



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 virtual meeting of **AUDIT COMMITTEE** to be held on **MONDAY, 1ST FEBRUARY, 2021 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, 28 January 2021 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 2nd November 2020.

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3. STRATEGIC RISK REGISTER UPDATE DELIVERY OF THE 21ST CENTURY SCHOOL PROGRAMME

To receive a presentation from the Director of Corporate Estates.

4. AUDIT WALES - MANAGEMENT LETTER 2019-2020

11 - 18

5. INTERNAL AUDIT PERFORMANCE (INCORPORATING AN UPDATE IN RESPECT OF THE REGIONAL AUDIT SERVICE)

19 - 30

6. 2019/20 ANNUAL GOVERNANCE STATEMENT RECOMMENDATIONS - PROGRESS UPDATE

31 - 38

7. AUDIT COMMITTEE DEVELOPMENT AND SUPPORT

39 - 46

8. 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 Davies, Councillor K Jones, Councillor G Caple, Councillor J Cullwick, Councillor M Adams, Councillor M Powell, Councillor M Norris, Councillor D Owen-Jones, Councillor S Rees, Councillor S Powell, Councillor E Webster, Councillor R Yeo, Councillor L De Vet and Councillor J Harries

Lay Member: Mr C Jones



RHONDDA CYNON TAF COUNCIL AUDIT COMMITTEE

Minutes of the virtual meeting of the Audit Committee meeting held on Monday, 2 November 2020 at 5.00 pm.

County Borough Councillors - Audit Committee Members in attendance:-

Councillor K Jones	Councillor G Caple
Councillor J Cullwick	Councillor M Adams
Councillor M Powell	Councillor G Davies
Councillor M Norris	Councillor D Owen-Jones
Councillor S Rees	Councillor S Powell
Councillor E Webster	Councillor R Yeo
Councillor L De Vet	Councillor J Harries

Lay Member in attendance

Mr C Jones

Officers in attendance

Mr A Wilkins, Director of Legal Services
Mr C Hanagan, Service Director of Democratic Services & Communication
Mr P Griffiths, Service Director – Finance & Improvement Services
Mr I Traylor, Service Director – Pensions, Procurement & Transactional Services
Mr M Thomas, Head of Regional Internal Audit Service
Ms L Cumpston, Group Audit Manager
Ms G Davies, Director of Education and Inclusion Services
Ms N Morgan, School Organisation and Governance Team Leader
Mr D Williams, Head of Attendance and Wellbeing Service

13 Welcome

The Chair welcomed County Borough Councillor E. Webster to his first meeting of the Audit Committee of the 2020/21 Municipal Year.

14 Declaration of Interest

In accordance with the Council's Code of Conduct, there were no declarations made pertaining to the agenda.

15 Minutes

It was **RESOLVED** to approve the minutes of the meetings held on 28th September 2020 and 5th October 2020 as an accurate reflection of the meetings.

16 Update on Governor Vacancies, Safeguarding and School Attendance - Director of Education and Inclusion Service

With the aid of a PowerPoint presentation, the Director of Education and Inclusion Services, alongside the Head of the Attendance and Wellbeing Service and the School Organisation and Governance Team Leader, provided Members with an update on Governor Vacancies, Safeguarding and School Attendance, following the request of the Audit Committee at its meeting on 5th October 2020.
Governor Vacancies

Members were provided with information in respect of the type of governors, the number of governors appointed and the current vacancies as of 28th October 2020. Members were informed that there were currently 236 vacancies (14% of vacancies within RCT) which was 2% more compared to the position last year. However, it was explained that most of the governors are recruited in the Autumn Term and that there had been slight delays due to Covid-19.

Members were informed of the various recruitment processes for the different type of Governors and also the support available to Governors, which included Chair/Vice-Chair training and finance training. Members fed back that it was pleasing to note that the uptake for training had increased since working virtually and that solutions were available to those Governors without IT equipment to attend the schools and socially distance.

The Director added that during Covid-19, there had been significant engagement with Chairs of Governors to ensure they are well informed of Welsh Government changes in relation to keeping schools safe and the continuity of learning, which had been well attended.

One Member questioned whether many Governors renew their appointment following their four years of office and commented that from experience, the letter received following the four years of office, did not encourage individuals to apply for a second term of office. The Director noted the Member's feedback in respect of the letter and acknowledged the significant commitment needed to be a School Governor.

The Member then questioned whether high turnover of Governors was monitored and whether a leaving questionnaire was completed. The Officer explained that the reasons for resignation were monitored by the service but added that there were currently no governing bodies with a high turnover. In respect of the questionnaire suggestion, the officer agreed that it could be an effective step to be included within the process moving forward.

A number of Members commented on the need for a plan to be formulated to encourage individuals to apply to be on Governing Bodies. One Member questioned whether the high number of Governor Vacancies was a Wales Wide issue. The officer confirmed that this was a Wales Wide issue and advised Members that a neighbouring Council also had vacancies at 14%. The officer spoke of a Governors Support Group, which included colleagues from other Local Authorities and informed the Audit Committee that the Group had requested that Welsh Government look at introducing a nationwide recruitment drive to support Local Authorities in promoting their vacancies and the benefits of being a Governor.

Safeguarding

Members were provided with details in relation to Education Safeguarding. The officer explained to Members that, historically, details of training completed was held by the schools but due to issues with training not being logged, the data team had been tasked with inputting all staff safeguarding training into Capita One. The officer spoke positively of the new system and explained that it was able to transport staff records when roles change, which was key to tracking safeguarding training for staff who undertake new roles. Members were informed that the new system had the ability to send reports to individual schools, in order for them to verify whether the records are up to date and additionally, the system has the ability to send reminders when safeguarding training is due.

