the public sector, third sector and the communities themselves.</p>
WAO SRC 03	<p>To help sustain rural communities, public services need to think differently in the future (see paragraphs 3.1 to 3.12). We recommend councils provide a more effective response to the challenges faced by rural communities by:</p> <ul style="list-style-type: none"> • ensuring service commissioners have cost data and qualitative information on the full range of service options available 	<p>The Council commissions a wide range of evidence based services and interventions across the County Borough, including our rural communities. These include services to support vulnerable people, tackling poverty, support children and communities, housing related support, and social care. Wherever possible services are developed and</p>

Recommendations for Improvement		RCT comment
	<ul style="list-style-type: none"> using citizens' views on the availability, affordability, accessibility, adequacy and acceptability of council services to shape the delivery and integration of services. 	commissioned in consultation with service users and communities. The performance of commissioned services is proactively monitored to ensure outcomes are delivered and qualitative data is included in this process. The Council also consults widely each year on setting its budget and service priorities.
WAO SRC 04	<p>To help sustain rural communities, public services need to act differently in the future (see paragraphs 3.1 to 3.12). We recommend councils do more to develop community resilience and self-help by:</p> <ul style="list-style-type: none"> working with relevant bodies such as the Wales Co-operative Centre to support social enterprise and more collaborative business models providing tailored community outreach for those who face multiple barriers to accessing public services and work enhancing and recognising the role of town and community councils by capitalising on their local knowledge and supporting them to do more encouraging a more integrated approach to service delivery in rural areas by establishing pan-public service community hubs, networks of expertise, and clusters of advice and prevention services enabling local action by supporting community asset transfer identifying which assets are suitable to transfer, and having the right systems in place to make things happen improving community-based leadership by developing networks of interest, training and coaching, and encouraging volunteering 	<p>The Council has developed a range of services to improve community resilience, self-help, volunteering and employment:</p> <ul style="list-style-type: none"> Developing a programme across up to ten community zones, each with its own community hub and neighbourhood network. An effective community asset transfer process that facilitates the development of the neighbourhood networks. Transformed its approach to 'Team Around the Family' to create a Resilient Families Service providing support to vulnerable families who need it. Comprehensive employment support through Communities for Work, Communities for Work+, Inspire to Work and a range of provision including digital skills, independent living skills, and essential skills.

Provision of Local Government Services to Rural Communities: Community Asset Transfer

Recommendations for Improvement	RCT comment
<p>R1 Local authorities need to do more to make CATs (Community Asset Transfers) simpler and more appealing, help build the capacity of community and town councils, give them more guidance in raising finance, and look to support other community development models such as social enterprises that support social value and citizen involvement. In addition, we recommend that local authorities monitor and publish CAT numbers and measure the social impact of CATs.</p>	<p>RCT has a positive track record in relation to its Community Asset Transfers (CATs), the procedures for which are continually reviewed to ensure that they are relevant and fit for purpose. A revised CAT process is aligned to its Community Hub and Neighbourhood Network Model. We also have a well developed system for recording CATs including delivery activity, funding levered in, community partner involvement etc.</p>

Recommendations for Improvement	RCT comment
	<p>There is a CAT web page i.e. RCT Together, in place which is currently being reviewed. CAT numbers and the social impact of CATs have not previously been published but will be considered as part of the development of the communication arrangements for the Neighbourhood Networks including a revised web presence.</p> <p>We are currently testing out the functionality and usefulness of the OCSI 'Value Insight' system to provide Social Value Reports for community groups including those going through Community Asset Transfers.</p>
<p>R2 Local authorities have significant scope to provide better and more visible help and support before, during, and after the community asset transfer process. We conclude that there is considerable scope to improve the business planning, preparation, and aftercare for community asset transfer. We recommend that local authorities:</p> <ul style="list-style-type: none"> • identify community assets transfer’s role in establishing community hubs, networks of expertise and clusters of advice and prevention services; • work with town and community councils to develop their ability to take on more CATs; • identify which assets are suitable to transfer, and clarify what the authority needs to do to enable their transfer; • ensure their CAT policy adequately covers aftercare, long term support, post transfer support, signposting access to finance, and sharing the learning about works well; and • support community-based leadership by developing networks of interest, training and coaching, and encouraging volunteering. 	<p>As well as the work set out above, the Council provides support through ‘RCT Together’ CAT Factsheet and support process templates. A revised CAT process aligned to its Community Hub and Neighbourhood Network Model.</p> <p>There is close working between Council services i.e. Community Development, Corporate Estates and Prosperity and Development. The Council also facilitates multi-agency partner support for both pre- CAT discussions and post CAT transfer. Two funds are in place to support this process</p> <ol style="list-style-type: none"> 1) Community Asset Transfer Fund of up to £10,000 per organisation and 2) Community Activity Fund of up to £500 per organisation <p>The Rhondda Fach Neighbourhood Network area is part of the Council’s network and includes the Thriving Communities Objective of the wider Cwm Taf Public Services Board. Within this area, two CATs have been progressed with the Fern Partnership;</p> <ul style="list-style-type: none"> • Former Maerdy Library, now Maerdy Hub. • Former Ferndale Infants School is now the primary Community Hub ‘Ferndale Yr Hwb’. Ferndale Hwb originated as one of two Welsh Government’s Children First pilot areas to tackle Adverse Childhood Experiences (ACES) through a place based approach. This partnership approach sees the co-location of Little Ferns childcare, library services and Communities for Work+ and a range of sessional services being delivered by a range of partners. A Community Co-

