



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2019/20

Audit Committee

3 February 2020

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

REPORT OF: THE SERVICE DIRECTOR FOR DEMOCRATIC SERVICES AND COMMUNICATION

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1. PURPOSE OF THE REPORT

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

2. RECOMMENDATIONS

It is recommended that Members:

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

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

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

Audit Committee

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

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

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

Scrutiny Committees

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

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

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

Table 1 – Published reports covered by the AIR

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

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

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

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

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

5. **CONCLUSIONS**

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

LOCAL GOVERNMENT ACT, 1972

as amended by

THE ACCESS TO INFORMATION ACT, 1985

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LIST OF BACKGROUND PAPERS

AUDIT COMMITTEE

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