Members were then provided with the figures in relation to the Capita system such as the total records in Capita for staff safeguarding training (4680), the records of courses undertaken from 2017 to present (3770) and the records of courses undertaken prior to 2017 (910). The officer explained that when the schools undertake training outside of Cwm Taf, schools have been requested to send all details to the central unit.

The Lay Member recognised that training is provided to schools from a number of sources, including external providers and questioned whether the quality was consistent across the board. The officer explained that quality was an issue in previous years, but advised that this had since been rectified, and all Head Teachers are encouraged to source training material from the central Cwm Taf Training Unit. Similarly, any safeguarding training provided by an external source must be reviewed by the Training Unit in advance of delivery.

(Note: At this point in proceedings, County Borough Councillor S Powell left the meeting)

When questioned how long the new system would take to embed, the Director advised that she was unable to provide a specific time frame, but expected improvements to take place swiftly and assured the Committee that it would be continually monitored. One Member added that from a Governors point of view, the system was working in that it provides notification of the required training on a termly basis, which had allowed them to address training requirements regularly. The Chair commented that he was pleased to note the increase in records of training.

School Attendance

The officer provided Members with an overview of Education Attendance and sought to address Audit Committee's concerns in respect of unauthorised absence. Members were informed that as part of All Wales Attendance Framework, schools were encouraged to challenge and investigate explanations for absence by parents, where appropriate, and to record the absence as 'unauthorised' until the explanation is deemed satisfactory by the school. The officer explained that prior to the Framework's release in 2011, there was less effective challenge from the schools in respect of absence. The officer also spoke of the introduction of Fixed Penalty Notices in 2015, which reinforced the need for schools to record absences correctly, in order to meet the Fixed Penalty Notices Code of Conduct.

Members were provided with graphs, which illustrated the absence rates in both primary schools and secondary schools from 2010/11 through to 2019/20. Both graphs showed that there was a slight increase in unauthorised attendance rates across the academic years, following the onus placed upon schools to investigate absence, as a result of the release of the All Wales Attendance Framework in 2011 and the increase in Fixed Penalty Notices since 2015.

The officer provided the Committee with details in respect of the attendance approaches undertaken by the Attendance and Wellbeing Service, which included termly registration compliance checks for all settings, attendance and exclusion graduated support and challenge for schools causing concern and the successful appointment of six Secondary Family Engagement Roles across schools in order to encourage school attendance and build better family relationships.

One Member sought confirmation that no Fixed Penalty Notices were to be issued during the term and the officer explained that Welsh Government's current position was that Fixed Penalty Notices would not be reinstated and there was no indication of when the next review would take place.

The Chair sought clarification in respect of the referral process to the Attendance and Wellbeing Service, when attendance falls below 86% in a 6 week period. The officer explained that prior to the referral process, the schools must send a letter to parents in the first instance, to advise them that the attendance has fallen to an unsatisfactory level, before sending a second letter to parents to invite them to a meeting. It was explained that, at times, the process is not always undertaken in a timely manner at a school level, which can result in a lower attendance percentage at the point of referral.

One Member queried whether there was a correlation between attendance data, behavioural data and exclusion data and questioned if there were interventions in place to detain the pupils in schools. Members debated whether the matter was an overlap with the work of the Children and Young People Scrutiny Committee. The Director confirmed that attendance and exclusion data is routinely reported to the Children and Young People Scrutiny Committee together with an update on the Attendance Strategy. The Director also indicated that there are robust systems in place to challenge attendance and coding, including termly compliance checks with the Attendance and Wellbeing Service across all settings, to ensure authorised/unauthorised absences are recorded in line with Welsh Government legislation.

The Chair thanked the officers for their detailed presentation and the Audit Committee **RESOLVED:**

1. To refer the matter of school attendance and 6th form attendance to the Children and Young People Scrutiny Committee to consider in greater detail and receive feedback in due course.

(**Note:** Following consideration of this item, County Borough Councillor J Harries left the meeting)

17 **Audit Committee Development and Support**

The Service Director, Finance and Improvement Services provided the Audit Committee with the report, which set out an action plan to support the on-going

development and effectiveness of Audit Committee in line with its Terms of Reference.

Members were reminded that the Audit Committee Annual Report for 2019/20 included a self-assessment against the CIPFA 2018 Practical Guidance and that the main conclusions of the self-assessment were:

- The Committee has discharged the responsibilities placed upon it in 2019/20 in line with its Terms of Reference;
- A number of proposals for improvement identified that will help further improve the Committee's arrangements and effectiveness; and
- That the proposals for improvement form the basis of an action plan that will be led by Audit Committee.

The Service Director added that Audit Wales also plan to undertake work with Audit Committee, with the opportunity for this to be progressed in parallel with the Committee delivering its action plan.

As such, Members' attention was drawn to the Action Plan, which was attached at Appendix 1 to the report. The Service Director provided an overview of the three sections within the Action Plan, namely, Learning and Development, Risk Management and Provision of Information brought to the Committee.

The Service Director went on to advise Members that the Action Plan should be a LIVE document to enable further areas of development and Audit Wales feedback to be considered / included within the Action Plan, and for it to be led by the Audit Committee and supported by key officers.

The Service Director, Democratic Services and Communication spoke of the 'Fit for Future' work undertaken in respect of the Council's scrutiny arrangements, which sought to allow the Committees' business time to be more focussed. The Service Director spoke of the Learning and Development aspect and commented that there was a need for all Elected Members to be clear of the distinction between the role of the Audit Committee and the role of Scrutiny to continue the good governance of the Council.

