

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
MUNICIPAL YEAR 2023/24

GOVERNANCE AND AUDIT COMMITTEE 4 th July 2023	AGENDA ITEM 5
REPORT OF THE SERVICE DIRECTOR FOR DEMOCRATIC SERVICES AND COMMUNICATION	COUNCIL PROGRESS UPDATE - IMPLEMENTATION OF RECOMMENDATIONS REPORTED BY AUDIT WALES

1 PURPOSE OF THE REPORT

1.1 To provide a progress update on the implementation of recommendations reported in the Audit Wales ‘Annual Audit Summary 2021’ and the three stand-alone reports:

- Rhondda Cynon Taf Council - Springing Forward – Strategic Asset Management (issued June 2022);
- Rhondda Cynon Taf Council - Springing Forward – Workforce (issued July 2022); and
- National Report – Direct Payments for Adult Social Care (published April 2022).

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 the Governance and Audit Committee.
- 2.2 Consider whether there are any matters of a performance nature that require review by the Council’s Scrutiny Committees.

3. ARRANGEMENTS FOR MONITORING AUDIT WALES 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 having responsibility to provide independent assurance around

the adequacy of the arrangements in place and Scrutiny Committees having responsibility to monitor the progress Council Services are making to implement agreed recommendations reported by Audit Wales.

Governance and Audit Committee

- 3.2 The Terms of Reference of the Council's Governance and 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 Audit Wales):
- 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 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 around the arrangements in place to monitor / evaluate progress against recommendations reported by Audit Wales; 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, the 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 recommendations.
- 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 also able to refer these to the Governance and Audit Committee for consideration

4. AUDIT WALES REPORTS

- 4.1 For the purposes of this report, progress updates on the following Audit Wales reports are provided:

- The [Annual Audit Summary 2021](#) (AAS) that was reported by Audit Wales to the [19 January 2022](#) full Council meeting and contained recommendations from published reports that were specific to Rhondda Cynon Taf Council and also national reports that relate to local authorities more generally, other public bodies and also Welsh Government;
- Rhondda Cynon Taf Council report: 'Springing Forward – Strategic Asset Management' (issued June 2022);
- Rhondda Cynon Taf report - 'Springing Forward – Workforce' (issued July 2022); and
- A national report: 'Direct Payments for Adult Social Care' (published April 2022).

4.2 Since this time, Audit Wales recommendations have been incorporated into the Council's service delivery planning and monitoring arrangements, and the following updates have been reported to Committees:

- AAS 2021 - progress updates reported to the Governance and Audit Committee on [23rd March 2022](#) and [7th December 2022](#).; and
- Rhondda Cynon Taf Council Springing Forward Reports (Strategic Asset Management and Workforce) and the Direct Payments for Adult Social Care national report:
 - The reports presented by Audit Wales to the Governance and Audit Committee on [7th September 2022](#);
 - Progress updates reported to the [10th October 2022](#) Overview and Scrutiny Committee and to the 7th December 2022 Governance and Audit Committee.

4.3 As part of on-going monitoring arrangements, Council Officers have prepared a further progress update on the above reports, and are set out at Appendix 1. The Governance and Audit Committee is requested to review the progress updates and alongside 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.

4.4 Subject to Member's consideration of the updates, on-going monitoring will be undertaken as part of operational Service Delivery Planning arrangements, noting that should the Committee request further specific information in the future on these areas, this will be incorporated into the Committee's workplan.

5. EQUALITY AND DIVERSITY IMPLICATIONS AND SOCIO-ECONOMIC DUTY

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

6. CONSULTATION

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

7. FINANCIAL IMPLICATION(S)

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

8. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 8.1 Regular reporting of external audit reports to the Governance and Audit Committee ensures compliance with the CIPFA/SOLACE 'Delivering Good Governance in Local Government: Framework 2016' and the Committee's Terms of Reference, and is in line with the Local Government and Elections (Wales) Act 2021.

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

- 9.1 The Governance and Audit Committee's role in overseeing the Council's arrangements to monitor/evaluate progress against recommendations reported by Audit Wales aims to support the delivery of all priorities contained within the Council's Corporate Plan 2020 – 2024 'Making a Difference' and in doing so aligns with the Sustainable Development principles as set out within the Well-being of Future Generations Act.

10. CONCLUSIONS

- 10.1 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 ACCESS TO INFORMATION ACT, 1985
RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
LIST OF BACKGROUND PAPERS
GOVERNANCE AND AUDIT COMMITTEE
4TH JULY 2023

REPORT OF: Service Director for Democratic Services and Communication

Author: Christian Hanagan

Item 5: **COUNCIL PROGRESS UPDATE - IMPLEMENTATION OF
RECOMMENDATIONS REPORTED BY AUDIT WALES**

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