



**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: Yula Kampouropoulou - Council Business Unit, Democratic Services (07385401877)

YOU ARE SUMMONED to a Hybrid meeting of **GOVERNANCE AND AUDIT COMMITTEE** to be on **WEDNESDAY, 23RD MARCH, 2022** 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 Monday, 21 March 2022 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. 0MINUTES

To receive the minutes of the previous meeting of the Governance and Audit

Committee held on 7th February 2022.

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3. PROGRESS AGAINST THE INTERNAL AUDIT RISK BASED PLAN 2021/22	
	11 - 22
4. WHISTLE BLOWING ANNUAL REPORT 2021/22	
	23 - 38
5. GOVERNANCE AND AUDIT COMMITTEE ANNUAL REPORT 2021/22	
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6. RISK MANAGEMENT STRATEGY UPDATE	
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7. COUNCIL PROGRESS UPDATE: AUDIT WALES ANNUAL AUDIT SUMMARY 2020 AND ANNUAL AUDIT SUMMARY 2021	
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8. TO CONSIDER PASSING THE FOLLOWING UNDER-MENTIONED RESOLUTION:	
“That the press and public be excluded from the meeting under Section 100A(4) of the Local Government Act, 1972 (as amended) for the next item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 14 of Part 4 of Schedule 12A of the Act.”	
9. ANTI-FRAUD ANNUAL REPORT 2021/22	
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10. 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 M Adams, Councillor J Barton, Councillor J Cullwick, Councillor G Davies, Councillor J Edwards, Councillor M Griffiths, Councillor M Norris, Councillor D Owen-Jones, Councillor S Powell, Councillor S Rees, Councillor S Trask, Councillor E Webster and Councillor R Williams

Lay Member: Mr C Jones

RHONDDA CYNON TAF COUNCIL GOVERNANCE AND AUDIT COMMITTEE

Minutes of the virtual meeting of the Governance and Audit Committee held on Monday, 7 February 2022 at 5.00 pm.

County Borough Councillors:

Councillor K Jones	Councillor M Adams
Councillor J Cullwick	Councillor G Davies
Councillor J Edwards	Councillor M Griffiths
Councillor M Norris	Councillor D Owen-Jones
Councillor S Rees	Councillor S Trask
Councillor E Webster	Councillor R Williams

Lay Member: Mr C Jones

Officers in attendance

Mr Paul Griffiths, Service Director - Finance and Improvement Services
Ms Jayne Thomas – Complaints and Quality Assurance Manager
Ms Louise Evans - Data Protection and Information Officer
Mr Tim Jones, Service Director – ICT and Digital Services
Ms Lisa Cumpston, Audit Manager
Mr Andrew Wilkins – Legal Officer
Mr Martin Gibson - Audit Wales

40 Welcome and Apologies

The Chair welcomed the attendees to the virtual meeting of the Governance and Audit Committee. No apologies of absence were received.

41 Declaration of Interest

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

42 Minutes

It was **RESOLVED** to approve the minutes of the 6th December 2021 as an accurate reflection of the meeting.

43 MATTERS ARISING

Agenda Item no.32: The Service Director – Finance and Improvement Services confirmed that Audit Wales have provided feedback to the Chair and relevant Member around the national case review of Children Services in England, indicating that Audit Wales see no direct implications for its work as a result of this review.

44 **AUDIT WALES WORK PROGRAMME AND TIMETABLE**

Mr M Gibson, Audit Wales provided Members with a brief overview of the report. He advised that as part of the Local Government and Elections (Wales) Act 2021, the Auditor General is required to produce a timetable for each Local Authority that also covers both Care Inspectorate Wales and Estyn. To discharge this duty, a single collective timetable is provided each quarter and the Audit Wales Officer referred Members to the quarter 3 update to 31st December 2021.

A Member requested further information around timescales for issuing Audit Wales local reports in respect of Rhondda Cynon Taf Council. Mr M Gibson, Audit Wales, indicated the quarter 3 update provides the current position statement for each study with completion timescales dependent on clearance, publishing and translation processes.

One Member sought further information regarding whether follow-up work is required from the previous year. Mr M Gibson, Audit Wales, advised that the review relating to the Cwm Taf Morgannwg Health Partnership is a study from the 2020/21 work programme that is being delivered during the 2021/22 financial year.

Following discussion, it was **RESOLVED:**

- To note the content of the report.

45 **STRATEGIC RISK REGISTER UPDATE: INFORMATION MANAGEMENT**

The Service Director - Finance and Improvement Services provided a brief introduction on the purpose of the presentation to be delivered by the Data Protection and Improvement Officer. The Service Director noted the role of the Committee in overseeing the Council's risk management arrangements, one aspect of which is the on-going review of the Strategic Risk Register that includes Information Management. The Service Director added that the presentation will provide Members with an overview of the area of Information Management together with key risks and arrangements in place to manage and mitigate these.

The presentation was delivered under the following key headlines: -

- Strategic Risk Register- Information Management
- The Role of the Information Management Team
- Information Management Team – Who we support
- Legal Drivers
- ICO 'GDPR Accountability Framework'
- How we comply
- Key priorities for 2022-23

The Data Protection and Improvement Officer provided context by informing Members of the significance of managing personal data in accordance with legislation to avoid financial penalties and sanctions, and support the overall effective delivery of services by the Council.

The Data Protection and Improvement Officer outlined to Members the role of the Information Management Team which focuses on the Council and Service Level Agreements in place with external bodies to ensure compliance with data protection legislation. Members were provided with an overview in relation to supported organisations under the Information Management team and included: all Council Services, 113 Schools, Elected Members (Ward Cllr & Representative), Central South Consortium Joint Education Service, South Wales Central Area Coroner's Services, South East Wales Corporate Joint Committee and the public (citizens, service users, visitors).

In relation to Legal Drivers, the Data Protection and Improvement Officer highlighted to Members the changes made in relation to the data protection legislation over recent years. Members were made aware that based on the introduction of the EU GDPR legislation on the 25th May 2018, this resulted in greater obligations on organisations, along with enhanced mandatory requirements in addition to those which were in place under the Data Protection Act 1998.

The Data Protection and Improvement Officer highlighted the significant increase in the monetary penalty notices from £500,000 under the Data Protection Act 1998 to a maximum of £17.5 Million for large organisations under UK GDPR & Data Protection Act 2018 and issued by the Information Commissioner's Office (ICO). The Data Protection and Improvement Officer informed Members of the ICO introduction of the GDPR Accountability Framework and Members were made aware that under the new legislation, compliance is significant and demonstration of compliance is vital. The accountability framework is an opportunity for Local Authorities to assess compliance of an organisation in line with the requirements of GDPR and the Data Protection and Improvement Officer informed Members of the 10 key categories for accountability, as set out in the accountability framework.

The Data Protection and Improvement Officer continued by highlighting to Members how compliance is achieved surrounding the 10 key categories of accountability.

To ensure compliance with the GDPR transparency requirements Members were informed of the Council's use of the Website, forms and applications to inform the public of their information rights and how their personal data is processed and the Council has in excess of 90 service specific privacy notices published on its website. The Data Protection and Improvement Officer informed Members that one of the key information requests exercised the most within the Council is the right of access, whereby individuals request a copy of their personal data. In 2020/21, 157 requests were received, of which 104 were validated. From the requests, 78% were responded to within the statutory timeframe (1 month). In comparison to 2021-22 (April-December 2021), 204 requests were received, with 138 validated and 83% of the requests were responded to within the statutory timeframe.

The Data Protection and Improvement Officer informed Members of the Council's well-established incident response procedure for information security incidents and events and personal data. In line with legal requirements, records of data breaches must be stored regardless of the severity. Due to increases in the number of phishing and cyber incidents, specific procedures have been implemented to handle those breaches and Members were provided with an

overview of data breaches between 2020 and 2022 (April-Dec2021). It was noted that 7 breaches were reported to the ICO in 2021-2022, 5 resulted in no further action and 2 are awaiting the outcome / feedback from the ICO.

To conclude the Data Protection and Improvement Officer provided Members with an overview of the key priorities to be implemented for 2022-23. These covered the delivery of key services under Service Level Agreements; deploying new mandatory data protection e-learning training to staff, all schools and Members; supporting the governance arrangements for Phase 2 of the South East Wales Corporate Joint Committee; and support the delivery of the Council's Digital Strategy 2022-26 (the Strategy being subject to approval).

The Chair noted the comprehensive presentation provided and recognised the complexities faced by the team and provided the opportunity for Members of the Committee to ask questions.

One Member questioned the ease of access of information on the Council's website and if more could be done to make the information more accessible, and also if there were lessons learnt by the team in relation to data breaches and what could be done in the future to further reduce data breaches.

In response, the Data Protection and Improvement Officer advised of the transparency and openness of the Council in ensuring individuals can easily access information and noted the use of Data Protection Logos on the website which transfer individuals to the data protection page. The Data Protection and Improvement Officer confirmed there is on-going collaborative working with other departments within the Council to implement simpler, easy to understand data protection guidelines for vulnerable adults and children, and advised on the potential of working alongside schools to encourage and raise awareness of young adults and children's information rights. With regard to lessons learned, the Data Protection and Improvement Officer advised that thorough investigations are undertaken concerning any data breaches within the Council to prevent them from reoccurring and based on the investigations undertaken, action plans are compiled and monitored in order to mitigate the risk of reoccurrence. The Data Protection and Improvement Officer also noted that it is recognised the potential risks involved in processing personal data as a result of human error

One Member inquired on the possibility of a national cyber attack on Council systems. The Data Protection and Improvement Officer advised that there is always a risk due to the increase in sophisticated scams; however, the Officer advised that the Council has implemented more technical and robust measures to prevent, as far as possible, such attacks. The Service Director - ICT and Digital Services acknowledged the heightened risks involved due to the growth of the digital world; however he concurred with the Data Protection and Improvement Officer's response by reassuring Members of the on-going monitoring arrangements in place to ensure cyber resilience and security are implemented across the Council. The Service Director - ICT and Digital Services also advised of collaborative networks utilised such as UK Government's National Cyber Centre which provides intelligence on potential risks to be aware of.

Following discussions, the Governance and Audit Committee **RESOLVED:**

- To note the content of the presentation

LEARNING AND DEVELOPMENT: AN OVERVIEW OF THE COUNCIL'S ARRANGEMENTS FOR DEALING WITH COMPLAINTS EFFECTIVELY

The Service Director – Finance and Improvement Services provided a brief introduction on the content of the presentation and Members were reminded that in line with the Local Government Elections (Wales) Act 2021, the responsibility of the Governance and Audit Committees is to evaluate and assess the Local Authority's ability to review and handle complaints effectively and to make recommendations on the same. The Service Director added that the presentation will aim to update Members on the Council's complaints handling arrangements in readiness for the Committee's responsibilities under the Local Government Elections (Wales) Act 2021.

The presentation was delivered under the following key headlines: -

- Customer Feedback & Engagement Team
- Legislative Requirements
- Principals of an effective complaint handling process
- How are complaints regulated
- How well are we doing?
- Priorities for 2022/23

To begin the Complaints and Quality Assurance Manager provided a brief overview of the roles and responsibilities of the team that cover overseeing the management of complaint handling across the Council; dealing with complaints that are crosscutting two or more service areas; providing training and good practice guidance on complaints management; processing subject access requests and all external information requests; facilitating Social Services Survey; advising on the management of unreasonable customers; facilitating complaint network groups at a local and national level; and supporting Adult Services and Children's Services with their legislative duties to provide advocacy services.

It was highlighted to Members the requirement for local authorities to establish procedures for dealing with complaints regarding Social Services functions including the representations relating to children. These requirements are set out in the Representation Procedure (Wales) regulations 2014 in relation to children and in the Social Services Complaints Procedure (Wales) regulations 2014 for adults.

The Complaints and Quality Assurance Manager informed Members of new powers afforded to the Public Service Ombudsman Wales (PSOW) which requires local authorities to operate complaint handling procedures in compliance with PSOW statement of principles and their model complaints handling policy. Based on the powers adopted, the PSOW introduced the Complaints Standards Authority (CSA) which monitors compliance based on the principles of effective complaints handling. The Complaints and Quality Assurance Manager also informed Members of an approved complaints handling policy issued by the Ombudsman as a result of meeting requirements.

The Complaints and Quality Assurance Manager referenced the principles of effective complaint handling processes set by the PSOW. These ensure complaints are compliant focused (flexible & addressing need), simple (2 Stages), fair, objective, timely, effective, accountable (clear & honest) and

committed to continuous improvement (analysis & improvements). It was highlighted to Members that the overall priority is to ensure a good outcome for the person making the complaint, where possible.

The Complaints and Quality Assurance Manager provided insight into the two complaints handling processes within RCT, these being Statutory Social Services Complaints (SSSC) and Customer Feedback Scheme (CFS). The Statutory Social Services process is a legislative requirement that deals with all Social Services complaints functions which fall under the Social Services Well-being Act (2014). It was noted to Members that the Director of Children Services is accountable for these processes. The Customer Feedback Scheme involves the wider complaints scheme for all services provided by the Council and it was noted that complaints can be received via different communication channels such as social media, telephone and website.

The Complaints and Quality Assurance Manager provided performance information in relation to CFS and SSSC between April 2021- December 2021. For CFS, 407 complaints (67.4%), 159 compliments (26.4%) and 38 comments (6.2%) were received. With regard to SSSC, Members were advised of the significant decrease in complaints for Social Services as a result of the pandemic and overall, 82 complaints were received representing 25% of all team contacts and 130 compliments were received representing 39.5% of contacts. Between April and December 2021 5% of complaints received from the CFS were referred to the PSOW and all were either closed or resolved with no Ombudsman investigations. In relation to SSSC process, 10% of the complaints were referred to the PSOW, all but 3 which are ongoing have been resolved. 49% of Social Care complaints were resolved in the Statutory timescale of 15 working days.

To conclude, the Complaints and Quality Assurance Manager provided the Committee with an overview of the priorities set for 2022/23 that included improving engagement with customers to better capture customer feedback and suggestions for improvements; improve the use of data from all existing processes including CFS; to develop mechanism for two way communication with the public detailing where improvements and service developments have been undertaken as a direct result of feedback received; set targets to drive improvements on timeliness of complaints handling from receipt to closure; ensure that the new system for recording customer feedback is fit for purpose and that it meets the requirements of frontline services; and continue working with other service areas to ensure all feedback is captured and recorded.

The Chair was pleased with comprehensive and detailed presentation provided and referred to Members for questions.

Based on the complaints figures provided, one Member queried the volume of Social Service complaints across Wales and the impact of the pandemic on complaints received. In response the Complaints and Quality Assurance Manager commended the hard work undertaken by frontline services in Rhondda Cynon Taf Council as they managed to deliver, maintain and adapt services in order to meet public expectations. Based on the 1st Quarter of the PSOW report, it was advised that across Wales over 4,300 complaints were received, of which 119 were in respect of Rhondda Cynon Taf Council. The Complaints and Quality Assurance Manager informed Members that this position is the lowest compared to neighbouring Councils and supports the effective work being undertaken by frontline services within Rhondda Cynon Taf.

One Member raised a query concerning the Customer Feedback Scheme in respect of the controls in place to ensure that information received is accurate and reported correctly. In response, the Complaints and Quality Assurance Manager fed back that a new customer management system for the contact centre has been introduced that will help to further enhance the existing controls in place.

Lastly, a Member sought clarification on the process followed when a complaint is received that covers both the Health Service and the Council's Social Services. In response, the Complaints and Quality Assurance Manager advised that discussions take place between the designated officers within the Council and Health Service, and depending on the nature of the complaint, agreement is reached in terms of the coordination and formulation of the response.

Following discussions, the Governance and Audit Committee **RESOLVED:**

- To receive and note the content of the presentation

This meeting closed at 6.35 pm

**Mr Christopher Jones
Chairman.**

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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2021/22

<p>GOVERNANCE AND AUDIT COMMITTEE</p> <p>23rd March 2022</p>	<p>AGENDA ITEM NO. 3</p>
<p>REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES</p>	<p>PROGRESS AGAINST THE RISK BASED PLAN 2021/22</p>

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

1. PURPOSE OF THE REPORT

- 1.1 This report provides Members of the Governance and Audit Committee with a position statement on progress being made against the audit work included and approved within the Internal Audit Risk Based Plan 2021/22.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Consider the content of the report and the progress made against the Internal Audit Risk Based Plan 2021/22.
- 2.2 Consider what comments, requests or recommendations, if any, they wish to make.

3. REASONS FOR RECOMMENDATIONS

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

4. **BACKGROUND**

- 4.1 In accordance with the Public Sector Internal Audit Standards, the Head of Audit is responsible for developing a risk-based annual audit plan which takes into account the Council's risk management framework. Within the Standards there is also a requirement for the Head of Audit to review and adjust the plan, as necessary, in response to changes in the Council's business, risks, operations, programs, systems, controls and resources. The Head of Audit must also ensure that Internal Audit resources are appropriate, sufficient and effectively deployed to achieve the approved plan.
- 4.2 The Internal Audit Risk Based Plan for 2021/22 was submitted to the Governance & Audit Committee for consideration and approval on 12th July 2021. The Plan outlined the audit assignments to be carried out which will provide adequate coverage to enable an overall opinion at the end of 2021/22.
- 4.3 Progress made against the 2021/22 plan is attached as **Appendix A** and a summary of the individual audit assignments as at 8th March 2022 is as follows:

Status	No. Of Audits
Final Reports Issued	27
Consultancy Work Completed	1
Draft Reports Issued	3
Awaiting Manager Review / Under Review	6
Fieldwork in Progress	5
Audit Fieldwork being Scoped	11
Planned	5

- 4.4 **Appendix A** details the status of each planned review, the audit opinion (where the audit has reached final report stage) and the number of any high, medium or low priority recommendations made to improve the internal control, governance and risk management environment. To date 31 items of work have been completed to report stage and 27 of these have resulted in an audit opinion being provided, with 1 piece of work undertaken on a consultancy basis (this was reported to Governance and Audit Committee at the meeting on 6th December 2021). Of the 31 items of work where a report has been issued, 1 piece of work was undertaken on a consultancy basis, 27 have had the final reports issued with 3 reports at draft stage. A further 6 assignments are awaiting Manager review, 5 assignments are currently on-going, with 11 being scoped for fieldwork to commence.

The results of these Audits will be reported to future Governance and Audit Committee meetings.

- 4.5 Based on the assessment of the strengths and weaknesses of the areas examined through testing of the effectiveness of the internal control, governance and risk management arrangements, the following audit opinions have been given to the 27 audit assignments completed to final report stage to date:

Audit Opinion	No. Of Audits
Substantial Assurance	18
Reasonable Assurance	6
Limited Assurance	3
No Assurance	0

- 4.6 Three completed audit reviews during 2021/22 have been given an audit opinion of limited assurance, that is, only limited assurance can be placed on the current systems of internal control, governance and risk management. One of these reviews, Park Lane Special School was previously reported at the meeting held on 6th December 2021 and further details of the remaining two audit reviews are as follows:

Ty Gwyn Pupil Referral Unit

This audit was included in the audit plan for 2021/22 at the request of the Director of Education & Inclusion Services. The objective of the audit was to provide assurance that the financial systems and internal controls were effective, and were compliant with the Council's policies and procedures. The audit work undertaken identified some key issues in respect of internal processes and procedures not always being complied with and resulted in 13 audit recommendations being made, 6 of which were of a high priority and 7 medium priority. All recommendations have been agreed by the Headteacher, and progress against these recommendations will be monitored in accordance with routine internal audit monitoring procedures. This Referral Unit will also be included in the audit plan for a follow up review during 2022/23.

Adoption Support & Foster Carer Payments

The objective of this audit was to review the controls in place to ensure that payments are accurate, supported by adequate assessments, authorised appropriately and comply with the formal agreements in place. Evidence of a regular review and re-assessment process was also examined. While no high priority findings were reported, the audit

review identified weakness which could lead to financial loss for the Council, and issues which could lead to disruption for the recipients of both Adoption and Financial Support Payments, potentially leaving the Council open to challenge and reputational risk. All recommendations have been agreed, and progress against these recommendations will be monitored in accordance with routine internal audit procedures. This area will also be included in the audit plan for a follow up review during 2022/23.

