



**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
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Taff Street
Pontypridd
CF37 4 TH

Meeting Contact: Hannah Jones - Council Business Unit, Democratic Services
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YOU ARE SUMMONED to a Virtual meeting of the **GOVERNANCE AND AUDIT COMMITTEE** to be held on **WEDNESDAY, 24TH JANUARY, 2024** 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, 22 January 2024 on the contact details listed above, including stipulating whether the address will be in Welsh or English.

AGENDA

**Page
No's**

1. DECLARATION OF INTEREST

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

Note:

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

2. MINUTES

To receive the minutes of the previous meeting of the Governance and Audit Committee held on 19th December 2023.

3. **PROCEDURE RULES UPDATE (POWERPOINT PRESENTATION) - AN OVERVIEW OF THE COUNCIL'S CONTRACT AND FINANCIAL PROCEDURE RULES**
4. **AUDIT WALES REPORT - 'USE OF PERFORMANCE INFORMATION: SERVICE USER PERSPECTIVE AND OUTCOMES' - COUNCIL PROGRESS UPDATE**
13 - 34
5. **PROGRESS AGAINST THE INTERNAL AUDIT RISK BASED PLAN 2023/24**
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6. **INTERNAL AUDIT RECOMMENDATIONS UPDATE**
47 - 54
7. **THE COUNCIL'S FINALISED ANNUAL SELF-ASSESSMENT 2022/23 INCORPORATING THE COUNCIL'S CORPORATE PERFORMANCE REPORT - VERBAL UPDATE**
8. **INTERNAL AUDIT SERVICE 2024/25 - VERBAL UPDATE**
9. **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



RHONDDA CYNON TAF COUNCIL

Minutes of the virtual meeting of the Governance and Audit Committee held on Tuesday 19th December 2023 at 5.00 pm.

This meeting was recorded, details of which can be accessed [here](#)

Chair present:

Mr C Jones (Chair)

Committee Members present:

Councillor M Maohoub Councillor S Rees
Councillor G Hopkins Councillor B Stephens
Mr J Roszkowski Mr M Jehu

Non-Committee Member present:

Councillor C Leyshon

Officers in attendance

Mr P Mee, Chief Executive
Mr B Davies, Deputy Chief Executive and Group Director, Finance, Digital and Frontline Services
Mr A Wilkins, Director of Legal Services and Democratic Services
Mr P Griffiths, Service Director – Finance & Improvement Services
Mr I Traylor, Service Director Pensions, Procurement & Transactional Services
Mr T Jones, Service Director – ICT & Digital Services
Ms L Lawson, Performance Manager
Ms S Davies, Service Director of Financial Services
Ms E Williams, Service Lead Enterprise Architecture
Mr M Davies, Operational Manager - Revenues and Corporate Fraud
Mr A Wathan, Head of Regional Audit Service
Ms L Cumpston, Group Audit Manager

33 WELCOME AND APOLOGIES

The Chair welcomed attendees to the meeting of the Governance and Audit Committee and apologies for absence were received from County Borough Councillors L Tomkinson and A Ellis.

34 DECLARATION OF INTEREST

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

35 MINUTES

It was **RESOLVED** to approve the minutes of the Governance and Audit Committee meeting held on 12th October 2023 as an accurate record.

36 2022/23 ANNUAL GOVERNANCE STATEMENT RECOMMENDATIONS - PROGRESS UPDATE

The Service Director of Finance and Improvement Services provided the Governance and Audit Committee with an update on the status of the recommendations included within the 2022/23 Annual Governance Statement.

The Service Director informed the Committee that all Local Authorities have a legal requirement to conduct a review, at least once per year, of the effectiveness of its system of internal control and must include a statement reporting on the review in the statement of accounts. It was explained that Rhondda Cynon Taf Council discharges this responsibility by producing an Annual Governance Statement.

The Service Director drew Members' attention to Appendix 1 of the report, which outlined 5 recommendations for the period, which would further support improvement to the Council's governance arrangements.

Members were informed that of the recommendations contained within Appendix 1, two had been implemented, one was on target, one had a revised completion date of March 2024 and one was ongoing. The Service Director fed back that the position statement demonstrated the progress being made to implement the recommendations reported within the Annual Governance Statement to further strengthen the current sound governance arrangements in place within the Local Authority.

Referring to the recommendation in respect of the Council's Participation Strategy and setting out how local people are encouraged to participate in decision-making by the Council, the Vice-Chair requested clarification. The Service Director advised that the Council had developed a Public Participation Strategy, which had been endorsed by Full Council and the document sets out the approach to ensure all voices and feedback is heard as part of decision making and future delivery of council services.

The Chair thanked the Service Director for the report and the Governance and Audit Committee **RESOLVED:**

1. To seek clarity and explanation where there are areas of concern; and
2. To form an opinion in respect of whether they are satisfied with the progress made to date to implement the recommendations.

37 DRAFT ANNUAL SELF-ASSESSMENT 2022/23 (INCORPORATING THE COUNCIL'S CORPORATE PERFORMANCE REPORT)

The Council's Performance Manager presented the report, which provided the Committee with the opportunity to consider the Council's Self-Assessment for 2022/23 in advance of consideration by Council in accordance with the requirements of the Local Government and Elections (Wales) Act 2021, which requires the Self-Assessment to be considered by Governance and Audit

Committee in advance of consideration by Council.

The Performance Manager stated that the Council has a strong track record of self-awareness and self-reflection processes and a culture of continuous improvement, irrespective of the various statutory requirements in place at any time. It was explained that there was no nationally prescribed model of annual self-assessment and therefore, the aim when undertaking the self-assessment was to continue to do so with minimal additional process or burden on the organisation and its managers. The intention was to make maximum use of the huge volume of information already in place across the Council, including reports, policies, strategies, plans and stakeholder feedback, which Elected Members would have had the opportunity to review and challenge, as part of the Council's existing governance arrangements.

It was explained that the 2022/23 Self-Assessment focused on the Council's progress in responding to the Improvement Themes emerging from the stock take in 2021/22 as well as consideration of the robustness of the management and monitoring arrangements in place as evidence the Council is delivering its priorities and be assured that:

- it is exercising its functions effectively;
- it is using its resources economically, efficiently and effectively; and
- its governance is effective for securing the above.

The officer drew Members' attention to section 5.3 of the report and explained that the Council's Self-Assessment had been integrated with the annual Corporate Performance Report and comprised of the following six sections:

1. The progress we have made against the nine themes for improvement which were identified in the 2021/2022 Self-Assessment;
2. How we have delivered on our Corporate Plan since 2020 as we prepare our new Plan from 2024;
3. How we have delivered the priorities of our Corporate Plan in 2022/23;
4. Assessment of our corporate functions;
5. The Self Evaluation (SSE) of our services; and
6. Well-being of Future Generations - Sustainable Development principle.

The Chief Executive thanked the Performance Manager for informing Members of the robust processes in place to comprise the self-assessment and took the opportunity to provide observations. The Chief Executive noted that the self-assessment was representative of a huge amount of data and evidence from across the Local Authority, which had been hyperlinked throughout the document. The document sought to demonstrate the range and diversity of the Council's functions and the scale of the services delivered, along with the progress on delivering the commitments throughout the year.

The Chief Executive referenced the nine themes identified in the Council's previous self-assessment and acknowledged the good progress made against those themes. Examples provided were in respect of the effective response to the significant and unprecedented financial challenges faced during the year; the progress made in delivering the ambitions of the Council's climate change strategy; and the ongoing capital investment in town centres. The Chief Executive was satisfied with the progress made across the nine themes but given the longevity of some, it was recognised that they would remain a priority going forward.

The Chief Executive was also satisfied that good progress had been made during the year following the challenge sessions held with the designated Directors.

The Chief Executive concluded that the document demonstrated the Council was well-run but not complacent, and is prepared to challenge and change the way of working when necessary. The Chief Executive was of the view that the Council had used its resources effectively and that within the Council, robust governance and performance management arrangements were in place.

One Member questioned if there were processes in place to acknowledge and learn from practices put in place during the previous self-assessment that did not work. The Chief Executive advised that the self-assessment informs delivery plans and priorities, which are monitored and reported quarterly to Members. Where there are exceptions or problems, it was noted that they were addressed and actioned accordingly. More generally, it was explained that progress against the nine themes previously identified were monitored and due to their medium to long term nature, are also included within this year's self-assessment. The Service Director - Finance and Improvement Services added that the quarterly Performance Report information provided to Cabinet and the Overview and Scrutiny Committee includes evaluative activity as part of the three Corporate Plan priority action plans of People, Places and Prosperity to help assess the impact of the Council's work.

In relation to the Council's financial position and a key consideration of the self-assessment, which is whether the Council is using its resources effectively, one Member questioned how the Council is responding to the current financial pressure and how resilient it is. The Service Director - Finance and Improvement Services advised that an organisational-wide and on-going approach is in place to review the utilisation of resources, led by the Senior Leadership Team, with the process taking into account the level of services provided and impacts. It was noted that the process forward projects likely resource levels and costs into the medium term to inform service planning and delivery. Members were informed the arrangements have played a key part in ensuring the Council has consistently set and delivered balanced budgets over a number of years, with the Council also using reserves appropriately and sustainably as part of the arrangements. The Service Director added that the approach had also enabled the Council to identify and deliver significant budget savings on an on-going basis, and noted that the budget gap successfully addressed for the current financial year was £38Million. In terms of the Council's reserves, the Service Director assured the Committee that they were reviewed on a regular basis, with updates reported at least twice a year to Full Council to enable elected Members to scrutinise in detail and consider options to re-prioritise reserves to support additional investment into Corporate Plan priority areas.