Recommendations for Improvement	RCT comment
	ordinator has been employed and the Neighbourhood Network has been established.

[The maturity of local government in use of data](#)

R1 Part 1 of the report highlights the importance of creating a strong data culture and clear leadership to make better use of data.	
<p>We recommend that local authorities:</p> <ul style="list-style-type: none"> • have a clear vision that treats data as a key resource • establish corporate data standards and coding that all services use for their core data • undertake an audit to determine what data is held by services and identify any duplicated records and information requests • create a central integrated customer account as a gateway to services. 	<p>The Authority recognises the strategic importance of data which is a key area of focus within its Digital Strategy 2017/20. This strategy sets a goal of using consistent data and information to improve the way services are managed and to inform future service provision. To inform the direction of the Council, a Corporate Business Intelligence Review (CBIR) was undertaken that formed part of the wider Digital Programme in 2019 and its findings and recommendations have been used to shape a more strategic approach for the use of data designed to maximise the opportunities for improvement.</p> <p>Plans are in place to develop a customer account for the access of services. To enable the account development, a new Customer Relationship Management system (CRM) has been procured, which will be implemented in 2020/21. The CRM is seen as a key building block for the creation of the single customer record. Services and functionality will be incrementally added to the account and customers will be offered / prompted to sign up for a secure account, allowing them to have a 'single view' of their activity with the council.</p>
R2 Part 2 of the report notes that whilst it is important that authorities comply with relevant data protection legislation, they also need to share data with partners to ensure citizens receive efficient and effective services. Whilst these two things are not mutually exclusive, uncertainty on data protection responsibilities is resulting in some officers not sharing data, even where there is agreement to provide partners with information.	
<p>We recommend that authorities:</p> <ul style="list-style-type: none"> • provide refresher training to service managers to ensure they know when and what data they can and cannot share • review and update data sharing protocols to ensure they support services to deliver their data sharing responsibilities. 	<p>The Council's arrangements are well embedded for the protection of personal information from data misuse, with several information protocols in place to enable the benefits of data sharing. As part of the Council's work in relation to GDPR and also the Corporate Business Intelligence Review (CBIR) an Information Asset Register (IAR) has been established to define where data is held and accountable Information Asset Owners (IAO) defined.</p> <p>Mandatory Data Protection E-learning is provided to all staff, which practically discusses the need for appropriate sharing protocols/agreements and also the need to assess the necessity and proportionality of the sharing of the personal information. The Council also publishes information management bulletins and has during 2019, presented at organisational wide managers briefings, to advise and discuss how staff, including senior management, can comply in their day-to-day roles and provide assurance as to an appropriate management of data.</p>

	<p>Following the new legislation, guidance is currently being developed on Schedule 2/3 (exemption) requests which will give service managers and other staff further information on when they are permitted to share information that is not covered as part of a formal agreement and what organisations we are likely to share with under this condition.</p> <p>During 2019 the Council undertook a review of all Council contracts (over £15k) to ensure those that process personal information have the appropriate data sharing provision and protocols, with work on reviewing all Council contracts also being progressed.</p>
<p>R3 In Part 3 of our report, we conclude that adequate resources and sufficient capacity are ongoing challenges. However, without upskilling staff to make better use of data, authorities are missing opportunities to improve their efficiency and effectiveness.</p>	
<p>We recommend that authorities</p> <ul style="list-style-type: none"> • identify staff who have a role in analysing and managing data to remove duplication and free up resources to build and develop capacity in data usage • invest and support the development of staff data analytical, mining and segmentation skills. 	<p>The identification of staff skills and expertise and roles that will support development of the Council’s Digital and Data strategies will be integral to the identified work programmes.</p>
<p>R4 Part 4 of our report highlights that authorities have more to do to create a data-driven decision-making culture and to unlock the potential of the data they hold.</p>	
<p>We recommend that local authorities:</p> <ul style="list-style-type: none"> • set data reporting standards to ensure minimum data standards underpin decision making • make more open data available. 	<p>There are currently no clear corporate Data Standards in place. However, the need for these standards have been reinforced as part of the outcomes of a data pilot in Adult Services project. The new Digital Strategy 2020-2024 being developed reflects the need for a single Data Strategy across the Council and the need to ensure on-going improvement in data quality, master data management developed and to allow for data insights to be more easily created.</p>

[The effectiveness of local planning authorities in Wales](#) The national report contained four recommendations. The majority of recommendations were for local authorities to address.

