



## **AUDIT COMMITTEE**

### **MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, TREDOMEN, YSTRAD MYNACH ON WEDNESDAY 11TH MARCH 2015 AT 10.00 AM**

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#### **PRESENT:**

Councillor D. Rees - Chair  
Councillor D. Havard - Vice Chair

#### **Councillors:**

Mrs E.M. Aldworth, Mrs K. Baker, D. Carter, N. Dix, C. Hawker, N. George, S. Morgan,  
Mrs G.D. Oliver and J.A. Pritchard

Lay Member - Mr N. Yates

#### **Together with:**

N. Scammel (Acting Director of Corporate Services & S151), R. Hartshorn (Head of Public Protection), A. Price (Interim Deputy Monitoring Officer and Head of Democratic Services), R. Harris (Internal Audit Manager), K. Davies (Customer Services/ Complaints Officer), T. Maher (Assistant Director Planning & Strategy), J. Dix (Policy & Research Manager), and C. Evans (Committee Services Officer)

#### **1. APOLOGIES**

Apologies for absence were received from Councillor J. Fussell.

#### **2. DECLARATIONS OF INTEREST**

There were no declarations of interest made at the beginning or during the course of the meeting.

#### **3. MINUTES - 10TH DECEMBER 2014**

RESOLVED that the minutes of the meeting of the Audit Committee held on 10th December 2014 (minute nos. 1 - 11) be approved as a correct record and signed by the Chair.

#### **REPORTS OF OFFICERS**

Consideration was given to the following reports.

#### **4. BUSINESS CONTINUITY MANAGEMENT**

The report provided the Committee with an update on the business continuity management arrangements implemented within the Council.

A three stage process has been implemented across the organisation incorporating a Business Impact Analysis of services, followed by a Risk Assessment. The Risk Assessments identified functions for which Business Continuity Action Plans have been developed. A task and finish group has been established to address the corporate priorities and arrangements in relation to accommodation, and ICT in the event of a business disruption.

The Committee thanked the Officer for the report and sought further information on the review and monitoring process. The Officer highlighted that Service Managers were responsible for on going reviews and maintenance of business continuity arrangements and, in addition, the Annual Governance Statement review would provide a process for seeking assurance that this is in place.

Staff accommodation and IT equipment was discussed, with particular reference to Pontllanfraith House. Members noted that office/ staff moves are conducted in a thorough and planned manner, with assessments undertaken to determine any risks and requirements, which ensure that arrangements are made as best and efficiently as possible.

Members discussed the emergency provision for Senior Officers in the event of a major incident. Officers highlighted that there are secure emergency procedures in place to deal with any eventualities and maintain business continuity.

The Audit Committee thanked the Officer for the report and noted the contents. In addition, a further report was requested on the Business Continuity Arrangements for Social Services users, including additional information on how the Health Service would respond.

#### **5. REGULATION OF INVESTIGATORY POWERS ACT 2000**

The Interim Deputy Monitoring Officer and Head of Democratic Services, provided Members with an overview of the report, which highlighted the number of covert operations undertaken by the Council in accordance with the provisions of the Regulation of Investigatory Powers Act 2000 (RIPA).

It was reported that there was one RIPA operation undertaken by the Authority for the period November to February (inclusive).

Members discussed the report and sought examples of the types of covert operations undertaken under the Regulation of Investigatory Powers Act 2000. It was noted that the majority of the operations conducted were Test Purchases, in collaboration with Trading Standards, for the sale of alcohol.

A Member queried whether Housing Benefit Fraud investigations were conducted under the same legislation. Officers highlighted that Fraud investigations are undertaken under separate legislation, by the Housing Benefit Fraud Team within Department of Works and Pensions.

Members thanked the Officer for the report and noted its contents.