4.7 For reference, the audit assurance/opinion categories are:

AUDIT ASSURANCE CATEGORY CODE	
Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

4.8 **Appendix A** illustrates that a total of 96 recommendations have been made to improve the internal control, governance and risk management arrangements across the 2021/22 audit plan areas reviewed to date. The implementation of these recommendations is monitored to ensure that improvements are being made.

4.9 Again for reference, Internal Audit recommendations are categorised/prioritised as follows:

RECOMMENDATION CATEGORISATION

Risk may be viewed as the chance, or probability, of one or more of the organisation's objectives not being met. It refers both to unwanted outcomes which might arise, and to the potential failure to realise desired results. The criticality of each recommendation is as follows:

High Priority	Action that is considered imperative to ensure that the organisation is not exposed to high risks.
Medium Priority	Action that is considered necessary to avoid exposure to significant risks.
Low Priority	Action that is considered desirable and should result in enhanced control.

5. EQUALITY AND DIVERSITY IMPLICATIONS AND SOCIO-ECONOMIC DUTY

5.1 There are no equality and diversity or socio-economic duty 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 the Governance and Audit Committee. This report provides the Governance and 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

GOVERNANCE AND AUDIT COMMITTEE

23rd March 2022

PROGRESS AGAINST THE RISK BASED INTERNAL AUDIT PLAN 2021/22

REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES

Author:

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

Item: x

Background Papers

None.

Officer to contact: Mark Thomas / Lisa Cumpston

Appendix 1 - 2021/22 Progress Against Plan (including Audit Opinion & Recommendations)

Audit Assignment	Audit Status	Audit Opinion				Recommendations		
		Substantial Assurance	Reasonable Assurance	Limited Assurance	No Assurance	High	Med	Low
Chief Executive								
Contract Variations/Payments in Advance	Scoping							
Procurement Arrangements	Final Issued	√				0	0	0
Administration of Trust Funds	Final Issued	√				0	0	0
Operation of the Primary School Sickness Scheme	Final Issued		√			0	1	2
Grants to Businesses	Deferred							
Self Isolation Payments – Administration of the WG Scheme (Covid Related Risks)	Deferred							
Fairer Charging for Adult Non-Residential Care Services – Follow Up	Scoping							
Budgetary Control – School Deficit Recovery Protocols	Final Issued	√				0	3	0
Payroll – Implementation of the new Payroll system	Deferred							
Administration of the Furlough Scheme (Covid Related Risks)	Deferred							
Cyber Security Arrangements	Scoping							
Distribution of Devices to Digitally Excluded Learners (Covid Related Risks)	Final Issued	√				0	0	1
Corporate Landlord Compliance	Under Review							
Asset Management	Planned							
Prosperity, Development & Frontline Services								
Emergency Planning	Draft Issued							
Community Recycling Centres	In Progress							
Capital Projects	Planned							
Regeneration & Planning	Deferred							
Building Control	Scoping							
Community & Children's Services								
WCCIS	In Progress							
Deputyship	Scoping							

Audit Assignment	Audit Status	Audit Opinion				Recommendations		
		Substantial Assurance	Reasonable Assurance	Limited Assurance	No Assurance	High	Med	Low
Rota Management Review	In Progress							
Adaption & Community Equipment	Deferred							
Carers Assessments	Scoping							
The Review Team	Deferred							
Section 17 Payments (Prevention Payments)	Final Issued		√			0	1	3
Adoption Support & Foster Carer Payments	Final Issued			√		0	6	2
Contract Management Placements	Planned							
Llwydcoed Crematorium	Scoping							
Registration Services	Final Issued	√				0	0	0
Education & Inclusion Services								
Governor Support – Provision of Governing Body Information	Draft Issued							
Exclusion & Attendance	Scoping							
Step 4 Provisions	Scoping							
Ty Gwyn Pupil Referral Unit	Final Issued			√		6	7	0
Park Lane Special School	Final Issued			√		4	8	3
Special School Self Assessment Programme & Annual Report	Under Review							
Alaw Primary School	Final Issued	√				0	1	1
Cefn Primary School	Final Issued		√			2	4	2
Craig yr Hesg Primary School	Final Issued		√			2	1	2
Cilfynydd Primary School	Final Issued	√				1	1	1
Coedpenmaen Primary School	Final Issued		√			3	6	3
Cwmbach Church in Wales Primary School	Final Issued		√			1	6	2
Cymmer Primary School	Deferred							
Dolau Primary School	Final Issued	√				1	2	2
Ffynon Taf Primary School	Deferred							
Llantrisant Primary School	Final Issued	√				0	3	0
Maesybryn Primary School	Deferred							

Audit Assignment	Audit Status	Audit Opinion				Recommendations		
		Substantial Assurance	Reasonable Assurance	Limited Assurance	No Assurance	High	Med	Low
Penderyn Community Primary School	Deferred							
Penywaun Primary School	Deferred							
Primary School Self Assessment Programme & Annual Report	In Progress							
Hawthorn High School – Follow Up Review	Deferred							
Ysgol Gyfun Rhydywaun	Deferred							
Bryncelynnog Comprehensive School	Under Review							
Ferndale Community School	Deferred							
Secondary/All Through School Self-Assessment Programme & Annual Report	In Progress							
RCT – Regional Consortia School Improvement Grant (RCSIG)	Final Issued	√						
RCT – Education Improvement Grant (EIG)	Final Issued	√						
RCT – Pupil Development Grant (PDG)	Final Issued	√						
RCT – Post 16 Grant Certifications (DCELLS)	Final Issued	√				0	0	0
Whole Authority Arrangements								
Information Management	Planned							
PPE Stock Control Arrangements	Final Issued	√				0	0	0
Anti-Fraud, Bribery & Corruption	Planned							
Scheme of Delegation	Scoping							
Performance Management Arrangements	Scoping							
Corporate Safeguarding (Covid Related Risks)	Deferred							
Income Management Arrangements	Final Issued	√				0	3	0
Central South Consortium								
CSC – Regional Consortia School Improvement Grant (RCSIG)	Final Issued	√				0	0	0
CSC – Pupil Development Grant (PDG)	Final Issued	√				0	0	0
CSC – General Ledger	Draft Issued							
Amgen								
AMGEN – Payroll	Under Review							
AMGEN – Debtors	Under Review							
AMGEN – Creditors	Under Review							

AMGEN – General Ledger	Final Issued	√				0	0	0
Total		18	6	3	0	19	53	24

Consultancy Assignment	Audit Status	Recommendations		
		High	Medium	Low
Education & Lifelong Learning				
Safeguarding Arrangements – Capita One	Complete	1	10	1
Total	1	1	10	1

Summary of Audit Assignments	No of Audit Assignments
Status	
Final Reports Issued	27
Consultancy Work Completed	1
Draft Reports Issued	3
Under Review	6
Audit Fieldwork in Progress	5
Audit Fieldwork being Scoped	11
Planned	5
Deferred	16
Total	74

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2021/22

GOVERNANCE AND AUDIT COMMITTEE 23 rd March 2022	AGENDA ITEM NO. 4
REPORT OF THE CHIEF EXECUTIVE	WHISTLEBLOWING ANNUAL REPORT 2021/22

Author: Peter Cushion (Head of Employee Relations)

(01443) 444503

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to present an updated Whistleblowing Annual Report 2021/22 in accordance with the Prescribed Persons (Reports on Disclosures of Information) Regulation 2017 (the '2017 Regulation').

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Review and if appropriate approve the Whistleblowing Annual Report 2021/22 (Appendix 1) in line with the requirements placed upon the Council by the 2017 Regulation.
- 2.2 Consider whether any other changes or improvements to the current whistleblowing arrangements are required.

3. REASONS FOR THE RECOMMENDATIONS

- 3.1 To present the Whistleblowing Annual Report 2021/22 to the Governance and Audit Committee in accordance with its Terms of Reference to demonstrate compliance with the Prescribed Persons (Reports on Disclosures of Information) Regulation 2017

4. THE COUNCIL'S WHISTLEBLOWING POLICY

- 4.1 At the 26th April 2021 Audit Committee, Members agreed to approve the proposed update to the Council's Whistleblowing Policy & Procedure, and instruct the Director of Human Resources to publish and raise awareness of the updated document. In line with this, a Council wide email / notification has been circulated to Council staff.

- 4.2 The purpose of the Policy is to provide a means by which complaints of malpractice or wrongdoing can be raised by those who feel that other avenues for raising such issues are inappropriate. The Policy confirms that so far as possible, those raising concerns under the Policy will be treated confidentially.
- 4.3 An updated Whistleblowing Policy & Procedure has been published on the Council's website and awareness raising undertaken across Council Services.
- 4.4 For Members information, the Whistleblowing Policy & Procedure will be kept under on-going review and where further updates are proposed, these will be reported to the Governance and Audit committee for consideration / approval.

5. WHISTLEBLOWING ANNUAL REPORT 2021/22

- 5.1 The Terms of Reference for Governance and Audit Committee state:

As a key element of new arrangements for corporate governance, designed to ensure openness, integrity and accountability, the [Governance and Audit] Committee will assist the Authority in discharging its responsibility for ensuring financial probity, without taking any action which might prejudice it. The Committee will [specifically in relation to overseeing a culture of zero tolerance towards serious wrongdoings]:-

(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.

(D) To review the assessment of fraud risks and potential harm to the Council from fraud and corruption and to monitor the counter-fraud strategy, actions and resources.

(T) Promote and review any measures designed to raise the profile of probity within the Authority.

- 5.2 In line with the above Terms of Reference, the Council's Whistleblowing Annual Report 2021/22 is included at Appendix 1 and subject to the Governance and Audit Committee's consideration and feedback, an approved Whistleblowing Annual Report 2021/22 will be made available on the Council's website.

6. EQUALITY AND DIVERSITY IMPLICATIONS AND SOCIO-ECONOMIC DUTY

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

7 WELSH LANGUAGE IMPLICATIONS

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

8. CONSULTATION

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

9. FINANCIAL IMPLICATION(S)

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

10. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 10.1 The Prescribed Persons (Reports on Disclosures of Information) Regulation 2017 (the '2017 Regulation') came into effect on the 1st April 2017 and requires specified employers (known as relevant prescribed persons) to report annually on the whistleblowing arrangements in place.
- 10.2 The 2017 Regulation also requires prescribed persons to include in annual reports information on the number of disclosures made and states that the annual report be published on the employer's website or by other means appropriate for bringing the report to the attention of the public.
- 10.3 A copy of the 2017 Regulation is provided at the following link:

http://www.legislation.gov.uk/ukxi/2017/507/pdfs/ukxi_20170507_en.pdf

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

THE COUNCIL'S CORPORATE PLAN PRIORITIES

- 11.1 The work in relation to probity aims to support the delivery of the priorities contained within the Council's Corporate Plan 2020-24 "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

- 11.2 The Sustainable Development Principles, in particular Prevention, can be applied to the arrangements in place to manage risks associated with potential misappropriation.

12. CONCLUSION

- 12.1 The Council's Whistleblowing Policy & Procedure has been reviewed and continues to be fit for purpose.

- 12.2 A Whistleblowing Annual Report 2021/22 has been prepared in accordance with the responsibilities placed upon the Council by the 2017 Regulation. The Annual Report provides an overview of the arrangements in place for 2021/22 and also summarises the reported instances received, whilst protecting the confidentiality of the whistleblowers.
- 12.3 Overall, the Annual Report concludes that *'the Council's whistleblowing arrangements are appropriate'*.

LOCAL GOVERNMENT ACT, 1972
AS AMENDED BY
THE ACCESS TO INFORMATION ACT, 1985
RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
GOVERNANCE AND AUDIT COMMITTEE
23rd March 2022
WHISTLEBLOWING ANNUAL REPORT 2021/22

REPORT OF CHIEF EXECUTIVE

Author: Peter Cushion (Head of Employee Relations)

Item:

Background Papers

None.

Officer to contact: Richard Evans

Appendix 1 – Whistleblowing Annual Report 2021/22



**RHONDDA CYNON TAF COUNTY BOROUGH
COUNCIL**

**WHISTLEBLOWING ANNUAL REPORT
2021/22**

1. Introduction

- 1.1 Members of staff are often the first to realise that there may be something seriously wrong within the Council. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Council and they may also fear harassment or victimisation. In these circumstances, it may appear to be easier to ignore the concern rather than report it.
- 1.2 For the purpose of the Whistleblowing Policy & Procedure (reported to the Governance and Audit Committee meeting on 26th April 2021), 'workers' refer to all those that deliver services on behalf of the Council and also those organisations that provide services to the Council i.e. Employees, Contractors and Suppliers.
- 1.3 The Council is committed to achieving the highest possible standards of service. In line with that commitment, workers with serious concerns about any aspect of the Council's work are encouraged to come forward and voice those concerns. The Council encourages workers to participate without fear of reprisals.
- 1.4 The Whistleblowing Policy & Procedure aims to encourage and enable workers to raise serious concerns within the Council rather than overlooking a problem.
- 1.5 The Director of Human Resources has overall responsibility for the maintenance and operation of the Policy and has ensured that a record of all cases reported along with the outcomes has been compiled during 2021/22.

2. Raising an Issue

- 2.1 Initially workers should raise their concern with their immediate Line Manager / Head of Service / key contact within the Council, who will be able to determine whether they can deal with the concern or if it requires escalation. This can depend on the seriousness and sensitivity of the issues involved and who is thought to be involved in the matter.
- 2.2 In some instances the direct contacts may be the individuals where concerns relate, in which case, concerns can be raised in writing via the [Get Involved](#) section of the Council's Website. Individuals should include as much information as possible such as relevant dates, incidents and witnesses. If individuals wish to leave contact details then this is encouraged as quite often the ability to fully investigate necessitates contact to be made by an investigating officer should they have supplementary questions.
- 2.3 The Whistleblowing Policy & Procedure provides guidance in respect of anonymity and keeping the identity of a Whistleblower confidential.

3. What's been done to assess awareness?

- 3.1 Previous actions the Council has taken to raise awareness of the Whistleblowing Policy and Procedure include the Policy being incorporated in both staff and manager induction processes; a payslip insert; posters circulated to service areas to include on notice boards; and on-going fraud awareness updates.
- 3.2 The Whistleblowing Policy & Procedure is published on the Council's website and further awareness raising has been undertaken across Council Services via a global email.
- 3.3 For Members information, the Whistleblowing Policy and Procedure will be kept under on-going review and where further updates are proposed, these will be reported to the Governance and Audit Committee for consideration and, if deemed appropriate, approval.

4. Whistleblowing activity during 2021/22

4.1 A summary of whistleblowing activity completed during 2021/22 is set out in Table 1. Members will note that dates the allegations were received and the investigations completed have been incorporated into Table 1.

Table 1 - Whistleblowing Activity 2021/22

Disclosure Summary	Method Disclosure	Action Taken
<u>SCHOOL RELATED</u>		
<p>It was alleged that a Primary School were still holding PE lessons indoors. 12th March 2021.</p>	<p>Online submission.</p>	<p>The Headteacher stated the school has been very careful with their measures and aired on the side of caution. The Headteacher clarified that they had the hall set up for 2 classes at a time for dinner time – so there was a bench separating the two areas and all the dining tables were left out all day – so there wouldn't have been room to hold PE lessons in the hall. The Headteacher also confirmed that all PE lessons took place outdoors as per the guidelines. No further action was taken.</p>
<p>It was alleged that no track and trace testing was being undertaken in a Meals on Wheels kitchen. 12th December 2021.</p>	<p>Online submission</p>	<p>An investigation was undertaken by the relevant manager and it was confirmed that there were tests available on site for staff to collect and test at home. The Manager is not aware of any staff complaints that the tests were not available or any issues with ordering the tests. No further action was taken.</p>

Disclosure Summary	Method Disclosure	Action Taken
<u>NON-SCHOOL RELATED</u>		
It was alleged that a refuse lorry driver was using his phone whilst driving and no other details were provided. 28 th April 2021.	Online submission	Due to lack of information, no further action could be taken. April 2021
It was alleged that an officer had taken a 'back hander' in relation to obtaining furlough payments for an external organisation. 10 th April 2021.	Online submission	An investigation was undertaken by the relevant manager and it was established that the officer would have had no influence over such payments, and that payment of furlough was a matter for the relevant employer. No further action taken. 12 th April 2021
It was alleged that an officer had made inappropriate comments about other staff members. 31 st March 2021.	Online submission	An investigation was undertaken by the relevant manager and all staff in the section interviewed. The findings were that no one reported hearing any inappropriate comments. No further action taken. 20 th April 2021
It was alleged that an officer was claiming relocation expenses when she does not use her vehicle for work. 12 th May 2021.	Online submission	An investigation was undertaken by the relevant manager and it was clarified that the officer car shared, and rarely made any expenses claims, only when car share was not available. No further action was taken as all claims were appropriate. 27 th May 2021
It was alleged that an officer was leaving work premises without clocking out or providing a leave form. 16 th July 2021.	Online submission	A formal investigation was undertaken and a management discussion was held with the employee to reinforce the required procedures. 8 th October 2021
It was alleged that staff in a Leisure Centre had not undertaken adequate cleaning of lockers overnight,	Online submission	An investigation was undertaken by the Service Manager who confirmed that if the locker had appeared locked then the locker would not have been opened to

Disclosure Summary	Method Disclosure	Action Taken
with particular concern in relation to Covid guidelines. 20 th September 2021.		clean and sanitise. The Service Manager also advised that alert level 1 would have been in place at that time. No further action was taken. October 2021
It was alleged that a member of staff within a Council Home for the Elderly had a criminal record for assault. 11 th November 2021.	Online submission	An investigation was undertaken by Human Resources which confirmed that the staff member had declared a criminal offence on application to work in the Council. It was confirmed that the offence took place 15 years prior to commencing employment with the Council and it was authorised by the relevant Director that the member of staff was able to work in the service. It was also confirmed that there has been no other subsequent criminal conviction(s). No further action was taken. 2 nd February 2022
It was alleged that a frontline officer had been working with covid symptoms, however although the service was identified no name was submitted. 13 th November 2021.	Online submission	An investigation was undertaken; however no further action was taken due to insufficient information. 15 th November 2021
It was alleged that an officer had been bullying a team member with various allegations. 16 th November 2021.	Online submission	An investigation was undertaken, relevant team members were spoken to but allegations were not substantiated. No further action was taken. 24 th January 2022
It was alleged that 2 officers in a frontline service were not actually starting work for a period of time after they were due to start. 16 th November 2021.	Online submission	The relevant Manager was satisfied that there were relevant reasons for the staff to be in the office at those times, as they would be undertaking other administration duties. 23 rd November 2021

Disclosure Summary	Method Disclosure	Action Taken
It was alleged that a Gritter vehicle was exceeding the speed limit and not gritting properly in the Rhondda area. 22 nd November 2021.		An investigation was undertaken by the relevant manager and vehicle trackers were checked. A management discussion was held with the driver. 3 rd March 2022
It was alleged that staff in a frontline service were not signing out appropriately and were receiving preferential treatment. 2 nd December 2021.	Online submission	An investigation was undertaken by the relevant service manager who reviewed signing in sheets alongside TOIL records of the team. The manager was satisfied that these had been completed in line with the appropriate process. A reminder was sent to the team of the TOIL and signing in policy and this will also be reviewed via normal supervision sessions. 5 th January 2022
It was alleged that the appointment process in a RCT establishment was fixed to ensure 2 members of staff were appointed. 3 rd December 2021.	Online submission	An investigation was undertaken by Human Resources where it was found that the relevant recruitment processes were undertaken in an appropriate manner, each opportunity was advertised and competitive interviews were undertaken. 1 st February 2022
It was alleged that a parking attendant was targeting a member of the public. 15 th December 2021.	Online submission	An investigation was undertaken by the relevant manager who could see that the member of the public had received 2 PCN's, both issued by different officers. Both fines have been paid and no evidence could be found of this person being targeted. 1 st February 2022
It was alleged that there was an altercation between a supervisor and a staff member in a frontline service, which	Online Submission	An investigation is currently being undertaken regarding this issue.

