



City and County of Swansea

Notice of Meeting

You are invited to attend a Meeting of the

Governance & Audit Committee

At: Multi-Location Meeting - Gloucester Room, Guildhall / MS Teams

On: Wednesday, 25 October 2023

Time: 2.00 pm

Chair: Paula O'Connor

Membership:

Councillors: A Davis, P R Hood-Williams, J W Jones, M B Lewis, M W Locke, S Pritchard, L V Walton and T M White

Lay Member(s): Gordon Anderson, Julie Davies and David Roberts

Watch Online: <https://bit.ly/3tnASdL>

| Agenda | | Page No. |
|----------|---|-----------|
| 1 | Apologies for Absence. | |
| 2 | Disclosures of Personal and Prejudicial Interests. www.swansea.gov.uk/disclosuresofinterests | |
| 3 | Minutes. To approve & sign the Minutes of the previous meeting(s) as a correct record. | 1 - 8 |
| 4 | Clydach Primary School Audit Report 2023. (For Information) (David Roe) | 9 - 18 |
| 5 | External Assessment Report 2023/24. (For Information) (Simon Cockings) | 19 - 79 |
| 6 | Social Services Directorate: Internal Control Environment 2023/24. (For Information) (David Howes) | 80 - 110 |
| 7 | Scrutiny Annual Report 2022-23 & Scrutiny Work Programme. (For Information) (Councillor P M Black) | 111 - 171 |
| 8 | Public Services Ombudsman of Wales Annual Letter 2022-23. (For Information) (Sarah Lackenby) | 172 - 184 |

| | | |
|----|---|------------------|
| 9 | The Governance and Assurance Arrangements of Swansea Council's Strategic Partnerships. (For Information) (Richard Rowlands) | 185 - 195 |
| 10 | Employment of Agency Staff - 2023 Update. (For Information) (Rachael Davies) | 196 - 206 |
| 11 | Absence Management Audit Report Update. (For Information) (Rachael Davies) | 207 - 216 |
| 12 | Report on the Audit Wales 'A Missed Opportunity' - Social Enterprises Report Recommendations. (For Information) (Lee Cambule) | 217 - 294 |
| 13 | Report on the Audit Wales 'Together We Can' - Community Resilience and Self-Reliance Report Recommendations. (For Information) (Lee Cambule) | 295 - 368 |
| 14 | Audit Wales - City & County of Swansea Detailed Audit Plan 2023. | 369 - 390 |
| 15 | Audit Wales Work Programme and Timetable - City and County of Swansea Council. | 391 - 409 |
| 16 | Governance & Audit Committee Action Tracker Report. (For Information) (Jeremy Parkhouse) | 410 - 416 |
| 17 | Governance & Audit Committee Work Plan. (For Information) (Jeremy Parkhouse) | 417 - 436 |

Next Meeting: Wednesday, 6 December 2023 at 2.00 pm



Huw Evans
Head of Democratic Services
Wednesday, 18 October 2023

Contact: Democratic Services: - 636923

Agenda Item 3



City and County of Swansea

Minutes of the **Governance & Audit Committee**

Multi-Location Meeting - Gloucester Room, Guildhall / MS

Teams

Wednesday, 13 September 2023 at 2.00 pm

Present: Paula O'Connor (Chair) Presided

Councillor(s)

P R Hood-Williams
M W Locke
T M White

Councillor(s)

J W Jones
S Pritchard

Councillor(s)

M B Lewis
L V Walton

Lay Member(s)

Julie Davies

David Roberts

Officer(s)

Ness Young
Ben Smith
Richard Rowlands
Jeremy Parkhouse
Stephen Holland
Nick Davies
Helen Morgan-Rees
Kelly Small

Director of Corporate Services
Director of Finance / Section 151 Officer
Strategic Delivery & Performance Manager
Democratic Services Officer
Principal Solicitor
Principal Auditor
Director of Education
Head of Education Planning & Resources Service

Apologies for Absence

Councillor A Davis, Gillian Gillet, Non Jenkins and Bethan Roberts

24 Change of Committee Membership.

The Chair noted that the membership of the Committee had reduced to 8 Councillors and 4 Lay Members. She thanked Councillors A J Jeffrey and K M Roberts, who were no longer Committee Members, for their support and participation.

25 Disclosures of Personal and Prejudicial Interests.

In accordance with the Code of Conduct adopted by the City and County of Swansea, the following interests were declared: -

Councillors M B Lewis and T M White declared a personal interests in Minute No.26 - Internal Audit Monitoring Report - Quarter 1 - 2023/24.

Councillors P R Hood-Williams and L V Walton declared personal interests in Minute No.28 - Internal Audit Recommendation Follow-Up Report Quarter 1 2023/24.

26 Minutes.

Resolved that the Minutes of the previous meeting(s) of the Governance & Audit Committee were approved as a correct record.

27 Internal Audit Monitoring Report - Quarter 1 - 2023/24.

Nick Davies, Principal Auditor presented a detailed 'for information' report which showed the audits finalised and any other work undertaken by the Internal Audit Section during the period 1 April to 30 June 2023.

A total of 12 audits were finalised during the quarter. The audits finalised were listed in Appendix 1, which also showed the level of assurance given at the end of the audit and the number of recommendations made and agreed. Appendix 2 provided a summary of the scope of the reviews finalised during the period.

An analysis of the assurance levels of the audits finalised was given and a total of 120 audit recommendations were made and management agreed to implement all of the recommendations.

It was added that staff sickness in the Internal Audit Team continued to be significant during the quarter, with a total of 43 days absence recorded. One member of staff continued to be on long-term sickness. In addition, a Senior Auditor left during the quarter and was replaced by an existing Auditor within the team. The vacant Auditor post was filled and the new member of staff was in post and receiving training. A total of 10 days were lost due to the post being vacant.

The Internal Audit Plan 2023/24 included 116 audit activities and as at 30 June 2023, 16 audit activities (14%) had been completed, with two additional activities (2%) substantially completed, with the audit reports issued as draft. As a result, 18 audit activities had been completed to at least draft report stage (16%). An additional 20 activities were in progress at the quarter end (17%). As a result, approximately 33% of the audit activities included in the 2023/24 Audit Plan had either completed or were in progress.

Two moderate reports were issued during the quarter in respect of the following: -

- Clydach Primary School 2023/24.
- Catering and Cleaning Team 2023/24.

The Committee were also provided with details of the follow-ups completed between 1 April and 30 June 2023.

The Committee discussed the following: -

- The Senior Auditor leaving the team and the confidence that there was sufficient expertise within the section to fill the post.
- The audit of regional working, the scope of testing and the possibility of providing information to committee on what areas had been tested.
- Gas boiler servicing, the related risk potential with delays as a result of covid and providing an update in a future quarterly report.
- Lettings at Swansea Marina and Boat Parks, assurances provided by officers and gaining further assurance with follow-up information during the next quarter.
- Destinations Lettings audit – providing confirmation that the unpaid licence fee had been paid, was being recovered or had been revoked.

The Chair requested that the actions highlighted be added to the Action Tracker Report.

28 Moderate Report - Catering and Cleaning Team 2023/24.

Kelly Small, Head of Education Planning and Resources Service presented a 'for information' report which provided an update on the moderate audit report for the Catering and Cleaning Team.

It was outlined that an internal audit of the Catering and Cleaning Team was undertaken in the summer of 2023, and an assurance level of moderate was given. The previous audit of the catering team, conducted in 2017/18 and the cleaning team, conducted in 2018/19, also resulted in moderate assurance levels. An action plan was developed to address the issues identified and appropriate implementation steps put in place.

The report highlighted the seven Medium Risk items identified in the audit. All items were provided within the management action plan at Appendix A, which detailed all recommendations, Medium Risk (MR), Low Risk (LR) and recommended Good Practice (GP) as well as the associated actions taken to remove them.

The action plan addressed the Medium Risk (MR) items covering expenditure; cash and credit income; petty cash; travelling expenses; personnel records; and vehicles.

The Committee discussed the following: -

- Ensuring that all staff concerned were aware of and trained in the procurement process.
- The small number of schools which organised their own catering / cleaning and the centrally based services offered by the Education Department.
- Assurance provided by all but one of the recommendations being progressed, including completing claims correctly which safeguarded the Authority and employees.

The Chair thanked the officer for the report and for the speed at which the recommendations had been completed.

29 Internal Audit Recommendation Follow-Up Report Quarter 1 2023/24.

The Principal Auditor presented a 'for information' report which provided the Committee with the status of the recommendations made in those audits where the follow-up's had been undertaken in Quarter 1 2023/24, which allowed the Committee to monitor the implementation of recommendations made by Internal Audit.

Appendix 1 provided a summary of the recommendations accepted and implemented.

The Chair requested that in future, this report be combined with the quarterly monitoring report. The Committee also queried the reporting of all outstanding high / medium risks that had not been actioned in future in order for long term outstanding risks to be identified. The Principal Auditor stated that any areas that were not actioned would be highlighted in the follow-up report and service areas had to explain why recommendations had not been actioned. He added that he would discuss both requests with the Chief Auditor and it was requested that the action be included in the Action Tracker Report.

Ness Young, Director of Corporate Services updated the Committee on progress regarding the installation of an external audit action tracker. She added that it was taking longer than anticipated but all external audit recommendations were currently being tracked on a spreadsheet. A report regarding external audit recommendations would be provided in December 2023 and the action added to the Action Tracker Report.

30 Corporate Risk Overview 2023/24 - Quarter 1.

Richard Rowlands, Strategic Delivery & Performance Manager provided a 'for information' report which presented an overview of the status of Council's corporate risks to provide assurance to the Committee that they were being managed in accordance with the Council's risk management policy and framework.

The following summarised the status of risks recorded in the Corporate Risk Register at the end of Quarter 1 2023/24: -

There were 4 Red status risks in the Corporate Risk Register as at the end of Q1 2023/24:

- Risk ID 153: Safeguarding.
- Risk ID 159: Financial Control: Medium Term Financial Plan delivery
- Risk ID 222: Digital, Data and Cybersecurity.
- Risk ID 334: Cost of living crisis.

- All of the corporate risks were recorded as having been reviewed at least once during Q1.
- One new risk was added to the Corporate Risk Register:
Risk ID 350: Successful and Sustainable Swansea Corporate Transformation Plan.

- Two corporate risks were deactivated:
Risk ID 309: Oracle Fusion Project Implementation.
Risk ID 333: Corporate Transformation Plan.
- No risks were escalated to the Corporate Risk Register.
- No corporate risks were de-escalated from the Corporate Risk Register.
- Two Corporate risks changed their RAG status during Q1:
Risk ID 309: Oracle Fusion Project Implementation – Amber to green.
Risk ID 290: Impact of Poverty – No RAG to Amber.
- Two corporate risks changed their residual risk score during Q1:
Risk ID 159: Financial Control – MFTP Delivery – score 20 to score 25.
Risk ID 309: Oracle Fusion Project Implementation – score 8 to score 2.

Appendix A presented the risks recorded on the Council's Corporate Risk Register as at 30 June 2023. The reports for each risk included general explanatory information relating to their classification.

Discussions followed regarding the following: -

- Review of Corporate Risk Management Framework – The very positive move in providing risk management training by Association for Public Service Excellence (APSE) to Cabinet / CMT as part of the review, which would be rolled out to officers. It was confirmed that the training costs were funded by the Welsh Local Government Association (WLGA) Improvement Fund and that further training would be provided in-house.
- Risk ID 309 – Oracle Fusion Project Implementation – it was noted that the new system had gone live in April in line with the project timetable.
- Risk ID 159 – Financial Control – MFTP Delivery – Ben Smith, Director of Finance stated that local government finances were very grave at present and was the current position the Council faced. He added that the risk would remain elevated until the budget for 2024/25 had been set. The effect upon transformation savings was queried. The Director of Finance stated that although the Authority was in a better position than most local authorities in Wales, the financial position remained extremely sensitive. He added that the 2023/24 budget delivered some significant savings and transformation was an important aspect over the life of the Medium Term Financial Plan. However, the Council would be faced with making some tough choices in the future, which may impact the Council's ability to find additional savings and to invest in transformational projects.
- Risk ID 153 – Safeguarding – It was queried whether workforce pressures remained and noted that the issue would be raised with the Director of Social Services in October 2023 when he presents his Directorate Internal Control Environment Report.

31 Education Directorate: Internal Control Environment 2023/2024.

Helen Morgan-Rees, Director of Education and Kelly Small, Head of Education Planning and Resources, provided a 'for information' report which presented the Education Directorate control environment, including risk management, in place to

ensure: functions were exercised effectively; there was economic, efficient and effective use of resources, and; effective governance to secure these arrangements.

A broad break down of the Education Portfolio Budget, key points to note, key elements of the assurance framework, key aspects of the Authority's oversight of schools financial arrangements, details of schools audit arrangements and key aspects of the Education Directorate's arrangements were outlined.