The Audit Committee **RESOLVED:**

1. To review the draft action plan and identify further updates considered necessary, where appropriate; and
2. To approve an action plan, the implementation of which to be led by Audit Committee and supported by Council Officers.

18 Finalised Audit Assignments

The Audit Committee were provided with a summary of audit assignments completed between 16th September 2020 and 20th October 2020. Members were asked to consider the following Audit Assignments:

Education and Inclusion Services

- Hawthorn High School;
- Mountain Ash Comprehensive School – Purchase Card Follow Up; and
- DCELLS – Post 16 Planning & Funding.

In respect of the Audit Assignment for Hawthorn High School, one Member noted that there was an Acting Head Teacher at the School during the time some of the issues had arisen and questioned what support had been provided in light of the fact the school had previously had significant issues with its processes. The Head of the Regional Internal Audit Service explained that the school had requested an audit to be undertaken and that it was therefore recognised that the school sought independent assurance on certain aspects of its processes.

One Member raised concerns in respect of 5.1.2 of the Audit Assignment, which stated that there was a lack of continuity or follow up with items in specific governing body minutes, which appeared to not be acted upon and no deferred decisions subsequently made. There were occasions where separate committee meetings were held jointly, which may have resulted in Governors making decisions on a Committee for which they are not responsible.

The Head of the Regional Internal Audit Service acknowledged that the issues identified were not best practice and as such, had been flagged as high priority. Members were informed that assurance had been given from the school that the recommendations had been implemented. The Group Audit Manager referred Members to the recommendations outlined in section 5.1.3 of the report and explained that there was a requirement for schools to forward the agendas and minutes of all Governing Body meetings to RCT Governor Support. The officer explained that by ensuring the documents are sent to a central location, there is assurance that the schools are following the correct procedures.

In reference to 5.6.3 of the assignment, one Member noted that a total of £9,985 was owed to the school in respect of outstanding invoices in excess of 61 days old and questioned whether the invoices had been recovered. The Group Audit Manager informed the Committee that the school had advised that all of the debt had since been recovered and that the school was now on the Local Authority's Financials system, which meant that any debts would now be recovered through the Debtors system, rather than the school raising its own invoice.

(Note: At this point in proceedings, County Borough Councillor M Powell declared the following personal interest, 'I am a member of the Governing Body of Hawthorn High School. I believe my personal interest is not prejudicial because of the exemption set out in paragraph 12(2)(a)(iii) of the Code of Conduct')

In reference to 5.2.1 of the assignment, one Member raised concerns that only three members of staff had up to date Level 3 Child Protection training, with the Headteacher also having not received the training. Although Members recognised that the school had an Acting Headteacher and that there may have been an issue with timing, it was felt that a follow-up review in four months was necessary to ensure the appropriate number of staff at the school undertake Level 3 training, including the Acting Headteacher, as required by the Council's Safeguarding Team.

In respect of the Audit Assignment for DCELLS – Post 16 Planning & Funding, a Member spoke of the issues identified at a number of the schools, whereby class registers were not maintained and voiced his concerns that this could be a recurring theme throughout other schools, which were not sampled within the audit before the Committee. Members agreed that the matter would be referred

to the Children and Young People Scrutiny Committee for further consideration.

(**Note:** At this point in proceedings, County Borough Councillors S Rees and K Jones left the meeting)

The Lay Member commented that each of the detailed Audit Assignments before the Committee were evidence that the processes adopted by the Committee were working to make the necessary change.

The Audit Committee **RESOLVED:**

1. To seek clarity and explanation where there are areas of concern;
2. To identify further action to be taken where deemed necessary;
3. To undertake a follow-up audit in four months' time of Hawthorn High School and to ensure the appropriate Level 3 Safeguarding Training is undertaken; and
4. To refer to the Children and Young People Scrutiny Committee, the matter of 6th form attendance and teachers maintaining 6th form class registers and issues with recording of pupils signing in and out.

19 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".

20 Overview of the National Fraud Initiative and update on the work delivered by the Corporate Fraud Team

The Service Director - Pensions, Procurement and Transactional Services outlined the progress made to date against the Anti-Fraud, Bribery & Corruption work programme for 2020/21.

Following discussion, it was **RESOLVED:**

1. To review the work undertaken in 2020/21 and provide direction and guidance where necessary within the Terms of Reference of the Committee.

This meeting closed at 7.20 pm

**Cllr G Davies
Chairman.**

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Audit of Accounts Report Addendum – Rhondda Cynon Taf County Borough Council

Audit year: 2019-20

Date issued: February 2021

Document reference: 2256A2021-22

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at infoofficer@audit.wales.

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.

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Audit of Accounts Report Addendum

Introduction

- 1 This report is an addendum to our Audit of Accounts Report that we presented to you on 25 November 2020. The report sets out the recommendations arising from our audit of the 2019/20 accounts.
- 2 We should like to take this opportunity to once again thank all your staff who helped us throughout the audit.