Disclosure Summary	Method Disclosure	Action Taken
<p>resulted in damage to a window. 31st December 2021.</p>		
<p>It was alleged that a member of staff in a Home for the Elderly has been making abusive and threatening behaviour to both members of the public and staff. A report has been made to the police. 5th January 2021.</p>	<p>Online submission</p>	<p>An investigation was undertaken by Human Resources. Enquiries were made via the Service who in turn made contact with the Police; the Police advised that there has been no contact made with them at this time. No further action was taken. 9th February 2022</p>
<p>It was alleged that a member of staff was smoking illegal substances before going to work and driving a Council vehicle. Also that he lives in a different address to where he says he lives. 19th January 2022.</p>	<p>Online submission</p>	<p>An investigation was undertaken by the relevant Manager., and there is no evidence of the alleged drug taking. The address issue has been passed to the Council's Fraud Team for investigation. No further action. 2nd February 2022</p>
<p>It was alleged that an employee is an alcoholic and turns up drunk for work and can't look after her daughter. Also alleges that she has breached COVID rules numerous times and has had police to her address. 1st February 2022.</p>	<p>Online submission</p>	<p>Human Resources investigated and it was confirmed that no-one of the name alleged was employed by the Council. No further action taken. 2nd February 2022</p>
<p>It was alleged that recycling centres in RCT are corrupt by accepting commercial or illegal waste for money. 30th January 2022.</p>	<p>Online submission</p>	<p>An investigation is currently being undertaken.</p>

5. Concluding comments

- 5.1 Whilst all staff are required to follow relevant Policies and Procedures put in place by the Council, unfortunately there are a very small number of instances where some individuals decide to contravene these arrangements.
- 5.2 In such instances, it is absolutely necessary that the Council has the appropriate arrangements in place for individuals to report potential serious wrongdoings.
- 5.3 It is difficult to fully ascertain how effective the Council's whistleblowing arrangements are in respect of awareness across all workers, and indeed whether all workers feel comfortable to report potential concerns. However, the fact that whistleblowers have come forward during 2021/22 does indicate a general awareness and a culture whereby staff do feel comfortable to do so.
- 5.4 All whistleblowing referrals have been fully investigated and where appropriate, the necessary action has been taken.
- 5.5 Based upon the information contained within this report, I conclude that overall the Council's whistleblowing arrangements are appropriate.

Richard Evans – Director, Human Resources

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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2021/22

GOVERNANCE AND AUDIT COMMITTEE 23 rd March 2022	AGENDA ITEM NO. 5
REPORT OF THE DIRECTOR OF FINANCE AND DIGITAL SERVICES	GOVERNANCE AND AUDIT COMMITTEE ANNUAL REPORT 2021/22, INCORPORATING A SELF ASSESSMENT AGAINST THE CIPFA 2018 PRACTICAL GUIDANCE NOTE

Author: Paul Griffiths (Service Director – Finance and Improvement Services)

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to present the Governance and Audit Committee Annual Report 2021/22 together with a self-assessment against the Chartered Institute of Public Finance and Accountancy (CIPFA) publication 'Audit Committees - Practical Guidance for Local Authorities & Police 2018 Edition'.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Review the Annual Report and self-assessment (**Appendix 1** and **Appendix 1B** respectively) and determine whether the Annual Report forms a balanced summary of the work undertaken by Governance and Audit Committee during 2021/22.
- 2.2 Subject to 2.1, endorse the proposals for improvement to further support the Governance and Audit Committee in the effective discharge of its Terms of Reference (and incorporate proposals for improvement within the Committee's Support and Development Action Plan where relevant).
- 2.3 Approve the Governance and Audit Committee Annual Report 2021/22 and its presentation to full Council.

3. REASON FOR RECOMMENDATIONS

- 3.1 To ensure the Council's Governance and Audit Committee is held to account for its work through, amongst other things, the publication of an Annual Report.

4. BACKGROUND

- 4.1 The CIPFA publication 'Audit Committees - Practical Guidance for Local Authorities & Police 2018 Edition' (from hereon the CIPFA Guidance) sets out the purpose of audit committees as:

- *Audit Committees are a key component of an authority's governance framework. Their function is to provide an independent and high-level resource to support good governance and strong public financial management.*
- *The purpose of an audit committee is to provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance processes. By overseeing both internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place.*

- 4.2 The publication also sets out the importance for audit committees to be held to account on the extent to which it has fulfilled its purpose, with an annual report being a helpful way to address this. As Members will recall, an overview of the CIPFA Guidance was presented to the 17th September 2018 Audit Committee.

5. DRAFT GOVERNANCE AND AUDIT COMMITTEE ANNUAL REPORT 2021/22

- 5.1 In line with the CIPFA Guidance, a draft Governance and Audit Committee Annual Report setting out the work of the Committee is included at **Appendix 1**.

- 5.2 As part of compiling the draft Annual Report, a 'self-assessment exercise of good practice' has been undertaken using the checklist provided within the CIPFA Guidance. The outcome of the self-assessment process is included at **Appendix 1B** and has been used to inform new proposals for improvement that will further support the Governance and Audit Committee in the effective discharge of its Terms of Reference.

- 5.3 The Governance and Audit Committee is requested to review the draft Annual Report and self-assessment, and:

- Determine whether it forms a balanced summary of the work undertaken by the Committee during 2021/22; and

- Consider and if appropriate, endorse the proposed areas for improvement.

5.4 Subject to consideration of the above, the Governance and Audit Committee is requested to approve the Annual Report and its presentation to full Council.

6. EQUALITY AND DIVERSITY IMPLICATIONS / SOCIO-ECONOMIC DUTY

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

7. CONSULTATION

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

8. FINANCIAL IMPLICATION(S)

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 production of a Governance and Audit Committee Annual Report supports the principles within The Local Government (Wales) Measure 2011 (Chapter 2 / section 81) and is in line with the CIPFA Guidance.

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 Governance and 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 Governance and Audit Committee Annual Report 2021/22 is attached at Appendix 1. It provides a summary of the work the Committee has undertaken during 2021/22, incorporates a self-assessment against the CIPFA Guidance checklist (Appendix 1B) and sets out new proposed areas for improvement to

help further strengthen the effectiveness of Governance and Audit Committee's work.

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

GOVERNANCE AND AUDIT COMMITTEE

23rd March 2022

**AUDIT COMMITTEE ANNUAL REPORT 2021/22, INCORPORATING A SELF
ASSESSMENT AGAINST THE CIPFA 2018 PRACTICAL GUIDANCE NOTE**

REPORT OF THE DIRECTOR OF FINANCE AND DIGITAL SERVICES

Author: Paul Griffiths (Service Director – Finance and Improvement Services)

Item: 5

Background Papers

None.

Officer to contact: Paul Griffiths

APPENDIX 1 – ANNUAL REPORT 2021/22

**Rhondda Cynon Taf County
Borough Council**

Governance and Audit Committee

Annual Report 2021/22

1. **INTRODUCTION**

- 1.1 A key component of good governance for all organisations is to have in place a Governance and Audit Committee. Rhondda Cynon Taf County Borough Council complies with this requirement and the [Terms of Reference](#) for its Governance and Audit Committee, as included within the Council's Constitution, is set in line with the Local Government Measure 2011 and the Local Government and Elections (Wales) Act 2021. The responsibilities of Governance and Audit Committee, as required by the above legislation, is included at Appendix 1A.
- 1.2 2021/22, like the previous year, has continued to be an unprecedented period, with the Covid-19 pandemic having a widespread impact on the delivery of Council services, local communities and wider society. The Governance and Audit Committee was again mindful of this backdrop in setting its workplan for the year on [13th September 2021](#) and also of the need for robust and proportionate oversight of the Council's governance, internal control and risk managements to be in place. This translated into the continuation of an approach where the Governance and Audit Committee focussed on its core responsibilities:
- Reviewing the draft financial statements and monitoring management action in response to the issues raised by external audit;
 - Scrutinising and be satisfied with the Council's Annual Government Statement, to demonstrate how governance supports the achievement of objectives, and monitor management action in-year to further improve arrangements;
 - Monitoring the Council's internal audit function in terms of overseeing independence, objectivity, performance and professionalism, through the regular reporting of performance and finalised audit assignments;
 - Considering the effectiveness of the authority's risk management arrangements;
 - Considering reports and recommendations of external audit in respect of the Council; and
 - Supporting the ongoing development and effectiveness of Governance and Audit Committee.
 - Commencing work as part of preparing the Committee to undertake its new responsibilities, in line with the Local Government and Elections (Wales) Act 2021, in respect of performance assessment and the Council's arrangements for handling complaints.
- 1.3 Section 2 of this report summarises the work delivered by the Governance and Audit Committee during 2021/22 and Section 3 presents the outcome of the self-assessment against the CIPFA publication 'Audit Committees - Practical Guidance for Local Authorities & Police 2018 Edition' (from herein the CIPFA Guidance).

2. WORK DELIVERED IN 2021/22

2.1 The CIPFA Guidance identifies 'Core Functions' of a Governance and Audit Committee along with what it refers to as possible 'wider functions' of a Governance and Audit Committee.

2.2 The Core Functions are set out below (capital and bold text headers) and the work delivered in support of these core functions is summarised under each.

2.3 BE SATISFIED THAT THE AUTHORITY'S ASSURANCE STATEMENTS, INCLUDING THE ANNUAL GOVERNANCE STATEMENT, PROPERLY REFLECT THE RISK ENVIRONMENT AND ANY ACTIONS REQUIRED TO IMPROVE IT, AND DEMONSTRATE HOW GOVERNANCE SUPPORTS THE ACHIEVEMENT OF THE AUTHORITY'S OBJECTIVES

2.3.1 Legislation requires the Council to prepare an Annual Governance Statement (AGS). The Draft AGS for 2020/21 was reported to Governance and Audit Committee at its meeting on the [12th July 2021](#) and the overall conclusion from assessing the Council's governance arrangements for 2020/21 is that they provided the basis to effectively manage service delivery, Corporate Plan priority areas and resources during an unprecedented period as a result of the Covid-19 pandemic. The Governance and Audit Committee endorsed the 2020/21 AGS and recommended its certification by the Leader of the Council and the Chief Executive for inclusion with the Council's 2020/21 Statement of Accounts.

2.3.2 During 2021/22 the Committee monitored the extent of progress made by the Council to implement the agreed proposals for improvement set out within the 2020/21 AGS, and this update was reported to Audit Committee on [6th December 2021](#).

2.3.3 The draft AGS for 2021/22 is to be presented to a Governance and Audit Committee meeting in the first half of the 2022/23 financial year and will set out, amongst other things, confirmation that all agreed 2020/21 proposals for improvement have been implemented.

2.4 IN RELATION TO THE AUTHORITY'S INTERNAL AUDIT FUNCTIONS:

- **OVERSEE ITS INDEPENDENCE, OBJECTIVITY, PERFORMANCE AND PROFESSIONALISM**
- **SUPPORT THE EFFECTIVENESS OF THE INTERNAL AUDIT PROCESS**
- **PROMOTE THE EFFECTIVE USE OF INTERNAL AUDIT WITHIN THE ASSURANCE FRAMEWORK**

2.4.1 From the 1st April 2019 the Council's Internal Audit Service transferred to a regional Internal Audit Service, hosted by the Vale of Glamorgan Council and

comprising four local authorities: Bridgend County Borough Council, Merthyr Tydfil County Borough Council, Rhondda Cynon Taf County Borough Council and Vale of Glamorgan Council.

2.4.2 The Covid-19 pandemic required Council Services to quickly adapt and implement changes to service delivery arrangements to ensure continued provision of essential frontline services during 2020/21. This approach continued during 2021/22 and a similar approach was also applied by the Internal Audit Service, whereby an **Internal Audit Annual Plan 2021/22** was compiled taking into account: an updated assessment of keys risk; revised service delivery arrangements in place across the Council; and Covid-19 specific functions undertaken by the Council. The Internal Audit Annual Plan for 2021/22 was reported to and approved by Governance and Audit Committee on [12th July 2021](#) and the Head of the Regional Internal Audit Service outlined that the plan would need to be flexible to respond to changing circumstances and events that may occur (e.g. future 'waves' of the coronavirus, ability to access staff and evidence to obtain assurance around internal controls in place and the impact on staff absence levels due to the pandemic).

2.4.3 During the year, the Governance and Audit Committee received Internal Audit performance updates, including how the Service was adapting and undertaking audit work remotely, and details of all finalised audit assignments; this suite of information has enabled Members to consider the effectiveness of the Internal Audit process for 2021/22.

2.4.4 A key part of the Governance and Audit Committee's role is to support the Council's Internal Audit Service to remain independent, assess whether it has adequate resources available to it and to monitor the performance and quality of work delivered throughout the year. The Internal Audit Service fulfilled this requirement through its Internal Audit Charter¹, that was presented to and approved by Audit Committee on [22nd March 2021](#), and provided the Committee with information to assess the independence of the Internal Audit Service.

2.5 MONITOR THE EFFECTIVENESS OF THE CONTROL ENVIRONMENT, INCLUDING ARRANGEMENTS FOR ENSURING VALUE FOR MONEY, SUPPORTING STANDARDS AND ETHICS AND FOR MANAGING THE AUTHORITY'S EXPOSURE TO THE RISKS OF FRAUD AND CORRUPTION

2.5.1 Summary reports of finalised audit assignments were reported to the Governance and Audit Committee during the year to assist the Committee in forming an opinion on the overall control environment in place within the Council for 2021/22. The results of Internal Audit's work for the financial year is brought together in the form of the **Head of Internal Audit Annual Report**, and for 2021/22 will be reported in the first half of the 2022/23 financial year.

¹ Internal Audit Charter - a formal document that establishes the Internal Audit Service's position within the organisation, including the nature of the Head of Internal Audit's functional reporting relationship with the Board (i.e. the Council's Governance and Audit Committee).

2.5.2 Based on the internal audit reviews completed during 2021/22 to date, the overall opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and internal control for 2021/22 is 'Effective with a small number of areas identified for improvement'. In addition, no significant cross-cutting control issues have been identified that would impact on the Council's overall control environment and the weaknesses that have been identified are service specific. This position is based on the internal audit reviews undertaken to date and will be finalised and reported as part of the Head of Internal Audit Annual Report 2021/22.

2.5.3 In line with the above,

- Three audit assignments during 2021/22 were given an audit opinion of limited assurance, where improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited. These weaknesses are service specific and in accordance with routine Internal Audit procedures, all three areas will be subject to a follow up review during 2022/23: and
- No follow-up reviews have been requested by Governance and Audit Committee to be built into the 2021/22 Annual Audit Plan.

2.5.4 With regard to the risks of fraud and corruption:

- At the 6th December 2021 Governance and Audit Committee meeting, the Council's Service Director – Pensions, Procurement and Transactional Services provided an overview of the National Fraud Initiative, along with an update on the work delivered by the Corporate Fraud Team, and progress update against the Anti-Fraud, Bribery and Corruption work programme for 2021/22. This update provided assurance on the Council's arrangements to tackle potential fraud and covered the internal control environment that supports this area. The Anti-Fraud Annual Report for 2021/22 is to be presented to the 23rd March 2022 Governance and Audit Committee for consideration / approval.
- The Whistleblowing Annual Report for 2021/22 will be reported to Governance and Audit Committee on 23rd March 2022. The overall conclusion as set out in the Report (and subject to approval by Governance and Audit Committee), is that '*the Council's whistleblowing arrangements are appropriate*'.

2.6 CONSIDER THE EFFECTIVENESS OF THE AUTHORITY'S RISK MANAGEMENT ARRANGEMENTS AND THE CONTROL ENVIRONMENT, REVIEWING THE RISK PROFILE OF THE ORGANISATION AND ASSURANCES THAT ACTION IS BEING TAKEN ON RISK-RELATED ISSUES, INCLUDING PARTNERSHIPS AND COLLABORATIONS WITH OTHER ORGANISATIONS

2.6.1 The work-plan for 2021/22 built on the work undertaken in the previous year and continued to widen the coverage of governance and risk management through:

- AGS – the continuation of in-year and year-end progress updates to the Governance and Audit Committee on the implementation of proposals for improvement.
- A programme of Strategic Risk Register updates to the Governance and Audit Committee continued to support Committee Members' understanding of the strategic risks facing the Council and the arrangements in place to manage / mitigate such risks. During the year the following updates were presented:
 - An update and overview of the Council's 2021/22 Strategic Risk Register (9th November 2021 Governance and Audit Committee); and
 - Strategic Risk: Information Management (7th February 2022).

Further updates will be built into the 2022/23 workplan as part of Governance and Audit Committee's on-going work in understanding and reviewing the Council's risk profile.

- The delivery of learning and development topics to help support the Committee in discharging its risk management related and wider responsibilities: 19th September 2021 (the role of the Governance and Audit Committee); 9th November 2021 (an overview of the Council's Financial Procedure Rules); 6th December 2021 (an overview of the role of Audit Wales and the Regional Internal Audit Service); and 7th February 2022 (an overview of the Council's arrangements for dealing with complaints effectively).

2.7 REVIEW THE FINANCIAL STATEMENTS, EXTERNAL AUDITOR'S OPINION AND REPORTS TO MEMBERS, AND MONITOR MANAGEMENT ACTION IN RESPONSE TO THE ISSUES RAISED BY EXTERNAL AUDIT

2.7.1 At the [12th July 2021](#) Governance and Audit Committee, the Service Director – Finance Services presented the certified draft 2020/21 Statements of Account for the Council and the Rhondda Cynon Taf Pension Fund² (this update being accompanied by an overview of Accounting Policies presentation). At the 13th September 2021 Governance and Audit Committee meeting, Audit Wales provided a verbal update on the progress on the audit of the draft Statements of Account for 2020/21 and informed the Committee, amongst other things, that to date no significant areas of concern had arisen for the Committee to be made aware of in relation to the audit of the draft Statements of Account.

² 12th July 2021 Governance and Audit Committee – the Committee also considered the certified draft 2020/21 Statement of Accounts for the Central South Consortium Joint Education Service Joint Committee and the certified draft 2020/21 Annual Return for the Llwydcoed Crematorium Joint Committee

2.7.2 The Council and Pension Fund audited Statement of Accounts for 2020/21 were subsequently reported to and approved by full Council on the [29th September 2021](#), following completion of the external audit process, with both sets of Accounts being issued with unqualified opinions by Audit Wales (i.e. clean bills of health).

2.8 CONSIDER THE REPORTS AND RECOMMENDATIONS OF EXTERNAL AUDIT AND INSPECTION AGENCIES AND THEIR IMPLICATIONS FOR GOVERNANCE, RISK MANAGEMENT OR CONTROL

2.8.1 At the 9th November 2021 Governance and Audit Committee, Audit Wales provided an update on reports issued in respect of 'Financial Sustainability Of Local Government – Covid-19 Impact, Recovery and Future Challenges', 'Financial Sustainability Assessment – Rhondda Cynon Taf CBC' and 'Regulatory Programme Update – Quarter 2'. A further 'Regulatory Programme Update – Quarter 3' was reported to the 7th February 2022 Governance and Audit Committee.

2.8.2 At the [6th December 2021](#) Governance and Audit Committee meeting, an update was reported on the progress made to date by the Council to implement proposals for improvement reported by Audit Wales in its Annual Audit Summary 2020. Following Governance and Audit Committee's consideration of the progress update, the Committee determined that there were no matters of a governance, internal control or risk management nature that require further action or attention by the Committee nor any matters at this stage to be referred to the Council's scrutiny committees.