In relation to workforce planning, one Member was disappointed to note the staff turnover in Community and Children Services, which had increased by 3%. It was noted that a Workforce Strategy was in place within Children's Services, and the Member was interested in the breakdown between the two services (i.e. Adult and Children's Services) and whether this was an area of ongoing review. The Chief Executive agreed that workforce planning was a key priority for the Council and explained that such challenges were faced across a wide range of service areas. In terms of the Workforce Strategy within Children's Services, the Chief Executive noted that it was successful in some respects as it modernised the approach to recruitment, sped up process and improved marketing

significantly, which had a positive impact in gaining interest in the posts. However, it was acknowledged that the Strategy had not, to date, been able to fully address the fundamental challenge of recruiting and retaining professional social workers in intensive intervention services. The Chief Executive explained the factors which were attributed to the challenge of recruitment and retention and stated that the environment was highly competitive across Wales with only approximately 60% of the posts filled. Members were informed that there were not enough individuals choosing to go into the profession and, therefore, work was being undertaken to provide incentives and to support more student placements to close the gap. The Chief Executive also spoke of the management of caseloads for staff within the profession and acknowledged that the nature of the work was incredibly challenging.

Referring to the modernisation and integration of Social Care, one Member referred to the unintended consequences of the not-for-profit model introduced by Welsh Government. As Chair of the Planning and Development Committee, the Member advised that a letter had been written from the Committee, in conjunction with the Cabinet Member, to the relevant Minister but a response had yet to be received. The Planning and Development Committee had identified that private providers were purchasing, what were deemed as inappropriate dwellings to transform into private residential care homes. The Chief Executive was in support of Welsh Government's view that private businesses should not be profiting from the care of vulnerable children and young people but acknowledged that there were inadvertent consequences in terms of destabilising the marketplace. It was explained that it had become increasingly challenging to meet the placement sufficiency duties for children looked after and how to transition safely to a not-for-profit model. In response to the situation, the Council had almost doubled its in house residential capacity during the last 18 months but it was recognised that pressures remain, given the increase in demand and complexity of needs. The Chief Executive acknowledged the concerns of the Planning and Development Committee that some of the dwellings were inappropriate, but added that as part of the planning process, the homes would need to be regulated by Care Inspectorate Wales.

A Lay Member took the opportunity to thank the Chief Executive and the team for the robust self-assessment and commented that the document was pragmatic, realistic and aspirational. The Member advised that from his experience, the community and partners were complimentary of the Council's governance arrangements.

One Member praised the report for its detail but felt that it was late in the year to be considering the 2022/2023 self-assessment, to which officers acknowledged and advised that arrangements are being made for it to be brought forward earlier next year.

The Member noted that within the document, it had been identified to strengthen arrangements for service user engagement and equality, diversity, and inclusion. The Member sought clarity on how this would be progressed. The Chief Executive noted that the two points were additional priorities arising from the self-assessment during the year. The Chief Executive advised that there was already good practice in terms of effective engagement across the Council, such as the co-production exercise with service users and families to remodel learning disability services, engagement with developing town centre regeneration strategies with the business community and the adoption of the Council's Participation Strategy. However, the Chief Executive acknowledged that there

was more work to be undertaken to strengthen the arrangements. In relation to equality and diversity, the Chief Executive fed back that good progress had been made, which was reflected in the annual equality report. However, it was noted that staff have encountered behaviours that do not adhere to the Council's expectations and thus, focussed work had been undertaken with the Senior Leadership Team to develop the organisational culture and values further to make expectations more clear to staff along with the Council's on-going commitment to this area. Members were assured that the work would feature in the Council's new Strategic Equality Plan and the new Corporate Plan in the New Year.

The Chair thanked officers and Members for the contributions and the Governance and Audit Committee **RESOLVED:**

1. To review the draft Self-Assessment at Appendix 1 of the report and considers whether it is an accurate and robust reflection of the position of the Council and its services and meets the requirements of the [Local Government and Elections Act 2021 Part 6](#);
2. To note the progress made in respect of the improvement themes identified in 2021/22 Self-Assessment;
3. To provide observations or recommendations, as deemed appropriate, to the Chief Executive for the Committee's feedback to be included in the report to Council in January 2024; and
4. To note that following approval of the Self-Assessment by Council, the document will be published within four weeks of it being finalised.

(Note: County Borough Councillor G. Hopkins left the meeting during discussions.)

38 2023/24 MID YEAR TREASURY MANAGEMENT STEWARDSHIP REPORT

The Service Director - Finance Services provided the Committee with the opportunity to scrutinise Treasury Management information presented to Council on 29th November 2023. The Council report was attached at Appendix 1 and detailed the Council's Treasury Management activity during the first six months of 2023/24 and prudential and treasury Indicators for the same period.

The Service Director confirmed that Rhondda Cynon Taf had complied with all relevant Codes of Practice with regards to Treasury Management, this being CIPFA's Code of Practice on Treasury Management and the Prudential Code.

Members' attention was drawn to section 5 of the report, which outlined the economic background for the first half of the financial year. The Service Director noted that UK inflation remained high over much of the period, keeping expectations elevated of how much further the Bank of England would increase rates. However, inflation data published in the latter part of the period was lower than expected, causing financial markets to reassess the peak in the Base Rate. This was followed very soon after by the Bank of England's Monetary Policy Committee (MPC) maintaining the Base Rate at 5.25% in September and it was explained that it had remained at this level up to and including the recent decision on 13th December where MPC members voted again to maintain the

rate at 5.25%.

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The Service Director drew Members' attention to section 6 of the report, which outlined the borrowing activity. Members were informed that the Local Authority had continued to maintain its low-risk strategy, using "internal borrowing" with no new external borrowing undertaken during the year and operating within budget.

Members were informed that sections 8,9 & 10 contain a suite of Treasury Management and Prudential indicators and are compliant with limits set by full Council on 29th March earlier this year.

Members were also informed of details within sections 11 and 12 demonstrating the low-risk strategy associated with the approach to investments with an investment return just slightly lower than the benchmark rate.

The Service Director updated the Committee in respect of the contractual arrangements in place with the current Treasury Management advisors, Arlingclose. It was explained that the contract had been extended until March 2024 and that the procurement process had begun for a new contract beginning April 2024.

The Chair thanked the Service Director for the informative update and was pleased with the Council's approach.

The Governance and Audit Committee **RESOLVED:**

1. To scrutinise and comment on the information provided; and
2. To consider whether they wish to receive further detail on any matters contained in the report.

39 TO CONSIDER PASSING THE FOLLOWING UNDER-MENTIONED RESOLUTION:

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

40 CYBER SECURITY RESILIENCE

With the aid of a PowerPoint presentation, the Service Director of Digital and ICT provided the Governance and Audit Committee with information in respect of cyber security resilience and its importance within the Local Authority.

Following consideration of the PowerPoint presentation containing exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act, 1972 (as amended), namely information relating to the financial affairs of any particular person (including the authority holding that information), the Governance and Audit Committee

RESOLVED:

1. To note the information provided.

41 PROGRESS UPDATE AGAINST THE ANTI-FRAUD, BRIBERY AND CORRUPTION WORK PROGRAMME FOR 2023/24

The Service Director of Pensions, Procurement and Transactional Services and the Operational Manager for Revenues and Corporate Fraud provided the Governance and Audit Committee with the progress made to date against the Anti-Fraud, Bribery & Corruption work programme for 2023/24.

Following consideration of the report containing exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act, 1972 (as amended), namely information relating to the financial affairs of any particular person (including the authority holding that information), the Governance and Audit Committee **RESOLVED:**

1. To note and review the outcomes of the anti-fraud work progress during 2023/24; and
1. To provide direction and guidance where necessary within the Terms of Reference of the Committee.

(Note: Lay Member, Mr M Jehu left the meeting during discussions.)

42 URGENT BUSINESS

The Director of Legal and Democratic Services advised that the following item of urgent business would involve the likely disclosure of exempt information and recommended that the meeting remain exempt from the press and public.

The Governance and Audit Committee therefore **RESOLVED:** "That the press and public remain excluded from the meeting under Section 100A(4) of the Local Government Act (as amended) for the following items of business on the grounds that they involve the likely disclosure of the exempt information as defined in paragraph 14 of Part 4 of the Schedule 12A of the Act".

(Note: At this point in proceedings, officers from the Regional Internal Audit Service left the meeting, following advice from the Director of Legal and Democratic Services that there was a risk that the discussions to follow will result in a conflict of interest).

With the Chair's permission, the Deputy Chief Executive and Group Director for Finance, Digital and Frontline Services provided the Governance and Audit Committee with an update on the Internal Audit Service report containing exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act, 1972 (as amended), which had been considered and agreed by Cabinet on 18th December 2023.

Following discussion, the Committee **RESOLVED** to note the update.

