



**RHONDDA CYNON TAF COUNCIL  
GOVERNANCE AND AUDIT COMMITTEE**

Minutes of the Virtual meeting of the Governance and Audit Committee held on Wednesday, 15 March 2023 at 5.00 pm.

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

**County Borough Councillors – The following Councillors were present:**

Mr C Jones (Chair)

Councillor M Maohoub    Councillor S Rees  
Councillor B Stephens    Councillor L A Tomkinson  
Mr M Jehu    Roszkowski

**Officers in attendance**

Mr A Wilkins, Director of Legal Services and Democratic Services  
Mr P Griffiths, Service Director – Finance & Improvement Services  
Mr M Thomas, Head of Regional Audit Service  
Ms L Cumpston, Group Audit Manager  
Mr I Traylor, Service Director – Pensions, Procurement & Transactional Services  
Mr T Jones, Service Director – ICT & Digital Services  
Mr P Cushion, Head of Employee Relations  
Ms J Thomas, Complaints & QA Manager, Social Services

**Apologies for absence**

Councillor G Hopkins    Councillor P Evans

**35 Declaration of Interest**

In accordance with the Council's Code of Conduct, the Service Director of Finance and Improvement Services declared the following personal interest in Items 5 and 10 of the agenda: 'I am a Director on the board of Amgen Cymru. The company is referenced within the two agenda items'.

**36 Minutes**

It was **RESOLVED** to approve the minutes of the 14<sup>th</sup> February 2023 as an accurate reflection of the meeting.

**37 Audit Wales - Annual Audit Summary 2022**

Audit Wales provided Members with the Annual Audit Summary for Rhondda Cynon Taf Council, which detailed the work completed since the last Annual Audit Summary, which was issued in February 2022. The report set out the Auditor General's duties and information on both the financial and performance

audit work during the 2021/22 financial year.

From a performance audit perspective, Audit Wales provided Members with an overview of the focus of work and findings during 2021/22. Members were also informed of the planned work for 2022/23, which included work across all 22 Local Authorities in respect of Capital Programme Management and thematic reviews on digital and unscheduled care.

Audit Wales advised that, for 2021/22, the Council's financial statements were of good quality with a small number of changes to the accounts, which had no impact on the overall level of useable reserves. Members were informed that, in January 2023, full Council considered the Audit of Accounts report which set out the detailed findings from the audit and following on from the meeting, the Auditor General issued an unqualified opinion on the accounts and there were no concerns to report.

Audit Wales went on to provide an update on the 2022/23 audit timescales and explained that the delivery of the external audit of the Council's statement of accounts was by the end of November 2023. It was explained that the 2021/22 audit deadline was extended due to United Kingdom wide technical issues and this has meant that 2022/23 audit work had begun later than anticipated. In addition, the introduction of a revised auditing standard (ISA315), which had been amended to drive better quality in financial audit, would also contribute to the 2022/23 delivery timescale. The officer added that the recruitment of qualified staff remained challenging, this not being specific to Audit Wales, and the officer took the opportunity to thank Council officers for engaging constructively around the timetable.

The Service Director of Finance and Improvement then provided Members with a brief overview of the arrangements in place within the Council to monitor recommendations made by Audit Wales and the reporting of progress updates to the Governance and Audit Committee.

The Chair thanked Audit Wales for the Annual Audit Summary and the Governance and Audit Committee **RESOLVED:**

1. To note the update.

### **38 Introductory overview - Arrangements for the management of customer complaints**

The Service Director for Digital and ICT Services and the Customer Feedback, Engagement and Complaints Manager provided the Governance and Audit Committee with a presentation which detailed the arrangements for the management of customer complaints. The presentation sought to assure the Committee of the arrangements in place and to inform and assist Members in relation to their duties.

The Manager provided Members with detailed information in respect of the statutory duties of Local Authorities, regulatory bodies and further detail of the work of the complaints team, including performance data.

One Member thanked the officers for the presentation and welcomed the opportunity for further future training. As a Member of the Corporate Parenting Board, the Councillor was pleased to note the number of compliments in terms

of social services and that none of the complaints to the Ombudsman had escalated to investigation, which provided the Member with confidence in the process. In respect of the social services section and the 42% meeting statutory timescales, the Member questioned the reason behind this. The Complaints Manager advised that Children's Services complaints were particularly complex and that the reason for the 42% was a combination of factors. The officer advised that the factors included resource requirements, linked to the complexity of complaints within Children's Services, and also that timescales were impacted by the legal requirement for social services complaints, which states that a meeting or telephone contact must be made with the complainant within the first ten working days of the complaint coming through, and a five working day allowance for the manager to draft a response. The officer assured Members that, internally, the complaints are judged by their outcomes, and whether they progress further to either Stage 2 or the Ombudsman. The officer also advised Members that complainants are informed at the start of the process of the potential need for extended timescales to investigate information, to ensure they are kept fully informed and manage expectations.