2.8.3 The full Council meeting on [19 January 2022](#) considered the Audit Wales 'Annual Audit Summary 2021' and the 23rd March 2022 Governance and Audit Committee will consider the progress made to date by the Council in implementing the proposals for improvement set out in the Audit Wales Annual Audit Summary 2021.

3. SELF-ASSESSMENT AGAINST THE CIPFA PRACTICAL GUIDANCE FOR LOCAL AUTHORITIES & POLICE 2018 EDITION

3.1 The self-assessment checklist included within the CIPFA Guidance has been completed and has been based on the Governance and Audit Committee arrangements in place during 2021/22 and from a review of the information reported to Governance and Audit Committee over this period. The self-assessment is set out at **Appendix 1B** and also includes the results of previous years self-assessments for information purposes.

3.2 The 2021/22 self-assessment process demonstrates that the Council's Governance and Audit Committee has made good progress to implement the

proposals for improvement reported in 2020/21 and has identified two areas for improvement to further support and reinforce the existing arrangements in place.

- 3.3 An update on the progress made to implement proposals for improvement reported in 2020/21 and also new proposals for improvement are set out in Table 1.

Table 1 – 2020/21 Self-Assessment Progress Update and 2021/22 Self-Assessment Proposals for Improvement

Good Practice Questions		2020/21 Self-Assessment				2021/22 Self-Assessment			
		Yes	Partly	No	Response & Proposal for Improvement	Yes	Partly	No	Progress made since 2020/21 and 2021/22 Proposal for Improvement
12b.	<p><u>MEMBERSHIP AND SUPPORT</u></p> <p>Has an effective audit committee structure and composition of the committee been selected?</p> <p>This should include:</p> <ul style="list-style-type: none"> an appropriate mix of knowledge and skills among the membership 	✓			<p><u>2019/20 Update</u></p> <ul style="list-style-type: none"> Skills assessment of Audit Committee Members – COMPLETED and reported to Audit Committee on 1st February 2021. Agree a refreshed programme of learning and development – COMPLETED and agreed by Audit Committee on 22nd March 2021 (and will be incorporated into the Committee's 2021/22 workplan. <p><u>NEW Proposal for Improvement (2020/21)</u></p> <p>As part of the on-going support and development of Audit Committee, the 2021/22 Workplan and Learning and Development Plan should be updated to reflect the work needed in preparation for the implementation of the requirements of the Local Government and Elections (Wales) Act 2021 (for example, the Governance and Audit Committee's new responsibilities in respect of performance assessment and complaints handling).</p>	✓			<p>A programme of learning and development delivered in line with the Committee's Learning and Development Plan</p> <p><u>NEW Proposals for Improvement (2021/22)</u></p> <p>Using lessons learned from 2021/22, undertake a training needs analysis of Committee Members to inform a refreshed learning and development plan for 2022/23.</p> <p>Development a library of on-line learning and development information for Committee Members as part of learning and development support arrangements.</p>

Good Practice Questions		2020/21 Self-Assessment				2021/22 Self-Assessment			
		Yes	Partly	No	Response & Proposal for Improvement	Yes	Partly	No	Progress made since 2020/21 and 2021/22 Proposal for Improvement
19	<p><u>MEMBERSHIP AND SUPPORT</u></p> <p><u>Good practice question</u> Has the Committee obtained feedback on its performance from those interacting with the Committee or relying on its work?</p>			✓	<p>Due to the need to prioritise reporting arrangements during the Covid-19 pandemic, the Audit Committee Annual Report 2019/20 was not reported to full Council. It is noted however that:</p> <ul style="list-style-type: none"> • Ordinarily the Audit Committee Annual Report would be reported to full Council (i.e. the 2018/19 Annual Report was presented to the Council Annual General Meeting in May 2019); and • The 2019/20 Audit Committee Annual Report was published, reviewed and agreed by Audit Committee at its meeting on 20th July 2020. <p><u>NEW Proposal for Improvement (2020/21)</u></p> <ul style="list-style-type: none"> • An agreed version of the Audit Committee Annual Report 2020/21 should be reported to full Council to enable opportunity for feedback to be provided on the performance of Audit Committee. 	✓			Reported to the 15 th December 2021 full Council meeting where it was resolved to note the Annual Report for the 2020/21 Municipal Year
21	<p><u>EFFECTIVENESS OF THE COMMITTEE</u></p> <p>Does the committee engage with a wide range of leaders and managers, including</p>		✓		<p><u>NEW Proposal for Improvement (2020/21)</u></p> <p>Progress updates in relation to Audit Wales recommendations are reported to Audit Committee annually. It is recommended that updates on the progress being made by the Council to implement Audit Wales recommendations are timetabled within the Governance and Audit Committee Workplan for 2021/22 at mid-year and year-end intervals (or in line with specific requirements).</p>	✓			Progress updates reported to the Governance and Audit Committee i.e. 26 th April 2021, 6 th December 2021 and 23 rd March 2022.

Good Practice Questions		2020/21 Self-Assessment				2021/22 Self-Assessment			
		Yes	Partly	No	Response & Proposal for Improvement	Yes	Partly	No	Progress made since 2020/21 and 2021/22 Proposal for Improvement
	discussion of audit findings, risks and action plans with the responsible officers?								
23	<p><u>EFFECTIVENESS OF THE COMMITTEE</u></p> <p><u>Good practice question</u> Has the committee evaluated whether and how it is adding value to the organisation?</p>		✓		<p><u>2019/20 Update</u> Audit Committee continues to take steps to improve the impact of its work, for example, undertaking a training needs assessment and agreeing a learning and development plan and referring specifics matters for more in-depth review to the Council's Scrutiny function.</p> <p>This area will be an on-going action as part of the Audit Committee's development and completion of the self-assessment process for 2021/22.</p>		✓		<p>The 2021/22 work programme supported the Committee in delivering its terms of reference and included updates in relation to: learning and development; assurance; governance and risk; performance updates from internal and external audit; and preparatory work in readiness for the Committee's new responsibilities under the Local Government and Elections (Wales) Act 2021.</p> <p>This position will built on in 2022/23 through the compilation of a balanced programme of work and seeking feedback from the Committee on the effectiveness of its work.</p>

- 3.4 Subject to a version of the Governance and Audit Committee Annual Report 2021/22 being agreed, the proposals for improvement (as per Table 1) will form the basis of an action plan that will be led and managed by the Governance and Audit Committee during 2022/23. The action plan will be a living document to ensure account is taken of any relevant changes, for example, in service delivery, strategic risks and Governance and Audit Committee's on-going responsibilities.

4. CONCLUSIONS

- 4.1 During 2021/22 the Council's Governance and Audit Committee has reviewed and challenged a wide range of topic areas, including the work of Internal and External Audit and commenced the preparatory work in readiness for the Committee's new responsibilities as set out in the Local Government and Elections (Wales) Act 2021.
- 4.2 From a review of the coverage of Governance and Audit Committee's work and oversight during the year, as set out in Section 2, it is considered that the Committee has delivered its Workplan and responsibilities in line with its Terms of Reference.
- 4.3 The Annual Report also sets out, in Section 3 / Appendix 1B, the results of the self-assessment undertaken against the checklist included within the CIPFA Guidance. The outcome of this process demonstrates that the Council's Governance and Audit Committee has made good progress to implement the proposals for improvement reported in 2020/21 and has also identified a small number of new proposals for improvement to further reinforce the existing arrangements in place.

RESPONSIBILITIES OF AUDIT COMMITTEE IN LINE WITH THE LOCAL GOVERNMENT (WALES) MEASURE 2011 AND LOCAL GOVERNMENT AND ELECTIONS (WALES) ACT 2021

Chapter 2, section 81 of the Local Government (Wales) Measure 2011

Local authorities to appoint audit committees

4.0A local authority must appoint a committee (an “Audit Committee”) to—

- a) review and scrutinise the authority's financial affairs,
- b) make reports and recommendations in relation to the authority's financial affairs,
- c) review and assess the risk management, internal control and corporate governance arrangements of the authority,
- d) make reports and recommendations to the authority on the adequacy and effectiveness of those arrangements,
- e) oversee the authority's internal and external audit arrangements, and
- f) review the financial statements prepared by the authority.

5.0A local authority may confer on its Audit Committee such other functions as the authority considers suitable to be exercised by such a committee.

6.0It is for an Audit Committee to determine how to exercise its functions.

Local Government and Elections (Wales) Act 2021

Council Performance Arrangements

(i) To consider the Council's draft Annual Performance Self-Assessment report and if deemed necessary may make recommendations for changes to the Council.

(ii) To receive the Council's finalised Annual Self-Assessment report in respect of a financial year as soon as reasonably practicable after the end of that financial year.

(iii) At least once during the period between two consecutive ordinary elections of councillors to the Council, consider the independent Panel Performance Assessment report into which the Council is meeting its performance requirements.

(iv) To receive and review the Council's draft response to the report of the independent Panel Performance Assessment and if deemed necessary may make recommendations for changes to the statements made in the draft response to the Council.

Complaints Handling

(i) To review and assess the Council's ability to deal with complaints effectively.

(ii) To make reports and recommendations in relation to the Council's ability to deal with complaints effectively.

Self-assessment of good practice

Good practice questions		2018/19 Self-Assessment			2019/20 Self-Assessment			2020/21 Self-Assessment			2021/22 Self-Assessment		
		Yes	Partly	No	Yes	Partly	No	Yes	Partly	No	Yes	Partly	No
Audit committee purpose and governance													
1	Does the authority have a dedicated audit committee?	✓			✓			✓			✓		
2	Does the audit committee report directly to Full Council?	✓			✓			✓			✓		
3	Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's Position Statement?	✓			✓			✓			✓		
4	Is the role and purpose of the audit committee understood and accepted across the authority?	✓			✓			✓			✓		
5	Does the audit committee provide support to the authority in meeting the requirements of good governance?	✓			✓			✓			✓		
6	Are the arrangements to hold the committee to account for its performance operating satisfactorily?	✓			✓			✓			✓		
Functions of the committee													
7	Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement? <ul style="list-style-type: none"> • good governance • assurance framework, including partnerships and collaboration arrangements • internal audit • external audit • financial reporting • risk management • value for money or best value • counter fraud and corruption • supporting the ethical framework 		✓		✓			✓			✓		
8	Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas?	✓			✓			✓			✓		

Good practice questions		2018/19 Self-Assessment			2019/20 Self-Assessment			2020/21 Self-Assessment			2021/22 Self-Assessment		
		Yes	Partly	No	Yes	Partly	No	Yes	Partly	No	Yes	Partly	No
9	Has the audit committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?	✓			✓			✓			✓		
10	Where coverage of core areas has been found to be limited, are plans in place to address this?	N/A			N/A			N/A					
11	Has the committee maintained its advisory role by not taking on any decision-making powers that are not in line with its core purpose?	✓			✓			✓			✓		
Membership and support													
12	Has an effective audit committee structure and composition of the committee been selected? This should include:												
a.	separation from the executive	✓			✓			✓			✓		
b.	an appropriate mix of knowledge and skills among the membership		✓			✓		✓			✓		
c.	a size of committee that is not unwieldy	✓			✓			✓			✓		
d.	consideration has been given to the inclusion of at least one independent member (where it is not already a mandatory requirement)	✓			✓			✓			✓		
13	Have independent members appointed to the committee been recruited in an open and transparent way and approved by the Full Council?	✓			✓			✓			N/A		
14	Does the chair of the committee have appropriate knowledge and skills?	✓			✓			✓			✓		
15	Are arrangements in place to support the committee with briefings and training?	✓			✓			✓			✓		
16	Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?			✓			✓	✓			✓		

Good practice questions		2018/19 Self-Assessment			2019/20 Self-Assessment			2020/21 Self-Assessment			2021/22 Self-Assessment		
		Yes	Partly	No	Yes	Partly	No	Yes	Partly	No	Yes	Partly	No
17	Does the committee have good working relations with key people and organisations, including external audit, internal audit and the Chief Finance Officer?	✓			✓			✓			✓		
18	Is adequate secretariat and administrative support to the committee provided?	✓			✓			✓			✓		
Effectiveness of the committee													
19	Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?			✓	✓					✓	✓		
20	Are meetings effective with a good level of discussion and engagement from all the members?	✓			✓			✓			✓		
21	Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers?	✓			✓				✓		✓		
22	Does the committee make recommendations for the improvement of governance, risk and control and are these acted on?	✓			✓			✓			✓		
23	Has the committee evaluated whether and how it is adding value to the organisation?		✓			✓			✓			✓	
24	Does the committee have an action plan to improve any areas of weakness?	✓			✓			✓			✓		
25	Does the committee publish an annual report to account for its performance and explain its work?	✓			✓			✓			✓		



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2021/22

GOVERNANCE AND AUDIT COMMITTEE 23rd March 2022	AGENDA ITEM NO. 6
REPORT OF THE DIRECTOR OF FINANCE AND DIGITAL SERVICES	RISK MANAGEMENT STRATEGY

REPORT OF DIRECTOR OF FINANCE & DIGITAL SERVICES IN DISCUSSIONS WITH THE RELEVANT PORTFOLIO HOLDER (CLLR NORRIS)

Author: Marc Crumbie (Head of Procurement)

1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to provide the Governance and Audit Committee with an updated draft Risk Management Strategy.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Review and provide feedback on the updated draft Risk Management Strategy.
- 2.2 Endorse an updated draft Risk Management Strategy and its reporting to Cabinet for consideration and, if deemed appropriate, approval.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To ensure the Council's risk management arrangements continue to be fit for purpose to support the delivery of Corporate Plan and Service Priorities.

4. BACKGROUND

- 4.1 The Council's Risk Management Strategy sets out the overall purpose and framework for risk management within the organisation. The framework sets out two levels of risk:
- Strategic Risks – those that the Council faces when delivering its Corporate Plan Priorities; and
 - Operational Risks – those associated with the delivery of service objectives and included within Service Delivery Plans.

- 4.2 Within the Annual Governance Statement 2020/21, the following proposal for improvement was identified:

“The Council’s Risk Management Strategy was last reviewed and approved by Audit Committee in December 2018. The Strategy should be reviewed and where required proposed updates reported to Audit Committee for consideration. In addition, as part of the review, regard should be given to the findings and recommendations included within the 2020/21 Internal Audit report ‘Risk Management’.”

- 4.3 Following receipt of the Internal Audit Report earlier this financial year, the following risk management strategy related findings have been incorporated within the draft updated Strategy (this being included at Appendix A):

- The responsibilities of Officers and Cabinet Members in respect of service delivery planning (that incorporates risk management).
- An explanation of how the service delivery planning arrangements support the management of risk.
- An explanation of the concept of risk appetite and the Council's risk appetite in key areas.

- 4.4 In addition, housekeeping updates have been incorporated into the updated Strategy, for example, updating references to the Council's Corporate Plan 'Making a Difference' 2020 – 2024 and also the Well-being of Future Generations Act.

- 4.5 Members are requested to review the updated draft Risk Management Strategy and provide feedback on its adequacy. Thereafter, it is recommended that the draft Strategy is reported to Cabinet for consideration and, if deemed appropriate, approval.

5. EQUALITY AND DIVERSITY IMPLICATIONS / SOCIO-ECONOMIC DUTY

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

6. WELSH LANGUAGE IMPLICATIONS

6.1 There are no Welsh Language implications as a result of the recommendations set out in this report.

7. CONSULTATION / INVOLVEMENT

7.1 There are no consultation requirements emanating from the recommendations set out in the report.

8. FINANCIAL IMPLICATION(S)

8.1 There are no financial implications emanating from the recommendations set out in the report.

9. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

9.1 There are no legal or legislative implications emanating from the recommendations set out in the report.

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

10.1 Effective risk management arrangements are key to the Council's ability to deliver its service and the priorities set out within the Corporate plan 2020 - 2024 'Making a Difference'.

10.2 The Well-being of Future Generations (Wales) Act 2015 identifies a core set of activities that are common to the corporate governance of public bodies where change needs to happen:

- Corporate Planning;
- Financial Planning;
- Workforce Planning;
- Procurement;
- Assets;
- **Risk Management**; and
- Performance Management

11. CONCLUSION

11.1 Risk management is an integral part of good management and corporate governance, and is central to the Council's service planning and delivery arrangements. In this way risk management is essential to the Council's ability to deliver efficient and effective public services that help improve the quality of life for local people and support its responsibility as a custodian of public funds.

11.2 The updates made to the Strategy aim to further strengthen the Council's risk management arrangements.

Other Information:-

Contact Officer

Marc Crumbie (Head of Procurement)

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

GOVERNANCE AND AUDIT COMMITTEE

23rd March 2022

UPDATED DRAFT RISK MANAGEMENT STRATEGY

**REPORT OF DIRECTOR OF FINANCE & DIGITAL SERVICES IN
DISCUSSIONS WITH THE RELEVANT PORTFOLIO HOLDER (CLLR
NORRIS)**

Item:

Background Papers

None.

Officer to contact: Marc Crumbie (Head of Procurement)



Appendix A – Updated Risk Management Strategy



**RHONDDA CYNON TAF COUNTY
BOROUGH COUNCIL**

Risk Management Strategy (DRAFT)

March 2022

Date of next review: March 2023

1. Introduction

- 1.1 Risk management is an integral part of good management and corporate governance and is central to the Council's service planning and delivery arrangements. In this way risk management is essential to the Council's ability to deliver efficient and effective public services that help improve the quality of life for local people and support its responsibility as a custodian of public funds.
- 1.2 The aim of this document is to set the overall purpose and framework of risk management within the Council.
- 1.3 Risk management is the business of everyone in the Council.

2. Purpose of Risk Management in Rhondda Cynon Taf

- 2.1 In Rhondda Cynon Taf, at a strategic level, the purpose of risk management is to identify and manage the risks the Council faces when delivering its Corporate Priorities as set out within the [Corporate Plan 2020 – 2024](#) 'Making a Difference'. The Council's agreed strategic risks are set out in a Strategic Risk Register that is publicly reported and scrutinised on a quarterly basis as part of the Council's performance reporting arrangements. At an operational level, risk management aims to identify and manage risks associated with service delivery. It is undertaken via the Council's delivery (business) planning and monitoring arrangements.
- 2.2 This Risk Management Strategy is designed to ensure that sound risk management practices are in place, including processes to identify, assess and manage risk on an ongoing basis.
- 2.3 Understanding the risks the Council face and managing them appropriately aids effective decision-making and contributes to the achievement of the priorities that are set out within the Corporate Plan. Risk management is not about eliminating risk and should not be confused with being risk averse; the Council's risk management arrangements aim to encourage innovation within a clear framework.

3. Definition

- 3.1 Risk is the uncertainty of outcome, whether a positive opportunity or a negative threat, of actions or events. The Council's definition of risk is '*something happening that, should it occur, would impact on the Council's ability to successfully achieve its Corporate Plan priorities*'.

4. Well-being of Future Generations Act

- 4.1 The Well-being of Future Generations (Wales) Act 2015 identifies a core set of activities that are common to the corporate governance of public bodies where change needs to happen:
 - Corporate Planning;

- Financial Planning;
- Workforce Planning;
- Procurement;
- Assets;
- **Risk Management**; and
- Performance Management

4.2 The accompanying guidance to the Act states that a public body will need to change the way it manages risk. Under section 3 of 'where change needs to happen' of the Welsh Government Guidance, it states that:

“There will be long term risks that will affect both the delivery of your services but also the communities you are enabling to improve. Use the well-being goals and five ways of working to frame what risks you may be subject to in the short, medium and long term and together with the steps you will take to ensure they are well managed”.

4.3 The Council’s Strategic Risk Register incorporates controls and actions that aim to manage the risks, these incorporate the five ways of working (ICLIP), these are:

- **Involving** a diversity of the population in the decisions that affect them.
- Working with others in a **Collaborative** way to find shared sustainable solutions.
- Looking to the **Long-term** so that we do not compromise the ability of future generations to meet their-own needs.
- Taking an **Integrated** approach so that public bodies look at all the well-being goals in deciding on their well-being objectives.
- Understanding the root causes of issues to **prevent** them from occurring.