This meeting closed at 7.07 pm

**Mr C Jones
Chair.**

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RHONDDA CYNON TAF

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2023/24

GOVERNANCE AND AUDIT COMMITTEE 24TH JANUARY 2024	AGENDA ITEM 4
REPORT OF THE SERVICE DIRECTOR FOR DEMOCRATIC SERVICES AND COMMUNICATION	COUNCIL PROGRESS UPDATE - RECOMMENDATIONS REPORTED BY AUDIT WALES: USE OF PERFORMANCE INFORMATION - SERVICE USER PERSPECTIVE AND OUTCOMES (Local Report)

Author: Lesley Lawson (Performance Manager)

1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to provide the Governance and Audit Committee with the Audit Wales report in respect of the Council's 'Use of Performance Information: Service User Perspective and Outcomes' and to set out the actions to be taken by the Council to implement the recommendations.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Note the findings and recommendations within the Audit Wales Local Report – 'Use of performance information: service user perspective and outcomes' (Appendix 1) and the Council's response to the recommendations (Appendix 2).
- 2.2 Consider whether there are any matters of a governance, internal control or risk management nature that require further action or attention by the Governance and Audit Committee.
- 2.3 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, with the Governance and Audit Committee and Scrutiny Committees overseeing 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 Section 3(i) Responsibility for Functions of 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 REPORT

4.1 Set out at Appendix 1 is the Audit Wales report in respect of Council's 'Use of Performance Information: Service User Perspective and Outcomes'.

4.2 The report includes information on the scope of the review, this being focussed on the performance information provided to senior officers and senior members (senior leaders) about service user perspectives and outcomes, and how this information is used. The report also includes information on areas that the review did not cover i.e.: a full review of the Council's performance management arrangements; an in-depth review of the quality of the data that the Council collects; and focus on engagement with service users on specific service changes or the development of policies and strategies.

4.3 The report concludes that:

'Overall, we found that performance information provided to senior leaders does not generally enable them to understand the service user perspective and the outcomes of the Council's activities.'

4.4 This finding is broadly in keeping with the Council's own findings set out in the Council's annual [Self-Assessment](#) for 2021/22 and more recently the 2022/23 draft Self-Assessment considered by Governance and Audit Committee at its meeting [in December 2023](#).

4.5 The Audit Wales report includes three recommendations in respect of Service User Perspective and Outcomes, as noted below, and Appendix 2 sets out the actions the Council is taking to support improvement in these areas.

- *The Council should strengthen the information it provides to its senior leaders to enable them to understand how well services and policies are meeting the needs of service users.*
- *The Council should strengthen the information provided to senior leaders to help them evaluate whether the Council is delivering its objectives and the intended outcomes.*
- *The Council needs to assure itself that it has robust arrangements to check the quality and accuracy of the information it provides to senior leaders relating to service user perspective and outcomes.*

5. EQUALITY AND DIVERSITY IMPLICATIONS/SOCIO-ECONOMIC DUTY

5.1 This report provides an update on the work being taken by the Council to progress recommendations reported by Audit Wales; therefore, an Equality and Socio-Economic Impact Assessment is not required.

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 implications as a result of the recommendations set out in the report.

8. FINANCIAL IMPLICATION(S)

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

9. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 9.1 There are no legal implications aligned to this report.

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

- 10.1 The Council's work in respect of continuing to strengthen the use of organisation data and intelligence is key to the delivery of the Corporate Priorities as set out in the Corporate Plan, '[Making a Difference – 2020-24](#)' and is informing and shaping the development of the Council's new Corporate Plan which will be in place from April 2024.

11. CONCLUSIONS

- 11.1 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 in place and monitor the progress made by Council Services to implement recommendations reported by Audit Wales.

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 – 24th January 2024

REPORT OF THE SERVICE DIRECTOR FOR DEMOCRATIC SERVICES AND COMMUNICATION

Audit Wales - [Use of Performance Information: Service User Perspective and Outcomes](#)

Item: 4

Background Papers

None.

Officer to contact: Lesley Lawson

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Use of Performance Information: Service User Perspective and Outcomes – Rhondda Cynon Taf County Borough Council

Audit year: 2022-23

Date issued: July 2023

Document reference: 3627A2023

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

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

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

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

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Report summary

- 1 We considered the service user perspective and outcome information provided to senior officers and senior members (senior leaders), and how this information is used.
- 2 Overall, we found that performance information provided to senior leaders does not generally enable them to understand the service user perspective and the outcomes of the Council's activities.
- 3 We have made two recommendations to strengthen the information given to senior leaders.

What we looked at – the scope of this audit

- 4 We focused on the performance information provided to senior officers and senior members (senior leaders) about service user perspectives and outcomes, and how this information is used. We did not undertake a full review of the Council's performance management arrangements or an in-depth review of the quality of the data that the Council collects. Neither did the review focus on engagement with service users on specific service changes or the development of policies and strategies.
- 5 We have set out our audit questions and audit criteria in **Appendix 1**. The audit criteria essentially set out what good looks like and what we would expect to find.
- 6 Overall, we were looking for performance information to be shared with senior leaders to help them understand how well services and policies are meeting the needs of service users, and how well they are helping the Council to achieve the outcomes it is working towards. We were also looking to see that senior leaders use this information to monitor progress and take action where necessary to improve outcomes.
- 7 This is an important part of arrangements to ensure that councils are securing value for money in the use of their resources. It is also an important way in which the Council can assure itself that it is acting in accordance with the 'involvement' way of working in taking steps to meet its well-being objectives. Without this information, it is difficult to see how senior leaders can understand whether their policies and actions are having the intended impact and make changes where they are not. Our findings are based on document reviews and interviews with the Cabinet Member and senior officers with lead responsibility for the Council's performance management arrangements. The evidence we have used to inform our findings is limited to these sources.
- 8 We set out to answer the question **'Does the Council's performance data enable senior leaders to understand the service user perspective and the outcomes of its activities to effectively manage its performance?'** We did this by exploring the following questions:

- Does the performance information provided to senior leaders include appropriate information on the perspective of service users?
- Does the performance information provided to senior leaders include appropriate information on the outcomes of the Council's activities?
- Does the Council have robust arrangements to ensure that the data provided is accurate?
- Does the Council use the information to help it achieve its outcomes?
- Does the Council review the effectiveness of its arrangements?

Why we undertook this audit

- 9 This audit was undertaken to help fulfil the Auditor General's duties under section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act) and section 15 of the Well-being of Future Generations (Wales) Act 2015.
- 10 We sought to:
- gain assurance that the performance information the Council provides to senior officers and elected members enables them to understand the service user perspective and the outcome of its activities;
 - gain assurance that this information forms part of the Council's arrangements to secure value for money in the use of its resources and its application of the sustainable development principle; and
 - identify opportunities for the Council to strengthen its arrangements.

The Council's key performance reporting arrangements

- 11 The Council's key performance reports are its quarterly performance reports and its annual performance report. These provide the main opportunity for members and the public to understand how well the Council is performing. Cabinet and the Overview and Scrutiny Committees consider the quarterly performance reports. They include details of service performance, progress towards well-being objectives and financial monitoring information. Members also receive other reports that include performance information, for example, service reports.
- 12 The Council published its Annual Self-Assessment 2021-22 in February 2023. Prior to this, the Governance and Audit Committee considered it in December 2022, in line with the requirements of the Local Government and Elections (Wales) Act 2021.
- 13 Each service area produces an annual self-evaluation. The Council does not publish these documents, but they are reviewed by the respective Cabinet Members. The service self-evaluations are required to be signed off by the Group Director and subject to challenge from the Chief Executive.

14 Our review focused on these key performance reporting mechanisms.

What we found: performance information provided to senior leaders does not generally enable them to understand the service user perspective and the outcomes of the Council's activities

Performance information provided to senior leaders on the perspective of service users is limited, so it is difficult to see how they can fully understand the perspective of service users to enable them to manage performance

- 15 The Council's public performance reports do not generally include information on the perspective of service users, apart from a few limited examples. It is, therefore, difficult to see how senior leaders would be able to understand how well services and policies are meeting the needs of service users.
- 16 The template for the service self-evaluations contains prompts designed to help capture the service user perspective. We found examples within those self-evaluations that we reviewed that captured the service user perspective. However, the extent and breadth of the information on the service user perspective vary with some service self-evaluations containing more detail and examples than others. Overall, the information provided is relatively limited and so does not enable senior leaders to fully understand the service user perspective. Where there is information about the perspective of service users, this is not then reflected in the quarterly performance reports. Some self-evaluations referred to engaging with service users but did not go on to provide information about what that engagement told the Council and how the Council used this information. This is a missed opportunity to give senior leaders information which would help them understand the views of service users and to take action to address any issues.
- 17 The Director of Social Services annual report 2021-22 went to scrutiny and Cabinet and included some good examples of information about the perspective of a diverse range of service users. We also saw some positive examples of Social Services seeking to understand the service user perspective which are shared with the Corporate Parenting Board. This included the 'get involved' survey for care experienced children and young people and the fostering quality of care annual report. This information would help senior leaders to understand how the Council's social services policies and services were being received by users.

Performance information provided to senior leaders largely focuses on outputs and activities rather than evaluating their impact

- 18 Despite some exceptions, the Council's core performance reports generally provide a narrative of activities and outputs as opposed to an assessment of progress against the outcomes the Council is seeking to achieve. This limits senior leaders' ability to understand the impact of the Council's activities and whether it is meeting its objectives.
- 19 The service self-evaluations that we reviewed include some examples of outcomes information. However, overall, the information provided in these self-evaluations did not enable senior leaders to understand the impact and outcomes of the Council's activities.
- 20 The recent Estyn report¹ includes a recommendation about sharpening approaches to self-evaluation. The report also states that: 'In a few instances self-evaluation focuses on the completion of actions rather than the impact of this work.' Our findings from this review work concur with this finding.

