

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**AUDIT COMMITTEE**

**Minutes** of the meeting of the Audit Committee held at the County Borough Council Offices, The Pavilions, Clydach Vale on Monday, 7 December 2015 at 5.00 p.m.

**PRESENT**

Mr. R. Hull – in the Chair

**County Borough Councillors**

(Mrs) A. Calvert	G. Smith
C. Davies	P. Wasley
M. Griffiths	D. Weeks
P. Griffiths	C. J. Willis
(Mrs) S. J. Jones	

**Officers in Attendance**

Mr. C. B. Jones – Service Director, Legal & Democratic Services  
Mr. P. Griffiths – Service Director, Performance & Improvement  
Mr. M. Crumbie – Operational Audit Manager

**Wales Audit Office**

Mr. T. Buckle and Ms. H. Hunt

**27 APOLOGIES FOR ABSENCE**

Apologies for absence were received from County Borough Councillors (Mrs) J. Bunnage, A. L. Davies, MBE, R. K. Turner, M. J. Watts, E. Webster and C. J. Williams.

**28 DECLARATION OF INTEREST**

County Borough Councillor (Mrs) A. Calvert declared a personal interest in respect of Agenda Item No.7 – Internal Audit Performance – “I am a Governor at Cwmaman Infants School”.

**29 MINUTES**

**RESOLVED** to approve as an accurate record the minutes of the meeting of the Audit Committee held on 26 October 2015.

In relation to Minute No.24(2) of the above-mentioned Minutes – the Operational Audit Manager informed the Committee that the reason it took 32 calendar days between completing the fieldwork and issuing the draft report for the audit review of YGG Bodringallt was due to the fact that the auditor concerned works part-time and was booked for consecutive audit reviews

which resulted in the auditor not being able to write-up the review immediately after the fieldwork was completed.

### **30 WALES AUDIT OFFICE**

Mr.T.Buckle of the Wales Audit Office presented the Annual Improvement Report 2014-15 for Rhondda Cynon Taf County Borough Council (that had previously been reported to the full Council of Rhondda Cynon Taf County Borough Council on 28 October 2015).

The key findings of the work undertaken by the Wales Audit Office and other regulators in 2014-15 were summarised in the report for consideration.

The Committee was advised that the Auditor General made no formal recommendations to the Council in his Report but there was one proposal for improvement, i.e. the Council should review its working practices against the recommendations in the Auditor General's 2014-15 Local Government National Reports and implement improvements where appropriate.

Following a discussion, it was **RESOLVED** to accept the Annual Improvement Report 2014-15.

### **31 OVERVIEW OF CONTRACT PROCEDURE RULES**

The Chairman welcomed to the meeting, Mr. Steve Vaughan (Service Manager – e-Procurement) and Mr. Craig Evans (Supply Chain Efficiency & Compliance Manager) to present an overview of the Council's Contract Procedure Rules.

During the presentation, Members were provided with information on the procedural and legal requirements for Contract Procedure Rules, their aims and objectives.

Members were informed that all procurement activity that takes place should be conducted in accordance with the Contract Procedure Rules.

Reference was made to the Well Being of Future Generations (Wales) Act 2015 and the fact that Procurement plays an important role in supporting the achievement of this and sustainable outcomes.

Following the presentation, the Officers' responded to Members questions.

The Chairman and Committee Members then thanked Mr. Vaughan and Mr. Evans for their informative presentation and they left the meeting.

## **REPORTS OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES**

### **32 BACS APPROVED BUREAU SCHEME REPORT**

The Committee was provided with a summary of the findings and recommendations of the finalised external triennial inspection: BACS Approved Bureau Scheme Report.

It was noted that the BACS Approved Bureau Inspector had reviewed the Council's BACS operations and had categorised all of the areas examined as either Excellent or Good. It was considered that this provided assurance over the integrity and security of the Council's BACS transactions and will help Members to form an opinion on the overall control environment prior to the closure of accounts process for 2015/16.

Following consideration of the report, it was **RESOLVED** to accept the conclusions, findings and recommendations contained within the BACS Approved Bureau Scheme Report and that the report be used as a source of assurance in respect of the Council's overall control environment for 2015/16.

### **33 PUBLIC SECTOR INTERNAL AUDIT STANDARDS – EXTERNAL ASSESSMENT**

The Operational Audit Manager provided Members with an overview of the external assessment arrangements required as part of the Public Sector Internal Audit Standards and sought approval in respect of the recommended option: a self-assessment with independent external validation (peer review).

Following a discussion, it was **RESOLVED** to approve that Rhondda Cynon Taf County Borough Council participates in the peer review process in respect of an External Assessment which reviews conformance against the Public Sector Internal Audit Standards at least once every 5 years. Once the peer review is complete then the report will be presented at a future Audit Committee.

### **34 INTERNAL AUDIT PERFORMANCE**

The Operational Audit Manager presented the report outlining performance information in respect of the Internal Audit Service up to the end of November 2015 and following consideration thereof, it was **RESOLVED** to accept the information contained in the report.

### **35 FINALISED AUDIT ASSIGNMENTS 2015/16**

(**Note:** In accordance with the Code of Conduct, County Borough Councillor M.Griffiths declared a personal interest in Pontyclun Primary School – stating "I am a Governor at the School").

The Committee was provided with a summary of the following audit assignments completed in the period 1<sup>st</sup> October – 30<sup>th</sup> November 2015:

#### **Community & Children's Services**

- Leisure Establishment Systems Review

### **Corporate & Frontline Services**

- Building Maintenance
- Energy Management
- Recycling – Awareness and Enforcement
- Treasury Management

### **Education & Lifelong Learning**

- Alaw Primary School
- Bryn Celynnog Comprehensive School
- Cilfynydd Primary School
- Coedpenmaen Primary School
- Cwmaman Infants School
- Maes y Bryn Primary School
- Pontyclun Primary School

### **Whole Authority Arrangements**

- Performance Indicators

and following consideration of the outcomes of the various assignments, it was **RESOLVED** –

- (1) To note the contents of the report.
- (2) In respect of the recommendation contained within the Building Maintenance Internal Audit review relating to Asbestos Registers, that a standalone audit review of Asbestos Management be included within the Internal Audit plan for 2016/17.
- (3) In respect of the Recycling – Awareness and Enforcement Internal Audit review, the implementation dates for the recommendations be reported to the next Committee.
- (4) The Director of Education & Lifelong Learning be asked to remind all schools that personal loyalty cards should not be used when making purchases on behalf of the School Private Fund.

### **36 2014/15 ANNUAL GOVERNANCE STATEMENT RECOMMENDATIONS - UPDATE**

The Audit Committee was provided with an update on the status of the recommendations that were raised within the 2014/15 Annual Governance Statement and following consideration of the matter, it was **RESOLVED** to accept the report.

**R.HULL  
CHAIRMAN**

The meeting terminated at 6.45 p.m.