5. The Performance Management Framework and Risk Management

5.1 Performance Management is about setting a clear direction with measures of success that put residents at the centre of what the Council does. This is done by putting in place consistent and robust arrangements across the Council that support service performance, improvement and change.

5.2 Performance Management arrangements include timely and proportionate performance monitoring of Corporate Plan priorities, an annual Service Self Evaluation process and Service Delivery Plans (incorporating relevant performance measures and risk), and help ensure staff are clear about their individual and their team’s priorities.

5.3 The supporting ‘internal’ processes that the Council has in relation to delivering its priorities are encompassed within its Service Delivery Planning arrangements.

5.4 Service Delivery Plans set out the key priorities for each service to be delivered over 12-18 months; they incorporate operational risks to the

achievement of each priority along with actions and milestones against which progress is monitored. These arrangements help each Service Area to:

- support delivery of the [Council's Corporate Plan](#) priorities,
- demonstrate how the service is aligning with the requirements of the [Well-being of Future Generations Act](#),
- provide a framework to ensure the priorities arising from the Council's Corporate Assessment are addressed and support the Council's legal responsibilities in this regard; and
- enable the service to identify and manage operational risks.

5.5 The governance arrangements around the Council's Service Self- Evaluation¹ and Service Delivery Planning processes are set out in Table 1.

Table 1 – Governance Arrangements: Service Self Evaluation and Service Delivery Planning

	Responsibility For Drafting	Responsibility For Sign-Off	Oversight / Challenge / Engagement
Service Self Evaluations	Service Director	<ul style="list-style-type: none"> •Chief Executive (where the service directly reports to the Chief Executive); or •Group Director 	Chief Executive / Cabinet Portfolio Elected Member
Service Delivery Plans	Head of Service / Service Director	<ul style="list-style-type: none"> •Chief Executive (where the service directly reports to the Chief Executive); or •Group Director 	Cabinet Portfolio Elected Member

5.6 The governance arrangements around the Council's Service Self Evaluation and Service Delivery Planning ensure there is appropriate review, challenge and sign-off processes in place that support the delivery of Corporate Plan priorities, service priorities and individual officer priorities. The regular monitoring arrangements also enable managers and team members to understand risks within their services, the changes occurring within them and what mitigating actions need to be put in place.

¹ Service Self Evaluation - is an annual process, within the Council's performance arrangements. The process enables services to formally evaluate and identify their strengths, priorities and areas for improvement which inform annual [Service Delivery Plans](#) and also the [Council's Priority Plans](#).

6. Internal Control and Risk Management

6.1 The Council's system of internal control has a key role in the management of risks. Internal controls are a response to risk.

6.2 The links between internal control and risk management are identified within the Accounts and Audit (Wales) Regulations 2018 (regulation 4), which states:

'Responsibility for internal control and financial management:

(1) The local government body shall be responsible for putting in place and ensuring that there is a sound system of internal control which facilitates the effective exercise of that body's functions and which includes:

- a. arrangements for the management of risk; and*
- b. adequate and effective financial management.*

(2) The local government body shall conduct a review at least once in a year of the effectiveness of its system of internal control and shall include a statement on internal control, prepared in accordance with Proper Practices.'

6.3 Proper Practices are deemed to be the Code of Practice for Local Authority accounting which specifies:

'A local authority shall undertake a review of its system of internal control in accordance with best practice. Delivering Good Governance in Local Government, published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE), recommends that the review be reported in an Annual Governance Statement.'

6.4 In addition to the Accounts and Audit (Wales) Regulations 2018 (regulation 4), in a Local Government context, the importance of risk management as a key governance tool is incorporated within the CIPFA/SOLACE Delivering Good Governance in Local Government – Core Principle F:

'Managing risks and performance through robust internal control and strong public financial management

Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.'

6.5 The Council's Senior Leadership Team (SLT) has put in place a series of Policies and Procedures that aim to ensure robust controls are in place to manage risk efficiently and effectively to deliver its services. SLT receives regular assurance from internal and external sources around the strength of its internal control environment.

7. Risk Appetite

7.1 The Institute of Risk Management (IRM) defines risk appetite as *"the amount and type of risk that an organisation is willing to take in order to meet their strategic objectives"*. A clearly understood risk appetite statement assists with the risk awareness for the Council and supports decision making in delivering Corporate Plan priorities.

7.2 The Senior Leadership Team have collectively agreed that the Council exists in a high-risk environment and that this is likely to continue. This will mean continuing to maintain an effective understanding of acceptable risk levels (high, medium or low), depending on their impact and likelihood, so that risks are prioritised and proportionate mitigating actions put in place.

Risk Appetite Statement

7.3 The underpinning approach supporting the Council's risk appetite is that risks will be taken in a considered and controlled manner, ensuring exposure at a level deemed acceptable. Where there are opportunities for the Council to be innovative and / or work differently, the identified risks will be considered against a range of factors including the impact on service users, legal and environmental responsibilities and anticipated cost and efficiency benefits.

7.4 The Risk Appetite Statement supports elected Members and Officers in decision making, by setting out where the Council will take different levels of risk, and which levels of risk are unacceptable.

7.5 The Council has used the Government Finance Function 'Risk Appetite Guidance Note' August 2021 to inform its Risk Appetite Statement through:

- The identification of a number of risk categories to support a holistic view of risks:
 - Strategy Risk
 - Financial Risk
 - Service Delivery Risks
 - Legal, Regulatory and Governance Risk
 - Reputational Risk

- Defining risk appetite levels - at each level there is a balance between risk and reward, with 'Eager' risk appetite offering the highest risk and reward and 'averse' offering the lowest.
 - Eager

- Eager to be innovative and to choose options offering potentially higher rewards despite greater risk.
- Open
 - Willing to consider all potential delivery options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward and value for money and also moderate / high risk.
- Cautious
 - Preference for safe delivery options that have a low degree of risk and may only have limited potential for reward.
- Minimalist
 - Preference for very safe business delivery options that have a low degree of risk and only have a potential for limited reward.
- Averse
 - Avoidance of risk and uncertainty is a key Organisational objective

7.6 The approved risk appetite levels for each risk category are set out in Table 2 below.

Table 2 – Risk Appetite Levels

Risk Category	Risk Appetite Statement
Strategy Risk	Open – The Council will strive to devise and implement ambitious strategies following engagement with stakeholders, that support service transformation and continuous improvement.
Financial risk – capital or revenue, budgetary and financial planning	Cautious - In looking after its finances the Council will plan and invest appropriately to deliver good value for money; however, in doing so, it is willing to accept, that the financial and service outcomes will not always be as originally anticipated.
Legal, Regulatory and Governance risk – failure to comply with legislation	Averse – The Council recognises the need to place high importance on compliance with legal and regulatory requirements that apply to a local authority and has an adverse appetite in respect of legal / regularity risk.
Service Delivery – failure or underperformance of the services provided by the Council	Open - The Council will strive to deliver and maintain high quality services. However, to do that, the Council is willing to accept a moderate exposure to risk in service delivery.
Reputational risk – that the public will lose confidence in the Council	Cautious - It is important that the Council maintains a high reputation and, therefore, has set a cautious approach to risk in the conduct

following adverse publicity	of its activities.
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- 7.7 The Council's Risk Appetite levels will be reviewed on an on-going basis as part of consideration of this Risk Management Strategy.

8. Governance & Audit Committee

- 8.1 The Council's Governance and Audit Committee is charged with overseeing the Council's governance, risk management and internal control arrangements. The statement of purpose for audit committee and relevant sections of its terms of reference state:

The purpose of the Governance and Audit Committee is to provide independent assurance to the Members of Rhondda Cynon Taf County Borough Council of the adequacy of the risk management framework and the internal control environment. It provides independent review of Rhondda Cynon Taf County Borough Council's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

- 8.2 Section 'C' of the Committee's terms of reference goes on to state:

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.

- 8.3 Management and scrutiny of the Council's strategic risks are integrated into the Council's performance reporting arrangements via its Corporate Plan priority action plans. Risks are identified, assessed and scored using a matrix of impact and likelihood, and the outcome of the scoring process results in a score being attributed.
- 8.4 The Council's strategic risks are brought together into a Strategic Risk Register that is owned and monitored by the Council's Senior Leadership Team.
- 8.5 Operational risks are monitored and managed separately as part of the Council's Delivery Planning arrangements.

9. Risk Management – Links to other disciplines

- 9.1 Controlling risk involves a process of reducing the impact and / or likelihood of the risk occurring.
- 9.2 A number of disciplines are applied across the Council to help achieve this:

- Procurement can be used to manage risks by appointing contractors to undertake services on behalf of the Council and contracts can be used to transfer identified risk(s).
- Insurance can be used to manage risks (for example, the potential financial impact of a risk could be mitigated using an insurance policy).
- A business continuity plan is a control that can help to manage the impact of an event that may arise.

10. Partnerships

- 10.1 Partnership working is playing an increasingly important role in service delivery. In recent years, the focus for the Council has been on the opportunities offered by partnership and joint working arrangements.
- 10.2 Working in partnership usually means committing resources such as time and/or direct funding to develop and deliver desired outcomes. It may not be easy and, whilst there are opportunities there are also risks. It is important to understand and manage these in so far as they affect both the partnership and Council.

Potential benefits of partnership working

- Better co-ordination and integration in the delivery of services for users
- Flexibility and innovation, producing better policy and implementing more credible solutions than those achievable by single agencies
- Improved communication and information-sharing
- More efficient and effective use of resources to deliver value for money, including access to additional skills and expertise
- Greater capacity to plan and develop solutions, including pooling expertise and resources

Potential risks of partnership working

- Lack of clear purpose or setting unrealistic goals and expectations
- Unaware of the extent of financial and legal implications, such as breach of statutory duty or failure in the exercise of statutory functions
- Financial and time commitments outweigh potential benefits
- Different or conflicting cultures, behaviours and policies lead to conflict, distrust, manipulation or domination
- Lack of clarity over partner expectations and responsibilities
- Inadequate governance and scrutiny over planning, decision-making and management of finance, risk and performance

11. Projects

- 11.1 Project risk management defines how risks will be managed during the lifecycle of a project or programme. The arrangements acknowledge actual and potential threats to the successful delivery of a project and determine the activities required to minimise or eliminate them.

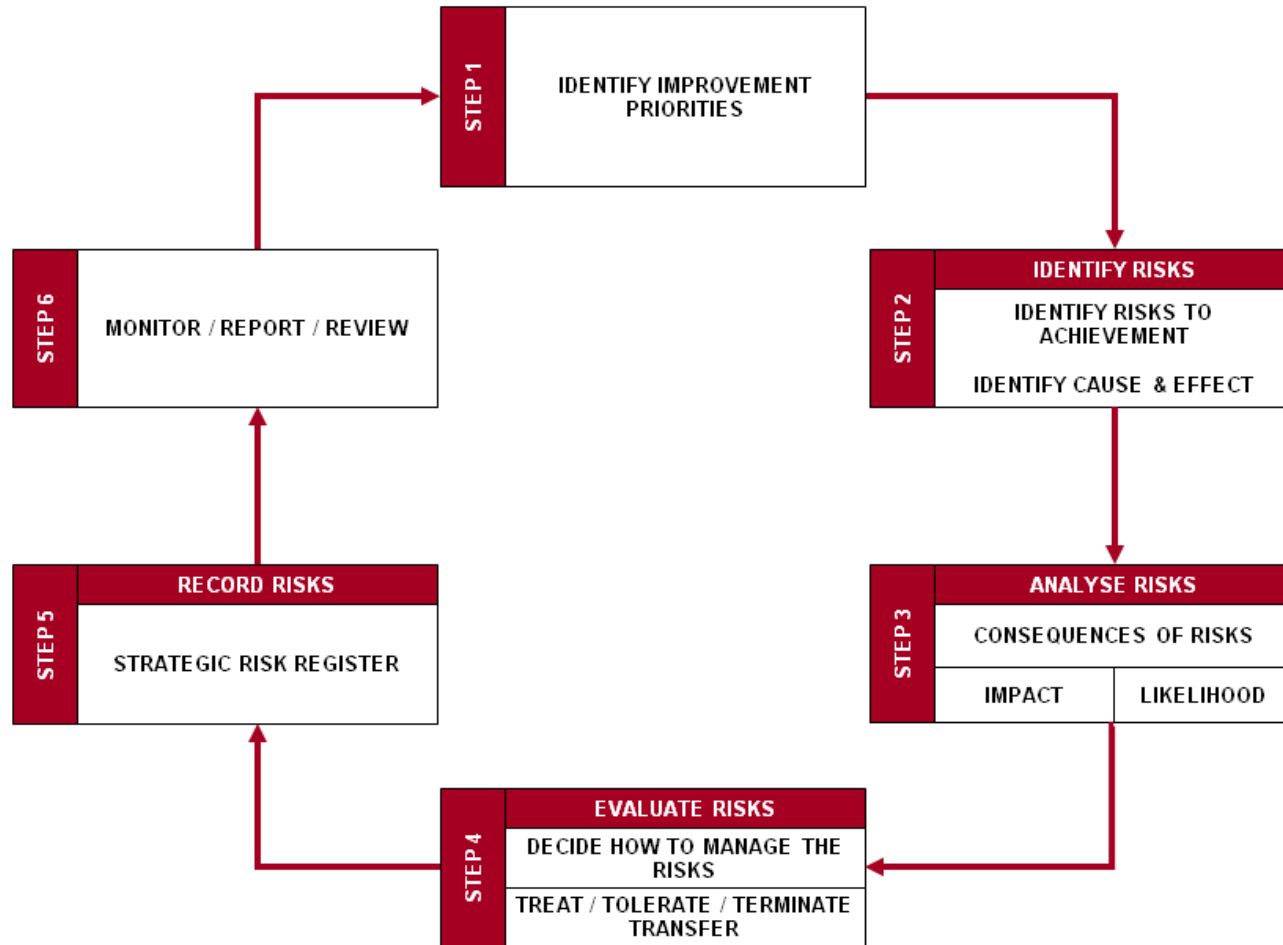
11.2 Where partners and/or suppliers are involved, it is essential to have shared understanding of risks and agreed plans for managing them.

12. Risk Management - An Overview

12.1 A toolkit has been devised that provides managers with a guide when undertaking risk management activities at all levels across the Council. The toolkit is a supporting document to this Strategy.

12.2 Figure 1 shows the stages involved in the Council's strategic risk management arrangements.

Figure 1 – Strategic Risk Management Arrangements



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**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
MUNICIPAL YEAR**

GOVERNANCE AND AUDIT COMMITTEE 23 rd March 2022	AGENDA ITEM NO. 7
REPORT OF THE SERVICE DIRECTOR FOR DEMOCRATIC SERVICES AND COMMUNICATION	COUNCIL PROGRESS UPDATE: AUDIT WALES – ANNUAL AUDIT SUMMARIES 2020 and 2021

Author: Christian Hanagan (Service Director for Democratic Services and Communication)

1. PURPOSE OF THE REPORT

1.1 To provide a:

- Progress update on the implementation of proposals for improvement reported in the Audit Wales ‘Annual Audit Summary 2020’; and
- To consider the Audit Wales ‘Annual Audit Summary 2021’ presented to [Council on 19 January 2022](#) and the progress made to date by the Council in implementing these 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 Governance and 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 AUDIT WALES PROPOSALS FOR IMPROVEMENT/RECOMMENDATIONS

- 3.1 The Council recognises the important role that Audit Wales plays in supporting on-going improvement to governance and service delivery and uses the

oversight of the Governance and Audit Committee and Scrutiny Committees to oversee the arrangements and the monitoring of progress.

Governance and Audit Committee

- 3.2 The Terms of Reference of the Council's Governance and Audit Committee contained within the [Council's Constitution](#) includes the following responsibilities in relation to reports from the Council's External Auditor (for the purposes of this report the External Auditor being Audit Wales):

'The Committee will:

O - 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

P - consider national reports, for example, from Audit Wales, of relevance to the work of the Authority'.

- 3.3 To discharge the above requirements, the Council's Governance and 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, Governance and Audit Committee should also take account of the conclusions and findings from each Audit Wales report when forming an opinion on the adequacy of internal control/governance arrangements in place.

- 3.5 In addition to the above, where the Governance and 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 Audit Wales 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 the Governance and Audit Committee for consideration

4 AUDIT WALES – ANNUAL AUDIT SUMMARY 2020

- 4.1 At the meeting of Council held on [10 March 2021](#), Members received the Audit Wales Annual Audit Summary 2020 that contained proposals for improvement/recommendations from published reports that were specific to Rhondda Cynon Taf Council and also national reports that relate to local authorities more generally, other public bodies and also Welsh Government.
- 4.2 Audit Wales proposals for improvement are incorporated into the Council's service delivery planning and monitoring arrangements, and the first progress update was reported to the Governance and Audit Committee on 26th April 2021 and to the Overview and Scrutiny Committee on 12th May 2021. The second progress update setting out progress to November 2021 was reported to the Governance and Audit Committee on 6 December 2021. The final update from the 2020 report is included as Appendix 1 and evidences good progress with recommendations either completed or, due to their nature, require work to be on-going, for example, developing a Sport and Physical Activity Strategy 2022 – 26 and the Council's work around 'Keeping women and girls safe in RCT' and homelessness. For Members information, where work is on-going, this will be incorporated into 2022/23 Service Delivery Plans and monitored as part of the Council's operational performance management arrangements.
- 4.3 Members are requested to review the year-end position statement at Appendix 1 and (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. AUDIT WALES – ANNUAL AUDIT SUMMARY 2021

- 5.1 At the meeting of full Council held on [19 January 2022](#), Members received the Audit Wales [Annual Audit Summary 2021](#). In line with the position noted at paragraph 4.1, the Annual Audit Summary 2021 contained proposals for improvement/recommendations from published reports that were specific to Rhondda Cynon Taf as well as national reports that relate to local authorities more generally, other public bodies and also Welsh Government. Table 1 provides a list of the published reports covered by the Annual Audit Summary 2021 together with electronic links to each of these reports.

Table 1 – Published reports covered by the Annual Audit Summary 2021

Type of Report	Report Title	Proposals for Improvement/ Recommendations reported
Audit Wales National Covid Related	Financial Sustainability of Local Government as a Result of the COVID-19 Pandemic October 2020	The report sets a high-level baseline position, including the reserves position of local councils before the pandemic. It also sets out the initial financial implications of the pandemic for local councils and the scale of the anticipated challenge going forward, as well as some reflections on the preparedness of local government in Wales for such an unprecedented event.
	Procurement and supply of PPE during the COVID-19 pandemic December 2020	Observations of the Auditor General to the Chairs of the Welsh Government Committees in advance of main report
	Test, Trace, Protect in Wales: An Overview of Progress to Date March 2021	This report sets out the main findings of how public services are responding to the delivery of TTP services in Wales
	Procuring and supplying PPE for the Covid-19 Pandemic April 2021	This report focuses on the national efforts to supply health and social care in Wales.
	COVID-19 Impact, Recovery and Future Challenges - September 2021	This report highlights some key themes and findings from Audit Wales' work, commentary on funding pressures and reflections on how councils' future financial sustainability could be strengthened.
Audit Wales - RCT Specific Reports	Financial Sustainability Assessment November 2021	Yes (findings align with the Council's Medium Term Financial Planning arrangements)
Reviews by other Inspectorates		
Care Inspectorate Wales (CIW)	Assurance Check 2021 conducted from 24 to 28 May 2021 in lieu of Local Authority Performance Review	Yes (findings being used to inform service planning and delivery)

Type of Report	Report Title	Proposals for Improvement/ Recommendations reported
Estyn	<p>Estyn carried out monitoring visits to schools and Pupil Referral Units that were in a statutory category of follow-up. It also reviewed the progress of schools requiring Estyn review. The reports for schools judged to have made sufficient progress in addressing the recommendations from their Section 28 inspection are on Estyn's website.</p> <p>This means that Estyn has removed these schools from the list of schools requiring 'follow up' activity and no longer considers the providers require additional support from Estyn.</p>	No
National Report/ Studies for local consideration	<p>Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2019-20 Joint Care Inspectorate Wales / Healthcare Inspectorate Wales March 2021</p> <p>National Overview Report of Assurance Checks Care Inspectorate Wales November 2021</p> <p>National review of early help, care and support and transition for disabled children in Wales Let me Flourish' Care Inspectorate Wales</p>	Recommendations reported have been considered by Council Services, agree in principle and where relevant to Rhondda Cynon Taf will be taken account of as part of service planning and delivery

Type of Report	Report Title	Proposals for Improvement/ Recommendations reported
	November 2021	
	Local Government Discretionary Services ‘At your Discretion’ Audit Wales April 2021	
	Regenerating Town Centres Audit Wales September 2021	

5.2 An update on the progress made by Council services, to date, to implement the proposals for improvement/recommendations made by Audit Wales, where applicable to Rhondda Cynon Taf, is set out in Appendix 2. For Members information, further progress updates will be reported to the Governance and Audit Committee during 2022/23 in line with its agreed work programme.