The Council does not have arrangements to ensure that the performance data reflecting the service user perspective and outcomes information is accurate

- 21 The Council does not have arrangements in place to routinely ensure the data quality of performance information relating to outcomes and the service user perspective. This means that even when performance information is presented to senior leaders it may be inaccurate, which increases the risks of action being taken and resources deployed on the basis of inaccurate information.
- 22 The Council has data quality teams in place in its Education and Social Services directorates. These teams review and cleanse data which is included in the quarterly performance reports. But they do not check the accuracy of service user perspective and outcomes information. As set out above, such information is limited in the quarterly performance reports in any case.
- 23 The Council's Internal Audit team has previously undertaken data quality checks prior to the pandemic. Internal Audit intend to undertake a data quality review during 2023-24. This may help address some of the existing gaps in the Council's arrangements.

¹ Estyn, A report on education services in Rhondda Cynon Taf County Borough Council, January 2023 Estyn, https://www.estyn.gov.wales/system/files?file=2023-03/Inspection%20report%20Rhondda%20Cynon%20Taf%20County%20Borough%20Council%202023_0.pdfA report on education services in Rhondda Cynon Taf County Borough Council , January 2023

As information provided on outcomes and the perspective of service users is limited, the extent to which the Council can use this information to help it achieve its outcomes is also limited

- 24 As set out above, our main finding is that performance information provided to senior leaders does not generally enable them to understand the service user perspective and the outcomes of the Council's activities. Therefore, it logically follows that the extent to which the Council uses the service user perspective and outcomes information to help it achieve its outcomes from this performance information is limited.
- 25 Where we did find examples of the Council providing information on the perspective of service users and outcomes, we found some examples of the Council then using this information to make changes. For example, the Social Services complaints annual report sets out what the Council is going to do in response to the complaints that have been raised.

The Council recognises that it needs to make better use of the information available to it

- 26 In its annual self-assessment report published in February 2023, the Council has identified that it needs to make better use of the information available to it and to strengthen its engagement and involvement with service users. Our review would support this.
- 27 As the Council does this, it will be important for it to ensure that its arrangements help senior leaders benchmark and compare its arrangements with other organisations. We have previously commented that this is an important element of arrangements to secure value for money. Doing this will also help the Council understand and learn from how other councils are providing information on service user perspective and outcomes. We hope to be able to provide some examples in our national summary report following the completion of our work at other councils.
- 28 We acknowledge that targets, trends, and comparative information was something that the Council did include within its performance reports prior to the pandemic, and that it made a conscious decision to not do this during the pandemic. The Council has said that it is an area it will address for 2023-24.

Recommendations

Exhibit 1: recommendations

R1 Information on the perspective of the service user:

- the Council should strengthen the information it provides to its senior leaders to enable them to understand how well services and policies are meeting the needs of service users.

R2 Outcomes information:

- the Council should strengthen the information provided to senior leaders to help them evaluate whether the Council is delivering its objectives and the intended outcomes.

R3 Arrangements to check the quality and accuracy of data:

- the Council needs to assure itself that it has robust arrangements to check the quality and accuracy of the information it provides to senior leaders relating to service user perspective and outcomes.

Appendix 1

Key questions and what we looked for

Exhibit 2: key questions and what we looked for

The table below sets out the question we sought to answer in carrying out this audit, along with the audit criteria we used to arrive at our findings.

Level 1	
Does the Council's performance data enable senior leaders to understand the service user perspective and the outcomes of its activities to effectively manage its performance?	
Level 2	Audit Criteria ² (what we are looking for)
2.1 Does the performance information provided to senior leaders include appropriate information on the perspective of service users?	<ul style="list-style-type: none"> • The information is: <ul style="list-style-type: none"> – relevant to the objectives the Council has set itself; – sufficient to enable an understanding of the service user perspective; – sufficient to provide an understanding of progress towards the outcomes the Council is planning to achieve; – drawn from the diversity of service users including groups who share protected characteristics; and – used to inform comparisons with the performance of similar bodies where relevant. • The Council has involved service users in determining which information to collect.
2.2 Does the performance information provided to senior leaders include appropriate information on the outcomes of the Council's activities?	<ul style="list-style-type: none"> • The information draws on a range of evidence sources to provide a holistic view of progress. • The information enables senior leaders to monitor progress over the short, medium and long term. • The information enables senior leaders to monitor the delivery of outcomes that cover multiple service areas and/or organisations.

² Our audit criteria have been informed by our cumulative knowledge of previous audit work, as well as the question hierarchy and positive indicators we have developed to support our sustainable development principle examinations.

Level 1

Does the Council's performance data enable senior leaders to understand the service user perspective and the outcomes of its activities to effectively manage its performance?

Level 2

Audit Criteria² (what we are looking for)

2.3 Does the Council have robust arrangements to ensure that the data provided is accurate?

- The Council has clear arrangements to check the quality and accuracy of the data it provides to senior leaders.
- Where weaknesses in data quality are identified, the Council addresses them.

2.4 Does the Council use the information to help it achieve its outcomes?

- Where poor performance is identified, the Council uses the information to make changes/interventions.
- There is evidence of the Council improving its progress towards its outcomes as a result of interventions.

2.5 Does the Council review the effectiveness of its arrangements?

- The Council reviews the information provided to senior leaders to ensure it is appropriate and relevant.
- The Council compares the information it collects with the information collected by similar organisations to identify opportunities to strengthen its arrangements.



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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Audit Wales – [Use of Performance Information: Service User Perspective and Outcomes](#)

Audit Wales Report Publicly available: September 2023

What are we trying to achieve, the outcome	Clear, robust and timely information that gives assurance to elected Members and residents that we are delivering what we set out to achieve and putting residents at the centre of what we do.
Why we need to do it:	The Council collects and uses a raft of information from across its services and a range of platforms to evidence and compare performance and to hold services to account. Part of the suite of information is resident feedback. The Council has a good track record of engaging with communities to inform decisions. However, in recent years we have not routinely sought the information that has enable the Council to test whether its work is making the difference it intended. Whilst the Corporate Plan was clear about the intended outcomes in the priorities set in 2020, the focus on response to floods and the pandemic has impacted the business processes that would normally provide a range of evidence in respect of Service User Perspective and Outcomes.

Recommendation	Council's Response	Next Steps	Timescale	Responsible Officer
R1 The Council should strengthen the perspective of the service user: The council should strengthen the information it provides to its senior leaders to enable them to understand how services and policies are meeting the needs of service users.	The Council has local arrangements in place across services to engage with service users and capture and use their feedback to inform service planning and delivery. The Council recognises that work is required to bring this information together to further support its arrangements in understanding how services and	The Council will use its existing arrangements and the range of service user feedback captured to help assess how services and policies are meeting the needs of service users, with senior leaders being an integral part of this process. This will include case studies within published quarterly Performance		Lead Officers for Corporate Plan

Recommendation	Council's Response	Next Steps	Timescale	Responsible Officer
	policies are meeting the needs of service users.	<p>Reports (aligned to services and policies) and specific service user information within self-standing reports.</p> <p>As part of the Council's on-going review of its approach, where new developments will further support this area (e.g. the new Customer Relationship Management system that will enhance the availability of service user information; the development of 'you said, we did'; and new / revised outcome measures), these will be incorporated into existing arrangements.</p>	March 2024 (and on-going)	Priorities: People, Places and Prosperity
<p>R2 Outcomes information:</p> <p>The council should strengthen the information provided to senior leaders to help them evaluate whether the council is delivering its objectives and the intended outcomes.</p>	The Council has sound arrangements in place to set priorities and outcomes, and the monitoring of progress, and recognises that work is required to further improve how it demonstrates the extent to which intended outcomes are being achieved.	As part of developing the 2023/24 Corporate Plan priority action plans for People, Places and Prosperity, work has focussed on setting more clear outcomes, a suite of underpinning performance measures (noting that the suite of measures are subject to on-going review) and key actions to support the delivery of intended outcomes.		

Recommendation	Council's Response	Next Steps	Timescale	Responsible Officer
		<p>With regard to key actions, these include a focus on evaluating the impact of outcomes in specific areas, with updates to be reported to senior leaders. As part of the evaluation process, a suite of qualitative and quantitative information will be used (including the information referenced at R1).</p> <p>The learning from the above approach is also being applied in the development of the Council's new Corporate Plan, effective from April 2024, to continue to build and strengthen the arrangements in place.</p>	March 2024	Lead Officers for Corporate Plan Priorities: People, Places and Prosperity
<p>R3 Arrangements to check the quality and accuracy of data The council needs to assure itself that it has robust arrangements to check the quality and accuracy of the information it provides to senior leaders relating to the service user perspective and outcomes</p>	<p>The Council's work to re-set its performance management arrangements during 2022/23, following interim arrangements being in place during the pandemic, includes ensuring robust processes are in place to check the quality and accuracy of performance information used and / or published by the Council (including</p>	<p>The following assurance arrangements are being progressed:</p> <ul style="list-style-type: none"> • Local quality assurance – services evidencing the checks undertaken on the quality and accuracy of data / information produced and reported, the frequency of the checks and corrective action taken (where required). 	December 2023	Delivery Plan Lead Officers

Recommendation	Council's Response	Next Steps	Timescale	Responsible Officer
	<p>information from a service user perspective).</p>	<ul style="list-style-type: none"> Corporate quality assurance - the 2023/24 Internal Audit Plan agreed by Governance and Audit Committee on 4th July 2023, includes a review of performance information to provide an independent opinion on the accuracy of the information produced / reported (including information from a service user perspective). This will be an annual process, with services provided with corporate support (where required) to implement agreed Internal Audit recommendations. 	<p>December 2023</p>	<p>Paul Griffiths / Lesley Lawson</p>

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2023/24

<p style="text-align: center;">GOVERNANCE AND AUDIT COMMITTEE</p> <p style="text-align: center;">24th January 2024</p>	<p style="text-align: center;">AGENDA ITEM NO. 5</p>
<p style="text-align: center;">REPORT OF THE HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE IN CONSULTATION WITH DEPUTY CHIEF EXECUTIVE AND GROUP DIRECTOR – FINANCE, DIGITAL & FRONTLINE SERVICES</p>	<p style="text-align: center;">PROGRESS AGAINST THE INTERNAL AUDIT RISK BASED PLAN 2023/24</p>

Author: Andrew Wathan (Head of the Regional Internal Audit Service) &
Lisa Cumpston (Audit Manager)

1. PURPOSE OF THE REPORT

- 1.1 To provide 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 2023/24.