Details of risk management, business continuity, Performance management / KPIs, planning, decision making, budget, fraud and impropriety, compliance with policies, rules and regulatory requirements and resources management were provided.

It was added that Risks within Education were promptly identified and managed at appropriate levels (corporate, directorate, service, programme/project), and as far as possible mitigated, as part of the service review and planning cycle processes and ongoing self-evaluation. Monitoring was conducted through the Directorate performance management and reporting mechanisms at PFM, SLB and EDSLTT meetings and programme / project boards with risks escalated as appropriate (with particular focus on 'red' risks).

Programme and project level risks associated with the Quality in Education (QEd)/Sustainable Communities for Learning Programme were managed via mature programme and project risk management processes in line with corporate requirements and the Welsh Government's grant conditions and gateway review recommendations.

The report also highlighted key elements of internal controls, data security and partnership / collaboration governance.

Appendix A provided (Directorate) Corporate and Directorate Risks at 1 September 2023 and Appendix B provided the updated (Directorate) Assurance Map.

The Director of Education also updated the Committee with the background, progress made and current position regarding Clydach Primary School, which was currently in special measures, in order to provide assurance that the department were closely monitoring the situation.

The Committee discussed the following: -

- Procurement training – it was noted that the numbers attending the training had been positive and the department monitored the schools that had attended.
- Clydach Primary School – It was confirmed that the school was currently in special measures, the school leadership had changed, the school should be operating properly in approximately 12 months and should be out of special measures in approximately 18 to 24 months. The Committee expressed concern at the lack of financial control within the school.

The Chair noted that the monitoring of the position at Clydach Primary School would be done by the Education Performance Scrutiny Panel and added that the

Committee would gain assurance from their findings. She requested that it be added to the Action Tracker Report.

The Chair thanked the Officers for providing a detailed Education Directorate review.

32 Annual Review of Performance 2022-23 (including Self-Assessment Report).

Richard Rowlands, Strategic Delivery & Performance Manager provided a report which presented the Committee with a draft of the Council's Annual Review of Performance 2022/23, which met the statutory requirements to publish an annual self-assessment report and annual well-being report under Part 6 of the Local Government & Elections Act (Wales) 2021 and Well-being of Future Generations (Wales) Act 2015 respectively.

The Chair explained that the report had been discussed at the Strategic Governance Group meetings in May and August and had been scrutinised by the Service Improvement, Regeneration and Finance Scrutiny Panel early in September 2023, so it had been through a process of challenge.

It was stated that the report provided the progress the Council had made meeting its wellbeing objectives, as set out in its Corporate Plan 2022/23.

The approach, method, improvements made following the 2021/22 assessment and a summary of the 2022/23 self-assessment, were outlined.

Ness Young, Director of Corporate Services commented that this was the second year of self-assessment and there were a number of elements included to make the report more accessible, reflecting the Committee's comments on the 2021-22 report, while also ensuring the requirements of the act were met.

The Committee discussed the following: -

- 30% not meeting their performance targets and how Council would review the information.
- The level of detail contained in Section 7 – Areas for continued improvement.
- The need for the document to be proof read due to typographical errors.
- The positive addition of case studies into the report.
- The level of detail provided in respect of partnership working and the possibility of undertaking 360 degree reviews with partner organisations in future.
- Contributions made by staff to the self-assessment which was advertised internally at different locations.
- The need to check the performance figures were consistent with those in Cabinet corporate performance reports.
- How to facilitate greater public engagement in the development of future reports.

Resolved that: -

- 1) The draft Annual Review of Performance 2022/23 be noted.

- 2) The suggested amendments to the draft report be updated prior to the report being presented to Council.

33 Governance & Audit Committee Action Tracker Report.

The Governance & Audit Committee Action Tracker was reported 'for information'.

The Chair highlighted that the action relating to Minute 40 – 27/09/22 - Absence Management Audit Report Update, was scheduled to be reported to the Committee in October 2023.

The Director of Corporate Services stated that the review of sickness management and the end-to-end absence management process, including Occupational Health would be reported to Corporate Management Team in October and to the Committee in December 2023.

It was also noted that the following actions had been completed: -

- Minute 17 – 19/07/23 – Annual Complaints Report – Six Month Update.
- Minute 70 – 14/12/22 – Annual Review of Performance 2021-22.

34 Governance & Audit Committee Work Plan.

The Governance & Audit Committee Work Plan was reported 'for information'.

The Director of Finance stated that the Draft Statement of Accounts 2022/23 and Audit Wales – Audit of Accounts Report – City & County of Swansea – Draft were delayed and would be deferred to the December Committee meeting.

The meeting ended at 3.51 pm

Chair

Agenda Item 4



Report of the Director of Education

Governance and Audit Committee – 25 October 2023

Clydach Primary School Audit Report 2023

| | |
|------------------------------------|---|
| Purpose: | To provide an update on the Clydach Primary School audit report |
| Report Author: | David Roe (Acting Headteacher) |
| Finance Officer: | Aimee Dyer |
| Legal Officer: | Stephanie Williams |
| Access to Services Officer: | Rhian Millar |
| For Information | |

1. Introduction

- 1.1 As a result of an internal audit on Clydach Primary School carried out in 2023, an assurance level of moderate was given.
- 1.2 An action plan was developed to address the issues identified and appropriate implementation steps put in place. All items including actions taken to date can be found within Appendix A, which sets out the recommendations, associated actions and review of actions to undertaken to date.

The acting headteacher (in post since September 2023) and the interim headteacher (in post November 2022 – July 2023) have been leading in addressing all of the recommendations and have been supported by appropriate local authority officers to address the points within the action plan.

- 1.3 All recommendations have been fully met other than 2.1.4 in the action plan which is planned to be met by January 2024. Internal Audit are due to undertake their follow up audit late in Q3 or Q4 of 2023-2024.
- 1.4 The action plan shown at Appendix A reports progress against all the recommendations.

1.5 Medium Risk Recommendations

- **Unofficial Funds**

(2.4.6) A monthly reconciliation of all Unofficial Funds should be completed and reviewed by an independent person, and evidence of the review should be recorded.

Progress to Date/Agreed and updated actions – *Monthly reconciliation of unofficial funds now takes place. This is checked by the acting head.*

- **Inventory**

(2.9.1 & 2.9.2) Appropriate inventories should be maintained in accordance with Accounting Instruction No. 9.

Progress to date/Agreed and updated actions - *Inventory with all required details undertaken.*

- **Delegated Budget and Expenditure**

(2.4.4) A bank mandate should be completed as a matter of urgency and all outstanding invoices paid.

Progress to date/Agreed and updated actions - Bank mandate has been updated and all invoices paid.

(2.4.5) Arts Council Wales grant should be spent in accordance with the Terms and Conditions of the grant offer letter.

Progress to date/Agreed and updated actions - *Invoices were paid from the delegated budget. Now mandate is updated for unofficial funds the money has been moved.*

(2.6.1) Bank reconciliations should be reviewed by someone other than the member of staff who has completed the reconciliation. The person reviewing should sign the Bank Reconciliation documents as evidence of the review.

Progress to date/Agreed and updated actions - Monthly reconciliation now takes place. This is checked by the acting head using the local authority pro forma.

(2.7.1) An official order should be raised in advance for all expenditure to ensure that the expenditure is duly authorised and committed promptly to the cost centre. Non-order payments should be restricted to utilities invoices and supply teaching costs only.

Progress to date/Agreed and updated actions - Action fully completed.

(2.7.5) The Cheque Stock Record should be signed by an authorised signatory each time cheques are issued and used.

Progress to date/Agreed and updated actions - Cheque stock record introduced and being used from October 2023.

2. Integrated Assessment Implications

2.1 There are no equality and engagement implications associated with this report.

3. Financial Implications

3.1 There are no financial implications with this report.

4. Legal Implications

4.1 There are no legal implications with this report.

Background Papers: None.

Appendices:

Appendix A Clydach Primary School – Reviewed Management Action Plan

CITY AND COUNTY OF SWANSEA
AUDIT REPORT ACTION PLAN – UPDATE
EDUCATION: Clydach Primary School 2023 (Reviewed October 2023)

| REPORT REF | RECOMMENDATION | CLASS (HR; MR; LR; GP) | AGREED ACTION/ COMMENTS | RESPONSIBILITY FOR IMPLEMENTATION | IMPLEMENTATION DATE | Review commentary October 2023 | Progress RAG Review |
|------------------|--|------------------------|---|-----------------------------------|--|---|---------------------|
| 2.1.2 | The extent of delegation of powers to the Head teacher should be approved annually by the Governing Body. | LR | To be completed as part of the Business meeting in the Autumn term 2023 | CoG | By Dec 23 | This action was completed at the Annual General Meeting of the governing body on 2 October 2023. | |
| Page 12 2.1.3 | The Authorised Signatory Form for Payroll should be completed and the Chair of Governors should be included on the Form. | LR | To be completed by Interim HT before her return to PPS. | Interim HT | End of Summer term 23 | The authorised signatory form was updated on 24 May 2023. This includes the chair of governors. | |
| 2.1.4 | A member of staff with administrative and financial responsibilities should be appointed as soon as possible. | MR | Due to Financial circumstances this will be reviewed again by the Finance and Staffing committee. | Interim HT / DHT / CoG | End of Summer term – to be reviewed half termly. | A temporary agency member of staff has been appointed. An advert has been sent to the local authority with a proposed start date of January 2024. Revision of budget to support this. | |
| 2.3.1 | Where invoices for educational visits are paid from the Delegated Budget, the income should be paid into this account. | LR | Ensure all Visit income is paid into Unofficial fund account. | TK / Supply Admin JC | To commence Sept 23 | Payment for the Pendine residential 2023 was paid from the delegated budget and money raised was | |

| REPORT REF | RECOMMENDATION | CLASS (HR; MR; LR; GP) | AGREED ACTION/ COMMENTS | RESPONSIBILITY FOR IMPLEMENTATION | IMPLEMENTATION DATE | Review commentary October 2023 | Progress RAG Review |
|------------|---|------------------------|---|-----------------------------------|---------------------|---|---------------------|
| | | | | | | moved into the correct line via cheque payment from the unofficial school fund. | |
| 2.4.1 | All Unofficial Funds should be audited annually. | LR | Current Admin to ensure this is completed prior to the GB Business meeting in Autumn term 2023. | TK / Supply Admin JC / CoG | Autumn term 23 | Audit undertaken by 2 independent persons October 2023. | |
| 2.4.1 | The Audit Certificate should record details of the bank balance as at the date of the audit. | LR | Agreed. | TK / Supply Admin JC | Autumn 23 | Audit certificate filed. | |
| 2.4.2 | A management committee should be established, and Fund Constitution or Terms of Reference set out for all Unofficial Funds. | LR | Agreed. | Interim HT / DHT / CoG | Autumn 23 | Terms of reference for the unofficial fund adopted 2 October 2023 at AGM. | |
| 2.4.3 | Receipts for all items of expenditure should be retained. | LR | Signing in and out system to be implemented for Petty cash. | TK / Supply Admin JC | Immediately | New system now fully in place – spot checks undertaken during audit. | |
| 2.4.4 | A bank mandate should be completed as a matter of urgency and all outstanding invoices paid. | MR | Ensure signatories for all school accounts are up to date. | DR | June 23 | Bank mandate updated and invoices paid. | |
| 2.4.5 | Arts Council Wales grant should be spent in accordance with the Terms and Conditions of the grant offer letter. | MR | DHT to liaise with the Expressive Arts leader regarding | DR & JR | Autumn 23 | Invoices were paid from the delegated budget. Now mandate is updated for unofficial | |

| REPORT REF | RECOMMENDATION | CLASS (HR; MR; LR; GP) | AGREED ACTION/ COMMENTS | RESPONSIBILITY FOR IMPLEMENTATION | IMPLEMENTATION DATE | Review commentary October 2023 | Progress RAG Review |
|------------|---|------------------------|--|-----------------------------------|----------------------------|---|---------------------|
| | | | expenditure or this grant. | | | funds the money has been moved. | |
| 2.4.6 | A monthly reconciliation of all Unofficial Funds should be completed and reviewed by an independent person, and evidence of the review should be recorded. | MR | Agreed. | TK / Supply Admin JC | June 23 | Monthly reconciliation of unofficial funds now takes place. This is checked by the acting head. | |
| 2.5.4 | Staff arrears for school meal income should be cleared immediately. | LR | TK to e-mail staff regarding paying their debts. | TK | June 23 | There are no staff meal arrears now. | |
| 2.6.1 | Bank reconciliations should be reviewed by someone other than the member of staff who has completed the reconciliation. The person reviewing should sign the Bank Reconciliation documents as evidence of the review. | MR | Agreed. | TK / Supply Admin JC | June 23 | Monthly reconciliation now takes place. This is checked by the acting head using the local authority pro forma. | |
| 2.7.1 | An official order should be raised in advance for all expenditure to ensure that the expenditure is duly authorised and committed promptly to the cost centre. Non-order payments should be restricted to utilities invoices and supply teaching costs only. (Previous audit recommendation.) | MR | Ensure that all orders are placed on to the system prior to any orders actually being made so that the money is committed. | TK / Supply Admin JC | To commence Autumn term 23 | Action completed. | |