A Member noted that the complaints detailed before the Committee were only in relation to the administration of the Local Authority and not inclusive of those in respect of Elected Members from a code of conduct perspective. The Member questioned whether this should be highlighted to prevent confusion. The Director of Legal and Democratic Services advised that within the Annual Report presented to Scrutiny and the Cabinet, it stipulates that complaints related to Elected Members are excluded and similarly, with the report presented to the Council's Standards Committee, it stipulates that the content is entirely related to Elected Members.

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

1. To note the update.

### **39 Whistleblowing Annual Report 2022/23 (including updated Whistleblowing Policy)**

The Head of Employee Relations presented to Members an updated Whistleblowing Policy & Procedure and Whistleblowing Annual Report 2022/23 in accordance with the Prescribed Persons (Reports on Disclosures of Information) Regulation 2017 (the '2017 Regulation').

Members were informed that the Council's Whistleblowing Policy & Procedure had been reviewed and updated, taking into account the feedback provided by Audit Wales, to ensure it continues to be fit for purpose.

The Head of Employee Relations went on to update Members that the Whistleblowing Annual Report 2022/23 had been prepared in accordance with the responsibilities placed upon the Council by the 2017 Regulation and the Annual Report sought to provide an overview of the arrangements in place for 2022/23 and concluded that *'the Council's whistleblowing arrangements are appropriate'*.

Referring to Appendix A of the report which detailed 'workers do's and don'ts', one Member commented that the wording of the bullet points could be made clearer and with regard to point 2 specifically, reference to delays causing reputational damage to the Local Authority would be appropriate to include. The

Head of Employee Relations confirmed that this section of the report would be reworded as per the Member's suggestions.

In respect of the table outlining the Whistleblowing Activity during 2022/23, one Member sought assurance that the whistleblower's details are kept anonymous and whether officers monitor trends and multiple submissions in relation to an individual. The Head of Employee Relations provided assurance on maintaining the anonymity of whistleblowers and that monitoring arrangements are in place.

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

1. To review and approve the proposed update to the Council's Whistleblowing Policy & Procedure, subject to updating Appendix A, and instruct the Director of Human Resources to publish and raise awareness of the updated document;
2. To review and approve the Whistleblowing Annual Report 2022/23 in line with the requirements placed upon the Council by the 2017 Regulation; and
3. To consider whether any other changes or improvements to the current whistleblowing arrangements are required.

#### **40 Internal Audit Recommendations**

The Audit Manager presented a report to provide Members of the Governance and Audit Committee with a position statement on internal audit recommendations made, implemented and outstanding. It was noted that recommendations are made at the conclusion of each audit review to identify improvements to be made to mitigate risk and strengthen controls. These recommendations are included in the final audit reports and recipients are asked to provide a management response to indicate whether they agree with the recommendation, how they plan to implement them and target dates. Recommendations are categorised as either high, medium or low priority to assist Managers in focussing their attention.

Members were directed to Table 1 of the report that highlighted the different priority ratings which are used and the recommendation categorisation. Once the target date for implementation has been reached the relevant Officers are contacted and asked to provide feedback on the status of each agreed recommendation. The implementation of these recommendations is monitored using internal audit software to ensure that improvements are being made.

The first recommendation monitoring report was brought to the Committee on 7<sup>th</sup> December 2022 and provided details of the recommendations made by Internal Audit since the implementation of the internal audit software on 1<sup>st</sup> April 2021. It was agreed at this meeting that going forward only outstanding recommendations from previous years be included together with the recommendations made in the current year.

The Audit Manager noted that a total of 70 recommendations were made to improve the control environment of the areas reviewed during 2022/23 and to date, 43 had been fully implemented. There were 2 recommendations made during 2022/23 which were not accepted by the service area. Both recommendations were in respect of a primary school and were in relation to the

School Private Fund and school dinner money arrears.

Referring to the recommendation made in respect of the School Private Fund, one Member acknowledged that the process moves along and questioned whether there was opportunity to revisit the recommendation. The Audit Manager advised that colleagues from Education Finance would be better placed to answer the question, as Internal Audit's role is to monitor compliance against the Council's procedures, rather the write them. The Service Director of Finance and Improvement Services added that finalised audit reports are considered by Senior Management to ensure that the operational arrangements remain fit for purpose and also that appropriate controls are in place. If there is a need for process changes to be made, Management are able to take account of these as part of on-going service delivery considerations.

The Chair thanked the officer for the report and the Governance and Audit Committee **RESOLVED** to:

1. Consider the information provided in respect of the status of internal audit recommendations made; and
2. Review the information contained within the report and provide feedback on the content and format of the information provided.

#### **41 Governance and Audit Committee Annual Report 2022/23**

The Service Director of Finance and Improvement Services presented the Governance and Audit Committee Annual Report 2022/23 together with a self-assessment against the Chartered Institute of Public Finance and Accountancy publication 'Audit Committees – Practical Guidance for Local Authorities and Police 2028 Edition'.

The Service Director provided an overview of the work delivered by the Governance and Audit Committee in 2022/23, in line with the agreed work programme, and concluded that based on the work undertaken, the Governance and Audit Committee has delivered the work plan and its responsibilities in line with the Terms of Reference.