## **6. UPDATE ON THE NUMBERS OF COMPLAINTS RECEIVED UNDER THE COUNCIL'S CORPORATE COMPLAINTS POLICY**

The report provided Members with a detailed update on the number of complaints received under the Corporate Complaints Policy for the period July 2014 to mid January 2015, the use of the Policy and Procedure to deal effectively with unacceptable, persistent or unreasonable actions by complainants and sought the approval of Members that, in addition to the six monthly reports received, an Annual Report on the Corporate Complaints Policy be presented to the Audit Committee going forward.

Members considered the summary of the corporate complaints and noted that the information provides the Council with details of the level of satisfaction or dissatisfaction of the services provided corporately and that the monitoring enables each department to focus on areas of concerns, to improve services and to monitor performance and ensure that any trends are identified and dealt with so as to be avoided in the future.

The Committee thanked the Officer for the report and discussed their concerns for Housing Complaints, the impact the WHQS Programme has had on the data and concerns over programme slippage. Officers highlighted that reports on the WHQS Programme are considered at Caerphilly Homes Task Group and Policy and Resources Scrutiny Committee, therefore it was agreed that discussions be undertaken with the Chair of Policy and Resources Scrutiny Committee on the monitoring of service delivery and performance/customer satisfaction of WHQS and Housing.

Following detailed consideration of the report, discussions ensued and Members sought further information on the role of Learning from Complaints Working Group and the Complaints received by the Ombudsman. The Officer stated that the Learning from Complaints Working Group is made up of Complaints Officers from each directorate, which meets to consider the types and number of complaints received, share best practice and identify any trends. A more detailed report would be provided to the Committee on the Complaints referred to the Ombudsman, however, it was noted that the number of Complaints escalated were moderately low and had been considered by the Monitoring Officer.

The Audit Committee thanked the Officer for the detailed report and noted the contents.

## **7. PROCEDURE RELATING TO SCHOOL BASED COMPLAINTS**

The report, which was presented by Assistant Director Planning and Strategy and Customer Services/Complaints Officer, provided details of the Complaints Process within Education relating to Schools.

Members noted that Section 29 of the Education Act 2002 requires the governing bodies of all maintained schools in Wales, including nursery schools, to establish, implement and publish procedures for dealing with complaints from parents, pupils, members of staff, governors, members of the local community and others.

In addition, the Local Authority (LA) is able to choose what advice is provided to governing bodies and whether there is any evidence that suggests a governing body is failing statutory duty.

The Committee thanked the Officer for the report and noted that any advice/ support and training to school governors, head teachers and school staff to deal with complaints is provided by the Customer Services/ Complaints Officers.

Members discussed Welsh Government (WG) model Policy for Complaints and sought further information on the number of schools that adopt the recommended Policy. The Officer stated that the Education Achievement Service (EAS) are responsible for ensuring that Policies are in place, however the majority of schools have adopted the WG policy but some may have tailored the Policy to suit their school.

Further discussion ensued and Members noted that, whereas there are strong procedures in place within schools, there is room for improvement in that schools could be more proactive in publishing their policies online, which are more obtainable by parents.

Members discussed Governors meetings and it was noted that, for some schools, Head Teachers provide regular reports on school progress, which can include a list of complaints received. Members felt that this practice should be conducted across all Schools and requested that the complaints received by the School, any trends and the actions taken be reported to Governors on an annual basis.

A Member sought further information on how the process and Complaints department manage Social Media. The Officer highlighted that Social Media poses very unique issues. The Department works closely with Legal Services and is very mindful of Harassment Legislation, however, it was noted that the use of Social Media can be beneficial and does not want to be discouraged.

Members noted the report and requested that any future reports contain comparative data.

## **8. CAERPHILLY COUNTY BOROUGH COUNCIL PARTNERSHIPS AND COLLABORATIONS UPDATE**

The report updated Members on work being undertaken around Caerphilly County Borough Council (CCBC) Collaboration and Partnership Protocol and Action Plan for Delivery between December 2014 to February 2015.

