

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

Minutes of the meeting of the Audit Committee held on Monday, 4th September 2017
at 5 p.m. at the Council Offices, The Pavilions, Clydach Vale

PRESENT

Mr.R.Hull – in the Chair

County Borough Councillors

H. Boggis	J. Cullwick
G. Caple	K. Jones
A. Cox	R. W. Smith

OFFICERS

Mr B. Davies – Director of Financial Services
Mrs S. Davies – Head of Finance: Education and Financial Reporting
Mr. P. Griffiths – Service Director, Performance & Improvement
Mr M. Crumbie – Temporary Head of Internal Audit & Procurement
Development Programmes
Mr. C. B. Jones – Director, Legal & Democratic Services
Ms. J. Nicholls – Senior Democratic Services Officer

Wales Audit Office

Mr. M. Jones

16. APOLOGIES FOR ABSENCE

Apologies for absence were received from County Borough Councillors L. M. Adams, M. Fidler Jones, D. Macey, S. Pickering and R. Yeo.

17. DECLARATIONS OF INTERESTS

In accordance with the Members' Code of Conduct County Borough Councillor H. Boggis declared a personal interest in relation to 'Agenda Item 3 – Wales Audit Office – verbal progress update on the external audit of the 2016/17 draft Statements of Accounts for Rhondda Cynon Taf County Borough Council (including Pension Fund) and the Central South Consortium Joint Education Service Joint Committee, and the draft Annual Return for Llwydcoed Crematorium Joint Committee' –'I am a member of Llwydcoed Crematorium Joint Committee'.

18. MINUTES

RESOLVED – to approve as an accurate record the minutes of the meeting of the Audit Committee held on the 17th July 2017.

19. MATTERS ARISING

Minute No. 11 – Given the importance of managing the Council's information assets in accordance with the requirements placed upon it, the Service Director, Performance & Improvement confirmed that Members of the Overview & Scrutiny Committee would receive an update in respect of the Council's Information Management arrangements in November 2017 and this is scheduled to be followed up with an annual report for 2017/18 that is due to be presented during March 2018.

Minute No. 13 – The Temporary Head of Internal Audit & Procurement Development Programmes confirmed that there are two audits in the audit plan for 2017/18 for the Multi Agency Safeguarding Hub. The Temporary Head of Internal Audit & Procurement Development Programmes went on to explain the reason for the two separate reviews in that even though it is a central point of contact for professionals that may have safeguarding concerns, in reality there are two separate processes in place within the service due to the two statutory requirements for Children and Adults.

20. WALES AUDIT OFFICE – UPDATE ON THE EXTERNAL AUDIT OF THE 2016/17 DRAFT STATEMENTS OF ACCOUNT FOR RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

Mr M. Jones, Wales Audit Office, presented a verbal update to Audit Committee on progress of the 2016/17 draft Statement of Accounts for Rhondda Cynon Taf County Borough Council including (Pension Fund), the Central South Consortium Joint Education Service Joint Committee and draft Annual Return for Llwydcoed Crematorium Joint Committee.

It was reported that the early closing arrangements require officers to produce a draft Statement of Accounts one month earlier and to publish audited accounts two months earlier than current practice by 2021. The Wales Audit Office acknowledged that the Audit Committee had previously discussed meeting the reduced timescales to produce the Statement of Accounts in line with the draft Accounts and Audit Regulations.

In view of the early closing agenda, the Wales Audit Office reported that the ISA260 report will be presented to Full Council on the 20th September 2017 which will identify the areas where the draft accounts are misstated and will remain uncorrected as the misstatements are not material. Members were assured by the Director of Financial Services that the misstatements do not materially affect the Council's financial statements.

It was **RESOLVED** that the Audit Committee was content with the explanation given on the progress of the Statements of Account.

REPORTS OF THE GROUP DIRECTOR, CORPORATE AND FRONTLINE SERVICES

21. **INTERNAL AUDIT PERFORMANCE**

The Temporary Head of Internal Audit & Procurement Development Programmes outlined the report of the Group Director, Corporate & Frontline Services which provided performance information in respect of the Internal Audit Service between 1st April 2017 and 23rd August 2017.

There followed a discussion around the Council's sickness absence figures. It was confirmed that the planned internal audit review of the Council's sickness absence arrangements would review Management's compliance with the required procedures, whereas members of the Finance & Performance Scrutiny Committee have the opportunity to scrutinise the sickness absence data of the Council in detail by means of the Council's quarterly Performance Reports.

It was **RESOLVED** to receive and acknowledge the information contained within the report.

22. **FINALISED AUDIT ASSIGNMENTS**

The Temporary Head of Internal Audit & Procurement Development Programmes provided Members with a summary of audit assignments completed between 5th July and 23rd August 2017 in respect of :-

- Penpych Community Primary School;
- Saints Gabriel & Raphael Primary School; and
- Treorchy Primary School.

Before consideration of the audit assignments, the Temporary Head of Internal Audit & Procurement Development Programmes recommended that a follow up review be undertaken in respect of Penpych Community Primary School. This follow-up would be included in the revised audit plan that is due to be reported to Audit Committee at its meeting planned for October.

Members expressed concern at the issues raised within the Penpych Community Primary School report and agreed with the follow-up review, in particular, Members requested a full and detailed review of the School Private Fund. The Temporary Head of Internal Audit & Procurement Development Programmes assured Members that a full audit would be carried out in respect of the individual matter.

It was **RESOLVED –**

1. That a follow up review is undertaken in respect of Penpych Community Primary School along with a detailed audit of the School's Private Fund. This follow-up review will be included within the revised audit plan due to be presented to Audit Committee at its meeting in October 2017.

2. That confirmation is provided to Members at the next meeting as to whether the Governing Body for Penpych Community Primary School has received a copy of the Internal Audit Review.

R.HULL

CHAIRMAN

The meeting closed at 6.30 p.m.