Recommendations from this year's audit

Exhibit 1: matter arising 1

Matter arising 1 – confirmation of interests for Members and Senior Officers who are leaving the Council	
Findings	<p>As part of our audit evidence we require positive assurance that Members and senior officers' interests are accurate and up to date.</p> <p>Currently Members and officers complete a declaration each year as part of the closedown procedures of the accounts, to confirm the interests held were correct for the relevant financial year.</p> <p>During our audit we identified one Member and one senior officer had left during the financial period and there was no evidence to show that the declarations were current.</p>
Priority	Medium
Recommendation	<p>As part of the leaving process for Members and senior officers we recommend that the Council seek positive assurance that the record of interests held are accurate and up to date.</p>
Benefits of implementing the recommendation	<p>This would give stronger evidence for the related parties note in the accounts to ensure the note is accurate and the information is complete.</p>

Matter arising 1 – confirmation of interests for Members and Senior Officers who are leaving the Council

Accepted in full by management	Accepted in full.
Management response	Finance officers will work with Legal Services officers to ensure that a process is documented, and interests are confirmed prior to Members and Senior Officers leaving the Council.
Implementation date	1 March 2021

Exhibit 2: matter arising 2

Matter arising 2 – incomplete declaration of interests for Members

Findings	<p>As part of our audit procedures we review Companies House records to confirm the completeness of Members and senior officers' interest.</p> <p>During our testing this year we identified that a Member had omitted a company of which they were a director from their declaration of interest form.</p> <p>There had been transactions between the Council and the body during the 2019/20 financial year and therefore the related parties note in the accounts was incomplete.</p>
Priority	Medium
Recommendation	We recommend the Council remind Members and senior officers of the importance of the declarations of interest and give guidance on what needs to be included in line with regulations and information required to ensure the accounts comply with the CIPFA code.

Matter arising 2 – incomplete declaration of interests for Members

Benefits of implementing the recommendation	Improved accuracy of the register of interests and related part disclosures in the accounts.
Accepted in full by management	Accepted in full.
Management response	Finance officers will review Companies House records to reduce risk of omission of interests.
Implementation date	1 April 2021



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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2020/21

<p>AUDIT COMMITTEE</p> <p>1st February 2021</p>	<p>AGENDA ITEM NO. 5</p>
<p>REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES</p>	<p>INTERNAL AUDIT PERFORMANCE 2020/21</p>

Author: Mark Thomas (Head of Regional Internal Audit Service) & Lisa Cumpston (Group Audit Manager)

1. PURPOSE OF THE REPORT

1.1 This report provides the performance information in respect of the Internal Audit Service as at 18th January 2021.

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 the Interim Risk Based Audit Plan for 2020/21 was presented to Audit Committee and approved on 20th July 2020.
- 4.3 It was reported at this time that due to the on-going COVID-19 pandemic the plan would need to be more flexible than usual to allow the service to respond to changing circumstances and events that may occur throughout the year. It was also reported that there would be a lower level of coverage than in previous years and different emphasis due to the impact of the pandemic e.g. particular risks arising from COVID, re-prioritising resources to support Track Trace Protect (TTP) work, childcare responsibilities, sickness, availability of audit and service staff and challenges arising from the remote way of working.

Impact of Covid 19 and Issues Impacting Service Delivery

- 4.4 To date there has been a need to learn what works and what doesn't as an approach and take account of pressures on particular services, schools and individuals when conducting our work. Planned audit assignments have taken longer to complete as Audit staff are reliant on service staff to provide evidence remotely at a time when many service areas are already under increased pressure. Schools have also been impacted and requested additional time to complete and return the Self Evaluation Toolkits that have previously been issued, due to unprecedented challenges and the pressures they are now facing daily as a result of the pandemic and various lockdowns. Notwithstanding this position, the Internal Audit Service and Services have positively engaged to progress the delivery of the Internal Audit Plan.
- 4.5 It has been necessary as an audit service to apply new ways of working and progress with technology to undertake audit reviews remotely. Internal Audit testing is now undertaken remotely using video conferencing (e.g. Microsoft Teams) and digital solutions as a basis for meetings and sharing documentation for remote auditing, to provide the level of assurance needed.
- 4.6 There has also been a need to react to the ongoing challenges faced by the Council, and provide support on emerging issues as they arise. An example of this is a specific on 'Free School Meals – Self Isolation Payments', providing assurance that the appropriate controls are in place in respect of a new process put into place as a result of the pandemic.
- 4.7 One member of Internal Audit staff has been seconded to work on the TTP team until April 2021 and a further two staff members have been absent from work for a significant part of the year due to long term sickness. These absences have contributed to the unprecedented challenges the service has faced during the current year.

4.8 As a result of the above circumstances, additional external capacity has been secured to undertake a small number of audits; this will ensure sufficient internal audit coverage is achieved to enable the Head of Internal Audit to issue an opinion on the adequacy of the Council's Risk Management, Governance and Internal Control arrangements.

Update on Regional Internal Audit Service

4.9 Work is in progress on evaluating the different approaches / methodologies of each internal audit team to identify and develop the best approach to take. The results of this exercise are being used to configure and build the new audit software system (MK Insight) which has been procured for the Regional Service and will become operational in April 2021. Training for all staff was undertaken in January 2021 and this will help to shape the way the service is delivered in future and allow a more consistent approach in relation to the way we undertake our work, terminology, the audit reporting process and format of our draft and final reports.

4.10 A new staffing structure has been developed. It has not been possible to implement this yet due to HR issues arising during the COVID pandemic period. It is envisaged that these will be resolved in the near future enabling the structure to be finalised which is a key priority for the service. In parallel, we have interviewed and appointed a trainee Auditor to support the longer term development of the service, increase capacity whilst also providing a valuable resource.

4.11 **Appendix 1** provides a detailed breakdown of the individual audit assignments as at 18th January 2021 and this is summarised as follows:

Status	No. Of Audits
Final Report Issued	6
Draft Report Issued	5
Fieldwork Complete / Awaiting Manager Review	1
Fieldwork in Progress	13
Audit Fieldwork being Scoped	2

Total: 27

4.12 **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 2020-2024 'Making a Difference', 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

1st February 2021

INTERNAL AUDIT PERFORMANCE 2020/21

REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES

Author:

Mark Thomas (Head of Regional Internal Audit Service) & Lisa Cumpston (Group Audit Manager)

Item: 5

Background Papers

None.

