

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2016/17

COMMITTEE:

AUDIT COMMITTEE

27th June 2016

Item No. 5
Annual Governance Statement 2015/16 – Amendment to Section 3.3.19

REPORT OF:-

GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES

Author: Marc Crumbie (Operational Audit Manager)

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1. PURPOSE OF THE REPORT

This report provides Members with a proposed update to the Council's Annual Governance Statement for 2015/16.

2. RECOMMENDATIONS

In order for Audit Committee to discharge the duties outlined in Section A of its Terms of Reference: "*Review and recommend for certification the Annual Governance Statement*" it is recommended that Members:

- 2.1 Critically review the update that is required within the Council's Annual Governance Statement and suggest any material amendments; and
- 2.2 Recommend its inclusion for certification within the Annual Governance Statement.

3. BACKGROUND

- 3.1 The Council's Annual Governance Statement for 2015/16 was presented, challenged and approved at Audit Committee on the 3rd May 2016. Following this meeting, the Wales Audit Office has issued the Council with final reports that can now be incorporated within the 2015/16 Annual Governance Statement.
- 3.2 In order for the Annual Governance Statement to fully reflect the findings and conclusions reported by the Council's external regulators, an updated section has been included at Appendix 1 of this report for Members consideration.

4. SUMMARY

- 4.1 The inclusion of finalised external regulator reports within the 2015/16 Annual Governance Statement will help ensure a complete picture of the Council's arrangements are presented.

LOCAL GOVERNMENT ACT, 1972
as amended by
THE ACCESS TO INFORMATION ACT, 1985
RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
LIST OF BACKGROUND PAPERS
AUDIT COMMITTEE
27th June 2016

Report of the Group Director, Corporate and Frontline Services

Author: Marc Crumbe (Operational Audit Manager).

Item	File Ref:
5. Annual Governance Statement 2015/16 - Amendment to Section 3.3.19	IA / MC
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APPENDIX 1 – Amendment to section 3.3.19

Original information reported to Audit Committee on 3rd May 2016:

3.3.19 Improvement audit and assessment 2015/16 – the following work has been undertaken:

Area	Status / Outcome
Improvement Plan audit	Certificate of compliance issued
Assessment of Performance audit	Certificate of compliance issued
Area	Status / Outcome
Governance review - Review of the Council's strategic approach to asset management	Report published and reported to Audit Committee on 31 st March 2016. Overall conclusion reported was: <i>The Council has begun to engage its communities in taking a proactive approach to the future management of its assets, but there is scope to strengthen performance reporting arrangements to better support oversight and decision making in relation to asset management</i>
Financial management review	Work has been completed / being finalised for each review and reports are in the process of being prepared
Governance review - Review of decision-making arrangements in relation to service change proposals	
Performance management review - 'Review of the Council's arrangements for managing improvement	
Annual Improvement Report	
<u>Follow up work from 2014/15</u>	
Local authority arrangements to support safeguarding of children	Work has been completed / being finalised for each review and reports are in the process of being prepared
Good Scrutiny? Good Question? Auditor General for Wales improvement study: Scrutiny in Local Government	

Recommended update:

3.3.19 Improvement audit and assessment 2015/16 – the following work has been undertaken:

Area	Status / Outcome
Improvement Plan audit	Certificate of compliance issued
Assessment of Performance audit	Certificate of compliance issued
Area	Status / Outcome
Governance review - Review of the Council's strategic approach to asset management	Overall conclusion reported was: <i>The Council has begun to engage its communities in taking a proactive approach to the future management of its assets, but there is scope to strengthen performance reporting arrangements to better support oversight and decision making in relation to asset management</i>
Financial resilience assessment	Overall conclusion reported was: <i>Overall we concluded that the Council has robust arrangements for financial planning, management and governance, however, there is scope to enhance the links between the Council's Corporate and Medium Term Financial Planning processes. We came to this conclusion based on our findings in relation to financial planning, financial control, and financial governance arrangements.</i>
Governance review - Review of decision-making arrangements in relation to service change proposals	Overall conclusion reported was: <i>The Council has strengthened its decision-making processes in relation to service change but corporate arrangements for assessing the impact of service changes are underdeveloped.</i>
Performance management review - 'Review of the Council's arrangements for managing improvement	Overall conclusion reported was: <i>The Council is strengthening its arrangements for managing improvement but needs to continue to develop its approach to assessing the delivery of outcomes for citizens.</i>
Annual Improvement Report	Overall conclusions reported were: <i>With a strong corporate focus upon the effective use of its resources, supported by strengthened service planning and governance arrangements, the Council is well placed to</i>

	<p><i>overcome some significant future challenges</i></p> <p><u>Performance</u></p> <p><i>The Council is strengthening its arrangements for managing improvement and has achieved improvement in its schools and children's services, but it has significant challenges to overcome in preparation for the implementation of the Social Services and Well Being (Wales) Act</i></p> <p><u>Use of resources</u></p> <p><i>The Council maintains a strong corporate focus upon the effective use of its resources but recognises that there is scope to clarify planning and reporting arrangements to provide assurance that its improvement priorities inform decisions regarding resource allocation</i></p> <p><u>Governance</u></p> <p><i>The Council continues to strengthen its governance arrangements and is making progress in addressing proposals for improvement, but further work is needed in order for it to evaluate the impact of service change</i></p>
<p><u>Follow up work from 2014/15</u></p>	
<p>Local authority arrangements to support safeguarding of children</p>	<p>Overall conclusion reported was: <i>The Council is strengthening its corporate arrangements to support the safeguarding of children and is making progress in addressing our previous proposals for improvement.</i></p>
<p>Good Scrutiny? Good Question? Auditor General for Wales improvement study: Scrutiny in Local Government</p>	<p>The WAO findings have been included within the Annual Improvement Report</p>

