

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

Minutes of the meeting of the Audit Committee held at The Pavilions, Clydach Vale on Monday, 31st October, 2016 at 5.00 p.m.

PRESENT

Mr. R. Hull - in the Chair

County Borough Councillors

(Mrs) A. Calvert	(Mrs) S. J. Jones
W.J. David	R. K. Turner
(Mrs) A. Davies	E. Webster
C. Davies	C. J. Willis

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. M. Jones

20 APOLOGIES FOR ABSENCE

Apologies for absence were received from County Borough Councillor (Mrs) J. Bunnage, P. Griffiths, G. Smith, G. Stacey, P. Wasley, M. J. Watts and C. J. Williams.

21 DECLARATIONS OF INTERESTS

The following declaration of personal interest in matters pertaining to the agenda was received from the Service Director, Legal & Democratic Services in respect of Agenda Item 5 – Finalised Audit Assignments 2016/17 – ‘I am a Governor at Aberdare Park Primary’.

22 MINUTES

RESOLVED to approve as an accurate record the minutes of the meeting of the Audit Committee held on 12th September 2016.

23 MATTERS ARISING

- 1) Minute No.13 (2) – the Service Director, Performance & Improvement confirmed that the Estyn Inspection Report of the Central South Consortium Joint Education Service and details of Third Party Expenditure had been circulated to Members of the Audit Committee, by email, on the 17th October 2016; and
- 2) Minute No. 18 (3) – The Operational Audit Manager provided an update in respect of the types of income being collected and deposited at Community Homes as previously requested by Members of the Committee.

24 REPORTS OF THE EXTERNAL AUDITOR

- (1) **AUDIT OF FINANCIAL STATEMENTS REPORT – RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**
- (2) **AUDIT OF FINANCIAL STATEMENTS REPORT- RHONDDA CYNON TAF PENSION FUND**

Mr M. Jones of the Wales Audit Office presented the above-mentioned reports to Members of the Audit Committee and confirmed that the financial statements had been approved by Full Council on the 28th September 2016. In view of this Mr Jones assured Members that there were no material differences in the reports presented this day and therefore it was **RESOLVED** to receive and note the content of the two reports.

REPORTS OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES

25 INTERNAL AUDIT PERFORMANCE

The Operational Audit Manager presented his report outlining the performance information in respect of the Internal Audit Service between 1st April 2016 and 17th October 2016. At the meeting the Operational Audit Manager referred Members to the audit plan set out at Appendix 1 of the report and to the summary of the status of all recommendations made, as included at Appendix 2. In addition the Operational Audit Manager confirmed that as at the 17th October 2016, 30% of the Audit Plan had been completed to report stage.

A Member queried the reason for the delays between audit fieldwork being completed and the draft reports being issued for some of the Primary Schools listed. The Operational Audit Manager explained that this was due to a temporary staffing absence within the Internal Audit Service and as a result of this the work had taken longer to complete.

Another Member sought an update in respect of the Sickness Absence Compliance audit review. The Operational Audit Manager confirmed that the audit fieldwork was underway.

In conclusion Members **RESOLVED** to note the information.

26 FINALISED AUDIT ASSIGNMENTS

The Operational Audit Manager provided the Committee with a summary of audit assignments completed between the period 1st September 2016 to the 17th October 2016.

A Member queried why contractors had not signed the required Section 5 of a site's Asbestos Management Plan (AMP). In response, the Operational Audit Manager confirmed that most of the sites were school sites which had been visited during school holidays to undertake emergency repairs and this could have been a contributory factor in contractors not accessing / signing the AMP held at the schools. It was confirmed that the process has since been improved and in these circumstances in the future, AMPs will be sent out to contractors in advance of the site visits.

A Member queried the status of the safeguarding training at Heol-y-Celyn Primary School. In response, the Operational Audit Manager confirmed that training had been delivered and the recommendation implemented.

Members raised concerns in respect of the audit report relating to Ysgol Hen Felin. Members discussed the timescales in respect of when a follow-up audit review should take place and agreed that, in view of recent staff changes, the school is given sufficient time to implement the recommendations before a full follow-up audit review takes place. Notwithstanding this, Members requested confirmation at the next Audit Committee meeting that Management at the School were making progress in respect of the audit report recommendations.

It was **RESOLVED**;

1. To note the information provided; and
2. That a follow-up audit review of Ysgol Hen Felin takes place during quarter 4 of the current financial year.
3. That Committee receives an update in respect of the status of each recommendation for Ysgol Hen Felin at the next meeting, this being achieved by a 'light touch' follow-up with Management.

27 RISK MANAGEMENT OVERVIEW (INCORPORATING THE STRATEGIC RISK REGISTER)

The Operational Audit Manager outlined the report which provided a copy of the Council's Risk Management Strategy (Appendix A), the Council's Strategic Risk Register (Appendix B) and the Risk Management Toolkit (Appendix C).

Members were informed that there are two specific thresholds in place to help identify how the Council's risk management arrangements should be applied at different levels of the Council's business i.e. Strategic and Operational.

The Operational Audit Manager also informed Members that the Council's Strategic Risk Register sets out the key risks to Rhondda Cynon Taf County Borough Council in achieving its priorities. Members were informed that it is a 'live' document which is reviewed and updated regularly.

A Member sought clarification in respect of the continued strategic risk associated with the number of Children Looked After (CLA) which continues to remain high. In response, the Service Director, Performance & Improvement confirmed that reducing the numbers of CLA continues to be a priority for the Council and is a topic included within the 2016/17 work programme of the Children & Young People Scrutiny Committee. The Service Director added that the role of the Audit Committee is to monitor the adequacy of the Council's risk management arrangements, for example, are arrangements clear and being adhered to, with the role of Scrutiny Committees being to review and challenge the extent of progress / adequacy of the specific action(s) taken by services to manage and mitigate risks, for example, through scrutinising the Council's quarterly Performance Reports.

Following discussion Members **RESOLVED** that the Council's Risk Management arrangements are adequate and that the Audit Committee will continue to monitor the adequacy of the Council's risk management framework.

28 WHISTLEBLOWING POLICY & PROCEDURE

The Operational Audit Manager presented Members with an overview of the Council's Whistleblowing arrangements and asked them to consider the adequacy of the Policy and Procedures in place.

In response to a query the Operational Audit Manager confirmed that the Council's Whistleblowing Policy and Procedure is available to all Council employees via the Intranet. However, the Committee raised concerns as to how those employees who do not have access to a PC can retrieve the information. Following discussion it was considered that making the information available via a payslip insert would help ensure that the information is accessible to all.

It was **RESOLVED:-**

1. To note the Council's Whistleblowing Policy and Procedure; and,
2. That in order to raise awareness of the Council's Whistleblowing arrangements to all staff, in particular those that do not have access to a work's PC, a payroll insert should be devised and issued.

**R. HULL
CHAIRMAN**

The meeting terminated at 5.50 p.m.