Officer to contact: Mark Thomas

Appendix 1 – Internal Audit Performance 2020/21

Final Report Issued
Draft Report Issued
Fieldwork Complete & Awaiting Manager Review
Audit Fieldwork in Progress
Audit Fieldwork being Scoped

DIRECTORATE	AUDITS	CATEGORY	AUDIT OPINION	NUMBER OF RECS
CHIEF EXECUTIVE	ADMINISTRATION OF TRUST FUNDS	STATUTORY	Effective	0
EDUCATION & INCLUSION SERVICES	REGIONAL CONSORTIA SCHOOL IMPROVEMENT GRANT (RCSIG)	GRANT CERTIFICATION	Effective	0
CENTRAL SOUTH CONSORTIUM	CSC - REGIONAL CONSORTIA SCHOOL IMPROVEMENT GRANT	GRANT CERTIFICATION	Effective	0
EDUCATION & INCLUSION SERVICES	LOCAL EDUCATION AUTHORITY GRANT	GRANT CERTIFICATION	Effective	0
EDUCATION & INCLUSION SERVICES	PUPIL DEPRIVATION GRANT	GRANT CERTIFICATION	Effective	0
CENTRAL SOUTH CONSORTIUM	CSC - PUPIL DEPRIVATION GRANT	GRANT CERTIFICATION	Effective	0
WHOLE AUTHORITY ARRANGEMENTS	REFUNDS & REIMBURSEMENTS	OVERALL CONTROL ENVIRONMENT	Effective	0
EDUCATION & INCLUSION SERVICES	FREE SCHOOL MEALS SELF ISOLATION PAYMENTS	COVID 19	n/a	n/a
CHIEF EXECUTIVE	BENEFITS (INCL COVID RELATED RISKS)	CORE FINANCIAL	Effective with opportunity for improvement	2
CHIEF EXECUTIVE	DIGITALISATION (INCL COVID RELATED RISKS)	CORPORATE PLAN PRIORITY	Effective with opportunity for improvement	2

CHIEF EXECUTIVE	CREDITORS (INCL COVID RELATED RISKS)	CORE FINANCIAL	Effective with opportunity for improvement	1
EDUCATION & INCLUSION SERVICES	YSGOL LLANHARI – REMOTE FOLLOW UP	OVERALL CONTROL ENVIRONMENT		
CHIEF EXECUTIVE	PURCHASE CARDS – NON SCHOOL SPEND	OVERALL CONTROL ENVIRONMENT		
EDUCATION & INCLUSION SERVICES	YSGOL NANTGWYN – REMOTE FOLLOW UP	OVERALL CONTROL ENVIRONMENT		
EDUCATION & INCLUSION SERVICES	TONYREFAIL SCHOOL – REMOTE FOLLOW UP	OVERALL CONTROL ENVIRONMENT		
EDUCATION & INCLUSION SERVICES	SCHOOLS SELF EVALUATION REPORT – COMPREHENSIVE SCHOOLS	OVERALL CONTROL ENVIRONMENT		
EDUCATION & INCLUSION SERVICES	SCHOOLS SELF EVALUATION REPORT – PRIMARY SCHOOLS	OVERALL CONTROL ENVIRONMENT		
CHIEF EXECUTIVE	PENSIONS	CORE FINANCIAL		
AMGEN	AMGEN – DEBTORS	OVERALL CONTROL ENVIRONMENT		
AMGEN	AMGEN – CREDITORS	OVERALL CONTROL ENVIRONMENT		
AMGEN	AMGEN – GENERAL LEDGER	OVERALL CONTROL ENVIRONMENT		
AMGEN	AMGEN - PAYROLL	OVERALL CONTROL ENVIRONMENT		
CENTRAL SOUTH CONSORTIUM	CSC – GENERAL LEDGER	OVERALL CONTROL ENVIRONMENT		
EDUCATION & INCLUSION SERVICES	DCELLS POST 16 GRANT CERTIFICATION	GRANT CERTIFICATION		
WHOLE AUTHORITY ARRANGEMENTS	RISK MANAGEMENT	RISK MANAGEMENT		
COMMUNITY & CHILDREN'S SERVICES	SECTION 17 PAYMENTS (PREVENTION PAYMENTS)	OVERALL CONTROL ENVIRONMENT		
WHOLE AUTHORITY ARRANGEMENTS	REMOTE WORKING IMPACT ON GOVERNANCE & INTERNAL CONTROL	COVID 19		

Appendix 2 - The Status of Recommendations

STATUS SUMMARY OF AGREED RECOMMENDATIONS (2014 – date)

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
	86	0	1
Number of LOW Recs	STATUS		
68	Implemented	Overdue / Outstanding	Target Date in the Future
	68	0	0

COMMUNITY & CHILDREN'S SERVICES

Number of HIGH Recs	STATUS		
26	Implemented	Overdue / Outstanding	Target Date in the Future
	26	0	0
Number of MEDIUM Recs	STATUS		
193	Implemented	Overdue / Outstanding	Target Date in the Future
	179	6	8
Number of LOW Recs	STATUS		
108	Implemented	Overdue / Outstanding	Target Date in the Future
	105	1	2

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	1	0
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		
376	Implemented	Overdue / Outstanding	Target Date in the Future
	375	0	1
Number of MEDIUM Recs	STATUS		
1030	Implemented	Overdue / Outstanding	Target Date in the Future
	1023	1	6
Number of LOW Recs	STATUS		
697	Implemented	Overdue / Outstanding	Target Date in the Future
	694	0	0

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		
21	Implemented	Overdue / Outstanding	Target Date in the Future
	21	0	0

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 / Outstanding	Target Date in the 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

* where recommendations appear against a Directorate which no longer exists e.g. Corporate & Frontline Services, this is due to audit software reporting recommendations under the originating Directorate / Audit even though the Directorate has since been replaced.