| REPORT REF | RECOMMENDATION | CLASS (HR; MR; LR; GP) | AGREED ACTION/ COMMENTS | RESPONSIBILITY FOR IMPLEMENTATION | IMPLEMENTATION DATE | Review commentary October 2023 | Progress RAG Review |
|------------|--|------------------------|-------------------------------------|-----------------------------------|---------------------|---|---------------------|
| 2.7.2 | <p>It should be ensured that proper insurance arrangements are in place and have been checked for any persons / companies used by the school to provide services / consultancy advice which have not been arranged via the Corporate Contract.</p> <p>E.g.</p> <ul style="list-style-type: none"> • 3rd party insurance for all. • Professional indemnity for Consultants • Employers Liability for all where the Contractor employs anyone regardless of number or if they are full time. • Contractors 'All risk' for Building related services. <p>Copies of insurance certificates and other relevant documentation should be retained as confirmation.</p> | LR | Agreed. | Interim HT / DHT / CoG | Autumn 23 | Only two since the audit – Baby ballet and Zac Franks – both provided the documents required. | |
| 2.7.3 | <p>HMRC form IR35 should be completed. (https://www.gov.uk/guidance/check-employment-status-for-tax).</p> | LR | DHT and TK to attend IR35 training. | DR / TK / Supply Admin JC | June 23 | 1 completed as required. | |

| REPORT REF | RECOMMENDATION | CLASS (HR; MR; LR; GP) | AGREED ACTION/ COMMENTS | RESPONSIBILITY FOR IMPLEMENTATION | IMPLEMENTATION DATE | Review commentary October 2023 | Progress RAG Review |
|------------------|--|------------------------|---|-----------------------------------|---------------------|--|---------------------|
| 2.7.4 ii | A batch header form should be completed and signed for each cheque run. | LR | To be implemented immediately. | TK / Supply Admin JC | June 23 | This happens at each cheque run signed by the admin and acting headteacher. | |
| 2.7.4 iii | All invoices should be noted as received, checked and certified. This can either be done on each individual invoice or the new, approved batch header form can be used. (Previous audit recommendation.) | LR | To be implemented immediately. | TK / Supply Admin JC | June 23 | Stamp purchased – all invoices are now checked, initialled and approved. | |
| 2.7.5 Page 16 | The Cheque Stock Record should be signed by an authorised signatory each time cheques are issued and used. | MR | Agreed. | TK / Admin supply JC | By end of July 23 | Cheque stock record introduced and being used from October 2023. Confirmed no issues with cheque stock. | |
| 2.7.6 | Spoiled cheques should be recorded in the Cheque Stock Record. (Previous audit recommendation.) | LR | Agreed. | TK / Admin supply JC | By end of July | This happens – record of spoiled cheques in school. | |
| 2.7.7 | Petty Cash expenditure should be administered in accordance with Accounting Instruction No 6. | LR | Signing in and out system to be set up. | TK / Admin supply JC | June 23 | Petty cash system in place and is in accordance with instructions. | |

| REPORT REF | RECOMMENDATION | CLASS (HR; MR; LR; GP) | AGREED ACTION/ COMMENTS | RESPONSIBILITY FOR IMPLEMENTATION | IMPLEMENTATION DATE | Review commentary October 2023 | Progress RAG Review |
|--------------|--|------------------------|---|-----------------------------------|---------------------|--|---------------------|
| 2.8.1 | Fire drills should be completed termly. | LR | Fire drills to be completed for both buildings – June 23 | Interim HT / DR | June 23 | Termly fire drills planned and taking place. | |
| 2.9.1, 2.9.2 | <p>Appropriate inventories should be maintained in accordance with Accounting Instruction No. 9. It should be ensured that:</p> <ul style="list-style-type: none"> • Full descriptions are recorded inc. make, model & serial number where item has not been centrally recorded with an asset reference number. • Entries are made upon receipt of items. • Inventory is physically verified annually, with an inventory certificate completed and signed. • Inventory checks should be recorded. <p>(Previous audit recommendation.)</p> | MR | Inventories to be completed for both sites, including IT. | DR / TK | To commence June 23 | Inventory with all required details undertaken. | |
| 2.9.3 | A Disposal Form should be completed for all items disposed of during the year. | LR | DR DHT to seek advice on this – to inform IT leader | DR | Autumn 23 | Message shared with ICT lead on how to do this via ICT service desk. | |
| 2.10.1 | All users of the FMS system should change their passwords at least annually. | GP | Reminder to be given to all FMS users. | Interim HT / DR | June 23 | Done (TK & JC) Summer 2023. | |

| REPORT REF | RECOMMENDATION | CLASS (HR; MR; LR; GP) | AGREED ACTION/ COMMENTS | RESPONSIBILITY FOR IMPLEMENTATION | IMPLEMENTATION DATE | Review commentary October 2023 | Progress RAG Review |
|------------|---|------------------------|--|-----------------------------------|---------------------|--|---------------------|
| | <i>(Previous audit recommendation.)</i> | | | | | | |
| 2.10.2 | Data protection registration with the Information Commissioner's office should be arranged immediately. | LR | Apply and complete Data protection registration immediately. | TK / Admin supply JC | June 23 | Done – DR is registered – certificate in office. | |
| 2.10.3 | GDPR training should take place every two years. | LR | GDPR training to be organised for the Autumn term 23. | DR | Autumn 23 | GDPR training was undertaken by staff and governors 26 September 2023. | |

Agenda Item 5



Report of the Chief Auditor

Governance and Audit Committee – 25 October 2023

External Assessment Report 2023/24

| | |
|------------------------------------|---|
| Purpose: | This report provides a summary of results of the external assessment of compliance with the Public Sector Internal Audit Standards undertaken by the Internal Audit Team of Blaenau Gwent County Borough Council. |
| Policy Framework: | None |
| Consultation: | Corporate Management Team, Legal and Access to Services |
| Report Author: | Simon Cockings |
| Finance Officer: | Ben Smith |
| Legal Officer: | Debbie Smith |
| Access to Services Officer: | Rhian Millar |
| For Information | |

1. Introduction

- 1.1 An effective, objective and independent internal audit service (IAS) is the cornerstone of good governance in all public sector bodies. Internal audit plays a pivotal role in providing assurance to officers and members that the system of internal control within their organisation is operating effectively and to recommend how that system of internal control can be strengthened.

2. Public Sector Internal Audit Standards

- 2.1 From 1 April 2013, a new set of internal audit standards for the public sector, the 'Public Sector Internal Audit Standards' (PSIAS) have been in effect. The PSIAS adopt the principal requirements of the Institute of Internal Auditors Professional Practices

Framework and adapt these to ensure they are relevant and appropriate for the UK public sector. The PSIAS were updated and re-issued in 2017.

2.2 The overall objective of the PSIAS is to provide a high-level, overarching framework applicable to all public sector bodies. In summary, the Standards:

- Define the nature of internal auditing within the UK public sector.
- Set basic principles for carrying out internal audit in the UK public sector.
- Establish a framework for providing internal audit services, which add value to the organisation, leading to improved organisational processes and operations; and
- Establish the basis for the evaluation of internal audit performance and to drive improvement planning.

3. Local Government Application Note

3.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) recognised the potential significance of the changes resulting from the adoption of the PSIAS and provided guidance to internal auditors in the form of an Application Note. The Application Note and PSIAS combined constitute 'proper practices' in internal control as set out in the Accounts and Audit Regulations.

4. External Assessment

4.1 The Public Sector Internal Audit Standard introduced a requirement for an external assessment of all internal audit services, which must be conducted at least once every five years by a qualified, independent reviewer from outside of the organisation.

4.2 The two possible approaches to external assessments outlined in the standard included either a full external assessment or an internal self-assessment which is validated by an external reviewer. Members of the Welsh Chief Internal Auditor Group (WCIAG) elected to adopt the self-assessment approach, with another member of the WCIAG undertaking the validation. The Chief Audit Executive (Chief Auditor) has undertaken a self-assessment in accordance with the PSIAS and submitted it, together with supporting evidence, to the Head of Internal Audit at Blaenau Gwent County Borough Council for Validation.

4.2 This is the second external assessment that has been undertaken. The first assessment, completed in 2017/18 by Cardiff Council, concluded that the Council was broadly compliant with the PSIAS and CIPFA Application Note with no significant deviations from the standards being noted. Some minor suggestions for improvement were made all of which were addressed.

4.3 The most recent review by Blaenau Gwent County Borough Council was undertaken between December 2022 and August 2023. Meetings were also held with various officers within Swansea Council.

4.4 The External Assessment Report outlining the findings of the review can be found in Appendix 1.

5. Conclusion

5.1 The assessment comprised a desktop review of the self-assessment and supporting evidence and discussions were held with the Chief Audit Executive (CAE), by the Professional Lead and the Senior Auditor at Blaenau Gwent CBC to gain insight and views on the operation of the Internal Audit Team and adherence to the Standards.

5.2 In summary, there are 304 best practice lines within the PSIAS. The Internal Audit Service of Swansea Council has been assessed as fully conforming with 303 of the requirements (includes those not applicable). One area of partial compliance was noted in relation to a dedicated Information Technology audit resource within the team. Therefore, the Internal Audit Service of Swansea Council has been assessed as generally conforming with the standards in all significant areas and operating independently and objectively. Three optional actions were also suggested as part of the review with the aim of enhancing existing compliance in some areas, as shown in Appendix 1.

5.3 Actions that will be completed to address the one area assessed as partially compliant and the three suggestions to enhance current compliance can be found in the Action Plan contained in the External Assessment Report in Appendix 1 for Governance and Audit Committee's consideration and comment.

6. Integrated Assessment Implications

6.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language.
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

6.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

- 6.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 6.4 The completion of the Integrated Impact Assessment Screening revealed that:
- The External Assessment Report has a low positive impact across all groups.
 - It has been subject to consultation with the Director of Finance, the Corporate Management Team, Legal and Access to Services.
 - All Well-being of Future Generations Act considerations are positive and any risks identified are low.
 - The overall impact of the External Assessment Report is positive as it will support the Authority in its requirement to protect public funds.

7. Financial Implications

- 7.1 There are no financial implications associated with this report.

8. Legal Implications

- 8.1 There are no legal implications associated with this report.

Background Papers: None

Appendices: Appendix 1 – External Assessment Report
Appendix 2 – Internal Audit Charter
Appendix C – Internal Audit Charter appendix C
Appendix D – internal Audit Charter appendix D
Appendix 3 – Internal Audit Flowchart
Appendix 4 – Integrated Impact Assessment Form



Blaenau Gwent County Borough Council

Internal Audit Report

Public Sector Internal Audit Standards (PSIAS)

External Assessment of

Swansea City Council Internal Audit Service

Welsh Chief Internal Auditor Group

WCIAG

| | |
|------------------------------|--|
| Date of Assessment Fieldwork | May 2023 –August 2023 |
| Date of Report Issue | 07th August 2023 |
| Report Status | Draft Report |
| Report Author | Andrea Owen, Professional Lead – Internal Audit Blaenau Gwent County Borough Council. |
| Issued to | Simon Cockings, Chief Internal Auditor. |

1. Introduction

- 1.1 The Public Sector Internal Audit Standard (PSIAS) became effective from 1st April 2013 and introduced a requirement for an external assessment of all internal audit services, which must be conducted at least once every five years by a qualified, independent reviewer from outside of the organisation.
- 1.2 The two possible approaches to external assessments outlined in the standard included either a full external assessment or an internal self-assessment which is validated by an external reviewer.
- 1.3 Members of the Welsh Chief Internal Auditor Group (WCIAG) elected to adopt the self-assessment approach, with another member of the WCIAG undertaking the validation.

2. Purpose

- 2.1 The purpose of the external assessment is to help improve delivery of the audit service to an organisation. The assessment is designed to be a supportive process that identifies opportunities for development which ultimately help to enhance the value of the audit function to the authority.

3. Results

- 3.1 The assessment involved a validation of a self-assessment of conformance against the PSIAS undertaken by the Professional Lead – Internal Audit at Blaenau Gwent County Borough Council.
- 3.2 The assessment comprised a desktop review of the self-assessment and supporting evidence and discussions were held with the Chief Audit Executive (CAE), by the Professional Lead and the Senior Auditor at Blaenau Gwent CBC to gain insight and views on the operation of the Internal Audit Team and adherence to the Standards.
- 3.3 In summary, there are 304 best practice lines within the PSIAS. The Internal Audit Service of Swansea City Council is currently conforming to 274 of the requirements, with 29 areas deemed not applicable and partial conformance in 1 area.