2. RECOMMENDATIONS

- 2.1 It is recommendation that Members of the Committee note the content of the report and the progress made against the Internal Audit Risk Based Plan 2023/24.

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 (PSIAS), the Head of Audit is responsible for developing a risk-based annual audit plan which considers 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 2023/24 was submitted to the Governance & Audit Committee for consideration and approval on 4th July 2023. The Plan outlined the audit assignments to be carried out which will provide adequate coverage to enable an overall opinion at the end of 2023/24.

4.3 The plan is flexible to allow for changing circumstances and events that may occur, such as requests to respond to new issues that may emerge.

4.4 Current situation / proposal

Progress made against the approved plan for the period 1st April 2023 to 31st December 2023 is attached as **Appendix A**. This details the status of each planned review, the audit opinion and the number of any *high, medium* or *low* priority recommendations made to improve the control environment. It should be noted that some reviews listed have no opinion, for example advice and guidance, recommendation monitoring and Governance & Audit Committee. This is because the audit work carried out in respect of these items is planned but the nature of the work does not lead to testing and the formation of an audit opinion, although in some instances recommendations are made.

4.5 The Regional Internal Audit Service (RIAS) has set quarterly targets to monitor the delivery of the approved audit plan. This will assist in ensuring sufficient audit coverage has been given to the Council in order to provide an overall opinion at the end of 2023/24. The targets that the RIAS are working towards at the end of each quarter are as follows:

- Qtr 1 = 10%
- Qtr 2 = 30%
- Qtr 3 = 50%
- Qtr 4 = 80%

4.6 As at 31st December 2023, the level of coverage was 29%. A summary of the progress made to date is shown in Table 1 below. Details of individual audit assignments are shown in **Appendix A**.

Table 1 – Summary of the Progress Against the Internal Audit Plan 2023/24

Status of Audits Assignments	Number	% of plan completed
Final report issued	16	23%
Draft report issued	4	6%
Audits in progress / scoping	24	34%
Audits allocated and due to start in Qtr 4	16	23%
Planned Audits not started	11	14%
Total	71	100%

- 4.7 An audit opinion is applied to an audit based on the assessment of the strengths and weaknesses of the internal control environment. Table 2 shows the audit opinions given as of 31st December 2023. Details of individual audit assignments are shown in **Appendix A**.

Table 2 – Audit Opinions Applied to Audits as of 31st December 2023

Audit Opinion	Number
Substantial Assurance	7
Reasonable Assurance	12
Limited Assurance	1
No Assurance	0
Total	20

- 4.8 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.

4.9 Table 2 identifies that 1 audit review completed to date during 2023/24 has been given a '*Limited Assurance*' audit opinion, that is limited assurance can be placed on the current systems of internal control, governance and risk management as follows and a follow up review will be included in the Internal Audit Plan for 2024/25:

- **Highways Transfer of Waste – Follow up report**

- This audit report is currently at draft report stage and management responses have been requested together with target dates for the implementation of recommendations contained within the draft report.

4.10 **Table 2** identifies that no audit reviews completed to date during 2023/24 have been given a '*No Assurance*' audit opinion.

4.11 The internal audit plan 2023/24 at **Appendix A** includes audits that were not started during 2022/23 or were incomplete at the year end. There were 31 of these which are detailed at **Appendix B**. Table 3 below provides a summary of the status of these 31 audits as at 31st December 2023.

Table 3 – Status of Audits Carried Forward into the Audit Plan 2023/24 as at 31st December 2023

Status of Audits Assignments	Number	% Complete
Final report issued	7	23%
Draft report issued	1	4%
Audit in progress / scoping	6	19%
Audit allocated and due to start in Qtr 4	11	35%
Planned Audits not started	6	19%
Total	31	100%

4.11 **Appendix A** shows a total of 124 recommendations have been made to date to improve the control environment: 7 *high* priority, 76 *medium* priority and 41 *low* priority. The implementation of these

recommendations is regularly monitored by the Auditors to ensure that the identified and agreed improvements are being made. More detailed information is included in a separate report to this Committee.

5. EQUALITY AND DIVERSITY IMPLICATIONS AND SOCIO-ECONOMIC DUTY

- 5.1 The protected characteristics identified within the Equality Act and the Socio-economic Duty have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. This is an information report, therefore it is not necessary to carry out an Equality Impact assessment in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this 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 direct financial implications arising from this report however effective audit planning and monitoring are key contributors in ensuring that the Council's assets and interests are properly accounted for and safeguarded.

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 – Andrew Wathan & 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

24th January 2024

**PROGRESS AGAINST THE INTERNAL AUDIT RISK BASED INTERNAL
AUDIT PLAN 2023/24**

**REPORT OF THE HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE
in consultation with DEPUTY CHIEF EXECUTIVE AND GROUP
DIRECTOR – FINANCE, DIGITAL & FRONTLINE SERVICES**

Author: Andrew Wathan (Head of Regional Internal Audit Service) &
Lisa Cumpston (Audit Manager)

Item: x

Background Papers

None.

Officer to contact: Andrew Wathan / Lisa Cumpston

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APPENDIX A - RCTCBC PROGRESS V PLAN 2023/24