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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2020/21

<p>AUDIT COMMITTEE</p> <p>1st February 2021</p>	<p>AGENDA ITEM NO. 6</p>
<p>REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES</p>	<p>2019/20 ANNUAL GOVERNANCE STATEMENT RECOMMENDATIONS – PROGRESS UPDATE</p>

Author: Paul Griffiths (Service Director, Finance & Improvement Services)

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide Audit Committee with an update on the status of the recommendations that were made within the 2019/20 Annual Governance Statement.

2. RECOMMENDATIONS

It is recommended that Members review the information contained within the report and:

- 2.1 Seek clarity and explanation where there are areas of concern.
- 2.2 Form an opinion in respect of whether they are satisfied with the progress being made to implement the recommendations.

3. REASONS FOR RECOMMENDATIONS

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

4. BACKGROUND

- 4.1 The Council's Annual Governance Statement (AGS) relating to the 2019/20 financial year was reported to and approved by Audit Committee at its meeting held on [20th July 2020](#). The document described the governance arrangements

in place, reviewed their effectiveness and where necessary provided recommendations for improvement.

- 4.2 In relation to monitoring the Council's overall governance arrangements, the Terms of Reference for Audit Committee states:

As a key element of new arrangements for corporate governance, designed to ensure openness, integrity and accountability, the Committee will assist the Authority in discharging its responsibility for ensuring financial probity, without taking any action which might prejudice it. The Committee will (amongst other things):-

Governance, risk and control

C. 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.

- 4.3 In accordance with the Terms of Reference (Item C) and Workplan for Audit Committee, this report provides an update on the status of each recommendation. Appendix A provides details of each recommendation made along with a summary of the action being taken to progress their implementation.
- 4.4 As part of the review of the status of each recommendation, the Committee should seek assurance, in addition to its other lines of enquiry, around the adequacy of progress made to implement the recommendations to support robust governance arrangements.

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 Council's AGS has been compiled in accordance with the CIPFA / SOLACE 'Delivering Good Governance in Local Government: Framework 2016'.

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

THE COUNCIL'S CORPORATE PLAN PRIORITIES

- 9.1 Monitoring the status of the recommendations within the AGS aims to support the delivery of the priorities contained within the Council's Corporate Plan 2020 – 2024 "Making a Difference", in particular 'Living Within Our Means' through ensuring that appropriate internal controls are in place to effectively manage resources and demonstrate openness and accountability.

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 A summary of action taken to implement the recommendations contained within the 2019/20 AGS is provided at Appendix A.
- 10.2 The provision of the information contained within this report will assist Members when forming an opinion on the Council's overall governance arrangements for 2020/21.

Other Information:-

Relevant Scrutiny Committee
Not applicable.

Contact Officer – Paul Griffiths



LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

1st February 2021

**2019/20 ANNUAL GOVERNANCE STATEMENT RECOMMENDATIONS –
PROGRESS UPDATE**

REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES

Author: Paul Griffiths (Service Director, Finance & Improvement Services)

Item: 6

Background Papers

None.

Officer to contact: Paul Griffiths

APPENDIX A – ANNUAL GOVERNANCE STATEMENT 2019/20 PROGRESS UPDATE

Core Principle / Area	Issue Identified	Recommendation	Responsible Officer & Timescale	Progress Update
<p>Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.</p>	<p><u>Whistle-Blowing</u></p> <p>Although the Council's Whistle-blowing policy is kept under on-going review at an operational level, the Policy was last reported to Audit Committee for consideration in October 2016.</p>	<p>The Council's Whistle-Blowing Policy should be subject to a full review, taking into account intelligence gathered since the last update, and reported to Audit Committee for review, challenge and sign-off.</p>	<p>Director of Human Resources</p> <p>(Original December 2020 / Revised April 2021)</p>	<p>A review of the Whistle-Blowing Policy document has commenced; however, due to the need to re-prioritise resources to support Track Trace Protect arrangements, the timescale for completion of the review has been revised from December 2020 to April 2021.</p> <p>In terms of reporting arrangements, the updated Whistle-Blowing Policy will be reported to Audit Committee alongside the Whistle-Blowing Annual Report for 2020/21, and will enable the Committee to consider both documents together.</p>