3.4 The table below summarises the outcome of the assessment.

| Standard | Conformance | | | | Total |
|---|-------------|----------|----------|-----------|------------|
| | Yes | Partly | No | N/A | |
| 1. Mission of Internal Audit | 1 | | | | 1 |
| 2. Definition of Audit Risk | 2 | | | | 2 |
| 3. Core Principles | 10 | | | | 10 |
| 4. Code of Ethics | 13 | | | | 13 |
| 5. Attribute Standards | | | | | |
| Purpose, Authority and Responsibility | 19 | | | 1 | 20 |
| Objectivity and Independence | 27 | | | 2 | 29 |
| Proficiency and Due Professional Care | 17 | 1 | | 3 | 21 |
| Quality Assurance and Improvement Programme | 24 | | | | 24 |
| 6. Performance Standards | | | | | |
| Managing the Internal Audit Activity | 35 | | | 2 | 37 |
| Nature of Work | 24 | | | 4 | 28 |
| Engagement Planning | 37 | | | 15 | 52 |
| Performing the Engagement | 15 | | | | 15 |
| Communicating Results | 45 | | | 1 | 46 |
| Monitoring Progress | 3 | | | 1 | 4 |
| Communicating the Acceptance of Risks | 2 | | | | 2 |
| Total | 274 | 1 | 0 | 29 | 304 |

3.5 This report contains three appendices as follows:

| | |
|-------------------|---|
| Appendix A | Action Plan to address partial conformance area |
| Appendix B | Enhancing proposals for areas where conformance is already achieved |
| Appendix C | Completed checklist for assessing conformance with the PSIAS and Local Government Application Note (LGAN) |

3.6 The area of partial compliance relate to:

- *Standard 1200 Proficiency and Due professional Care.*
This area relates specifically to auditors having sufficient knowledge of key information technology risks and controls. It was discussed with the CAE that the Principal Auditor has some IT audit experience however there is no designated IT auditor resource within the team and no evidence of any IT audits being sourced from an external provider.

Impact of partial-compliance and steps to be taken to ensure compliance.

3.6.1 In terms of the review that has been undertaken, the impact of the partial conformance is not considered to be significant, and the Internal Audit service of Swansea City Council complies with the Standards in all significant areas and operates independently and objectively.

3.6.2 The CAE has agreed that an action plan will be drafted to respond to the area of partial compliance for consideration by the Governance & Audit Committee.

Action Plan to address partial conformance area

| Rec No | Standard | Action to address non-compliance | Responsible Person | Timescale |
|--------|--|---|---|------------------------|
| | | Action to address partial compliance | | |
| 1 | 1210 Proficiency Internal Auditors must have sufficient knowledge of key information technology risks and controls | It was discussed that the Principal Auditor has some ICT Audit experience however, there is no designated IT auditor resource within the team and no evidence of recent ICT Audits being sourced from an external provider. | Discussed with CMT 06/09/23 Agreed to explore options to enhance internal ICT audit skills and/or consider the feasibility of sourcing external ICT internal audit provision if necessary. | 2024/25 financial year |

Further Action Plan – Enhancing proposals for areas where conformance is already achieved

| Standard | Compliant, but enhancing recommendation proposed. | Who is responsible for implementing the action | Timescale |
|---|---|---|--|
| <p>1130 Impairment to independence or Objectivity Where there have been significant additional consulting services agreed during the year that were not already included in the audit plan, was approval sought from the board before the engagement was accepted.</p> | <p>Whilst the Internal Audit Charter states the process for undertaking consultancy work however, it does not state that the CAE will notify the Board of any agreed consultancy engagements prior to accepting them. The Internal Audit Charter should be updated to reflect this.</p> | <p>Chief Auditor The Audit Charter has been updated as requested. See Audit Charter – paragraph 6.3.</p> | <p>August 2023 – Completed The updated Charter will be presented to the Governance & Audit Committee when the EQA Report is presented in October 2023.</p> |
| <p>1210 Proficiency The CAE holds a professional qualification, such as CMIIA/CCAB or equivalent</p> | <p>Whilst the internal Audit Charter states that the CAE needs to hold a professional qualification, the Charter does not specify what professional qualification is required. The Internal Audit Charter should be updated to reflect this.</p> | <p>Chief Auditor The Audit Charter has been updated as requested. See Audit Charter - paragraph 8.2.</p> | <p>August 2023 - Completed The updated Charter will be presented to the Governance & Audit Committee when the EQA Report is presented in October 2023.</p> |

| | | | |
|--|---|---|--|
| <p>2040 Policies and Procedures The CAE must develop and put into place policies and procedures to guide the internal audit activity.</p> | <p>On the job audit training is provided within the team and staff have access to an internal audit manual. However, there is no evidence of an internal audit flowchart to guide auditors in their role.</p> | <p>Chief Auditor A flowchart has been produced to complement the existing guidance material.</p> | <p>August 2023 - Completed The flowchart will be presented to the Governance & Audit Committee when the EQA Report is presented in October 2023.</p> |
|--|---|---|--|

**CHECKLIST FOR ASSESSING CONFORMANCE WITH THE PUBLIC SECTOR INTERNAL AUDIT STANDARDS
AND THE LOCAL GOVERNMENT APPLICATION NOTE (LGAN)**

| Glossary | |
|------------|---|
| GC | Generally Conforms with PSIAS - The relevant structures, policies and procedures of the activity, as well as the processes by which they are applied, comply with the requirements of individual Standard or element of the Code of Ethics in all material respects. For the sections and major categories, this means that there is general conformance to a majority of the individual Standards or elements of the Code of Ethics, and at least partial conformance to the others, within the section / category. General conformance does not require complete / perfect conformance, the ideal situation, successful practice, etc. |
| PC | Partially Conforms with PSIAS - The activity is making good-faith efforts to comply with the requirements of the individual Standard or element of the Code of Ethics, section or major category, but falls short of achieving some major objectives. These will usually represent significant opportunities for improvement in effectively applying the Standards or Code of Ethics and / or achieving their objectives. |
| DNC | Does Not Conform with PSIAS - The activity is not aware of, is not making good-faith efforts to comply with, or is failing to achieve many / all of the objectives of the individual Standard or element of the Code of Ethics, section, or major category. These deficiencies will usually have a significant negative impact on the activity's effectiveness and its potential to add value to the organisation. These may also represent significant opportunities for improvement, including actions by senior management or the board. |
| N/A | Not Applicable - The sections marked N/A do not apply to this assessment. Any n/a answers should be treated as generally conforming with the PSIAS. |
| CAE | Chief Audit Executive (CAE) - A generic title used to describe the person responsible for managing the internal audit activity. In Blaenau Gwent Council, it is the Audit & Risk Manager. |

| | SUMMARY OF RESULTS | GC | PC | DNC | N/A |
|----------|---|------------|----------|----------|-----------|
| A | Mission of Internal Audit | 1 | | | |
| B | Definition of Internal Auditing | 2 | | | |
| C | Core Principles for the Professional Practice of Internal Auditing | 10 | | | |
| D | Code of Ethics | 13 | | | |
| E | Attribute Standards | 87 | 1 | 0 | 6 |
| 1000 | Purpose, Authority and Responsibility (The sum of <i>Standards</i> 1000-1010) | 19 | | | 1 |
| 1100 | Independence and Objectivity | 8 | | | |
| 1110 | Organisational Independence | 6 | | | |
| 1111 | Direct Interaction with the Board | 1 | | | |
| 1112 | Chief Audit Executive Roles Beyond Internal Auditing | 2 | | | |
| 1120 | Individual Objectivity | 2 | | | |
| 1130 | Impairments to Independence or Objectivity | 8 | | | 2 |
| 1200 | <i>Proficiency and Due Professional Care</i> | | | | |
| 1210 | Proficiency | 8 | 1 | | |
| 1220 | Due Professional Care | 5 | | | 3 |
| 1230 | Continuing Professional Development | 4 | | | |
| 1300 | Quality Assurance and Improvement Programme | 4 | | | |
| 1310 | Requirements of the Quality Assurance and Improvement Programme | 1 | | | |
| 1311 | Internal Assessments | 10 | | | |
| 1312 | External Assessments | 4 | | | |
| 1320 | Reporting on the Quality Assurance and Improvement Programme | 2 | | | |
| 1321 | Use of Conforms with the International Standards for the Professional Practice of Internal Auditing | 1 | | | |
| 1322 | Disclosure of Non-conformance | 2 | | | |
| F | Performance Standards | 161 | 0 | 0 | 23 |
| 2000 | Managing the Internal Audit Activity | | | | |
| 2010 | Planning | 22 | | | 2 |
| 2020 | Communication and Approval | 3 | | | |
| 2030 | Resource Management | 3 | | | |
| 2040 | Policies and Procedures | 2 | | | |
| 2050 | Coordination | 1 | | | |
| 2060 | Reporting to Senior Management and the Board | 3 | | | |

| | SUMMARY OF RESULTS | GC | PC | DNC | N/A |
|------|--|------------|-----------|------------|------------|
| 2070 | External service Provider and Organisational Responsibility for Internal Audit | 1 | | | |
| 2100 | Nature of Work | | | | |
| 2110 | Governance | 8 | | | |
| 2120 | Risk Management | 11 | | | 3 |
| 2130 | Control | 5 | | | 1 |
| 2200 | Engagement Planning | 13 | | | 7 |
| 2210 | Engagement Objectives | 11 | | | 2 |
| 2220 | Engagement Scope | 3 | | | 6 |
| 2230 | Engagement Resource Allocation | 3 | | | |
| 2240 | Engagement Work Programme | 7 | | | |
| 2300 | Performing the Engagement | | | | |
| 2310 | Identifying Information | 1 | | | |
| 2320 | Analysis and Evaluation | 6 | | | |
| 2330 | Documenting Information | 6 | | | |
| 2340 | Engagement Supervision | 2 | | | |
| 2400 | Communicating Results | | | | |
| 2410 | Criteria for Communicating | 12 | | | 1 |
| 2420 | Quality of Communications | 1 | | | |
| 2421 | Errors and Omissions | 1 | | | |
| 2430 | Use of 'conducted in conformance with the International Standards for the Professional Practice of Internal Auditing'. | 1 | | | |
| 2431 | Engagement Disclosure of Non-conformance | 3 | | | |
| 2440 | Disseminating Results | 6 | | | |
| 2450 | Overall Opinions | 21 | | | |
| 2500 | Monitoring Progress | 3 | | | 1 |
| 2600 | Resolution of Senior Managements Acceptance of Risks | 2 | | | |
| | OVERALL CONCLUSION – CONFORMANCE WITH PSIAS | 274 | 1 | 0 | 29 |

| Ref | Conformance with the Standard | GC | PC | DNC | Evidence |
|------|---|----|----|-----|--|
| A | Mission of Internal Audit | | | | |
| 1 | Based on your review of conformance with other requirements of the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN), does the internal audit activity aspire to accomplish the Mission of Internal Audit as set out in the PSIAS? <i>To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.</i> | ✓ | | | Swansea Council Internal Audit service's mission is in-line with the stated definition of internal audit which is named as the purpose in the Charter. |
| | Mission of Internal Audit | GC | | | |
| B | Definition of Internal Auditing | | | | |
| 2 | Based on your review of conformance with other requirements of the PSIAS and LGAN, is the internal audit activity independent and objective? | ✓ | | | The IA Activity's independence and objectivity is established and set out in the Charter which is approved by the Audit and Governance Committee. |
| 3 | Based on your review of conformance with other requirements of the PSIAS and LGAN, does the internal audit activity use a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes within the organisation? | ✓ | | | The IA Activity uses a systematic and disciplined approach to evaluate the effectiveness of risk management, control and governance processes. A 5 year plan is developed based on risk assessment analysis. |
| | Definition of Internal Audit Conclusion | GC | | | |
| C | Core Principles for the Professional Practice of Internal Auditing | | | | |
| 4 | Having regard to your review of conformance with the Code of Ethics (Integrity, Seven Principles of Public Life), do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by demonstrating integrity? | ✓ | | | Internal Audit Charter and the Declarations of compliance with the Code of Ethics. |
| 5 | Having regard to your review of conformance with the Code of Ethics (Competence, Confidentiality, Seven Principles of Public Life) and any other evidence from the review of conformance with Standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by demonstrating competence and due professional care? | ✓ | | | Internal Audit Charter, Declarations of compliance with the Code of Ethics and Annual Performance Review. |
| 6 | Having regard to your review of conformance with the Code of Ethics (Objectivity, Seven Principles of Public Life) and any other evidence from the review of conformance with standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN by being objective and free from undue influence (independent)? | ✓ | | | Internal Audit Charter and the Declarations of compliance with the Code of Ethics. |
| 7-13 | Based on your review of conformance with standards, do you consider that the internal audit activity fully conforms with the PSIAS and LGAN a) By being aligned with the strategies, objectives, and risks of the organisation by? b) Being appropriately positioned and adequately resourced? c) Demonstrating quality and continuous improvement? d) Communicating effectively? e) Providing risk-based assurance, based on adequate risk assessment? f) Being insightful, proactive, and future-focused? g) Promoting organisational improvement? | ✓ | | | Internal Audit Charter, Risk-based Audit Plan. Declarations of compliance with the Code of Ethics and Annual Performance Review. QAIP in place, which has been approved by AC as part of Charter approval. Quarterly Progress Reports provided to G&AC |
| | Core Principles for the Professional Practice of Internal Auditing | GC | | | |