Recommendations for Improvement	Progress/next step (or may include action plan)
<p>R1 Part 1</p>	
<p>To improve involvement with stakeholders and ownership of decisions we recommend that local planning authorities:</p>	
<ul style="list-style-type: none"> • test current engagement and involvement practices and consider the full range of other options available to ensure involvement activities are fit for purpose • use ‘Place Plans’ as a vehicle to engage and involve communities and citizens in planning choices and decision making • improve transparency and accountability by holding planning meetings at appropriate times, rotating meetings to take place in areas which are subject to proposed development, webcasting meetings and providing opportunities for stakeholders to address committee meetings. 	<p>Agreed.</p> <p>We continue to review and develop communication and engagement, for example neighbour notification ‘letters’ advising of planning applications have been re-designed in postcard format making them more visible and user friendly. We also provide a QR code taking the recipient directly to the application on the Council’s Planning website.</p> <p>Significant progress has been made in bringing forward specific Place focussed plans for town centres across RCT which has involved significant levels of community consultation and engagement.</p> <p>The current status of progress of the Place based Town Centre Regeneration strategies is summarised below:</p> <ul style="list-style-type: none"> • Mountain Ash – Regeneration Framework adopted by Cabinet decision with report of 18/12/18 • Porth – Town Centre Regeneration Strategy adopted by Cabinet decision with report of 24/1/19 • Pontypridd – Town Centre Placemaking Plan/Masterplan currently in development and due to be reported to Cabinet in Spring 2020 • Tonypany – Town Centre Regeneration Strategy currently in development and due to be reported to Cabinet in Summer 2020 • Treorchy – Town Centre Regeneration Strategy currently in development and due to be reported to Cabinet in Autumn 2020 <p>Meetings of the Council’s Planning & Development Committee commence at 5pm to allow people to attend at the end of the working day. Various approaches have been trialled in the past to encourage greater participation, including a WG funded pilot of live streaming Development Control meetings and holding meetings at different Council venues. However, neither of these approaches were as successful as anticipated. The Council is currently considering its approach to encourage wider involvement across all Council Committees including its response to the requirements of the Local Government and Elections Bill in relation to Webcasting which are being considered by the Democratic Services Committee.</p>

	<p>Anyone with an interest in an application can register to speak when the matter is considered by Committee and there is no limit on the number of speakers. This is a positive arrangement that facilitates greater opportunities for public speaking at Planning Committee meetings. Anecdotal feedback from participants involved suggests that RCT’s arrangements lead to a greater participation within the process by interested third parties and other stakeholders.</p> <p>With changes in technological advancements and as part of the work to prepare for the proposals in the Local Government and Elections Bill, the use of webcasting for Council meetings has been revisited and a report was presented to the Democratic Services Committee in January 2020.</p>
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To improve involvement with stakeholders and ownership of decisions, **we recommend that Welsh Government:** review the Development Management Procedure Order 2012 and update the engagement and involvement standards for local planning authorities.

R2 Part 2
 To improve resilience, **we recommend that local planning authorities:**