Core Principle / Area	Issue Identified	Recommendation	Responsible Officer & Timescale	Progress Update
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<p>Managing risks and performance through robust internal control and strong public financial management.</p> <p>Page 37</p>	<p><u>Audit Committee</u> Risk Management – strengthen Committee’s visibility of the Council’s risk profile and provide Audit Committee Members with the appropriate support to further development their skills in this area.</p> <p>Learning and Development – although individual elected Member training and development arrangements are in place, no skills assessment has been undertaken for Audit Committee members (informed by the CIPFA publication ‘Audit Committees – Practical Guidance for Local Authorities & Police 2018 Edition’).</p>	<ul style="list-style-type: none"> • Strategic Risk Register updates to be incorporated into the Audit Committee work programme. • Complete a skills assessment for members of Audit Committee the results from which will inform a refreshed programme of learning and development for the Committee (and should then be incorporated into an action plan for Audit Committee to support its on-going development and link to the Audit Wales project ‘Rhondda Cynon Taf Audit Committee – Support and Development’). 	<p>Service Director – Finance and Improvement Services (October 2020)</p> <p>Service Director – Democratic Services and Communication and Service Director – Finance and Improvement Services (from October 2020)</p>	<p>Strategic Risk Register updates have been scheduled within the Audit Committee Work Programme for 2020/21 (as agreed at the 5th October 2020 Audit Committee meeting i.e. alternate meetings starting from December 2020). Due to the December 2020 Audit Committee being cancelled, the next update is scheduled to be reported to the 1st February 2021 Audit Committee meeting.</p> <p>For information, Strategic Risks continue to be managed in line with agreed arrangements and updates included within the Council’s quarterly Performance Reports (reported to Cabinet and the Finance and Performance Scrutiny Committee).</p> <p>A questionnaire has been compiled by officers and circulated and completed by Audit Committee Members. The questionnaire results will be reported to the 1st February 2021 Audit Committee for review and to inform the development of a programme of on-going learning and development for the Committee.</p>
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Core Principle / Area	Issue Identified	Recommendation	Responsible Officer &	Progress Update
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			Timescale	
<p>Managing risks and performance through robust internal control and strong public financial management.</p>	<p><u>Operational Risk Management</u></p> <p>Although operational risk management is undertaken at a service level (via local Service Delivery Planning and monitoring arrangements) assurance is required to determine whether the arrangements are operating as intended.</p>	<p>Undertake a review of operational risk managements.</p>	<p>Service Director – Finance and Improvement Services (March 2021)</p>	<p>For 2020/21 to date, operational risk management arrangements have been primarily focussed on ensuring key frontline service delivery has been maintained to communities across the County Borough during the pandemic. These arrangements have: informed the reporting of Covid-19 updates to Cabinet and Council that demonstrate clear and positive progress made across the board; formed a key part of specific project management arrangements (e.g. the on-going coordination and management of the Track, Trace and Protect project); and supported the Council in continuing to meet its statutory requirements (for example, the compilation and external audit of the Council's 2019/20 Statement of Accounts).</p> <p>In addition, the 2020/21 Internal Audit Plan includes a Risk Management audit assignment that is scheduled to be undertaken in quarter 4 of the current year and thereafter the findings / conclusion reported to Audit Committee.</p>

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2020/21

AUDIT COMMITTEE 1st February 2021	AGENDA ITEM NO. 7
JOINT REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES AND SERVICE DIRECTOR DEMOCRATIC SERVICES AND COMMUNICATION	AUDIT COMMITTEE DEVELOPMENT & SUPPORT

Author: Paul Griffiths (Service Director – Finance and Improvement Services) and Mark Thomas (Head of Regional Audit Service)

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to set out the questionnaire feedback provided by Audit Committee Members to inform the development of a learning and development plan for the Committee.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Review the questionnaire feedback and consider whether alternative or further areas should be taken into account.
- 2.2 Approve learning and development areas and instruct officers to draft a learning and development plan for consideration by Audit Committee at its next meeting

3. REASONS FOR RECOMMENDATIONS

- 3.1 To support the on-going development and effectiveness of Audit Committee in line with its Terms of Reference.

4. BACKGROUND INFORMATION

- 4.1 At the [2nd November 2020](#) Audit Committee, Members approved an action plan to support the on-going development and effectiveness of the Committee.
- 4.2 As part of this update the agreed plan set out a series of actions that, amongst other things, focussed on learning and development and included:
- Develop and complete a training needs analysis with Audit Committee members; and
 - Use the results of the training needs analysis to inform the development of a programme of learning and development for Audit Committee.
- 4.3 Following the November 2020 meeting, officers engaged with the Chair and Vice-Chair of Audit Committee to develop a training needs analysis questionnaire that took account of both the CIPFA publication 'Audit Committees – Practical Guidance Note for Local Authorities & Police, 2018 Edition' and the Committee's Terms of Reference. Section 5 of the report sets out the feedback provided by Audit Committee members.

5. TRAINING NEEDS ANALYSIS FEEDBACK AND PROPOSED NEXT STEPS

- 5.1 An on-line training needs analysis questionnaire was made available to Audit Committee members between 23rd December 2020 and 15th January 2021, and it is pleasing to note the open and positive engagement of Members in providing feedback.
- 5.2 Appendix 1 sets out a detailed overview of the feedback received from 12 Members, with a summary analysis noted below.

Feedback on areas of knowledge and experience

- 5.3 Audit Committee Members were requested to consider eight areas of knowledge / experience and, for each, were asked to indicate whether their level of knowledge / experience was either 'reasonable', 'limited' or 'no'.
- 5.4 The feedback results included:
- Overall, 72% of responses from Members indicated that the level of knowledge and experience was reasonable;

- The areas where no / limited knowledge were indicated as highest were 'External Audit' (42%) and 'Internal Audit' (33%);
- There were five areas where 25% of Members indicated their level of knowledge / experience was limited (i.e. 'Audit Committee Role and Functions', 'Financial Management and Accounting', 'Risk Management', 'Counter Fraud' and 'Values of Good Governance');
- All areas had at least one Member indicate that their level of knowledge / experience was no or limited; and
- 'Organisational knowledge' was the area where most Members fed back they had reasonable knowledge / experience (92%).

Existing knowledge of Members that will add value to the work of Audit Committee

5.5 Members were also requested to provide feedback on where they considered their knowledge will add value to the work of Audit Committee. A summary of the feedback is set out in Table 1.