| D | Code of Ethics | | | | |
|-------|--|----|--|--|--|
| 14-17 | <p>Integrity</p> <p>Based on your review of conformance with other requirements of the PSIAS and LGAN, do you consider that internal auditors display integrity by:</p> <p>a) Performing their work with honesty, diligence and responsibility?</p> <p>b) Observing the law and making disclosures expected by the law and the profession?</p> <p>c) Not knowingly partaking in any illegal activity nor engaging in acts that are discreditable to the profession of internal auditing or to the organisation?</p> <p>d) Respecting and contributing to the legitimate and ethical objectives of the organisation?</p> | ✓ | | | <p>Annual declaration of ethical compliance certified by IA staff.</p> <p>Annual record of Business Interests completed by IA staff.</p> <p>Annual staff performance review and monthly supervision.</p> <p>Staff are also required to comply with their own professional code of conduct.</p> |
| 18-20 | <p>Objectivity</p> <p>Based on your review of conformance with other requirements of the PSIAS and LGAN, do you consider that internal auditors display objectivity by:</p> <p>a) Not taking part in any activity or relationship that may impair or be presumed to impair their unbiased assessment?</p> <p>b) Not accepting anything that may impair or be presumed to impair their professional judgement?</p> <p>c) Disclosing all material facts known to them that, if not disclosed, may distort the reporting of activities under review?</p> | ✓ | | | <p>Annual declaration of ethical compliance certified by IA staff.</p> <p>Annual record of Business Interests completed by IA staff.</p> <p>Annual staff performance review and monthly supervision.</p> <p>Staff are also required to comply with their own professional code of conduct.</p> |
| 21-22 | <p>Confidentiality</p> <p>Based on your review of conformance with other requirements of the PSIAS and LGAN, do you consider that internal auditors display due respect and care by:</p> <p>a) Acting prudently when using information acquired in the course of their duties and protecting that information?</p> <p>b) Not using information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organisation?</p> | ✓ | | | <p>Annual declaration of ethical compliance certified by IA staff.</p> <p>Annual record of Business Interests completed by IA staff.</p> <p>Annual staff performance review and monthly supervision.</p> <p>Staff are also required to comply with their own professional code of conduct.</p> |
| 23-25 | <p>Competency</p> <p>Based on your review of conformance with other requirements of the PSIAS and LGAN, do you consider that internal auditors display competence by:</p> <p>a) Only carrying out services for which they have the necessary knowledge, skills and experience?</p> <p>b) Performing services in accordance with the PSIAS?</p> <p>c) Continually improving their proficiency and effectiveness and quality of their services, for example through CPD schemes?</p> | ✓ | | | <p>The Internal Audit team is staffed with suitably experienced, qualified and part-qualified officers.</p> <p>Annual staff performance review and monthly supervision.</p> <p>Staff are also required to comply with their own professional code of conduct.</p> |
| 26 | <p>Seven Principles of Public Life</p> <p>Based on your review of conformance with other requirements of the PSIAS and LGAN, do you consider that internal auditors, whether consciously or through conformance with organisational procedures and norms, have due regard to the Committee on Standards of Public Life's <i>Seven Principles of Public Life</i>?</p> | ✓ | | | <p>Internal Audit Charter.</p> <p>Internal Audit Flow Chart.</p> <p>Declarations of compliance with the Code of Ethics.</p> <p>7 Principles included within the Charter document.</p> |
| | Code of Ethics Conclusion | GC | | | |

| Standards | | | | | |
|-----------|--|---|--|--|--|
| E | Attribute Standards | | | | |
| | 1000 Purpose, Authority and Responsibility | | | | |
| 27-29 | Does the internal audit charter conform with the PSIAS by including a formal definition of: a) the purpose b) the authority, and c) the responsibility of the internal audit activity consistent with the Public Sector Internal Audit Standards (PSIAS)? | ✓ | | | Internal Audit Charter |
| 30 | Does the internal audit charter conform with the PSIAS by clearly and appropriately defining the terms 'board' and 'senior management' for the purposes of the internal audit activity? Note that it is expected that the audit committee will fulfil the role of the board in the majority of instances. | ✓ | | | Internal Audit Charter |
| 31-45 | Does the internal audit charter also: a) Set out the internal audit activity's position within the organisation? b) Establish the chief audit executive's (CAE) functional reporting relationship with the board? c) Establish the accountability, reporting line and relationship between the CAE and those to whom the CAE may report administratively? Where applicable, this will need to encompass shared service or external providers of internal audit, and the role of the contract manager. d) Establish the responsibility of the board and also the role of the statutory officers (such as the CFO, the monitoring officer and the head of paid service) with regards to internal audit? e) Establish internal audit's right of access to all records, assets, personnel and premises and its authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities? f) Define the scope of internal audit activities? g) Recognise that internal audit's remit extends to the entire control environment of the organisation? h) Establish the organisational independence of internal audit? i) Cover the arrangements for appropriate resourcing? j) Define the role of internal audit in any fraud-related work? k) Set out the existing arrangements within the organisation's anti-fraud and anti-corruption policies, requiring the CAE to be notified of all suspected or detected fraud, corruption or impropriety? l) Include arrangements for avoiding conflicts of interest if internal audit or the CAE undertakes non-audit activities? m) Define the nature of assurance services provided to the organisation, as well as assurances provided to parties external to the organisation? n) Define the nature of consulting services? o) Recognise the mandatory nature of the PSIAS? | ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ N/A ✓ | | | Internal Audit Charter |
| 46 | Does the CAE periodically review the internal audit charter and present it to senior management and the board for approval? | ✓ | | | Internal Audit Charter reviewed annually. Latest review and approval April 2023. |
| | 1000 Conclusion | GC | | | |

| | | | | | |
|-------|--|----|--|--|---|
| | 1100 Independence and Objectivity | | | | |
| 47 | Does the CAE have direct and unrestricted access to senior management and the board? | ✓ | | | Internal Audit Charter states unrestricted access to Senior Management and the Board. |
| 48 | Does the CAE have free and unfettered access to, as well as communicate effectively with, the chief executive or equivalent and the chair of the audit committee? | ✓ | | | The Internal Audit Charter does state that the CAE has unfettered access to, as well as communicate effectively with, the Chief Executive. Internal Audit Charter does state unrestricted access to Chair of G&AC. |
| 49 | Does the CAE attend audit committee meetings? | ✓ | | | Governance & Audit Committee agendas and minutes. |
| 50 | Does the CAE contribute to audit committee agendas? | ✓ | | | Governance & Audit Committee agendas and minutes. |
| 51-54 | Are threats to objectivity identified and managed at the following levels: a) Individual auditor? b) Engagement? c) Functional? d) Organisation? | ✓ | | | Annual declaration of ethical compliance certified by IA staff. Annual record of Business Interests completed by IA staff. Annual staff performance review and monthly supervision. Staff are also required to comply with their own professional code of conduct. |
| | 1100 Conclusion | GC | | | |
| | 1110 organisational Independence | | | | |
| 55 | Does the CAE report to an organisational level equal or higher to the corporate management team? | ✓ | | | CAE reports to the Director of Finance, who is part of the Corporate Management Team. |
| 56 | Does the CAE report to a level within the organisation that allows the internal audit activity to fulfil its responsibilities? | ✓ | | | CAE reports to the Director of Finance, who is part of the Corporate Management Team. |
| 57-58 | Does the CAE's position in the management structure: a) Provide the CAE with sufficient status to ensure that audit plans, reports and action plans are discussed effectively with the board? b) Ensure that he or she is sufficiently senior and independent to be able to provide credibly constructive challenge to senior management? | ✓ | | | CAE reports to the Director of Finance, who is part of the Corporate Management Team. |
| 59 | Does the CAE confirm to the board, at least annually, that the internal audit activity is organisationally independent? | ✓ | | | Annual Internal Audit Report. |
| 60 | Is the organisational independence of internal audit realised by functional reporting by the CAE to the board? <i>The 'Interpretation' to PSIAS 1110 provides examples of factors which may indicate that the CAE reports functionally to the Board, which include where the board:</i> a) approves the internal audit charter b) approves the risk-based audit plan c) approves the internal audit budget and resource plan d) receives communications from the CAE on the activity's performance (in relation to the plan, for example) e) approves decisions relating to the appointment and removal of the CAE f) approves the remuneration of the CAE g) seeks reassurance from management and the CAE as to whether there are any inappropriate scope or resource limitations. | ✓ | | | Governance & Audit Committee agendas and minutes. |
| | 1110 Conclusion | GC | | | |
| | 1111 Direct Interaction with the Board | | | | |

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| 61 | Does the CAE communicate and interact directly with the board? | ✓ | | | Governance & Audit Committee agendas and minutes. |
| | 1111 Conclusion | GC | | | |
| | <i>1112 Chief Audit Executive Roles Beyond Internal Auditing</i> | | | | |
| 62 | Where the CAE has roles or responsibilities that fall outside of internal auditing, are adequate safeguards in place to limit impairments to independence or objectivity? | ✓ | | | The CAE has sole management of the Internal Audit Section. |
| 63 | Does the board periodically review these safeguards? | ✓ | | | The arrangements are reported annually within the Annual Internal Audit Report and are included within the Audit Charter. |
| | 1112 Conclusion | GC | | | |
| | <i>1120 Individual Objectivity</i> | | | | |
| 64 | Do internal auditors have an impartial, unbiased attitude? | ✓ | | | Annual declaration of ethical compliance certified by IA staff. Annual record of Business Interests completed by IA staff. Annual staff performance review and monthly supervision. Staff are also required to comply with their own professional code of conduct. |
| 65 | Do internal auditors avoid any conflict of interest, whether apparent or actual? | ✓ | | | Annual declaration of ethical compliance certified by IA staff. Annual record of Business Interests completed by IA staff. Annual staff performance review and monthly supervision. Staff are also required to comply with their own professional code of conduct. |
| | 1120 Conclusion | GC | | | |
| | <i>1130 Impairment to Independence or Objectivity</i> | | | | |
| 66 | If there has been any real or apparent impairment of independence or objectivity, has this been disclosed to appropriate parties (depending on the nature of the impairment and the relationship between the CAE and senior management/the board as set out in the internal audit charter)? | ✓ | | | No declarations have been made for the financial year. |
| 67 | Does review indicate that work allocations have operated so that internal auditors have not assessed specific operations for which they have been responsible within the previous year? | ✓ | | | Internal Audit Charter. Internal Audit Plan |
| 68 | If there have been any assurance engagements in areas over which the CAE also has operational responsibility, have these engagements been overseen by someone outside of the internal audit activity? | ✓ | | | N/a CAE has no other areas of responsibility. |
| 69 | Is the risk of over-familiarity or complacency managed effectively: for example by rotating assignments for ongoing assurance engagements and other audit responsibilities periodically within the internal audit team? | ✓ | | | Internal Audit Charter Internal Audit Plan There is Rotation of fundamental Audits within the confines of the resources pool available, with supervision and monitoring. Review of audits is shared to ensure segregation. |
| 70 | Have internal auditors declared interests in accordance with organisational requirements? | ✓ | | | Annual declaration of ethical compliance certified by IA staff. Annual record of Business Interests completed by IA staff. |
| 71 | Where any internal auditor has accepted any gifts, hospitality, inducements or other benefits from employees, clients, suppliers or other third parties (other than as may be allowed by the organisation's own policies), has this been declared and investigated fully? | N/A | | | No declarations have been made for the financial year. |