Ref	Directorate	Area	Audit Scope / Risk	Priority	Status	Audit Opinion/Assurance			Recommendations			
						Substantial	Reasonable	Limited	No	High	Medium	Low
1	Chief Executive	Purchase Card Expenditure	To undertake a review of the Council's Purchase Card expenditure paying particular attention to areas of high total spend, significant numbers of transactions and provide assurance to Management of the controls in place.	High	Allocated							
2	Chief Executive	Attendance & Sickness Recording	To review the accuracy, timeliness of recording and reporting of sickness absence information, and ensure that processes are compliant with Council Policy and are being consistently followed. This review will also examine the arrangements in place across the Council for training and awareness raising of new HR Policies and the mechanisms in place for signposting staff and managers to Council guidance	High	Allocated							
3	Chief Executive	Asset Management & Corporate Asset Management Plan	To review the new draft Corporate Asset Management Plan and provide Management assurance prior to its presentation to the Senior Leadership Team and approval at Scrutiny Committee	High	Allocated							
4	Chief Executive	Review of Fees	To undertake a review of internal fees and provide assurance on the methodology and integrity of the data used	Medium	Scoping							
5	Chief Executive	Energy Efficiency Monitoring & Reporting	To undertake a review of how the Council aims to reduce its consumption of energy and provide assurance on the arrangements in place. This review will also examine the use of energy usage data across the Council and how this information impacts and informs strategic decisions	High	Scoping							
6	Chief Executive	Capital Projects	To provide assurance for a sample of Capital Projects that appropriate arrangements to procure and manage projects are in place and that the programme remains on track and that any slippage is appropriately accounted for, monitored and reported	High	In Progress							
7	Chief Executive	Planning	To provide assurance that there are efficient processes in place for the management of planning applications and case loads, customer contact, engagement and business support functions	Medium	Planned							
8	Chief Executive	Scheme of Delegation	To verify whether there is an up to date Scheme of Delegation in place and review the Council's compliance with the Scheme of Delegation. To provide assurance that an up to date record is maintained of officers and decisions made, and that for a sample of decisions these are compliant with the Scheme	High	In Progress							
9	Chief Executive	iTrent	To provide assurance that the new controls and reporting arrangements in place for the recently implemented iTrent Payroll system are robust	High	Allocated							
10	Finance, Digital & Frontline Services	Creditors	To undertake a review of the Creditors system and provide assurance to Management of the controls in place	High	Scoping							
11	Finance, Digital & Frontline Services	Bank Reconciliation	To undertake a review of the Bank Reconciliation system and provide assurance to Management of the controls in place	High	In Progress							
12	Finance, Digital & Frontline Services	Treasury Management	To undertake a review of the Treasury Management system and provide assurance to Management of the controls in place, with particular reference to the new treasury codes and strategy requirements	High	Scoping							
13	Finance, Digital & Frontline Services	Housing Benefits	To undertake a review of Housing Benefits system and provide assurance to Management of the controls in place	High	Complete	√				0	0	0
14	Finance, Digital & Frontline Services	Pensions	To undertake a review of the Pensions system and provide assurance to Management of the controls in place	High	Allocated							
15	Finance, Digital & Frontline Services	Customer Care/CRM System	To undertake a review of the Council's customer care / CRM system and review the arrangements for the management of information, system input and process for updating ongoing and closed cases	High	In Progress							
16	Finance, Digital & Frontline Services	ICT Audit	In consultation with IT system reviews will be undertaken across Directorates to ensure robust controls are in place and operating effectively to minimise the threat of cyber crime	High	In Progress							
17	Finance, Digital & Frontline Services	School Transport	To review the arrangements in place for awarding contracts and monitoring costs, and provide assurance of the arrangements in place for the provision of School Transport	High	Allocated							
18	Finance, Digital & Frontline Services	Highways - Transfer of Waste	To undertake a review of the adequacy and effectiveness of the internal control, governance and risk management arrangements in place following the previously issued audit report	High	Draft Report Issued			√		3	0	0
19	Finance, Digital & Frontline Services	Fleet Management / Use of Council Vehicles	To undertake a review of the fleet management arrangements in place across the Council and arrangements for management of the fleet including operational arrangements, HMRC Regulations and insurance, Policies & Procedures and analysis of mileage/usage	High	Planned							
20	Finance, Digital & Frontline Services	Recycling & Waste	To review the procedures in place for the distribution of recycling bags and resilience of the Council's distribution points. This review will include the arrangements in place for reporting and dealing with missed collections and waste collection data analysis and reporting	Medium	Allocated							
21	Finance, Digital & Frontline Services	Community Recycling Centres	To undertake a review of the adequacy and effectiveness of the internal control, governance and risk management arrangements in place following the previously issued audit report	High	Scoping							
22	Community & Children's Services	Respite Services	To undertake a review of Respite Services and provide assurance that the internal controls and financial procedures in place are effective	High	Complete		√			0	7	3
23	Community & Children's Services	Adaption & Community Equipment (ACE)	To review the processes in place and provide assurance on the internal controls and arrangements for the management of case loads, assessment process and prioritisation of referrals	Medium	Planned							
24	Community & Children's Services	Adult Care & Support Services	Data Analytics is proving to be a useful internal audit tool as Councils become more reliant on electronic data, and data analytics enables a vast amount of data to be analysed when selecting testing samples	High	Planned							
25	Community & Children's Services	Adoption Support & Foster Carer Payments Follow Up	To undertake a follow up review and provide assurance that all recommendations contained within the previous audit report have been fully implemented	High	In Progress							
26	Community & Children's Services	Single Point of Access	To undertake a review of the process in place from First Response to Single Point of Access and assess the operational arrangements in place. Also provide assurance that information and advice is readily available through the Council's website and signposting	Medium	Allocated							
27	Community & Children's Services	Vision Products	To select a sample of contracts and provide assurance that the tendering and bidding process is efficient, competitive and in accordance with the Council's Financial Procedures	Medium	Allocated							
28	Community & Children's Services	Referrals to Children's Social Care	To review the process in place for referrals to children's social care and the arrangements in place for the prioritisation of referrals, assessment of need, waiting lists and escalation/reporting arrangements	High	Planned							
29	Community & Children's Services	Llwydcoed Crematorium	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place. This annual review also informs the Annual Governance Statement and certification of the Small Bodies Return	Medium	Scoping							
30	Education & Inclusion Services	Education Safeguarding Arrangements	To undertake a review of the adequacy and effectiveness of the internal control, governance and risk management arrangements in place following the previously issued audit report	High	Allocated							
31	Education & Inclusion Services	Evolve - Compliance with Procedures for Recording School Visits	To provide assurance that consistent and accurate procedures are being followed within schools and these are compliant with requirements for recording off site visits in schools	High	Complete		√			0	7	0
32	Education & Inclusion Services	Sickness Absence Protocols & Recording in Schools	To assess compliance with the new system requirements and provide assurance that absences are being recorded accurately, timely and in accordance with Council Policy	High	Allocated							
33	Education & Inclusion Services	Step 4 Provisions	To review the bidding and awarding process in place for obtaining alternative curriculum funding and review the quality assurance process in place	Medium	Allocated							
34	Education & Inclusion Services	Additional Learning Needs (ALN) - Implementation of the Reduced Timetable Policy	To provide assurance that effective arrangements are in place to monitor and evaluate additional learning needs services, with specific reference to the implementation of the Reduced Timetable Policy	High	Planned							
35	Education & Inclusion Services	Attendance & Exclusion	To select a sample of schools and provide assurance that the Council's Policy in respect of attendance and exclusions is being followed	High	Planned							
36	Education & Inclusion Services	School Mini Bus Operation, Compliance & Monitoring	To provide assurance that mini bus documentation is being completed in line with the mini bus policy / statutory requirements, procedures are in place to ensure all drivers have the appropriate licences, insurance and usage of each vehicle routinely monitored	High	Complete		√			1	6	3
37	Education & Inclusion Services	Maesgwyn Special School	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Medium	Complete		√			0	5	5
38	Education & Inclusion Services	Special School Self Assessment Programme & Annual Report	To collate information and prepare the annual information report relating to the self assessment process	Medium	In Progress							
39	Education & Inclusion Services	Abercynon Community Primary	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Medium	Complete		√			0	4	1
40	Education & Inclusion Services	Aberdare Park Primary	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Medium	Complete		√			0	8	3
41	Education & Inclusion Services	Abernant Primary School	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Medium	Complete		√			1	4	5
42	Education & Inclusion Services	Coed y Lan Primary School	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Medium	Allocated							
43	Education & Inclusion Services	YGG Llyn y Forwyn	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Medium	Draft Report Issued			√		0	15	6
44	Education & Inclusion Services	YGG Ynyswen	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Medium	Scoping							
45	Education & Inclusion Services	Pontrhonda Primary School	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Medium	Allocated							
46	Education & Inclusion Services	Hafod Primary School	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Medium	Scoping							
47	Education & Inclusion Services	Primary School Self Assessment Programme & Annual Report	To collate information and prepare the annual information report relating to the self assessment process	Medium	In Progress							
48	Education & Inclusion Services	Pontypridd High School	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	High	Planned							
49	Education & Inclusion Services	St John Baptist Church in Wales High School	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	High	Planned							
50	Education & Inclusion Services	Ysgol Gyfun Cwm Rhondda	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	High	Draft Report Issued			√		0	13	9
51	Education & Inclusion Services	Ysgol Gyfun Rhydywaun - Follow Up	To undertake a follow up review and provide assurance that all recommendations contained within the previous audit report have been fully implemented	High	In Progress							
52	Education & Inclusion Services	Comprehensive/All Through School Self Assessment Programme & Annual Report	To collate information and prepare the annual information report relating to the self assessment process	Medium	In Progress							
53	Education & Inclusion Services	RCT - Regional Consortia School Improvement Grant (RCSIG)	Under the conditions of the specific grant determination, the Head of Audit must certify that the conditions of the grant have been complied with	High	Complete		√			0	0	0
54	Cross Cutting / Whole Authority Arrangements	Anti Fraud, Bribery & Corruption	To undertake proactive work at the request of Management in respect of anti fraud, bribery & corruption	High	Planned							
55	Cross Cutting / Whole Authority Arrangements	Corporate Dashboard	To provide assurance that the integrity of source data used to inform the Corporate Dashboard and PIs can be relied on for information and reporting, and the quality assurance arrangements for ensuring the accuracy of data on or at data source	Medium	Allocated							
56	Cross Cutting / Whole Authority Arrangements	Corporate Complaints	To provide assurance on the process for collecting information and accuracy of data reported to Governance and Audit Committee in respect of Corporate Complaints	Medium	Allocated							
57	Cross Cutting / Whole Authority Arrangements	Disclosure & Barring Service (DBS) Checks	To provide assurance that DBS checks are undertaken for all posts where there is a statutory requirement, ensure consistency across the Council for undertaking DBS checks where there is no statutory obligation and review the policies and procedures for safer recruitment for compliance with legislation, new starters and process for renewals	High	Complete		√			0	3	3