Table 1 – Existing knowledge of Members that will add value to the work of Audit Committee

Knowledge Area	Where Members knowledge will add value to the work of Audit Committee			
	Yes		No	
	Number of Responses	%	Number of Responses	%
Accountancy	3	25%	9	75%
Internal Audit	4	33%	8	67%
Risk Management	5	42%	7	58%
Governance & Legal	4	33%	8	67%
Service and organisational knowledge relevant to the functions of the organisation.	7	58%	5	42%
Programme and project management	7	58%	5	42%
IT systems and IT Governance	5	42%	7	58%
Other Knowledge Area (please specify)	ISO 9001 (quality management) including the applicable appendices and statues			

- 5.6 The feedback results set out at paragraphs 5.3 to 5.5 indicate that Audit Committee Members have a sound base of knowledge and experience, with 72% of responses overall indicating a reasonable level of knowledge and experience, and a range of knowledge that can add value to the work of Audit Committee (Table 1). Within this overall position, the feedback indicates that there is limited knowledge and experience, at varying levels, across a number of areas.

Proposed Next Steps

- 5.7 The feedback provided by Members can now be used to inform the compilation of a programme of learning and development for Audit Committee. It is proposed the following areas form the basis of the plan, noting that it should be a LIVE document and be subject to review by the Committee on an on-going basis:

- Audit Committee Role and Functions;
- Internal Audit;
- External Audit;
- Financial Management and Accounting;
- Risk Management;
- Counter Fraud; and
- Values of Good Governance.

- 5.8 Subject to Audit Committee's consideration of the proposed next steps, Officers will draft a learning and development plan for reporting to the next meeting for review and, if deemed appropriate, sign off.

6. EQUALITY AND DIVERSITY IMPLICATIONS

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

7. CONSULTATION

- 7.1 Audit Committee is the key consultee in informing and directing the way forward for this area, as set out in the main body of the report.

8. FINANCIAL IMPLICATIONS

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

9. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 9.1 The creation of a learning and development plan to support the ongoing development and effectiveness of Audit Committee supports the principles within The Local Government (Wales) Measure 2011 (Chapter 2 /Section 81) and the CIPFA publications - 'Audit Committees – Practical Guidance for Local Authorities & Police Edition'.

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

THE COUNCIL'S CORPORATE PLAN PRIORITIES

- 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 2020-2024 'Making a Difference', in particular 'Living Within Our Means' through ensuring that appropriate governance arrangements are in place to effectively manage resources.

WELL-BEING OF FUTURE GENERATIONS ACT

- 10.2 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.

11. CONCLUSION

- 11.1 The Council's Audit Committee agreed an action plan to support its on-going effectiveness at the November 2020 meeting.
- 11.2 As part of this plan, a series of actions were agreed to support the learning and development of Audit Committee members and a training needs analysis has been completed to inform this work.
- 11.3 Subject to Audit Committee's consideration of the training needs analysis results, Officers will draft a learning and development plan for Audit Committee's review at its next meeting.

Other Information:-

Relevant Scrutiny Committee

Not applicable.

Contact Officers – Paul Griffiths / Mark Thomas

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

1st February 2021

AUDIT COMMITTEE DEVELOPMENT AND SUPPORT

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

Authors: Paul Griffiths (Service Director – Finance & Improvement Services)
& Mark Thomas (Head of Regional Audit Service)

Item: 7

Background Papers

None.

Officers to contact: Paul Griffiths / Mark Thomas

AUDIT COMMITTEE - SUPPORT AND DEVELOPMENT - TRAINING NEEDS ANALYSIS QUESTIONNAIRE FEEDBACK RESULTS

Questionnaire Statement	I have no knowledge or experience of this		I have limited knowledge and experience of this		I have reasonable knowledge and experience of this		Specific Feedback (where provided)
	Number of Responses	%	Number of Responses	%	Number of Responses	%	
Organisational Knowledge - Knowledge of the governance structure of the authority (including the Annual Governance Statement), decision-making processes, the Council's objectives and its major functions and how the Council works.	0	0%	1	8%	11	92%	A recognition that learning will be on-going in this area
Audit Committee Role and Functions - An understanding of the Audit Committee's role and place within the governance structures, its terms of reference and accountability arrangements.	0	0%	3	25%	9	75%	
Internal Audit - An understanding of the purpose of the Council's Internal Audit Service and its responsibilities to the Audit Committee.	0	0%	4	33%	8	67%	How are the areas to audit determined and prioritised for inclusion within the Internal Audit Annual Plan / an understanding of how Internal Auditors undertake their work on audit assignments
Financial Management and Accounting - Awareness of the financial statements that a local authority must produce and the principles it must follow to produce them, and the role the Audit Committee plays in reviewing the Council's draft financial statements.	0	0%	3	25%	9	75%	Information on technical accounting and financial issues
External Audit - Knowledge of the role and functions of the external auditor and the responsibility it has to the Council's Audit Committee.	0	0%	5	42%	7	58%	
Risk Management - Understanding of the risk management arrangements in place within the Council and the role of Audit Committee in overseeing these arrangements.	1	8%	3	25%	8	67%	The role of the Council's Emergency Plan in managing risk and changes in legislation
Counter Fraud - An understanding of the main areas of fraud and corruption risk to which the Council is exposed, knowledge of the Council's arrangements for tackling fraud and awareness of good fraud risk management practice.	1	8%	3	25%	8	67%	How the Council keeps abreast of a changing landscape in this area and an overview of Fraud Management
Values of Good Governance - Knowledge of the authority's key arrangements to uphold ethical standards for both members and staff (including knowledge of the 7 principles of public life) and knowledge of whistle-blowing arrangements within the Council.	0	0%	3	25%	9	75%	
TOTALS	2		25		69		
	2%		26%		72%		

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