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| 72 | Does review indicate that no instances have been identified where an internal auditor has used information obtained during the course of duties for personal gain? | ✓ | | | Annual declaration of ethical compliance certified by IA staff. Annual record of Business Interests completed by IA staff. Annual staff performance review and monthly supervision. Staff are also required to comply with their own professional code of conduct. |
| 73 | Have internal auditors disclosed all material facts known to them which, if not disclosed, could distort their reports or conceal unlawful practice, subject to any confidentiality agreements? | ✓ | | | Annual declaration of ethical compliance certified by IA staff. Annual record of Business Interests completed by IA staff. Annual staff performance review and monthly supervision. Staff are also required to comply with their own professional code of conduct. |
| 74 | If there has been any real or apparent impairment of independence or objectivity relating to a proposed consulting services engagement, was this disclosed to the engagement client before the engagement was accepted? | N/A | | | No consultancy is undertaken. |
| 75 | Where there have been significant additional consulting services agreed during the year that were not already included in the audit plan, was approval sought from the board before the engagement was accepted? | ✓ | | | The Charter states the process for undertaking consultancy work however, it does not state that the CAE will notify the Board of any agreed consultancy engagements prior to accepting them. |
| | 1130 Conclusion | GC | | | |
| | 1200 Proficiency and Due Professional Care | | | | |
| | 1210 Proficiency | | | | |
| 76 | Does the CAE hold a professional qualification, such as CMIIA/CCAB or equivalent? | ✓ | | | The Chief Audit Executive is ACA qualified. The CAE's performance review is undertaken by the Director of Finance. The Audit Charter states that the CAE needs to hold a professional qualification however, the Charter does not specify what the current postholder's qualification is. |
| 77 | Is the CAE suitably experienced? | ✓ | | | The CAE has worked within Internal Audit since 2008 and has been the CIA since 2017. |
| 78 | Is the CAE responsible for recruiting appropriate internal audit staff, in accordance with the organisation's human resources processes? | ✓ | | | Corporate Policies for the recruitment of staff. |
| 79 | Does the CAE ensure that up-to-date job descriptions exist that reflect roles and responsibilities and that person specifications define the required qualifications, competencies, skills, experience and personal attributes? | ✓ | | | Job Descriptions |
| 80 | Having regard to the answers to the other questions in this section and other matters, does the internal audit activity collectively possess or obtain the skills, knowledge and other competencies required to perform its responsibilities? | ✓ | | | Annual staff performance review and monthly supervision. |
| 81 | Where the internal audit activity does not possess the skills, knowledge and other competencies required to perform its responsibilities, does the CAE obtain competent advice and assistance? | ✓ | | | Advised that where required, suitable skills would be procured. E.g., external IT audit provision is currently procured. |
| 82 | Do internal auditors have sufficient knowledge to evaluate the risk of fraud and anti-fraud arrangements in the organisation? | ✓ | | | Designated Fraud Team is within the Section. |
| 83 | Do internal auditors have sufficient knowledge of key information technology risks and controls? | | ✓ | | It was discussed that the Principal Auditor has some ICT Audit experience however, there is no designated IT auditor resource within the team and no evidence of recent ICT Audits being sourced from an external provider. |

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| 84 | Do internal auditors have sufficient knowledge of the appropriate computer-assisted audit techniques that are available to them to perform their work, including data analysis techniques? | ✓ | | | The Principal Auditor is able to undertake ICT Audit work, however none are employed. |
| | 1210 Conclusion | GC | | | |
| | <i>1220 Due Professional Care</i> | | | | |
| 85-89 | Do internal auditors exercise due professional care by considering the: a) Extent of work needed to achieve the engagement's objectives? b) Relative complexity, materiality or significance of matters to which assurance procedures are applied? c) Adequacy and effectiveness of governance, risk management and control processes? d) Probability of significant errors, fraud, or non-compliance? e) Cost of assurance in relation to potential benefits? | ✓ | | | Internal Audit assignment documentation Evidence of supervision and review by Principal auditor. |
| 90-92 | Do internal auditors exercise due professional care during a consulting engagement by considering the a) Needs and expectations of clients, including the nature, timing and communication of engagement results? b) Relative complexity and extent of work needed to achieve the engagement's objectives? c) Cost of the consulting engagement in relation to potential benefits? | N/A | | | No consultancy work is undertaken. |
| | 1220 Conclusion | GC | | | |
| | <i>1230 Continuing Professional Development</i> | | | | |
| 93 | Has the CAE defined the skills and competencies for each level of auditor? | ✓ | | | Job Descriptions |
| 94 | Does the CAE periodically assess individual auditors against the predetermined skills and competencies? | ✓ | | | Training Records |
| 95 | Do internal auditors undertake a programme of continuing professional development? | ✓ | | | Annual staff performance review and monthly supervision |
| 96 | Do internal auditors maintain a record of their professional development and training activities? | ✓ | | | |
| | 1230 Conclusion | GC | | | |
| | 1300 Quality Assurance and Improvement Programme | | | | |
| 97 | Has the CAE developed a QAIP that covers all aspects of the internal audit activity and enables conformance with all aspects of the PSIAS to be evaluated? | ✓ | | | QAIP – approved by Audit committee as part of the Charter. |
| 98 | Does the QAIP assess the efficiency and effectiveness of the internal audit activity and identify opportunities for improvement? | ✓ | | | |
| 99 | Does the CAE maintain the QAIP? | ✓ | | | |
| 100 | Are any statutory requirements for review of the internal audit activity satisfied? | ✓ | | | |
| | 1300 Conclusion | GC | | | |
| | <i>1310 Requirements of the Quality Assurance and Improvement Programme</i> | | | | |
| 101 | Does the QAIP include both internal and external assessments? | ✓ | | | QAIP – approved by Audit committee as part of the Charter. |

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| | 1310 Conclusion | GC | | | |
| | <i>1311 Internal Assessments</i> | | | | |
| 102 | Does the CAE ensure that audit work is allocated to staff with the appropriate skills, experience and competence? | ✓ | | | Internal Audit Plan |
| 103-104 | Do internal assessments include ongoing monitoring of the internal audit activity such as: a) Routine quality monitoring processes? b) Periodic assessments for evaluating conformance with the PSIAS? | ✓ | | | QAIP – approved by Audit committee as part of the Charter. |
| 105 | Does ongoing performance monitoring contribute to quality improvement through the effective use of performance targets? | ✓ | | | Internal Audit Performance Measures |
| 106 | Is there a set of comprehensive targets which between them encompass all significant internal audit activities? | ✓ | | | Internal Audit Performance Measures |
| 107 | Are the performance targets developed in consultation with appropriate parties and included in any service level agreement? | ✓ | | | Internal Audit Performance Measures |
| 108 | Does the CAE measure, monitor and report on progress against these targets? | ✓ | | | Internal Audit Performance Measures Governance & Audit Committee Agendas and Minutes |
| 109 | Does ongoing performance monitoring include obtaining stakeholder feedback? | ✓ | | | A QCQ process is in place where a formal document is issued on completion of an audit with stakeholder feedback obtained. Return rate is 90%. |
| 110 | Are the periodic self-assessments or assessments carried out by people external to the internal audit activity undertaken by those with a sufficient knowledge of internal audit practices? Sufficiency would require knowledge of the PSIAS and the wider guidance available such as the Local Government Application Note and/or IIA practice advisories, etc. | ✓ | | | Current External Quality Assessment undertaken |
| 111 | Does the periodic assessment include a review of the activity against the risk-based plan and the achievement of its aims and objectives? | ✓ | | | Internal Audit Performance Measures Governance & Audit Committee Agendas and Minutes |
| | 1311 Conclusion | GC | | | |
| | <i>1312 External Assessments</i> | | | | |
| 112 | Has an external assessment been carried out, or is one planned to be carried out, at least once every five years? | ✓ | | | Current External Quality Assessment |
| 113 | Has the CAE discussed the alternative approaches to external assessment with the board? <i>This should reflect the relative costs of the different approaches, the potential advantages of an external viewpoint, and whether there are factors which might be considered to warrant a demonstrably independent assessment.</i> | ✓ | | | Current External Quality Assessment process being undertaken as part of the Welsh Chief Auditor Group Self-Assessment Approach. |
| 114 | Has the CAE properly discussed the qualifications and independence of the assessor or assessment team with the board? <i>In doing this, the CAE should consider whether the assessor or assessment team has demonstrated its competence in both the professional practice of internal auditing and the external assessment process. Competence can be demonstrated through both experience and theoretical learning. Experience of similar organisations or sectors is more valuable than less relevant experience. In the case of an assessment team, not all members need to have all the competencies</i> | ✓ | | | Current External Quality Assessment process being undertaken as part of the Welsh Chief Auditor Group Self-Assessment Approach. |

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| | <p>– it is the team as a whole that is qualified.</p> <p>If the capability of the assessor or assessment team is not immediately obvious, the CAE should document how they used professional judgement to decide whether this is sufficient to carry out the external assessment.</p> <p>If the assessor or assessment team has any real or apparent conflicts of interest with the organisation, this should be clearly explained to the board, and safeguards should be put in place to minimise the effect of this on the conduct of the external assessment.</p> <p>Conflict of interest may include, but is not limited to, being a part of or under the control of the organisation to which the internal audit activity belongs.</p> | | | | |
| 115 | <p>Has the CAE agreed the scope of the external assessment with an appropriate sponsor, such as the chair of the audit committee, the CFO or the chief executive?</p> <p>The CAE should also agree this scope with the external assessor or assessment team.</p> | ✓ | | | The CAE has met with the external assessor to agree the scope of the assessment. |
| | 1312 Conclusion | GC | | | |
| | 1320 Reporting on the Quality Assurance and Improvement Programme | | | | |
| 116 | <p>Has the CAE reported the results of the QAIP to senior management and the board?</p> <p>Note that:</p> <p>a) the results of both external and periodic internal assessment must be communicated upon completion</p> <p>b) the results of ongoing monitoring must be communicated at least annually</p> <p>c) the results must include the assessor's or assessment team's evaluation with regards to the degree of the internal audit activity's conformance with the PSIAS.</p> | ✓ | | | QAIP Internal Audit Annual Report Internal Audit Charter |
| 117 | <p>Has the CAE included the results of the QAIP and progress against any improvement plans in the annual report?</p> | ✓ | | | QAIP Internal Audit Annual Report Internal Audit Charter |
| | 1320 Conclusion | GC | | | |
| | 1321 Use of 'Conforms with the International Standards for the Professional Practice of Internal Auditing' | | | | |
| 118 | <p>Has the CAE stated that the internal audit activity conforms with the PSIAS only if the results of the QAIP support this?</p> | ✓ | | | QAIP Internal Audit Annual Report Internal Audit Charter |
| | 1321 Conclusion | GC | | | |
| | 1322 Disclosure of Non-conformance | | | | |
| 119 | <p>Has the CAE reported any instances of non-conformance with the PSIAS to the board?</p> | ✓ | | | No instances of non-conformance is stated or known. |
| 120 | <p>If appropriate, has the CAE considered including any significant deviations from the PSIAS in the governance statement and has this been evidenced?</p> | ✓ | | | No instances of non-conformance is stated or known. |
| | 1322 Conclusion | GC | | | |
| F | Performance Standards | | | | |

| 2000 Managing the Internal Audit Activity | | | | | | |
|---|---|---|--|--|---|---------------------|
| 2010 Planning | | | | | | |
| 121 | Has the CAE determined the priorities of the internal audit activity in a risk-based plan and are these priorities consistent with the organisation's goals? | ✓ | | | Audit Plan is approved by the Governance & Audit Committee. A detailed audit plan is decided, and actioned. | |
| 122 | Does the risk-based plan take into account the requirement to produce an annual internal audit opinion? | ✓ | | | Annual Internal Audit Report | |
| 123-125 | Does the risk-based plan incorporate or is it linked to a strategic or high-level statement of: a) How the internal audit service will be delivered? b) How the internal audit service will be developed in accordance with the internal audit charter? c) How the internal audit service links to organisational objectives and priorities? | ✓ | | | Internal Audit Plan | |
| 126 | Does the risk-based plan set out how internal audit's work will identify and address local and national issues and risks? | ✓ | | | | |
| 127 | In developing the risk-based plan, has the CAE taken into account the organisation's risk management framework and relative risk maturity of the organisation? | ✓ | | | | |
| 128 | If such a risk management framework does not exist, has the CAE used their judgement of risks after input from senior management and the board and evidenced this? | ✓ | | | | |
| 129-131 | Does the risk-based plan set out the: a) Audit work to be carried out? b) Respective priorities of those pieces of audit work? c) Estimated resources needed for the work? | ✓ | | | | |
| 132 | Does the risk-based plan differentiate between audit and other types of work? | ✓ | | | | |
| 133 | Is the risk-based plan sufficiently flexible to reflect the changing risks and priorities of the organisation? | ✓ | | | | |
| 134 | Does the CAE review the plan on a regular basis and has he or she adjusted the plan when necessary in response to changes in the organisation's business, risks, operations, programmes, systems and controls? | ✓ | | | | Internal Audit Plan |
| 135 | Is the internal audit activity's plan of engagements based on a documented risk assessment? | ✓ | | | | |
| 136 | Is the risk assessment used to develop the plan of engagements undertaken at least annually? | ✓ | | | | |
| 137-140 | In developing the risk-based plan, has the CAE also given sufficient consideration to: a) Any declarations of interest (for the avoidance of conflicts of interest)? b) The requirement to use specialists, eg IT or contract and procurement auditors? c) Allowing contingency time to undertake ad hoc reviews or fraud investigations as necessary? | ✓ | | | | |