<ul style="list-style-type: none"> • review their building control fee regimes to ensure the levels set, better reflect the actual cost of providing these services and make the service self-funding; and • improve capacity by working regionally to: <ul style="list-style-type: none"> ○ integrate services to address specialism gaps; ○ develop joint supplementary planning guidance; and ○ develop future local development plans regionally and in partnership with other local planning authorities. <p>We recommend that the Welsh Government:</p> <ul style="list-style-type: none"> • reviews development control fees to ensure the levels set, better reflect the actual cost of providing these services; and • consider how to use the powers in the Planning (Wales) Act to support and improve local planning authority capacity and resilience. 	<p>Agreed</p> <p>The Council has started a review of the current fee structure. It is anticipated that a revised fee structure will be in place by mid-2020.</p> <p>In a meeting of Council in July 2019 it was agreed that RCT would contribute to the preparation and cost of a Strategic Development Plan (SDP) for the Cardiff Capital Region. It is the intention that the SDP would be a 20 year plan, 2020 and 2040, with an earliest start date of 2025. Considerable joint working between all the 10 South East Wales/Cardiff Capital Region authorities took place to arrange these preparatory proposals.</p> <p>To meet decision making requirements in respect of RCT, in the interim period, the Council determined on 27 November 2019 to begin the preparation of the revision of our Local Development Plan.</p> <p>In preparing LDPs, all opportunities for joint working and preparation, or procurement of, evidence base are sought, and implemented where possible.</p> <p>Strong working relationships are in place across Planning Authorities. Numerous Wales and region wide Development Management and Planning Policy groups meet regularly at various levels. Many regular sub group meetings have taken place to look at setting out standard approaches to LDP preparation, in particular in relation to the collation of evidence base for</p>
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	<p>various topics. Identification of expertise within individual authorities has also taken place, which can aid authorities that may have gaps in their planning teams.</p> <p>With regards to Supplementary Planning Guidance (SPG) best practice is sought from other Authorities where appropriate. However, as SPG is associated with each Local Authority LDP and its policies, which differ from one another, this prevents wholesale joint SPG preparation.</p> <p>In November 2019 the Welsh Government has introduced the Local Government and Elections (Wales) Bill which includes a general power of competence, a power for local authorities to make an application to merge voluntarily, and powers to facilitate regional working through corporate joint committees (CJs). It is likely that the SDP will come forward through this format in the future.</p> <p>Members will be kept informed of LDP progress through specific statutory stages of the plan and through various committees and LDP preparatory engagement.</p>
<p>R3 Part 2 the cost of development control services is not reflected in the charges set for these services and progress in developing regional responses to strengthen resilience has been slow. We recommend that the Welsh Government:</p>	
<ul style="list-style-type: none"> • reviews development control fees to ensure the levels set, better reflect the actual cost of providing these services; and • consider how to use the powers in the Planning (Wales) Act to support and improve local planning authority capacity and resilience. 	<p>Agree.</p> <p>The Council will consider and respond to Welsh Government’s current consultation document ‘Changes to Planning and Related Application Fees’ by 13 March 2020. Prior to submission the response will be subject to approval by the Cabinet Member.</p>
<p>R4 Part 3 summarises the effectiveness and impact of local planning authorities decision making and how well they are performing against national measures. We recommend that local planning authorities improve the effectiveness of planning committees by:</p>	
<ul style="list-style-type: none"> • reviewing their scheme of delegation to ensure planning committees are focussed on the most important strategic issues relevant to their authority • revising reporting templates to ensure they are clear and unambiguous to help guide decision making and reduce the level of officer recommendations overturned • enforcing the local planning authorities’ standards of conduct for meetings 	<p>The reporting template is kept under regular review and improvements to its format are made when necessary to ensure that the report is clear, unambiguous and ensures members are aware of the material planning considerations that they should take into account when reaching a decision.</p> <p>A legal advisor is present at each meeting of the Council’s Planning & Development Committee ensuring that the meeting is in accordance with the legislative requirements and the standards of conduct for meetings.</p>

R5 Part 4

identifies the central role of planning to delivering the ambitions of the Well-being of Future Generations Act. **We recommend that local planning authorities:**

- set a clear ambitious vision that shows how planning contributes to improving wellbeing.
- provide planning committee members with regular and appropriate wellbeing training and support to help deliver their wider responsibilities
- set appropriate measures for their administration of the planning system and the impact of their planning decisions on wellbeing
- annually publish these performance measures to judge planning authorities impact on wellbeing

Agreed.
Planning decisions are taken having regard to national and local planning policy and guidance. [Planning Policy edition 10](#), embeds the requirements of the Well-being of Future Generations Act into Planning Policy.

Although the RCT LDP predates the Well-being of Future Generations Act the principles of sustainability are embedded through the document. The planned review of the LDP will further embed the principles of sustainability and wellbeing, as a full Sustainability Appraisal report/document is a critical part of the evidence base that will need to be prepared and submitted as part of the LDP preparation and assessment process.

Members of the Council’s Planning & Development Committee receive training on various topics which are considered relevant to their membership of the Committee. A new programme of training for 2020 is being developed with the Chair of the Planning Committee and the relevant Cabinet Member.

The LPA is required to provide quarterly monitoring figures to Welsh Government in respect of its performance in making planning decisions and are published [here](#).

Currently, measured data does not specifically measure the impact of planning decisions on wellbeing, which is not a straightforward impact to measure. However, it is anticipated in a timescale to run parallel with the LDP Review, the LPA will develop a suite of criteria by which an understanding of the impact of planning decisions on wellbeing can be better measured and therefore understood.

The Council monitors its impact on regenerating the local economy (and a strong local economy is an important contributor to ‘wellbeing’) through its ‘Economy’ corporate priority which is reported quarterly to Cabinet. Through the development of the [Council’s new Corporate Plan 2020-2024](#), the Council will further develop measures of the impact of our work on the prosperity, people and place of RCT. However, it is challenging to measure the impact of planning in isolation from other factors.