58	Cross Cutting / Whole Authority Arrangements	Performance Indicators	To select a sample of Performance Indicators and provide assurance on the accuracy and integrity of supporting information for each definition, which is used for reporting and feeds the Corporate Dashboard	High	Draft Report Issued		√				1	2	3				
59	Cross Cutting / Whole Authority Arrangements	Review of Petty Cash Accounts & Cash Held at Council Buildings	To review the arrangements in place for the administration of Petty Cash accounts across the Council and arrangements in place for holding cash	High	Complete		√				1	2	0				
60	Cross Cutting / Whole Authority Arrangements	Corporate Risks	To select a sample of strategic risks and provide assurance on how these are being managed. This sample to include Workforce Strategy and the risks, resources, planning, monitoring and reporting arrangements in place	High	Scoping												
61	Central South Consortium Joint Education Services (CSC)	CSC - Regional Consortia School Improvement Grant (RSIG)	Under the conditions of the specific grant determination, the Head of Audit must certify that the conditions of the grant have been complied with	High	Complete		√				0	0	0				
62	Central South Consortium Joint Education Services (CSC)	CSC - RSIG - Consolidated Statement	Under the conditions of the specific grant determination, the Head of Audit must certify that the conditions of the grant have been complied with	High	Complete		√				0	0	0				
63	Central South Consortium Joint Education Services (CSC)	CSC - Pupil Development Grant (PDG)	Under the conditions of the specific grant determination, the Head of Audit must certify that the conditions of the grant have been complied with	High	Complete		√				0	0	0				
64	Central South Consortium Joint Education Services (CSC)	CSC - PDG - Consolidated Statement	Under the conditions of the specific grant determination, the Head of Audit must certify that the conditions of the grant have been complied with	High	Complete		√				0	0	0				
65	Central South Consortium Joint Education Services (CSC)	CSC - Review of Governance Arrangements	To review and conclude on the adequacy and effectiveness of the governance arrangements in place in respect of the CSC Function	High	Scoping												
66	South East Wales Corporate Joint Committee (SEWCJC)	Small Bodies Return Assurance Work	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place. This review also informs the certification of the Small Bodies Return	High	Complete		√				0	0	0				
67	Amgen	Amgen - Payroll	To review and conclude on the adequacy and effectiveness of the controls in operation in respect of the Amgen Payroll function	Medium	Scoping												
68	Amgen	Amgen - Debtors	To review and conclude on the adequacy and effectiveness of the controls in operation in respect of the Amgen Debtors function	Medium	Scoping												
69	Amgen	Amgen - Creditors	To review and conclude on the adequacy and effectiveness of the controls in operation in respect of the Amgen Creditors function	Medium	Scoping												
70	Amgen	Amgen - General Ledger	To review and conclude on the adequacy and effectiveness of the controls in operation in respect of the Amgen General Ledger function	Medium	Scoping												
71	Amgen	Review of Arms Length Companies & Governance Arrangements	To provide assurance that any changes made by the Amgen Board to operational procedures following a review of the recommendations contained within the Silent valley Waste Report, are effective and compliant	High	Planned												
72	Internal Audit Reporting	Annual Governance Statement	The completion of the Council's Annual Governance Statement and submission to Governance and Audit Committee	N/A	Complete												
73	Internal Audit Reporting	Annual Opinion Report (HIA)	Preparation for the production of the 2022/23 Annual Opinion Report	N/A	Complete												
74	Internal Audit Reporting	Audit Charter & Manual	To review and update the documents as required	N/A	Complete												
75	Internal Audit Reporting	Governance & Audit Committee	To prepare and present internal audit reports to Governance and Audit Committee	N/A	In Progress												
76	Internal Audit Reporting	Audit Planning	To prepare and present the annual risk based plan for 2023/24	N/A	Complete												
77	Internal Audit Reporting	Closure of Reports from 22/23	To finalise all draft reports and work in progress at the end of 2022/23	N/A	Complete												
78	Internal Audit Reporting	Data Analytics	Data Analytics is proving to be a useful internal audit tool as Councils become more reliant on electronic data, and data analytics enables a vast amount of data to be analysed when selecting testing samples	N/A	In Progress												
79	Internal Audit Reporting	Recommendation Monitoring	Monitoring the implementation of internal audit recommendations in consultation with the service areas where recommendations have been made. During the year, Internal Audit will review the process to ensure recommendations are followed up and reported upon to Governance and Audit Committee in a timely, efficient and effective manner	N/A	In Progress												
80	Internal Audit Reporting	Audit Wales Liaison	To ensure that a 'managed' approach is followed in relation to the provision of internal audit and external audit services	N/A	In Progress												
81	Internal Audit Reporting	Fraud and Error Contingency	To undertake reactive work where suspected irregularity has been detected	N/A	Planned												
82	Internal Audit Reporting	Advice & Guidance	To allow auditors to facilitate the provision of risk and control advice which is regularly requested by officers of the Council, including school based staff	N/A	In Progress												
83	Internal Audit Reporting	Public Sector Internal Audit Standards (PSIAS) Compliance	To review compliance with the Public Sector Internal Audit Standards	N/A	Planned												
84	Internal Audit Reporting	Emerging Risks / Special Investigations	To enable audit services to flexibly respond to provide assurance as required	N/A	Planned												
OVERALL TOTALS WHERE AN AUDIT OPINION HAS BEEN PROVIDED											7	12	1	0	7	76	41

APPENDIX B - RCTCBC PROGRESS OF 2022/23 AUDIT JOBS CARRIED FORWARD INTO 2023/24

Ref	Directorate	Area	Audit Scope / Risk	Status	Audit Opinion/Assurance				Recommendations			
					Substantial	Reasonable	Limited	No	High	Medium	Low	
1	Chief Executive	Attendance & Sickness Recording	To review the accuracy, timeliness of recording and reporting of sickness absence information, and ensure that processes are compliant with Council Policy and are being consistently followed. This review will also examine the arrangements in place across the Council for training and awareness raising of new HR Policies and the mechanisms in place for signposting staff and managers to Council guidance	Allocated								
2	Chief Executive	Asset Management & Corporate Asset Management Plan	To review the new draft Corporate Asset Management Plan and provide Management assurance prior to its presentation to the Senior Leadership Team and approval at Scrutiny Committee	Allocated								
3	Chief Executive	Capital Projects	To provide assurance for a sample of Capital Projects that appropriate arrangements to procure and manage projects are in place and that the programme remains on track and that any slippage is appropriately accounted for, monitored and reported	In Progress								
4	Chief Executive	Scheme of Delegation	To verify whether there is an up to date Scheme of Delegation in place and review the Council's compliance with the Scheme of Delegation. To provide assurance that an up to date record is maintained of officers and decisions made, and that for a sample of decisions these are compliant with the Scheme	In Progress								
5	Chief Executive	iTrent	To provide assurance that the new controls and reporting arrangements in place for the recently implemented iTrent Payroll system are robust	Allocated								
6	Finance, Digital & Frontline Services	Bank Reconciliation	To undertake a review of the Bank Reconciliation system and provide assurance to Management of the controls in place	In Progress								
7	Finance, Digital & Frontline Services	Treasury Management	To undertake a review of the Treasury Management system and provide assurance to Management of the controls in place, with particular reference to the new treasury codes and strategy requirements	Scoping								
8	Finance, Digital & Frontline Services	Housing Benefits	To undertake a review of Housing Benefits system and provide assurance to Management of the controls in place	Complete	√				0	0	0	
9	Finance, Digital & Frontline Services	School Transport	To review the arrangements in place for awarding contracts and monitoring costs, and provide assurance of the arrangements in place for the provision of School Transport	Allocated								
10	Finance, Digital & Frontline Services	Recycling & Waste	To review the procedures in place for the distribution of recycling bags and resilience of the Council's distribution points. This review will include the arrangements in place for reporting and dealing with missed collections and waste collection data analysis and reporting	Allocated								
11	Community & Children's Services	Respite Services	To undertake a review of Respite Services and provide assurance that the internal controls and financial procedures in place are effective	Complete		√			0	7	3	
12	Community & Children's Services	Adaption & Community Equipment (ACE)	To review the processes in place and provide assurance on the internal controls and arrangements for the management of caseloads, assessment process and prioritisation of referrals	Planned								
13	Community & Children's Services	Adult Care & Support Services	To review the arrangements for waiting lists, referrals, duty, long term planning and reporting arrangements in respect of Adult Care and Support Services and assess the impact of the service remodelling	Planned								
14	Community & Children's Services	Adoption Support & Foster Carer Payments Follow Up	To undertake a follow up review and provide assurance that all recommendations contained within the previous audit report have been fully implemented	In Progress								
15	Community & Children's Services	Referrals to Children's Social Care	To review the process in place for referrals to children's social care and the arrangements in place for management of the prioritisation of referrals, assessment of need, waiting lists and escalation/reporting arrangements	Planned								
16	Education & Inclusion Services	Education Safeguarding Arrangements	To undertake a review of the adequacy and effectiveness of the internal control, governance and risk management arrangements in place following the previously issued audit report	Allocated								
17	Education & Inclusion Services	Evolve - Compliance with Procedures for Recording School Visits	To provide assurance that consistent and accurate procedures are being followed within schools and these are compliant with requirements for recording off site visits in schools	Complete		√			0	7	0	
18	Education & Inclusion Services	Sickness Absence Protocols & Recording in Schools	To assess compliance with the new system requirements and provide assurance that absences are being recorded accurately, timely and in accordance with Council Policy	Allocated								
19	Education & Inclusion Services	Step 4 Provisions	To review the bidding and awarding process in place for obtaining alternative curriculum funding and review the quality assurance process in place	Allocated								
20	Education & Inclusion Services	Additional Learning Needs (ALN) - Implementation of the Reduced Timetable Policy	To provide assurance that effective arrangements are in place to monitor and evaluate additional learning needs services, with specific reference to the implementation of the Reduced Timetable Policy	Planned								
21	Education & Inclusion Services	Abercynon Community Primary	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Complete		√			0	4	1	
22	Education & Inclusion Services	Aberdare Park Primary	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Complete		√			0	8	3	
23	Education & Inclusion Services	Abernant Primary School	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Complete		√			1	4	5	
24	Education & Inclusion Services	Coed y Lan Primary School	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Allocated								
25	Education & Inclusion Services	YGG Llyn y Forwyn	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Draft Report Issued		√			0	15	6	
26	Education & Inclusion Services	YGG Ynyswen	To provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in place at the school	Scoping								
27	Cross Cutting / Whole Authority Arrangements	Anti Fraud, Bribery & Corruption	To undertake proactive work at the request of Management in respect of anti fraud, bribery & corruption	Planned								
28	Cross Cutting / Whole Authority Arrangements	Corporate Dashboard	To provide assurance that the integrity of source data used to inform the Corporate Dashboard and PIs can be relied on for information and reporting, and the quality assurance arrangements for ensuring the accuracy of data on or at data source	Allocated								
29	Cross Cutting / Whole Authority Arrangements	Corporate Complaints	To provide assurance on the process for collecting information and accuracy of data reported to Governance and Audit Committee in respect of Corporate Complaints	Allocated								
30	Cross Cutting / Whole Authority Arrangements	Disclosure & Barring Service (DBS) Checks	To provide assurance that DBS checks are undertaken for all posts where there is a statutory requirement, ensure consistency across the Council for undertaking DBS checks where there is no statutory obligation and review the policies and procedures for safer recruitment for compliance with legislation, new starters and process for renewals	Complete		√			0	3	3	
31	Amgen	Review of Arms Length Companies & Governance Arrangements	To provide assurance that any changes made by the Amgen Board to operational procedures following a review of the recommendations contained within the Silent valley Waste Report, are effective and compliant	Planned								
OVERALL TOTALS					1	7	0	0	1	48	21	

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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2023/24

<p>GOVERNANCE AND AUDIT COMMITTEE</p> <p>24th January 2024</p>	<p>AGENDA ITEM NO. 6</p>
<p>REPORT OF THE HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE</p>	<p>INTERNAL AUDIT RECOMMENDATION MONITORING 2023/24</p>

Author: Andrew Wathan (Head of the Regional Internal Audit Service) & Lisa Cumpston (Audit Manager)

1. PURPOSE OF THE REPORT

- 1.1 To provide members of the Governance and Audit Committee with a position statement on internal audit recommendations that have been made to identify those that have been implemented and those that are outstanding.