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| | d) The time required to carry out the audit planning process effectively as well as regular reporting to and attendance of the board, the development of the annual report and the CAE opinion? | | | | |
| 141 | In developing the risk-based plan, has the CAE consulted with senior management and the board to obtain an understanding of the organisation's strategies, key business objectives, associated risks and risk management processes? | ✓ | | | |
| 142 | Does the CAE identify and consider the expectations of senior management, the board and other stakeholders for internal audit opinion and any other conclusions? | ✓ | | | |
| 143 | Does the CAE take into consideration any proposed consulting engagement's potential to improve the management of risks, to add value and to improve the organisation's operations before accepting them? | N/A | | | No consulting engagements undertaken. |
| 144 | Are consulting engagements that have been accepted included in the risk-based plan? | N/A | | | No consulting engagements undertaken. |
| | 2010 Conclusion | GC | | | |
| | <i>2020 Communication and Approval</i> | | | | |
| 145 | Has the CAE communicated the internal audit activity's plans and resource requirements to senior management and the board for review and approval? | ✓ | | | Audit Plan is approved by the Governance & Audit Committee. A detailed audit plan is decided, and actioned. |
| 146 | Has the CAE communicated any significant interim changes to the plan and/or resource requirements to senior management and the board for review and approval, where such changes have arisen? | ✓ | | | Internal Audit Plan Governance & Audit Committee Agendas and Minutes |
| 147 | Has the CAE communicated the impact of any resource limitations to senior management and the board? | ✓ | | | Internal Audit Plan Governance & Audit Committee Agendas and Minutes |
| | 2020 Conclusion | GC | | | |
| | <i>2030 Resource Management</i> | | | | |
| 148 | Does the risk-based plan explain how internal audit's resource requirements have been assessed? | ✓ | | | Internal Audit Plan |
| 149 | Has the CAE planned the deployment of resources, especially the timing of engagements, in conjunction with management to minimise disruption to the functions being audited, subject to the requirement to obtain sufficient assurance? | ✓ | | | Internal Audit Plan Allocation of work is managed by the Principal Auditor on a quarterly basis. Fundamental audits are undertaken around service needs i.e. annual billing. |
| 150 | If the CAE believes that the level of agreed resources will impact adversely on the provision of the internal audit opinion, has he or she brought these consequences to the attention of the board? | ✓ | | | Governance & Audit Committee Agendas and Minutes |
| | 2030 Conclusion | GC | | | |
| | <i>2040 Policies and Procedures</i> | | | | |
| 151 | Has the CAE developed and put into place policies and procedures to guide the internal audit activity? | ✓ | | | An Internal Audit Charter is in place. It was discussed that training is provided within the team and staff have access to an Internal Audit Manual. However, there is no evidence of an internal audit flowchart to guide auditors in their role |

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| 152 | Are the policies and procedures regularly reviewed and updated to reflect changes in working practices and standards? | ✓ | | | Internal Audit Charter – reviewed and approved annually |
| | 2040 Conclusion | GC | | | |
| | <i>2050 Coordination</i> | | | | |
| 153 | Does the risk-based plan include an adequately developed approach to using other sources of assurance and any work that may be required to place reliance upon those sources? | ✓ | | | An assurance map is put together as part of the planning process. Service Manager's provide details to the CAE. |
| | 2050 Conclusion | GC | | | |
| | <i>2060 Reporting to Senior Management and the Board</i> | | | | |
| 154 | Does the CAE report periodically to senior management and the board on the internal audit activity's purpose, authority, responsibility and performance relative to its plan? | ✓ | | | Governance & Audit Committee Agendas and Minutes Annual Internal Audit Report |
| 155 | Does the periodic reporting also include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested by senior management and the board? | ✓ | | | |
| 156 | Is the frequency and content of such reporting determined in discussion with senior management and the board and are they dependent on the importance of the information to be communicated and the urgency of the related actions to be taken by senior management or the board? | ✓ | | | |
| | 2060 Conclusion | GC | | | |
| | <i>2070 External Service Provider and Organisational Responsibility for Internal Auditing</i> | | | | |
| 157 | Where an external internal audit service provider acts as the internal audit activity, does that provider ensure that the organisation is aware that the responsibility for maintaining an effective internal audit activity remains with the organisation? | ✓ | | | |
| | 2070 Conclusion | GC | | | |
| | 2100 Nature of Work | | | | |
| | <i>2110 Governance</i> | | | | |
| 158-163 | Does the internal audit activity assess and make appropriate recommendations to improve the organisation's governance processes for: a) Making strategic and operational decisions? b) Overseeing risk management and control? c) Promoting appropriate ethics and values within the organisation? d) Ensuring effective organisational performance management and accountability? e) Communicating risk and control information to appropriate areas of the organisation? f) Coordinating the activities of and communicating information among the board, external and internal auditors and management? | ✓ | | | Internal Audit Assignment Documents |

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| 164 | Has the internal audit activity evaluated the design, implementation and effectiveness of the organisation's ethics-related objectives, programmes and activities? This is an area where the CAE may be able to use other sources of assurance. | ✓ | | | Internal Audit Plan |
| 165 | Has the internal audit activity assessed whether the organisation's information technology governance supports the organisation's strategies and objectives? This is an area where the CAE may be able to use other sources of assurance. | ✓ | | | Internal Audit Annual Report |
| | 2110 Conclusion | GC | | | |
| | <i>2120 Risk Management</i> | | | | |
| 166-169 | Has the internal audit activity evaluated the effectiveness of the organisation's risk management processes by determining that: a) Organisational objectives support and align with the organisation's mission? b) Significant risks are identified and assessed? c) Appropriate risk responses are selected that align risks with the organisation's risk appetite? d) Relevant risk information is captured and communicated in a timely manner across the organisation, thus enabling the staff, management and the board to carry out their responsibilities? | ✓ | | | The Internal Audit activity has evaluated the effectiveness of the organisation's risk management processes. Risk Management audits are undertaken on an annual basis. They are rotated through the directorates and followed up on an annual basis. Fraud Risk is captured on the Service level Risk Register and is reviewed on a monthly basis by the CAE. |
| 170-174 | Has the internal audit activity evaluated the risks relating to the organisation's governance, operations and information systems regarding the: a) Achievement of the organisation's strategic objectives? b) Reliability and integrity of financial and operational information? c) Effectiveness and efficiency of operations and programmes? d) Safeguarding of assets? e) Compliance with laws, regulations, policies, procedures and contracts? | ✓ | | | Internal Audit Plan Annual Internal Audit Report |
| 175 | Has the internal audit activity evaluated the potential for fraud and also how the organisation itself manages fraud risk? | ✓ | | | Yes designated Fraud team is in place. |
| 176 | Do internal auditors address risk during consulting engagements consistently with the objectives of the engagement? | N/A | | | |
| 177 | Are internal auditors alert to other significant risks when undertaking consulting engagements? | N/A | | | |
| 178 | Do internal auditors incorporate knowledge of risks gained from consulting engagements into their evaluation of the organisation's risk management processes? | N/A | | | |
| 179 | Do internal auditors successfully avoid managing risks themselves, which would in effect lead to taking on management responsibility, when assisting management in establishing or improving risk management processes? | ✓ | | | Internal Audit Plan Annual Internal Audit Report |
| | 2120 Conclusion | GC | | | |
| | <i>2130 Control</i> | | | | |
| 180-184 | Has the internal audit activity evaluated the adequacy and effectiveness of controls in the organisation's governance, operations and information systems regarding the: a) Achievement of the organisation's strategic objectives? b) Reliability and integrity of financial and operational information? | ✓ | | | Internal Audit Plan Annual Internal Audit Report |

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| | c) Effectiveness and efficiency of operations and programmes? d) Safeguarding of assets? e) Compliance with laws, regulations, policies, procedures and contracts? | | | | |
| 185 | Do internal auditors utilise knowledge of controls gained during consulting engagements when evaluating the organisation's control processes? | N/A | | | No consulting engagements undertaken |
| | 2130 Conclusion | GC | | | |
| | 2200 Engagement Planning | | | | |
| 186 | Do internal auditors develop and document a plan for each engagement? | ✓ | | | Internal Audit Assignment Documents |
| 187-190 | Does the engagement plan include the engagement's: a) Objectives? b) Scope? c) Timing? d) Resource allocations? | ✓ | | | Internal Audit Assignment Documents |
| 191-198 | Do internal auditors consider the following in planning an engagement, and is this documented: a) The objectives of the activity being reviewed? b) The means by which the activity controls its performance? c) The significant risks to the activity being audited? d) The activity's resources? e) The activity's operations? f) The means by which the potential impact of risk is kept to an acceptable level? g) The adequacy and effectiveness of the activity's governance, risk management and control processes compared to a relevant framework or model? h) The opportunities for making significant improvements to the activity's governance, risk management and control processes? | ✓ | | | Internal Audit Assignment Documents |
| 199-201 | Where an engagement plan has been drawn up for an audit to a party outside of the organisation, have the internal auditors established a written understanding with that party about the following: a) Objectives? b) Scope? c) The respective responsibilities and other expectations of the internal auditors and the outside party (including restrictions on distribution of the results of the engagement and access to engagement records)? | N/A | | | No engagements undertaken relating to outside parties. |
| 202-204 | For consulting engagements, have internal auditors established an understanding with the engagement clients about the following: a) Objectives? b) Scope? c) The respective responsibilities of the internal auditors and the client and other client expectations? | N/A | | | No consulting engagements undertaken |
| 205 | For significant consulting engagements, has this understanding been documented? | N/A | | | No consulting engagements undertaken |
| | 2200 Conclusion | GC | | | |
| | 2210 Engagement Objectives | | | | |

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| 206 | Have objectives been agreed for each engagement? | ✓ | | | Internal Audit Assignment Documents |
| 207 | Have internal auditors carried out a preliminary risk assessment of the activity under review? | ✓ | | | Internal Audit Plan Internal Audit Assignment Documents |
| 208 | Do the engagement objectives reflect the results of the preliminary risk assessment that has been carried out? | ✓ | | | Internal Audit Plan Internal Audit Assignment Documents |
| 209-212 | Have internal auditors considered the probability of the following, when developing the engagement objectives: a) Significant errors? b) Fraud? c) Non-compliance? d) Any other risks? | ✓ | | | Internal Audit Plan Internal Audit Assignment Documents |
| 213 | Have internal auditors ascertained whether management and/or the board have established adequate criteria to evaluate and determine whether organisational objectives and goals have been accomplished? | ✓ | | | Annual Internal Audit Report Internal Audit Plan Internal Audit Assignment Documents |
| 214 | If the criteria has been deemed adequate, have the internal auditors used the criteria in their evaluation of governance, risk management and controls? | ✓ | | | |
| 215 | If the criteria has been deemed inadequate, have the internal auditors worked with management and/or the board to develop appropriate evaluation criteria? | ✓ | | | |
| 216 | If the value for money criteria has been referred to, has the use of all the organisation's main types of resources been considered, including money, people and assets? | ✓ | | | |
| 217 | Do the objectives set for consulting engagements address governance, risk management and control processes as agreed with the client? | N/A | | | No consulting engagements undertaken |
| 218 | Are the objectives set for consulting engagements consistent with the organisation's own values, strategies and objectives? | N/A | | | No consulting engagements undertaken |
| | 2210 Conclusion | GC | | | |
| | <i>2220 Engagement Scope</i> | | | | |
| 219 | Is the scope that is established for each engagement generally sufficient to satisfy the engagement's objectives? | ✓ | | | Internal Audit Assignment Documents |
| 220 | Does the scope for each engagement include consideration of relevant systems, records, personnel and physical properties? | ✓ | | | |
| 221 | Does this consideration include areas under the control of outside parties, where appropriate? | ✓ | | | |
| 222 | Where significant consulting opportunities have arisen during an assurance engagement, was a specific written understanding as to the objectives, scope, respective responsibilities and other expectations drawn up? | N/A | | | consulting engagements undertaken |
| 223 | Where significant consulting opportunities have arisen during an assurance engagement, were the results of the subsequent engagement communicated in accordance with the relevant consulting standards? | N/A | | | |
| 224 | For each consulting engagement, was the scope of the engagement generally sufficient to address any agreed-upon objectives? | N/A | | | |
| 225 | If the internal auditors developed any reservations about the scope of a consulting engagement while undertaking that engagement, did | N/A | | | |