5.3 In line with the Governance and 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.

6. CONCLUSIONS

6.1 Audit Wales 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 Governance and Audit Committee and Scrutiny Committees, in line with their Terms of Reference, 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
GOVERNANCE AND AUDIT COMMITTEE
23 March 2022

REPORT OF: Service Director for Democratic Services and Communication

Author: Christian Hanagan

Item 4	COUNCIL PROGRESS UPDATE: AUDIT WALES – ANNUAL AUDIT SUMMARY 2020 Council 10 March 2021
Item 5	COUNCIL PROGRESS UPDATE: AUDIT WALES – ANNUAL AUDIT SUMMARY 2021: Council 19 January 2022

Contact Officer: Christian Hanagan – 01443 424005

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[Audit Wales – Annual Audit Summary 2020](#)

NB Audit Wales was formerly known as Wales Audit Office Local and National Reports – Recommendations/Proposals for Improvement

Compliance	As reported to Governance and Audit Committee <u>26 April 2021</u>	As reported to Governance and Audit Committee <u>6 December 2021</u>	Year-end Position (March 2022)
Audit of Rhondda Cynon Taf County Borough Council's 2019-20 Accounts	The Auditor General gave an unqualified true and fair opinion on the Council's financial statements on 26 <u>November 2020</u>	Noted - No further action.	Completed – no further action required.
Annual Improvement Plan Audit of 2020/21 Plans contained in the Council's annual Corporate Performance Report 2020/21	The Auditor General certified that the Council has met its legal duties for improvement planning and reporting, and believes that it is likely to meet the requirements of the Local Government (Wales) Measure 2009 during 2020-21 in <u>January 2021</u>	Noted – No further action.	Completed – no further action required.
Other Regulators	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
Care Inspectorate Wales Local Authority Performance Review April 2019 – March 2020 - Annual Letter <u>published August 2020</u>		Supplemented by Care Inspectorate Wales Assurance Check 2021 presented <u>to Health & Wellbeing Scrutiny Committee and Children & Young People Scrutiny Committee</u> both in July 2021.	Completed – no further action required. For information, Care Inspectorate Wales Check 2021 referenced in <u>2021 Annual Audit Summary</u>
Estyn “In January 2021, Estyn wrote to the Council's Chief Executive outlining the outcome of their review of Rhondda Cynon Taf County Borough Council's work in	The findings from the Estyn report will form part of the ongoing Self Evaluation and the recommendations have been used to inform the 2021-22 Delivery Plan for the service.	An update on the progress of Rhondda Cynon Taf Council's response to the recommendations within the overarching Thematic report published by Estyn was	Completed – no further action required. For information, an update of 2021/22 ESTYN work programme is included in the <u>2021 Annual Audit Summary</u>

Other Regulators	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p>supporting their learning communities in schools and pupil referral units (PRUs) during the period from March to October 2020. Also relevant is Estyn's National report, 'Local authority and regional consortia support for schools and PRUs in response to COVID-19' Update report from June to November 2020, published in January 2021".</p>		<p>provided to the Children and Young People's Scrutiny Committee on 13th October 2021.</p> <p>The recommendations relating to addressing the impact of the pandemic on vulnerable pupils and on physical and mental health of all pupils, are long term in nature and continue to be addressed through ongoing Service Self Evaluation and Delivery Planning.</p>	

Local Reports

Well-being of Future Generations Act (Wales) 2015 examination

An examination the extent to which the Council has acted in accordance with the sustainable development principle in the delivery of the priority investments for leisure facilities to increase participation in exercise and contribute to residents' health and well-being

Published: March 2020

Proposals for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p>There are clear examples of how the Council is applying the sustainable development principle to its investment in leisure facilities, but there are opportunities to develop longer term planning and involve people in shaping future leisure provision. Report is here.</p>	<p>The examination findings will be used to continue to ensure that 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 also plans for key projects. This includes the Council's new Leisure Strategy 2021- 2026 which is currently being developed.</p>	<p>The requirements of the Well-being of Future Generations Act have been strengthened within the Performance Planning processes for 2022/23 and have been described in the Council's annual Corporate Performance Report approved by Council on 20 October 2021. The Council's arrangements will be developed as part of its continuous drive for improvement.</p> <p>Work on the new Leisure Strategy referenced in April 2020, has been delayed to allow focus on front line priorities. The new strategy for 2022-27 is currently being developed. Pre scrutiny and engagement/involvement with residents and key partners to help shape future provision will start in early 2022.</p>	<p>Work on-going.</p> <p>Draft Sport and Physical Activity Strategy 2022-26 was presented to the Health and Well-being Scrutiny Committee on 15 February 2022. The purpose was to seek Members' views as part of pre scrutiny. The Strategy will now be subject to wide ranging consultation and engagement. The new Strategy will be launched by the new Administration later this year.</p>

Financial Sustainability Assessment

The project sought to assess the sustainability of councils' short to medium-term financial position. This included a focus on the financial strategy of each council as well as reviewing financial 'indicators' of each council's financial position in relation to Performance against budget; Delivery of savings plans; Use of reserves; Council tax and Borrowing

Published: 27 March 2020

Proposals for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
The Council is well placed to manage its financial sustainability over the short and medium term. Report is here	Noted	Noted - No further action. For information, the Audit Wales 'Rhondda Cynon Taf Financial Sustainability Assessment 2020/21' Report for Rhondda Cynon Taf was presented by Audit Wales to the 9 th November 2021 Governance and Audit Committee. An update on the specific progress of the 2 proposals for improvement will be included in the next update to the Governance and Audit Committee.	Completed – no further action required. For information, the Financial Sustainability Assessment for 2021 was included in the 2021 Annual Audit Summary and is referenced further in Appendix 2 of this agenda item.

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National Report Recommendations

[The National Fraud Initiative in Wales 2018-20](#) This national report contained four recommendations for public bodies.

Published: 12 October 2020

Recommendations	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
All participants in the NFI exercise should ensure that they maximise the benefits of their participation. They should consider whether it is possible to work more efficiently on the NFI matches by reviewing the guidance section within the NFI secure web application.	Agreed The guidance is always followed and is helpful in prioritising the match outcomes.	As reported to the Governance and Audit Committee on 26 April 2021.	As reported to the Governance and Audit Committee meetings on 26 April 2021 and 6 th December 2021.

Recommendations	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
Where local auditors have identified specific areas where improvements could be made, the public bodies should act on these as soon as possible.	<p>Agreed</p> <p>Any significant aspect of improving the internal control environment is prioritised and audit recommendations are also followed up. Audit Committee also receives regular updates in respect of the service progress in implementing Internal Audit recommendations. This includes the number of recommendations implemented, for those yet implemented a revised implementation date.</p>	As reported to the Governance and Audit Committee on 26 April 2021.	As reported to the Governance and Audit Committee meetings on 26 April 2021 and 6 th December 2021.
Audit committees, or equivalent, and officers leading the NFI should review the NFI self-appraisal checklist. This will ensure they are fully informed of their organisation's planning and progress in the 2020-22 NFI exercise	<p>Agreed</p> <p>The checklist has been reviewed by the Council's Fraud Service. NFI updates are provided to Audit Committee at relevant intervals. The next update of the 2020/22 NFI exercise is scheduled to be provided to Audit Committee in the first half of 2021/22.</p>	The completed self-appraisal checklist was incorporated within the Anti-Fraud Annual Report 2020/21 which was presented to the Governance and Audit Committee on 12th July 2021 .	As reported to the Governance and Audit Committee meeting on 6 th December 2021.
All participants should be aware of emerging fraud risks e.g. due to COVID-19 and take appropriate preventative and detective action.	<p>Agreed</p> <p>The Council is signed up with the relevant fraud sharing bodies and has received and shared Covid and other related threats. These threats have been reviewed and disseminated to relevant Services and residents, to provide necessary mitigation.</p>	As reported to the Governance and Audit Committee on 26 April 2021.	As reported to the Governance and Audit Committee meetings on 26 April 2021 and 6 th December 2021.

Recommendations	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
	<p>At the outset of Covid, consideration was given to the potential for fraud to emerge as a result of Covid support measures e.g. Business Support Grants, Free School Meal payments etc.</p> <p>Audit Committee is updated on Corporate Fraud at regular intervals throughout the year, which includes any Covid related matters.</p>		

Local Government Studies

The 'Front Door' to Adult Social Care : This national report contained two main recommendations. These recommendations contained actions for Local Authorities and the Welsh Government.

Published: September 2019

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p><u>Improving access to the front door</u> R1 - Part 1 of the report sets out how authorities promote access to the 'front door' and provide information, advice and assistance to help people to improve their wellbeing and prevent their needs from deteriorating. To improve awareness of the front door we recommend that:</p> <ul style="list-style-type: none"> • Local Authorities: <ul style="list-style-type: none"> - review their current approaches, consider their audience, and ensure that good-quality information is made available in a timely manner to avoid needs deteriorating and people presenting for assistance in 'crisis'; - work in partnership with public and third-sector partners to help ensure people accessing via partner referrals, or other avenues, are given the best information to help them; - ensure that advocacy services are commissioned and proactively offered to those 	<p>Agreed. RCT continuously reviews its Information, Advice and Assistance (IAA) service to improve access to the 'front door'. This includes what we offer, what, when and how best to communicate information so that people get the help they need to prevent their needs getting worse leading to a request for assistance in 'crisis'. Advice and Assistance is offered following assessment by the Single Point of Access (SPA) service. SPA is able to directly commission services from a range of preventative services available, this includes Advocacy services.</p> <p>Advocacy services are commissioned from a variety of sources including third sector. The offer of this service is repeated to ensure that those people in need of longer term care who have not previously needed advocacy can be identified and supported. Care Inspectorate Wales (CIW) recognised the work we have undertaken to</p>	<p>As reported to the Governance and Audit Committee 26th April 2021, noting the specific update set out below.</p>	<p>As reported to the Governance and Audit Committee meetings on 26 April 2021 and 6th December 2021.</p>

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p>who need them at first point of contact; and</p> <ul style="list-style-type: none"> - to take local ownership and lead on the co-ordination and editing of local information published on Dewis Cymru locally. - • The Welsh Government: <ul style="list-style-type: none"> - improve carers' awareness and understanding of their rights to be assessed for their own care and support needs, aimed at generating demand for local authorities' preventative services; and - undertake a full evaluation of the role of Dewis Cymru in the wider implementation of the Act and use the data gained to build on its potential as a national information sharing portal. 	<p>improve our provision of advocacy services for older people in their Annual Letter published in August 2020.</p> <p>The Council is the lead for Dewis Cymru across the County Borough. To date, RCT has 617 resources registered on the Dewis website, a combination of both local authority and 3rd sector organisations. Information on the resources that are available is required to be updated every 6 months to ensure information is up to date. Independent organisations update their own pages as designed by Dewis, but oversight is maintained with the Council.</p> <p>We agree with the recommendations for Welsh Government and welcome a national information sharing portal across a single online platform for all partners.</p>	<p>The Council is the lead for Dewis Cymru across the County Borough. To date, RCT has 422 resources registered on the Dewis website, a combination of both local authority and 3rd sector organisations.</p> <p>The national information sharing portal Wales Community Care Information System (WCCIS) is operational across RCT Adult Services.</p>	
<p><u>Investing in prevention and understanding impact</u></p> <p>R2 - Part 2 of the report highlights weaknesses in authorities' assurance of the availability and quality of third-sector, preventative, community based services that they signpost people to. We recommend that:</p> <ul style="list-style-type: none"> • Local Authorities: <ul style="list-style-type: none"> - map the availability of preventative services in their area to better understand 	<p>Agreed.</p> <p>The Council regularly maps the availability of preventative services across the RCT area to better understand current levels of provision and to identify gaps and duplication. This information is accessible via Dewis.</p> <p>Interlink also maintains a database of local services across the County Borough and ensures connections between Social Care and Community Services.</p>	<p>Interlink and third sector services continue to be represented on various regional forums such as Regional Partnership Board and Transformational Leadership Board where new developments and funding of services to meet identified needs are discussed and agreed. This provides the forum for third sector representation to</p>	<p>As reported to the Governance and Audit Committee meeting on 6th December 2021.</p>

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p>current levels of provision and identify gaps and duplication;</p> <ul style="list-style-type: none"> - involve third-sector partners in co-producing preventative solutions to meet people’s needs and ensure people have equitable access to these services; - work with third-sector partners to tailor and commission new services where gaps are identified; and - work with partners to improve data to evaluate the impact of preventative services on individuals and the population more generally. <ul style="list-style-type: none"> • Welsh Government: <ul style="list-style-type: none"> - improve the cost evaluation in relation to the impact of the Act in a national context, and support local authorities to ensure that the desired impact of prevention on overall social-care expenditure becomes a demonstratable reality. 	<p>Interlink and third sector services are represented on various regional forums such as Regional Partnership Board and Transformational Leadership Board where new developments and funding of services to meet identified needs are discussed and agreed. This provides the forum for third sector representation to influence decision making across the Cwm Taf Morgannwg region.</p> <p>Over the last year organisations and volunteers have worked together to support those most in need in their communities during the pandemic which has been described in a Cabinet report in May 2020 on the Council’s response to the pandemic. This experience has strengthened joint working and has demonstrated that it is possible to identify vulnerable residents, refer them for support and provide ongoing input including befriending, preventing loneliness and isolation, that is available within the communities through voluntary sector and community groups. We will build on these positive experiences as a platform for sharing new service developments, highlighting pressure points and areas for further development, as we emerge from the pandemic.</p>	<p>influence decision making across the Cwm Taf Morgannwg region.</p> <p>As we progress into winter, along with its partners we continue to deliver preventative, hospital avoidance services and explore options around the development of a new offer for integrated health and social care community model. We will update our winter planning report in December 2021 (For reference last year’s report: 8th December 2020 Health & Wellbeing Scrutiny Committee - Adult Services: Covid-19 - Response and Winter Planning)</p> <p>The current Integrated Care Fund (ICF) investment programme will end the 31st March 2022. As noted within Chief Social Care Officer for Wales letter received 17th August, Ministers have approved a new five-year revenue investment fund to build on the work and learning of the Integrated Care Fund and Transformation Fund to date. The new fund will run from April 2022 to March 2027 and will further focus integrated delivery of health and social care services across Wales.</p>	

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
	<p>We agree with the recommendation for Welsh Government.</p>	<p>RCTCBC have been working with Regional Partners to review existing ICF and Transformations programme and prepare for the new fund. Guidance has yet to be issued on the new programme; however place-based support incorporating third sector brokerage, effectively linking the third sector with existing Information Advice and Assistance (IAA) provision, social prescribing and discharge pathways is a future aspiration.</p> <p>As part of the Cwm Taf Morgannwg Region we are required to produce a Population Assessment by 1st April 2022. Working with the Regional Unit, RCTCBC have been supporting the development providing needs assessment data to inform future planning. Engagement with citizens and wider organisations is a key focus and working with the RPB Engagement Officer to undertake meaningful engagement activities with people from each priority group, and then reflect these insights in our Population and Wellbeing Needs Assessment. As part of this work an engagement toolkit for use across the region has been developed.</p>	

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
		By June 2022 there is a further requirement to develop a Market Stability report that will build on the population assessment and support the development of a new Area Plan by April 2023.	

Review of Public Services Boards: This national report contained recommendations for Public Services Boards, Welsh Government and the Welsh Local Government Association

Published: 7 October 2019

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Recommendations for Improvement	Cwm Taf PSB comment for information as reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p>R1 - In Part 1 of the report we set out that understanding the impact of choices and decisions requires public bodies to fully involve citizens and stakeholders and undertake comprehensive Impact Assessments. However, we found that current practice is insufficient to provide assurance that the needs of people with protected characteristics are fully considered when reviewing choices and the voice of citizens is not sufficiently influencing decisions. We recommend that PSBs:</p> <ul style="list-style-type: none"> • conduct formal assessments to identify the potential impact on people with protected characteristics and the Welsh language and review agreed actions to ensure any adverse impacts are addressed; • improve transparency and accountability by making PSB meetings, agendas, papers and minutes accessible and available to the public; • strengthen involvement by working to the guidance in the National Principles for Public Engagement in Wales; and • feed back the outcome of involvement activity identifying where changes are made as a result of the input of citizens and stakeholders. 	<p>Agreed</p> <p>The Audit Report was considered by the Cwm Taf Public Services Board at its meeting on 22 October 2019 and concluded that the PSB could do more to focus on ‘wicked’ issues and strengthen involvement with residents and communities.</p> <p>The recommendations will be addressed in more depth within the Well-being and Population Assessments.</p>	<p>Work on the Well-Being and Population Assessments is now in progress with a strong emphasis on involvement. This work is being carried out with Co -Production Network for Wales after Cwm Taf and Bridgend PSBs were secured their support for a five-year programme.</p> <p>An ‘Involvement’ sub-group has been set up to contribute and deliver the Assessments and conversations are underway about the role and purpose of the group.</p>	<p>Work on-going.</p> <p>The draft Well-being Assessment for Cwm Taf Morgannwg is currently available for consultation/engagement on Our Cwm Taf following consideration by the Cwm Taf Public Services Board on 18 January 2022.</p>

Recommendations for Improvement	Cwm Taf PSB comment for information as reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p>R2 - In Part 2 of the report we review arrangements for PSB scrutiny and conclude that there are shortcomings and weaknesses in current performance and practice. To improve scrutiny, we recommend that:</p> <ul style="list-style-type: none"> - PSBs and public bodies use the findings of the Auditor General for Wales' Discussion Paper: Six themes to help make scrutiny 'Fit for the Future' to review their current performance and identify where they need to strengthen oversight arrangements and activity; and - PSBs ensure scrutiny committees have adequate engagement with a wider range of relevant stakeholders who can help hold PSBs to account. 	<p>Agreed</p> <p>The Cwm Taf Joint Overview and Scrutiny Committee has taken steps to strengthen scrutiny arrangements and to bring scrutiny closer to communities and have held meetings in Hwb Glynrhedynog (Ferndale) and Calon Las (Gurnos)</p> <p>However, there is more that can be done including refreshing the Scrutiny Work Programme to support the closure of the current Well-being Plan and the development of the new Well-being Assessment and Plan.</p>	<p>Cwm Taf Joint Overview and Scrutiny Committee agreed a forward work plan at its meeting in September 2021. The plan has a focus on reviewing progress of the PSB's Well-being Plan 2018-2023 as well as the work underway for the next iteration of the Well-being Assessment.</p> <p>The Chair of Cwm Taf Joint Overview and Scrutiny Committee (JOSC) is an RCT Councillor and is part of the Community Assessment Action Group overseeing the work for the Population Needs and Well-being Assessments.</p> <p>On 5 November members of JOSC also undertook training on the Well-being of Future Generations Act, Public Services Boards and their role.</p>	<p>As reported to the Governance and Audit Committee meeting on 6th December 2021.</p>
<p>R3 - In Part 3 of the report we summarise the difficulty of developing, implementing and resourcing PSBs and the challenges of managing multiple partnerships that can often have overlap and duplication. To help build capacity, consistency and resourcing of activity we recommend that:</p> <ul style="list-style-type: none"> • PSBs take the opportunity to discharge other plan and strategy obligations through the Local Well-being Plan; • the Welsh Government enables PSBs to develop flexible models of working including: 	<p>Agreed</p> <p>The PSB is keen to pursue opportunities to reduce overlap and duplication within the current legislative constraints. There is developing and strengthening integration between the Cwm Taf and Bridgend Public Services Boards and the Cwm Taf Morgannwg Regional Partnership Board which will enable resources to be maximised as far as possible.</p>	<p>Work ongoing and in line with the position reported to the Governance and Audit Committee on 26th April 2021.</p>	<p>As reported to the Governance and Audit Committee meeting on 6th December 2021.</p>

Recommendations for Improvement	Cwm Taf PSB comment for information as reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<ul style="list-style-type: none"> - merging, reducing and integrating their work with other forums such as Regional Partnership Boards; and - giving PSBs flexibility to receive, manage and spend grant monies subject to PSBs ensuring they have adequate safeguards and appropriate systems in place for management of funding; effective budget and grant programme controls; and public reporting, scrutiny and oversight systems to manage expenditure. 	<p>A joint Well-being Assessment produced for Cwm Taf and Bridgend is being developed to support the CTM footprint, which will lead to a single Well-being Plan for CTM. This work will be produced alongside the separate statutory requirement for a Population Assessment so that overlaps and duplication are minimised.</p> <p>The PSB would welcome increased funding flexibilities from Welsh Government with appropriate local oversight, controls and scrutiny.</p>		
<p>R4 - To help build capacity, consistency and resourcing of activity we recommend that the Welsh Government and Welsh Local Government Association in their review of strategic partnerships take account of, and explore, the findings of this review.</p>	<p>Agreed The Review of Strategic Partnerships prepared jointly with Welsh Government, Welsh Local Government Association and Welsh NHS Confederation was shared at a meeting of the Public Services Board in July 2020 (Item 5 Governance item)</p>	<p>The October 2021 meeting of the Cwm Taf PSB considered the roles of the Area Planning Board, Community Safety Partnership and Safeguarding Board in reviewing structures and preparing for the creation of one regional Public Services Board. Representatives from these Boards were in attendance to give their views on how they could work with a regional PSB.</p>	<p>As reported to the Governance and Audit Committee meeting on 6th December 2021.</p>

[Progress in implementing the Violence Against Women, Domestic Abuse and Sexual Violence Act:](#) This national report contained recommendations for Local Authorities, other public bodies and partners.