2. RECOMMENDATIONS

- 2.1 It is recommended that members of the Governance and Audit Committee note the content of the report and consider the information provided in respect of the status of the high and medium priority recommendations made by the Regional Internal Audit Service.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To help ensure that the Governance and Audit Committee monitors the performance and added value 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 internal audit

activity must assess and make appropriate recommendations to improve the Council's governance, risk management and internal control environment. The Regional Internal Audit Service (RIAS) Strategy states that the implementation of agreed recommendations will be monitored.

4.2 Recommendations are made at the conclusion of an audit review if it is felt that improvements should be made to mitigate risk and strengthen controls. Recommendations are included, if appropriate, in the final audit report and recipients are asked to provide Management Responses to indicate whether they agree with the recommendations and how they plan to implement them. To assist Managers in focussing their attention, each recommendation is classified as being either high, medium or low priority

4.3 Table 1 shows the recommendation categorisation as follows:

Table 1 – 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.

4.4 To ensure focus is maintained on the key issues identified from the audits undertaken, the Internal Audit team will report on the implementation of *High* and *Medium* priority recommendations by operational managers across the Council. Once agreed, it is the responsibility of the operational manager to implement all of the recommendations including those identified as *Low* priority.

4.5 Once the target date for implementation has been reached the relevant Officers will be contacted by Internal Audit and asked to provide feedback on the status of each agreed *High* and *Medium* priority recommendation. The implementation of these recommendations is monitored using MK Insight internal audit software to ensure that improvements are being made.

4.6 Any audits concluded with a **No Assurance** or **Limited Assurance** opinion will be subject to a follow up audit.

Current Position / proposal

4.7 **Appendix A** provides a summary of the status of the high and medium priority internal audit recommendations made as at 21st December 2023.

The status of the recommendations that have been made following the completion of audits from the 2023-24 audit plan is summarised in Table 2 below:

Table 2 – Recommendation Status – Completed Audits 2023-24

	No. Made			Not Agreed	Imp.	Outstanding		Future Target Date
	High	Med.	Total			High	Med.	
2023-24	3	47	50	1	34	0	0	15

- 4.8 **Appendix A** also includes the recommendations made in relation to audits completed in the audit plan for 2022-23 which are yet to be implemented or have target dates in the future. This information is summarised in **Table 3**.

Table 3 – Outstanding Recommendations – Audits Completed Pre 2023-24

	No. Made			Not Agreed	Imp.	Outstanding		Future Target Date
	High	Med.	Total			High	Med.	
2022-23	2	12	14	0	9	0	0	5

- 4.9 **Table 2** above illustrates that 1 medium priority audit recommendation was not agreed by management to date during 2023-24. This recommendation relates to the Disclosure & Barring Service (DBS) audit review, for which the final report was issued on 16th August 2023. A recommendation was made that best practice would be to carry out DBS renewal checks every 3 years, particularly for roles based in school settings. However management responded to say that outside of Social Care legislation, there is no requirement to undertake 3 yearly checks and that the controls in place already are considered sufficient.
- 4.10 **Table 2** and **Table 3** illustrate that there are currently no overdue recommendations relating to either 2022-23 or 2023-24.
- 4.11 It is noted that there are 5 recommendations made during 2022-23 which still have a future target date. However, some of these audits were finalised within the last 6 months and the proposed implementation timescales agreed. The situation will be monitored and any undue delays with implementation will be reported accordingly.
- 4.12 The monitoring of recommendations is undertaken regularly by Auditors and any delays or issues are highlighted to the Council's Senior Leadership Team and ultimately this Committee.

5. EQUALITY, DIVERSITY & SOCIO-ECONOMIC DUTY IMPLICATIONS

- 5.1 The protected characteristics identified within the Equality Act and Socio-economic Duty have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategic, services and functions. This is an information report therefore it is not necessary to carry out an Equality Impact

assessment in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

6. CONSULTATION

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

7. FINANCIAL IMPLICATION(S)

- 7.1 There are no direct financial implications arising from this report however effective audit planning and monitoring are key contributors in ensuring that the Council's assets and interests are properly accounted for and safeguarded.

8. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 8.1 The provision of an adequate and effective Internal Audit function is a legal requirement under 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

9.1 THE COUNCIL'S CORPORATE PLAN PRIORITIES

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.

9.2 WELL-BEING OF FUTURE GENERATIONS ACT / FIVE WAYS OF WORKING

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 Members with detailed information relating to audit recommendations made by the Internal Audit Service, with which the performance of the Service can be reviewed and scrutinised.

Other Information:-

Relevant Scrutiny Committee

Not applicable.

Contact Officers – Andrew Wathan (Head of Regional Internal Audit Service) &
Lisa Cumpston (Audit Manager)

LOCAL GOVERNMENT ACT, 1972

AS AMENDED BY

THE ACCESS TO INFORMATION ACT, 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

GOVERNANCE AND AUDIT COMMITTEE

24th January 2024

INTERNAL AUDIT RECOMMENDATION MONITORING 2023/24

HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE

Author: Andrew Wathan (Head of the Regional Audit Service) &
Lisa Cumpston (Audit Manager)

Item: x

Background Papers

None.

Officer to contact: Andrew Wathan (Head of the Regional Internal Audit Service) &
Lisa Cumpston (Audit Manager)

Appendix A - Internal Audit Recommendations RCTCBC

Audit Name	Audit Opinion	Final Report Date	Number Made			Not Agreed	Implemented Total	Outstanding			Future Target Date Total
			High	Medium	Total			High	Medium	Total	
2022/23											
Attendance	REASONABLE	12/06/23	1	4	5	0	2	0	0	0	3
Corporate Risks	REASONABLE	12/05/23	0	1	1	0	0	0	0	0	1
Ysgol Ty Coch	REASONABLE	15/09/22	1	7	8	0	7	0	0	0	1
Overall Totals 2022/23											
			2	12	14	0	9	0	0	0	5

Audit Name	Audit Opinion	Final Report Date	Number Made			Not Agreed	Implemented Total	Outstanding			Future Target Date Total
			High	Medium	Total			High	Medium	Total	
2023/24											
CJC Small Bodies Return Assurance Work	SUBSTANTIAL	15/06/23	0	0	0	0	0	0	0	0	0
CSC Regional Consortia School Improvement Grant (RCSIG)	SUBSTANTIAL	24/07/23	0	0	0	0	0	0	0	0	0
CSC Pupil Development Grant (PDG)	SUBSTANTIAL	24/07/23	0	0	0	0	0	0	0	0	0
Disclosure & Barring Service (DBS) Checks	REASONABLE	16/08/23	0	3	3	1	0	0	0	0	2
RCT Regional Consortia School Improvement Grant	SUBSTANTIAL	31/08/23	0	0	0	0	0	0	0	0	0
CSC Pupil Development Grant (PDG) Consolidated Statement	SUBSTANTIAL	27/09/23	0	0	0	0	0	0	0	0	0
Abercynon Community Primary	REASONABLE	03/10/23	0	4	4	0	3	0	0	0	1
Maesgwyn Special School	REASONABLE	20/10/23	0	5	5	0	5	0	0	0	0
Respite Services	REASONABLE	04/10/23	0	7	7	0	7	0	0	0	0
Review of Petty Cash Accounts & Cash Held at Council Buildings	REASONABLE	27/11/23	1	2	3	0	2	0	0	0	1
School Mini Bus Operation, Compliance & Monitoring	REASONABLE	24/10/23	1	6	7	0	2	0	0	0	5
EVOVLE - Compliance with Procedures for Off Site Visits	REASONABLE	22/12/23	0	7	7	0	7	0	0	0	0
CSC Regional Consortia School Improvement Grant (RCSIG) Consolidated Statement	SUBSTANTIAL	06/11/23	0	0	0	0	0	0	0	0	0
Aberdare Park Primary	REASONABLE	15/11/23	0	8	8	0	6	0	0	0	2
Abernant Primary School	REASONABLE	20/12/23	1	5	6	0	2	0	0	0	4
Housing Benefits	SUBSTANTIAL	17/11/23	0	0	0	0	0	0	0	0	0
Overall Totals 2023/24											
			3	47	50	1	34	0	0	0	15

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