Since last reporting to the Audit Committee on 10th December 2014 the first quarterly review of the CCBC partnership and collaboration list was undertaken, following initial completion in 2014. The number of CCBC formal partnerships has increased by 4, and now totals 39. Collaborations have increased by 3 and now total 28. CCBC now leads in 9 of the collaborations (previously 8) and has been identified as hosting the Gwent Visually Impaired Service Collaboration. Partnership governance checks have been conducted for 4 Partnerships/Collaborations, with another scheduled for 17th March 2015.

The Members thanked the officer for the report and sought further information on the Monmouthshire Farm School Endowment. The Officer highlighted that the Grant is in place for students across Gwent (excluding Newport) to attend the Agricultural College in Usk. In addition, Members noted that there are very few applications from Caerphilly, however further advertising will be conducted from April.

Members discussed the various services provided through the collaborations and partnerships and thanked the Officer for the extensive work conducted and noted the report.

## **9. INTERNAL AUDIT SERVICES ANNUAL AUDIT PLAN 2015/16**

The report outlined the intended allocation of audit time for the financial year ending 31st March 2016.

The Public Sector Internal Audit Standards and the Council's own Financial Regulations require that an annual Audit Plan is prepared to ensure that there is an effective and efficient use of audit resources. The 2015/16 Annual Plan is broadly based on an on-going assessment of risk, which makes use of data gathered from numerous sources including senior management, Heads of Service and Members. The purpose of an annual plan is to outline the resources available and set out the intended allocation of audit time for the forthcoming year. Actual work carried out will be regularly assessed against the Plan.

The Committee noted that an action plan has been produced to assist the delivery of improvements that have been suggested by the external auditors, following the completion of their inspection in relation to corporate governance. It is anticipated that working to realign working practices and audit coverage in response to the detailed issues identified will also contribute to the wider requirements of the Internal Audit Standards.

Members thanked the Officer for the detailed report and appendices and sought further information on the Audits of Schools and charging policies. It was highlighted that as the Local Authority is the responsible authority, there is a duty to include audits on education establishments as part of the overall assurance process.

The Committee sought further information on the process dealing with anonymous letters. Officers highlighted that anonymous letters are forwarded to the Internal Audit Team, where the content is considered, those considered to be of a serious or sensitive nature are discussed with the Interim Head of Corporate Services and Section 151 Officer, to determine the appropriate course of action. The remainder are passed to the relevant service areas for investigation. All are followed up to ensure the investigations have been concluded. It was agreed that a report would be presented to the Committee summarising the numbers and types of anonymous letters received.

Concerns were raised around the capacity of the Internal Audit Team, in light of the increasing workloads and expanding remit of the Internal Audit Team. Officers highlighted that there are significant pressures on the Authority to make substantial savings across the board, however they are mindful of staff numbers and workload pressures, as well as the risk and implications to the Authority if the team were to reduce further.

The Audit Committee noted the report.

## **10. INTERNAL AUDIT SERVICES ACTION PLAN**

The report provided the Audit Committee information in respect of an action plan of tasks with associated timelines, to address the suggested improvements identified in the Corporate Governance Inspections.

It was noted that the initial Corporate Governance Inspection took place in the winter of 2013. In addressing the areas for improvement identified by the review, the initial focus was on the reshaping of the annual internal audit plan and the updating of the Audit Charter to better reflect the requirements of the Public Sector Internal Audit Standards, both subsequently being presented to the Audit Committee for approval.

The follow up review, which was undertaken towards the end of 2014, recognised the progress made but recommended an action plan be developed to ensure that areas for improvement identified by the External Auditors are progressed. The delivery of the action plan is to be closely monitored by the Improving Governance Project Board (IGPB).

The Audit Committee were happy to note the detailed report and appendix and thanked the team for involving the Audit Committee where possible in the process.

## **11. INFORMATION ITEMS**

The Committee received and noted the following information items:-

- (1) Officers Declarations of Gifts and Hospitality;
- (2) Audit Committee Forward Work Programme;
- (3) Minutes of Corporate Governance Review Panel – 21st November 2014.

The meeting closed at 12.53 pm.

Approved as a correct record and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 10th June 2015, they were signed by the Chair.

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CHAIR