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p>R1 - Part 1 of the report highlights that despite public bodies having an increasing understanding of, and demand for, VAWDASV services, significant gaps remain and engagement with survivors and victims in reviewing and developing services is inconsistent. To address this, we recommend that needs assessment and mapping of service provision by public bodies are revisited and involvement widened and enhanced to include all relevant stakeholders to build a more accurate picture of current service provision and identify gaps.</p>	<p>A response to this report was prepared for consideration by the Overview and Scrutiny Crime & Disorder Committee at its meeting scheduled for 16 March 2020.</p> <p>As a result of the actions taken to respond to the pandemic, the committee meeting did not take place as scheduled.</p> <p>During the pandemic, all the Council's VAWDASV support services continued and adjusted to operate remotely as a result of the Covid restrictions in place. We deployed regular social media campaigns to highlight the issues of domestic abuse and how to report. Numbers of referrals remained constant throughout and are currently at the same level as pre-Covid.</p> <p>The Audit Wales Report is now scheduled to be presented to the Overview & Scrutiny Crime & Disorder Committee in Autumn 2021. The Council's response will be revised to reflect the work completed since March 2020 and the lessons learned from responding to the Covid pandemic.</p> <p>The recommendations arising from the Audit Wales report are already reflected in the priorities identified in the local Cwm Taf Morgannwg Implementation Plan 20/21 which is set out in the Cwm Taf VAWDASV Strategy Report 2019-20.</p>	<p>All the Council's VAWDASV support services operated remotely throughout the pandemic with most services open and providing face to face support. Numbers of referrals remained constant throughout and are currently at the same level as pre-Covid.</p> <p>Service mapping is undertaken by the Cwm Taf Morgannwg Regional Advisor.</p> <p>The Audit Wales Report is scheduled to be presented to the Overview & Scrutiny Crime & Disorder Committee on 1st December 2021 as part of a report on Keeping women and girls safe in RCT.</p>	<p>Work on-going.</p> <p>A 'Keeping women and girls safe in RCT' report was presented to the Overview & Scrutiny Crime & Disorder Committee on 1st December 2021. The recommendations from the Audit Wales Report have been considered in this work.</p> <p>Funding made available through the Safer Streets Fund has enabled the Council to put in place additional incentives to keep women and young girls safe.</p>

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p>R2 - Part 1 of the report describes how victims and survivors of VAWDASV often find it difficult to navigate a fragmented system of service delivery. To support victims and survivors to access and use services we recommend that public bodies:</p> <ul style="list-style-type: none"> • produce comprehensive and relevant information in a variety of media on the full range of services available to protect and support victims and survivors; and • create a joint pathway to access services and support for both victims and professionals and advertise access arrangements widely 	<p>Agreed It is worth noting that the Audit Report highlights examples of good practice which includes development of the Council's Resilient Families Programme, which has drawn together a range of work streams to provide a single pathway for early intervention service for families.</p>	<p>The Council, in partnership with Women's Aid RCT has reviewed current service provision to consider "a one front door approach" to domestic abuse services in RCT. This work is well underway and a report will be presented to the Service Director Public Health, Protection and Community Services and Group Director of Community Services in December 2021 for their approval to consult with staff in early 2022 in respect of the proposed new working arrangements.</p>	<p>Work on-going.</p> <p>A report outlining the proposed service model for a one front door approach is in the process of being finalised and will be progressed in 2022/23.</p>
<p>R3 - Part 2 of the report notes that whilst it is important that organisations comply with relevant data protection legislation, they also need to share data with partners to better meet the needs of victims and survivors. We recommend that authorities:</p> <ul style="list-style-type: none"> • ensure staff who are likely to come into contact with victims and survivors have appropriate VAWDASV training; • provide refresher training to service managers to ensure they know when and what data they can and cannot share; and • review and update data sharing protocols to ensure they support 	<p>Agreed There are clear examples set out in the Cwm Taf Annual Report of how staff from all agencies are involved in meeting the needs of survivors of VAWDASV. The findings set out in the Audit Wales Report will be considered as part of our continual review of processes to strengthen our support to clients.</p>	<p>The National Training Framework is a key action within the Cwm Taf VAWDASV Strategy Report 2019/20.</p> <p>An RCT senior leads workshop received refresher training on the 6th October 2021.</p>	<p>As reported to the Governance and Audit Committee meeting on 6th December 2021.</p>

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
services to deliver their data sharing responsibilities.			
<p>R4 - Part 2 of the report highlights that while some good progress has been made with regional working, there are not always appropriate levers in place to support service transformation in line with VAWDASV legislation. To ensure the benefits of regionalisation are realised, we recommend that delivery agencies (local authorities, health bodies, the police, fire and rescue authorities and the third sector) review their approach to regional working to better integrate services and maximise the positive impact they can make on victims and survivors.</p>	<p>Agreed VAWDASV is a complex agenda and this is recognised in the report above. The report also sets out the Council's commitment to developing a new regional service model in the medium term and statement of intent.</p>	<p>This is an ongoing process with partners with many of the actions to take forward this agenda highlighted in the Cwm Taf VAWDASV Action Plan 20/21.</p> <p>Recent developments for taking forward regional working include exploring opportunities for piloting a Domestic Violence Perpetrator Project (DVPP) in Cwm Taf Morgannwg.</p> <p>A Regional task and finish group has been set to explore the development of a housing pathway for perpetrators of domestic abuse.</p>	<p>Work on-going.</p> <p>A regional Domestic Perpetrator Programme (DVPP) has been approved and commissioned with Merthyr Tydfil CBC and Bridgend CBCs. This will be jointly funded through Housing Support Grant and Police Crime Commissioner's Office and will be a pilot project with 'Safer Merthyr' for perpetrators stepping down from the 'Drive Project' or who are deemed to present with medium risk.</p> <p>The Programme lead will be RCTCBC and will commence on the 1st of April 2022.</p>
<p>R5 - Part 3 of the report highlights that the complex and short-term funding mechanisms, lack of data and insufficient consultation with stakeholders, are not supporting sustainable commissioning of VAWDASV services. To address this, we recommend that local authorities review their commissioning arrangements to:</p> <ul style="list-style-type: none"> • remove duplication and overlap between different approaches within the authority and with partners; 	<p>Agreed This will be part of the considerations for the new regional service model which will be developed in the medium term.</p>	<p>It is recognised the current funding arrangements for the VAWDASV are not in line with other grant funding streams i.e. Housing Support Grant and Children and Communities Grant and we welcome the Welsh Government review of this funding stream.</p> <p>On 4th October 2001 we were awarded 'Safer Streets' funding of £475K to provide interventions to take a holistic approach to address</p>	<p>Work on-going.</p>

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<ul style="list-style-type: none"> • rationalise administration arrangements to improve efficiency and value for money; • streamline and standardise commissioning arrangements to reduce the burden of administration on all parties; and • set appropriate performance measures, targets and benchmarks to judge the impact and outcome of commissioned services. 		<p>the issues of Violence against Women and Girls in the targeted areas, and more broadly across the local authority, bringing about a wider effect over time to reduce Violence against Women and Girls.</p> <p>Additional funding opportunities and partnership working with the Police Crime Commissioner's office and Health has provided two additional Independent Domestic Violence Advisor (IDVA) posts to work with young people and patients in a hospital setting who have been affected by domestic abuse.</p>	<p>Funding was sought through the Police Crime Commissioner / Health/ Housing for three new IDVA roles which have been commissioned and are in post. These include Housing First IDVA – working with most complex single person homeless co-hort.</p> <p>Health IDVA – located within Royal Glamorgan Hospital to work with people in a hospital setting who are or who have experienced domestic abuse.</p> <p>Young Person's IDVA – working with young people who have witnessed domestic abuse within their families.</p>

Rough Sleeping in Wales – Everyone’s Problem; No One’s Responsibility - This national report contained two recommendations with actions for Local Authorities, public bodies and partners

Published: 23 July 2020

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p><u>Intelligent use of data</u> R1 - Public bodies and third sector partners should ensure they use data to plan the right future services, and to put in place effective data sharing protocols to ensure they respond effectively and safely to people sleeping rough. We recommend that councils and their partners:</p> <ul style="list-style-type: none"> • invest in data analytical skills to better understand the current situation and predict future demand to prevent future homelessness; • review and update data sharing protocols to ensure they support services to deliver their data sharing responsibilities effectively; and • introduce a single data capture and risk assessment process for to help support safe decisions making in dealing with people sleeping rough 	<p>Agreed The Council has put in place a Performance and Support Officer, which has significantly improved data capture and recording. This enables the production of weekly reports in respect of homeless people, rough sleepers and temporary accommodation placements. The data has improved our understanding of service demand and pressures.</p> <p>Through the use of ‘Abritas’ the Case Management system for Homelessness and ‘Homefinder’ we are able to better plan the right services for the future.</p> <p>Information in respect of the number of clients supported and the accommodation units available, among other things, is included in the RCT Housing Support Grant annual update which sets out the support provided to prevent people from becoming homeless, stabilises their housing situation, or helps potentially homeless</p>	<p>The Performance and Support Officer role is critical in the development and monitoring of the data for the Homelessness and Housing Advice Service and the ‘Homefinder’ Team. Weekly management reports confirm overall operational data particularly for our temporary accommodation placements and homelessness presentations. This helps understand current demand and service pressures particularly in respect of the number of available daily temporary accommodation placements. As a result of this intelligence, we increased the number of B+B establishments to ensure sufficient bedspaces to cover the winter period.</p> <p>Regular analysis of this data also helps us understand our client profile and the services we need to put in place to offer support. For example, our Prison Leaver homelessness population have been identified as one the main client groups for making multiple homelessness applications in a 12- month period. This led to a recently commissioned short- term Offender project in partnership with South Wales Police and Her Majesty’s Prison Service.</p> <p>Our Outreach service has been reviewed to offer a multi-agency response with Probation, Dyfodwl and South Wales for</p>	<p>Work on-going.</p>

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
	<p>people to find and keep accommodation.</p>	<p>individuals found sleeping rough or begging in our town centres.</p> <p>We are working with 'Crisis', a national homelessness organisation to understand why 25% of our homeless applicants drop out of the system having made a homelessness application. Following a Discovery Phase which involved a file audit, an action plan has been developed with 8 quick wins identified for service improvement, which include improved process for data logging.</p> <p>Quarterly reporting is undertaken from reports made available through our 'Abitas' IT system. This data is regularly shared with our seven registered social landlords 'Homefinder' partners to understand data relating to applicants and lettings. A review of the RCT Allocation Scheme 2017 is planned for 2022 which will include Rapid Rehousing arrangements to address the needs of our most complex and challenging individuals.</p> <p>Cwm Taf Healthy Partnership Wales is a more recent innovative partnership between RCTCBC and Public Health Wales and will explore how Housing and health are intimately intertwined and work towards improved housing/health partnership arrangements. This will aim to improve outcomes for residents/clients/patients through development of a mechanism to</p>	<p>The work with 'Crisis' is on-going and we are currently working through areas set out below, the identified quick wins in the action plan. These will also be included and monitored in the Service Delivery Plan 2022/23</p> <ul style="list-style-type: none"> • Review PHPs - make more customer friendly • Develop Casework standards • Review debt pathway • Introduce case management standards • Update procedure on ending duty categories • Introduce a suitability template for Temporary Accommodation placements. • Reinvigorate attendance at local partnership forums • Updating of preferred contact methods • Convey likely current service outcomes to customers

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
		share, interpret and use data for action across partners in relation to housing and Health.	
<p><u>Integrated services to tackle complex needs</u></p> <p>R2 - Because public bodies are responding to people in crisis, they often deal with acute issues in isolation and rarely address the fundamental cause of the crisis. To do this requires public bodies to design and create service delivery models that are responsive.</p> <p>We recommend that public bodies use our complex needs self-reflection tool to improve how they can jointly address complex needs in the future</p>	<p>The Council has a strong track record of working with partners to support people in crisis.</p> <p>Our case management system, Abritas, and other referral pathways help us identify service users who present with complex needs.</p> <p>The identification of these needs led to the Council applying for Welsh Government Trail blazer funding to pilot a Housing First project for offenders and an outreach project for those individuals deemed to have complex needs in partnership with Pobl and our Registered Social Landlord (RSL) partners who provide the support and accommodation.</p> <p>The outcomes from both these projects have been over and above what we expected. Some of our most complex and high-risk clients many of whom have previously led extremely chaotic lives, have maintained their tenancies.</p>	<p>Additional Housing Support Grant Funding in 2021/22 has provided additional staffing resources for our RCT Housing First project, enabling the team to increase the number of vulnerable individuals it supports, including developing a pilot project to support Registered Social Landlords (RSL) tenants at risk of losing their tenancy, who have complex and challenging needs.</p> <p>The development of our Regional specialist Mental Health and Substance Misuse Outreach Health Team in partnership with Health, the Area Planning Board and Bridgend and Merthyr County Borough Councils work closely with our homeless and Housing First cohort to offer health related interventions. Information provided from this service is helping us better understand the health needs of our homeless individuals which has prompted joint working with Health and the Area Planning Board.</p> <p>Both Project Officers funded through Housing Support Grant have been recruited and are in post. A draft referral for accessing housing related support services and our Housing First Project has been developed and is out for consultation with partners.</p>	<p>Work on-going,</p>

Recommendations for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
	<p>Following the outcomes from the pilot projects. Housing First has been mainstreamed and these services can be commissioned to assist our clients who present with multiple support needs. These include chronic substance misuse, mental health needs, domestic abuse and offending backgrounds.</p> <p>Additional staffing resources have been secured through Housing Support Grant in 2021/22 to expand the Housing First project in RCT and to increase the number of service users who can be supported on the project.</p>	<p>In recognition of the increasing complexity of clients a review of our adult hostel is currently being undertaken with the aim of developing a purpose-built assessment centre. This will help us carry out more in depth needs assessments for single homeless people with the aim of providing the right services and support based on the outcome of clients assessed housing and support needs.</p> <p>Commissioning arrangements for Women's Aid Rhondda Cynon Taf (WARCT) and housing related support provision have been reviewed with service provision covering male and female service provision including early intervention and prevention projects, floating support, and refuge provision with 4 additional bedspaces commissioned in 2020/21.</p> <p>Regional Commissioning with Merthyr CBC and Care and Repair provides target hardening arrangements for male and female individuals who are at risk or have experienced domestic abuse. Performance measures have been set and are monitored through joint contract monitoring arrangements.</p>	<p>We are currently in the process of understanding and developing an outline of an operational model for RCTCBC for the development of an Assessment Centre linking in with existing services. This will be taken forward in 2022/23.</p> <p>Project up and running and funded through Housing Support Grant. The refuge is currently at capacity in providing provision for 4 female victims of domestic abuse.</p>

[Better law making: the implementation challenge](#) – This national report sets out key findings and the four key questions that the Welsh Government and the Senedd should routinely address.