The Service Director went on to provide an overview of the self-assessment against the Chartered Institute of Public Finance and Accountancy publication 'Audit Committees – Practical Guidance for Local Authorities and Police 2028 Edition', and informed Members that good progress had been made to implement proposals for improvement reported in 2021/22. The Service Director added that the 2022/23 self-assessment process has identified 3 areas for improvement to further support and reinforce existing arrangements, these being, to set out the overall partnership landscape the Council operates within and the strategic approach to enable the Committee to determine whether it requires further information and / or assurance in this area; to create an online library of learning and development information; and to capture feedback from the Committee on areas for improvement and engage with other local authorities / bodies to identify good practice / approaches to evaluate the impact of the Governance and Audit Committee's work.

The Head of the Regional Audit Service took the opportunity to provide assurance, from an internal audit perspective, that the Committee operates in line with its responsibilities.

The Chair was pleased to note that the outcome of the self-assessment process had demonstrated that the Council has sound arrangements in place in respect of its Governance and Audit Committee, subject to the three recommendations detailed, and was in support of further engagement with other bodies to share good practice.

One Member thanked the Service Director for the comprehensive report and commented that it included meaningful information, which provided assurance that the Committee were delivering its responsibilities.

Another Member supported the comments made and agreed that further work with other outside bodies would be of benefit. The Member referred to the information in the Audit Wales report in respect of Direct Payments and found it useful to compare Rhondda Cynon Taf figures with neighbouring Local Authorities.

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

1. To review the Annual Report and self-assessment and determine whether the Annual Report forms a balanced summary of the work undertaken by the Governance and Audit Committee during 2022/23;
2. To endorse the proposals for improvement to further support the Governance and Audit Committee in the effective discharge of its Terms of Reference and their incorporation into an action plan to enable on-going monitoring; and

To approve the Governance and Audit Committee Annual Report 2022/23 and its presentation to full Council.

## **42 Internal Audit Charter 2023/24**

The Head of the Regional Internal Audit Service presented the Regional Internal Audit Service Charter for 2023/24 report to Members. The Internal Audit Charter is a formal document that defines the purpose, authority and responsibility of the Internal Audit activities. The Internal Audit Charter establishes Internal Audit's position within the organisation; it authorises access to records, personnel, and physical properties relevant to the performance of engagements and defines the scope of internal activities.

The Head of the Regional Internal Audit Service advised that the Internal Audit Charter defines the responsibilities of the Regional Internal Audit Shared Service across Bridgend, Merthyr Tydfil, Rhondda Cynon Taf and the Vale of Glamorgan Councils. It was confirmed that the Charter was fully reviewed and amended for 2020/21 in order to have a consistent Charter for the four Councils and to ensure it is consistent with the objectives of the Regional Shared Service.

Members were informed that the Head of the Regional Internal Audit Service was responsible for reviewing the Charter and presenting it to each Council's Governance and Audit Committee annually for review and approval in line with the Public Sector Internal Audit Standards which are applicable to all UK Public Bodies (PSIAS).

It was advised that the Charter is split into four sections:

- Purpose, Authority and Responsibility;
- Independence and Objectivity;
- Proficiency and Due Professional Care; and
- Quality Assurance and Improvement Programme.

The Head of the Regional Internal Audit Service advised that when reviewing the Charter for 2023/24, the following changes had been included:

- Section 2.17 of the Charter had been updated to state that “in addition to the Code of Ethics staff must comply with the Seven Principles of Public Life and the Vale of Glamorgan Council’s Code of Corporate Governance which are referred to in Annex 3 – Additional Requirements.”; and
- Paragraph 4.11 of the Charter relating to External Assessment had been updated to reflect that a comprehensive and detailed self-assessment had been carried out during 2022 and shared with the external assessors in November 2022. The external assessment of RIAS was currently in progress and due to be completed early in the 2023/24 financial year.

The Governance and Audit Committee **RESOLVED**:

1. To consider and approve the Regional Internal Audit Service Charter for 2023/24

#### **43 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 1972 (as amended) for the following item of business on the grounds that it involves the likely disclosure of the exempt information as defined in paragraph 14 of Part 4 of the Schedule 12A of the Act.

#### **44 Anti-fraud Annual Report 2022/23**

The Service Director of Pensions, Procurement and Transactional Services outlined the progress made against the Anti-Fraud, Bribery & Corruption work programme for 2022/23 and set out the proposed work programme for 2023/24.

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

1. To note and review the outcomes of the anti-fraud work progress during 2022/23; and
2. To consider the proposed work to be undertaken in 2023/24 and provide direction and guidance where necessary within the Terms of Reference of the Committee.

#### **45 Urgent Business**

The Chair, Members of the Committee and officers took the opportunity to extend their best wishes to the Head of the Regional Audit Service on his forthcoming retirement.

The Chair spoke highly of the officer's work and thanked him for his longstanding service.

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

**This meeting closed at 6.52 pm**

**Mr C Jones  
Chair.**