Published: 24 September 2020

Key Findings and Questions	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p>Audit Wales considered some of the challenges faced by local authorities and other public bodies when trying to implement legislation on the ground.</p> <p>Key findings</p> <ul style="list-style-type: none"> • Regulatory Impact Assessments underestimate the costs associated with implementing legislation • Local authorities struggle with capacity and find it difficult to implement new legislation • Implementation of legislation often requires the Welsh Government to support local authorities and publish timely guidance, but this is not always provided nor is it sufficiently clear and aligned • Different pieces of legislation and guidance are not sufficiently integrated to ensure public bodies are able to deliver their new responsibilities effectively and efficiently 	<p>Agreed</p> <p>Councils have over many years drawn the attention of Welsh Government to the local impact and implications of proposed changes to legislation, the changing partnership landscape and the potential resourcing requirements of the bodies/partnerships required to implement new laws.</p> <p>Whilst the Council has a positive track record of allocating resources to meet and support new initiatives and laws, the key findings identified by the Auditor General reflect this Council’s experience on the ground.</p>	<p>As reported to Governance and Audit Committee on 26 April 2021</p>	<p>As reported to the Governance and Audit Committee meetings on 26 April 2021 and 6th December 2021.</p>

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[Commercialisation in Local Government](#)

Published: 06 October 2020

Recommendation for Improvement	As reported to Governance and Audit Committee 26 April 2021	As reported to Governance and Audit Committee 6 December 2021	Year-end Position (March 2022)
<p>R1 - Undertaking commercialisation requires councils to have enough capacity, the right skills and robust but agile systems to be in place.</p> <p>We recommend that councils use our self-evaluation tools to develop a strategy for the extent to which they want to pursue commercialisation.</p>	<p>Agreed</p> <p>The Council has a good track record of using commercialisation as a tool to meet its business needs. This is explicate in our Corporate Priorities and our approach to delivering them as set out in our Corporate Plan 2020-24 – Making A Difference</p> <p>The Council’s approach to Commercialisation was set out the Capital Strategy Report (sections 9.9-9.11), considered by Council at its meeting on 10 March 2021.</p>	<p>As indicated in April 2021, the Council’s approach to Commercialisation was set out the Capital Strategy Report (sections 9.9-9.11), considered by Council at its meeting on 10 March 2021 and an update was provided as part of the Council’s annual Corporate Performance Report 2021/22, approved by Council in October 2021.</p>	<p>As reported to the Governance and Audit Committee meeting on 6th December 2021.</p>

Audit Wales [Annual Audit Summary 2021](#)

presented to Council – 19 [January 2022](#)

**Local and National Reports
Recommendations/Proposals for Improvement**

National Reports specific to the Covid 19 pandemic in chronological order

<p>Financial Sustainability of Local Government as a Result of the COVID-19 Pandemic October 2020</p>	<p>‘Councils and the Welsh Government have worked well together to mitigate the impact of the pandemic to date but the future sustainability of the sector is an ongoing challenge</p> <ul style="list-style-type: none"> • Against a backdrop of existing funding pressures, the financial costs of the pandemic are unprecedented in modern times • Some councils were better placed financially than others to respond to the challenges of the pandemic • The cost of the pandemic to councils is significant, although a large proportion of the short-term impact has been mitigated through the provision of extra funding • Audit Wales future work – supporting financial sustainability and recovering planning’
<p>Procurement and supply of PPE during the COVID-19 pandemic December 2020</p>	<p>Observations of the Auditor General to the Chairs of the Welsh Government Public Accounts and Health Social Care and Sport Committees, in advance of publication of wider report in Procurement and supply of PPE during Covid 19 pandemic</p>
<p>Test, Trace, Protect in Wales: An Overview of Progress to Date March 2021</p>	<p>‘Key messages</p> <ol style="list-style-type: none"> 1. The TTP programme has seen different parts of the Welsh public and third sector work together well, in strong and effective partnerships, to rapidly build a programme of activities that is making an important contribution to the management of COVID-19 in Wales. 2. The configuration of the TTP system in Wales has a number of strengths, blending national oversight and technical expertise with local and regional ownership of the programme, and the ability to use local intelligence and knowledge to shape responses. 3. Arrangements for testing and contact tracing have evolved as the pandemic has progressed. But maintaining the required performance in these areas has proved challenging in the face of increasing demand. 4. TTP is a crucial part of the Welsh Government’s approach but has not been the only way it is trying to prevent the virus spreading. Despite increased testing and tracing activity, the virus has continued to spread. In Wales, as in other parts

	<p>of the UK and internationally, testing and tracing has needed to be supplemented with increasingly stringent local and national lockdown restrictions in an attempt to reduce transmission rates.</p> <ol style="list-style-type: none"> 5. Lockdowns have only provided temporary solutions to controlling transmission and regardless of progress with vaccines, the TTP programme will remain a key tool in Wales's battle with the virus for some time to come. 6. Testing volumes increased significantly in response to increasing incidence of COVID-19, and results have generally been turned around quickly. The tracing workforce has expanded rapidly. But when demand has risen across regions at the same time, there has been insufficient contact tracing capacity to meet the increased demand. 7. Most importantly of all, the public has a huge role to stop the virus spreading by following guidance and self-isolating when necessary. There is now good information to show the breadth and range of services and support adopted across Wales during the pandemic. But it remains difficult to know how well the 'protect' element of TTP has been working in supporting people to self-isolate. This will become increasingly important as 'lockdown fatigue' sets in with its associated challenges for emotional, physical and economic well-being. <p>Challenges and Opportunities</p> <ol style="list-style-type: none"> 1. Having better information to improve efficiency and evaluate the impact of TTP 2. Ensuring testing activities are fit for purpose and meet increasing demand 3. Creating a skilled, resilient workforce to deliver TTP 4. Influencing the public to follow public health protection guidance and requirements 5. Applying the learning from the TTP programme to other programmes and future ways of working'
<p>Procuring and supplying PPE for the Covid-19 Pandemic April 2021</p>	<ol style="list-style-type: none"> 1. The challenge facing the NHS and social care at the start of the pandemic was stark. The stockpile developed for a flu pandemic was inadequate for a coronavirus. Global supply chains had fragmented as countries competed for scarce supplies and some imposed export controls. 2. Public services across Wales responded in an increasingly collaborative way. Shared Services took on an expanded role in supplying PPE to the wider NHS, including independent contractors in primary care (GPs, dentists, pharmacies and optometrists). Shared Services then worked closely with local government to understand demand in social care and then took on an increasing role supplying PPE. Shared Services now supplies almost all social care PPE needs. We recognise the huge individual and collective effort involved in the work to source and supply PPE to frontline staff. 3. Shared Services data shows that, nationally, stocks did not run out although stocks of some items got very low. At times, Wales drew on mutual aid from other countries but ultimately gave out significantly more than it received. The health and care system is now in a much better position, with buffer stocks of most PPE items in place and orders due on key items where stocks are below target. 4. Surveys carried out by the Royal College of Nursing and British Medical Association suggest confidence in the supply of PPE grew shortly after the start of the pandemic, but concerns remain. While we cannot be sure how representative these views are, some frontline staff reported shortages of specific items of PPE, with a small minority saying at times

	<p>they had none at all. In some cases, staff concerns relate to the fact that they want a higher level of PPE than required under the guidance.</p> <ol style="list-style-type: none"> 5. A range of bodies were involved in sourcing PPE globally and in responding to, and working with, local manufacturers. In contrast to the position described by the NAO in England, we saw no evidence of a priority being given to potential suppliers depending on who referred them. 6. Overall, Shared Services developed good arrangements to rapidly buy PPE, while balancing the urgent need to get supplies for frontline staff with the need to manage significant financial governance risks in an area of rapidly growing expenditure. These risks included dealing with new suppliers, having to make large advance payments and significant quantities of fraudulent and poor-quality equipment being offered. 7. Time pressure meant due diligence could not always be carried out to the level it would outside of a pandemic in a normal competitive tendering process. But, for each contract we reviewed, we found evidence of key due diligence checks. And while costs were generally higher than before the pandemic, we saw evidence of Shared Services negotiating prices down. 8. However, Shared Services did not meet the requirements under emergency procurement rules to publish contract award notices within 30 days. Shared Services told us that its staff needed to prioritise sourcing PPE and that there were other administrative reasons for delays. 9. Shared Services' plan for PPE ran until March 2021. There are now some key decisions to make about the future strategy for PPE, including the size and nature of the stockpile going forwards and the role of Welsh manufacturers.
<p>Financial Sustainability of Local Government COVID-19 Impact, Recovery and Future Challenges - September 2021</p> <p>See also local Financial Sustainability Assessment below</p>	<p>'Overall findings</p> <ol style="list-style-type: none"> 1. We found that Councils have received significant extra funding to deal with the pandemic, but the future sustainability of the local government sector remains challenging against a backdrop of other financial pressures. 2. After publishing our national summary report in October 2020, we then looked at the financial sustainability of each principal council in Wales. • We produced local reports for each council. 3. Due to the extra funding councils have received in response to the pandemic, the financial position has improved for all 22 councils this year. 4. But the overall picture of councils' financial sustainability remains mixed, some councils are still better placed than others to respond to future challenges <p>Four steps to help improve councils' financial sustainability</p> <ol style="list-style-type: none"> 1. Financial strategies - Understand short, medium and long-term challenges and clearly set out the overall priorities for the council's finances 2. Reserves - Plan your approach to, and use of, reserves to ensure that it supports longer-term financial sustainability 3. Performance against budget - Know what's realistic for services to achieve and then understand and act on areas of consistent overspends

Proposals for Improvement	Council's Response
	<ul style="list-style-type: none"> • Workforce – on-going workforce planning arrangements that are informing service reconfigurations / restructures; and • Digital – an updated Digital Strategy 2022 – 26 has been finalised following a pre-scrutiny process (and is being reported to the 21st March 2022 Cabinet for consideration / approval). <p>Service and Finance Officers are working closely together on the financial impacts and opportunities from the above, and updates will be included within the Council's refreshed Medium Term Financial Plan in 2022.</p>

Care Inspectorate Wales - [Assurance Check 2021](#) – confirmed in letter to Director of Community and Children's Services

Published: not yet published on CIW website.

Proposals for Improvement	Council's Response
<p>In March 2020, CIW suspended its routine programme in response to the COVID-19 pandemic to enable local authorities and providers to focus fully on responding to the challenging circumstances and focussed on two questions</p> <p>How well is the local authority discharging its statutory functions to keep people who need care and support and carers who need support, safe and promote their well being during the pandemic?</p> <p>What is the local authority doing to prevent the need for children to come into care; and are children returning home to their families quickly enough where safe to do so?</p>	<p>The findings from the Assurance check were considered by</p> <ul style="list-style-type: none"> • Health and Wellbeing Scrutiny Committee on 19 July 2021 • Children and Young People Scrutiny Committee on 21 July 2021 <p>and identified many strengths and noting that the following areas for improvement are reflected and are being progressed in Service Delivery Plans for 2021/22 and 2022/23.</p> <ul style="list-style-type: none"> • Recruitment & retention of a stable workforce • Closely monitor the reduction of waiting lists • Placement sufficiency in Children Services

National Reports

Care Inspectorate Wales and Health Care Inspectorate Wales – Joint report

[Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2019-20](#)

Published: 24 March 2021 on CIW Website

Key Findings	Council's Response
<ul style="list-style-type: none">• Since many applications for DoLS were from care homes or older adult wards, the majority of applications continued to be for older adults, with more than 85% of applications for people over the age of 65.• More DoLS authorisations were made for males up to the age of 64, but after the age of 85, a significantly higher number of authorisations were in relation to females.• There has continued to be a year on year increase in the number of applications received by supervisory bodies, with a 28% increase received by health boards in 2019-20.• Nearly half of all applications were withdrawn due to the individual either moving to a different care setting, being discharged from hospital or dying before the application is reviewed.• Across Wales, fewer than half of applications were completed within the statutory timeframes.• Of those applications refused by supervisory bodies, approximately half were because the mental capacity condition was not met.• Health boards and local authorities continued to propose very different durations for their authorisations, with health boards proposing considerably shorter durations than local authorities.• Over half of applications had not been assessed within 28 days, suggesting supervisory bodies were unable to assure themselves that people's human rights were not being breached by being deprived of their liberty unlawfully.• Whilst most people were represented by family and friends, the number of people referred to Independent Mental Capacity Advocates (IMCAs) increased compared to 2018-19.• The proportion of authorisations referred to Court of Protection also increased compared to 2018-19.	<p>This is a national annual monitoring report of CIW and HIW on the implementation of Deprivation of Liberty Safeguards (DoLS) in Wales, on behalf of Welsh Ministers. The report refers to activity between April 2019 and March 2020.</p> <p>DoLS will be replaced in April 2022 with the Liberty Protection Safeguards (LPS) which were introduced by the Mental Capacity (Amendment) Act.</p> <p>We will implement these changes in line with the new Codes of Practice and Regulations when they are published and our arrangements will be reflected in our Service Delivery Plan for 2022/23.</p>

Care Inspectorate Wales

[National Overview Report of Assurance Checks](#)

Published: November 2021 on CIW Website

Future Challenges identified	Council's Response
Unprecedented increase in demand for social care Partnership working Recruitment and Retention Fragility within Domiciliary Support Services Placement insufficiency within the childcare sector Advocacy Support for Carers Grant funding	This report provides a National Overview of the themes and challenges that CIW has identified during their Assurance Checks of the 22 Local Authorities between September 2020 and July 2021. We note the national challenges identified and will take account of them as part of our ongoing service improvements. However, of more direct relevance is the progress and areas for improvement that have been identified in our local (RCT) Assurance Check 2021 which has been reported to both Children's and Health and Wellbeing Scrutiny Committees referenced above and are being progressed in our Service Delivery Plans for both 2021/22 and 2022/23.

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[Let me Flourish](#) National review of early help, care and support and transition for disabled children in Wales

Published: November 2021

Actions Needed by Local Authorities	Council's Response
<ol style="list-style-type: none"> 1. a rights-based approach when working with disabled children and their families must be promoted and taken 2. carers' rights and entitlements must be actively promoted 3. effective arrangements must be in place for communication with disabled children. The child's preferred method of communication should be used, their voice should be consistently sought, heard and captured 4. eligibility criteria for access to statutory services must be fully aligned with the 2014 Act 5. practitioners working with disabled children must be sufficiently skilled and trained in relation to the tasks they perform/are expected to perform when working with children and their families 6. opportunities for consultation with disabled children and their parent/carers should be developed and maximised 7. review and take the necessary action to ensure sufficient and accessible information, and timely advice and assistance is available for disabled children and their families 	<p>The service has taken account of the actions set out in the national report. However, of more relevance is local inspection undertaken as part of the national review. This local inspection took place in December 2019 and considered Disabled Children's Service and Focused Activity in the 16+ Service.</p> <p>An update on the progress of Rhondda Cynon Taf Council's response to the recommendations within the local Inspection of the Disabled Children's Service and Focused Activity in the 16+ Service which took place in December 2019, as part of the national review</p>

Actions Needed by Local Authorities	Council's Response
<p>8. ensure the 'Active Offer' of a service delivered in the Welsh language is consistently promoted and provided</p> <p>9. ensure the 'Active Offer' of independent formal advocacy is consistently promoted and provided</p> <p>10. review and ensure effective quality assurance systems and information recording systems are in place to assess and evaluate the quality and impact of work with disabled children and their families, and for the purpose of service planning, delivery and adherence to statutory requirements</p> <p>11. safeguarding thresholds and processes must be well understood by practitioners and partners and as rigorously applied in relation to disabled children as they are for non-disabled children</p> <p>12. sufficiency of suitable local placements, and play, social, recreational, training and employment opportunities for disabled children must be maximised to meet the needs of disabled children and young people</p> <p>13. transition planning must be undertaken in a timely manner and include disabled children, their families and relevant professionals/agencies</p> <p>14. ensure adherence to the Children and Young People's Continuing Care Guidance – January 2020</p> <p>15. opportunities for greater collaboration and joint commissioning with regional partners must be maximised</p> <p>16. ensure required action is taken to comply with the requirements of the Statutory Code of Practice on the Delivery of Autism Services</p> <p>17. ensure suitable arrangements are in place for the forthcoming implementation of and compliance with the Liberty Protection Safeguards (LPS)</p>	<p>programme, was presented to C&YP Scrutiny Committee in September 2021.</p>

Audit Wales - Local Government Studies

At your Discretion - Local Government Discretionary Services

Published: April 2021

Key Facts arising	Council's Response
<ul style="list-style-type: none"> • Defining whether a service is discretionary or statutory can be complicated and does not reflect the important work of councils • Despite providing essential services that people depend on, councils have had to make difficult choices on what to protect in responding to over a decade of austerity Service review processes help councils make tough choices but do not always draw on all key data <ul style="list-style-type: none"> ○ Citizens are willing to get involved in helping shape and run services, but councils are neither effectively nor consistently involving them in decisions 	<p>The Council has well embedded Service Self-Evaluation and Service Delivery Planning arrangements that ensure its statutory responsibilities are met and also recognise the key role discretionary (and preventative) services play in contributing</p>

Key Facts arising	Council's Response
<ul style="list-style-type: none"> • Councils are not confident that they can continue to deliver all their services in the face of rising and complex demand • COVID-19 offers an opportunity to reevaluate and reset the role and value of local government <ul style="list-style-type: none"> ○ COVID-19 has demonstrated the importance of councils as key leaders in our communities who provide essential services and a safety net for people across Wales ○ Councils need to build on their response to COVID-19 and take the opportunity to transform the way they provide services and interact with communities 	<p>to statutory duties and, importantly, how they support communities and provide better outcomes for residents across the County Borough.</p> <p>These arrangements will continue to be central in informing opportunities to shape future service delivery, in consultation with citizens, to ensure the Council continues to provide good quality and affordable services in line with the needs of communities across Rhondda Cynon Taf.</p>

[Regenerating town centres in Wales](#)

Published September 2021

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Mixture of Welsh Government and Local Authority Actions	Council's Response
<p>R1 Non-domestic rates have not been reviewed in recent years, and the levels charged do not reflect the current rents being achieved in many town centres.</p> <p>We recommend that the Welsh Government review Nondomestic Rates to ensure the system better reflects town centre conditions when the payments holiday ends in March 2022.</p>	<p>Agree with recommendation</p>
<p>R2 Many town-centre businesses are impacted adversely by charging for car parking, access to public transport and poor transport infrastructure.</p> <p>We recommend that the Welsh Government work with local authorities to review transport challenges facing town centres and agree how best to address these.</p>	<p>Agree with recommendation. Transport and access issues and opportunities are key to bringing forward town centre investments and regeneration plans and strategies such as those for Pontypridd, Porth and Mountain Ash.</p>
<p>R3 The Welsh Government has directly provided and levered in just under £900 million through 13 funding schemes to help regenerate town centres. However, some aspects of the Welsh Government's management of the funding are considered problematic. To ensure local authorities are able to maximise the impact of funding and tackle the more difficult and longstanding problems that would help transform their town centres, we recommend that the Welsh Government:</p>	<p>Agree with the recommendations.</p> <p>We will continue to work closely with WG colleagues to develop improved approaches to delivering funding for town centre regeneration in the most effective way. RCT is leading on the management and delivery of several regional and national WG funded initiatives which puts us in a strong position to understand</p>

Mixture of Welsh Government and Local Authority Actions	Council's Response
<ul style="list-style-type: none"> • consolidate funding to reduce bureaucracy by streamlining processes and grant conditions and keeping requests for information and supporting materials to a minimum; • move away from annual bidding cycles to multi-year allocations; and • rebalance investment from capital to revenue to help local authorities address staff capacity and skills shortages. 	<p>where improvements can be made and to suggest how best these can be implemented.</p>
<p>R4 The Welsh Government has provided all 22 local authorities with training on how best to use existing enforcement, financial assistance and debt recovery powers, but they are not being consistently nor effectively utilised to support regeneration. We recommend that local authorities take appropriate action, using these existing powers and resources available to achieve the best possible outcome for town centres by:</p> <ul style="list-style-type: none"> • using alternative methods of enforcement before using Compulsory Purchase Orders as a last resort; • integrating enforcement strategies with wider departmental strategies across housing, environmental health, planning and regeneration teams to make more effective use of existing skills and resources; and • ensuring there is capacity and the right expertise to use the full range of powers, working in collaboration with other councils to achieve good outcomes. 	<p>Agree with the recommendations. Staff and relevant Cabinet Members have benefitted from training funded by WG and provided by an independent expert. We have also prepared an Empty Property Action Plan which identifies priority targets for enforcement, and which includes input from all relevant Services. A good example is at Guto Square, Mountain Ash where concerted action and enforcement has led to a successful Compulsory Purchase Order resulting in the redevelopment of derelict land at the centre of the town for a new public space with multiple uses.</p>
<p>R5 The Welsh Government's 'Town Centres First' approach looks to put the health of town centres at the heart of the decisions taken by the Welsh Government, local authorities, the wider public sector, businesses and communities. This requires a high degree of integration between cross-cutting policy frameworks and decision making to promote town centres above much else. We recommend that the Welsh Government set out how it plans to deliver this in practice, its expectations of partners and the practical steps it will take to make this ambition a reality.</p>	<p>Agree with the recommendation</p>
<p>R6 Town centres are changing, and local authorities need to be receptive to these changes and plan to manage these shifts. We recommend that local authorities use our regeneration tool to self-assess their current approaches to identify where they need to improve their work on town-centre regeneration (the tool is here)</p>	<p>Agree with the recommendation. We continually review our approach to regenerating Town Centres to meet our Corporate priorities as part of our annual Performance evaluation and Service Self Evaluation processes. We have used the Audit Wales Self Evaluation Tool as part of our consideration to our approach to town centre regeneration and are generally satisfied we meet the themes Intention, Involvement, Informed and Intervention. However, we are not complacent and will continue to adapt and improve our approach as circumstances, issues and opportunities change. For example, we intend to continue to develop</p>

Mixture of Welsh Government and Local Authority Actions	Council's Response
	appropriate strategies, placemaking plans and frameworks to cover all of our key towns, pilot new ways to improve how we monitor town centre usage through footfall related technology and ensure that we make better use of the suite of enforcement measures that are available to bring forward redevelopment. An example of this is the draft Pontypridd Placemaking plan which was considered by Cabinet on 28th February 2022 .

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