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|---------|---|-----|--|--|--|
| | they discuss those reservations with the client and therefore determine whether or not to continue with the engagement? | | | | |
| 226 | During consulting engagements, did internal auditors address the controls that are consistent with the objectives of those engagements? | N/A | | | |
| 227 | During consulting engagements, were internal auditors alert to any significant control issues? | N/A | | | |
| | 2220 Conclusion | GC | | | |
| | <i>2230 Engagement Resource Allocation</i> | | | | |
| 228-230 | Have internal auditors decided upon the appropriate and sufficient level of resources required to achieve the objectives of the engagement based on: a) The nature and complexity of each individual engagement? b) Any time constraints? c) The resources available? | ✓ | | | Annual Internal Audit Plan |
| | 2230 Conclusion | GC | | | |
| | <i>2240 Engagement Work Programme</i> | | | | |
| 231 | Have internal auditors developed and documented work programmes that achieve the engagement objectives? | ✓ | | | Internal Audit Plan Internal Audit Assignment Documents |
| 232-235 | Do the engagement work programmes include the following procedures for: a) Identifying information? b) Analysing information? c) Evaluating information? d) Documenting information? | ✓ | | | |
| 236 | Were work programmes approved prior to implementation for each engagement? | ✓ | | | |
| 237 | Were any adjustments required to work programmes approved promptly? | ✓ | | | |
| | 2240 Conclusion | GC | | | |
| | 2300 Performing the Engagement | | | | |
| | <i>2310 Identifying Information</i> | | | | |
| 238 | Do internal auditors generally identify (sufficient, reliable, relevant and useful) information which supports engagement results and conclusions? | ✓ | | | Internal Audit Assignment Documents |
| | 2310 Conclusion | GC | | | |
| | <i>2320 Analysis and Evaluation</i> | | | | |
| 239 | Have internal auditors generally based their conclusions and engagement results on appropriate analyses and evaluations? | ✓ | | | Internal Audit Assignment Documents |
| 240-244 | Have internal auditors generally remained alert to the possibility of the following when performing their individual audits, and has this been documented: a) Intentional wrongdoing? b) Errors and omissions? c) Poor value for money? d) Failure to comply with management policy? e) Conflicts of interest? | ✓ | | | Internal Audit Assignment Documents |
| | 2320 Conclusion | GC | | | |

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| | <i>2330 Documenting Information</i> | | | | |
| 245 | Have internal auditors documented the relevant information required to support engagement conclusions and results? | ✓ | | | Internal Audit Assignment Documents |
| 246 | Are working papers sufficiently complete and detailed to enable another experienced internal auditor with no previous connection with the audit to ascertain what work was performed, to re-perform it if necessary and to support the conclusions reached? | ✓ | | | |
| 247 | Does the CAE control access to engagement records? | ✓ | | | The Audit drive is a secured network drive with access controlled by the Audit and Risk Manager. |
| 248 | Has the CAE obtained the approval of senior management and/or legal counsel as appropriate before releasing such records to external parties? | ✓ | | | Self-assessment states that Audit documents are provided to relevant officers only. Commercially sensitive or confidential information is controlled. |
| 249 | Has the CAE developed and implemented retention requirements for all types of engagement records? | ✓ | | | Internal Audit retention requirements are in line with the corporate guidelines, as well as regulatory/other requirements. |
| 250 | Are the retention requirements for engagement records consistent with the organisation's own guidelines as well as any relevant regulatory or other requirements? | ✓ | | | Internal Audit retention requirements are in line with the corporate guidelines, as well as regulatory/other requirements. |
| | 2330 Conclusion | GC | | | |
| | <i>2340 Engagement Supervision</i> | | | | |
| 251 | Are all engagements properly supervised to ensure that objectives are achieved, quality is assured and that staff are developed? | ✓ | | | Internal Audit Assignment Documents |
| 252 | Is appropriate evidence of supervision documented and retained for each engagement? | ✓ | | | Internal Audit Assignment Documents |
| | 2340 Conclusion | GC | | | |
| | <i>2400 Communicating Results</i> | | | | |
| | <i>2410 Criteria for Communicating</i> | | | | |
| 253-256 | Do the communications of engagement results include the following: a) The engagement's objectives? b) The scope of the engagement? c) Applicable conclusions? d) Recommendations and action plans, if appropriate? | ✓ | | | Internal Audit Assignment Documents Internal Audit Reports |
| 257 | Do internal auditors generally discuss the contents of the draft final reports with the appropriate levels of management to confirm factual accuracy, seek comments and confirm the agreed management actions? | ✓ | | | |
| 258 | If recommendations and an action plan have been included, are recommendations prioritised according to risk? | ✓ | | | |
| 259 | If recommendations and an action plan have been included, does the communication also state agreements already reached with management, together with appropriate timescales? | ✓ | | | |
| 260 | If there are any areas of disagreement between the internal auditor and management, which cannot be resolved by discussion, are these recorded in the action plan and the residual risk highlighted? | ✓ | | | |
| 261 | Subject to confidentiality requirements and other limitations on reporting, do communications disclose all material facts known to them in their audit reports which, if not disclosed, could distort their reports or conceal unlawful practice? | ✓ | | | |

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| 262 | When an opinion or conclusion is issued, are the expectations of senior management, the board and other stakeholders taken into account? | ✓ | | | |
| 263 | Where appropriate, do engagement communications acknowledge satisfactory performance of the activity in question? | ✓ | | | |
| 264 | When engagement results have been released to parties outside of the organisation, does the communication include limitations on the distribution and use of the results? | ✓ | | | Advised that most IA results are in the public domain through the Governance & Audit Committee. Public interest tests performed on reporting as required. |
| 265 | Where the CAE has been required to provide assurance to other partnership organisations, or arm's length bodies such as trading companies, have the risks of doing so been managed effectively, having regard to the CAE's primary responsibility to the management of the organisation for which they are engaged to provide internal audit services? | N/A | | | |
| | 2410 Conclusion | GC | | | |
| | <i>2420 Quality of Communications</i> | | | | |
| 266 | Are internal audit communications generally accurate, objective, clear, concise, constructive, complete and timely? | ✓ | | | Internal Audit Assignment Documents Internal Audit Reports |
| | 2420 Conclusion | GC | | | |
| | <i>2421 Errors and Omissions</i> | | | | |
| 267 | If a final communication has contained a significant error or omission, did the CAE communicate the corrected information to all parties who received the original communication? | ✓ | | | No evidence that this has occurred, but should the situation arise, the corrected information would be communicated appropriately. |
| | 2421 Conclusion | GC | | | |
| | <i>2430 Use of 'Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing'</i> | | | | |
| 268 | Do internal auditors report that engagements are 'conducted in conformance with the PSIAS' only if the results of the QAIP support such a statement? | ✓ | | | Internal Audit Charter Annual Internal Audit Report QAIP |
| | 2430 Conclusion | GC | | | |
| | <i>2431 Engagement Disclosure of Non conformance</i> | | | | |
| 269-271 | Where any non-conformance with the PSIAS has impacted on a specific engagement, do the communication of the results disclose the following: a) The principle or rule of conduct of the <i>Code of Ethics</i> or <i>Standard(s)</i> with which full conformance was not achieved? b) The reason(s) for non-conformance? c) The impact of non-conformance on the engagement and the engagement results? | ✓ | | | No evidence that this has occurred. However, self-assessment records that if this did occur, it would be reported via the Audit and Risk Manager's annual report. |
| | 2431 Conclusion | GC | | | |
| | <i>2440 Disseminating Results</i> | | | | |
| 272 | Has the CAE determined the circulation of audit reports within the organisation, bearing in mind confidentiality and legislative requirements? | ✓ | | | Internal Audit Charter Internal Audit Assignment Documents Internal Audit Reports |
| 273 | Has the CAE communicated engagement results to all appropriate parties? | ✓ | | | |

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| 274-276 | Before releasing engagement results to parties outside the organisation, did the CAE: a) Assess the potential risk to the organisation? b) Consult with senior management and/or legal counsel as appropriate? c) Control dissemination by restricting the use of the results? | ✓ | | | Advised that the CAE is responsible for reviewing and approving the final engagement communication before it is issued, including the decision on who it is issued to and how it is disseminated. |
| 277 | Where any significant governance, risk management and control issues were identified during consulting engagements, were these communicated to senior management and the board? | ✓ | | | Governance & Audit Committee Agendas and Minutes |
| | 2440 Conclusion | GC | | | |
| | 2450 Overall Opinion | | | | |
| 278 | Has the CAE delivered an annual internal audit opinion? | ✓ | | | Annual Report reviewed – Internal Audit opinion was 'Reasonable' |
| 279 | Does the annual internal audit opinion conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control? | ✓ | | | |
| 280 | Does the annual internal audit opinion take into account the expectations of senior management, the board and other stakeholders? | ✓ | | | |
| 281 | Is the annual internal audit opinion supported by sufficient, reliable, relevant and useful information (having regard to the answers to questions on PSIAS 2300)? | ✓ | | | |
| 282-285 | Does the communication identify the following: a) The scope of the opinion, including the time period to which the opinion relates? b) Any scope limitations? c) The consideration of all related projects including the reliance on other assurance providers? d) The risk or control framework or other criteria used as a basis for the overall opinion? | ✓ | | | |
| 286 | Where a qualified or unfavourable annual internal audit opinion is given, are the reasons for that opinion stated? | ✓ | | | |
| 287 | Has the CAE delivered an annual report that can be used by the organisation to inform its governance statement? | ✓ | | | |
| 288-298 | Does the annual report incorporate the following: a) The annual internal audit opinion? b) A summary of the work that supports the opinion? c) A disclosure of any qualifications to the opinion? d) The reasons for any qualifications to the opinion? e) A disclosure of any impairments or restriction in scope? f) A comparison or work actually carried out with the work planned? g) A statement on conformance with the PSIAS? h) The results of the QAIP? i) Progress against any improvement plans resulting from the QAIP? j) A summary of the performance of the internal audit activity against its performance measures and targets? k) Any other issues that the CAE judges is relevant to the preparation of the governance statement? | ✓ | | | |
| | 2450 Conclusion | GC | | | |

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|-----|--|-----|--|--|--|
| | 2500 Monitoring Progress | | | | |
| 299 | Has the CAE established a process to monitor and follow up management actions to ensure that agreed actions have been effectively implemented or that senior management have accepted the risk of not taking action? | ✓ | | | Fundamental audits are followed-up on a 6 monthly basis. Standard follow-ups are undertaken on a grading basis. Lower grades are followed up. Results are reported quarterly to the Governance and Audit Committee. |
| 300 | Where issues have arisen during the follow-up process (for example, where agreed actions have not been implemented), has the CAE considered revising the internal audit opinion? | ✓ | | | |
| 301 | Do the results of monitoring management actions inform the risk- based planning of future audit work? | ✓ | | | Internal Audit Plan |
| 302 | Does the internal audit activity monitor the results of consulting engagements as agreed with the client? | N/A | | | No consulting engagements undertaken |
| | 2500 Conclusion | GC | | | |
| | 2600 Communicating the Acceptance of Risks | | | | |
| 303 | If the CAE has concluded that management has accepted a level of risk that may be unacceptable to the organisation, has he or she discussed the matter with senior management? | ✓ | | | Internal Audit Charter Governance & Audit Committee Agendas and Minutes |
| 304 | If, after discussion with senior management, the CAE continues to conclude that the level of risk may be unacceptable to the organisation, has he or she communicated the situation to the board? | ✓ | | | |
| | 2600 Conclusion | GC | | | |



City and County of Swansea

Internal Audit Charter 2023/24

1. Introduction

- 1.1 The Public Sector Internal Audit Standards (PSIAS) came into force on 1st April 2013 and replaced the CIPFA Code of Practice for Internal Audit in Local Government.
- 1.2 The PSIAS were adopted by the Relevant Internal Audit Standard Setters which is made up of 7 organisations including CIPFA and the Welsh Government.
- 1.3 The PSIAS were developed by CIPFA and the Chartered Institute of Internal Auditors (CIIA) and are mandatory for all providers of internal audit services in the public sector.
- 1.4 The PSIAS consist of the following:
 - Mission of Internal Audit.
 - Definition of Internal Audit.
 - Core Principles for the Professional Practice of Internal Audit
 - Code of Ethics.
 - International Standards for the Professional Practice of Internal Auditing.
- 1.5 One of the requirements of the PSIAS is that each internal audit provider must have an Internal Audit Charter which is a formal document that:
 - Defines the purpose, authority and responsibility for internal audit.
 - Establishes the internal audit activity's position within the organisation.
 - Authorises access to records, personnel and physical assets.
 - Defines the scope of internal audit activities.
 - Defines the nature of assurance and consulting activities.
- 1.6 The Internal Audit Charter must be reviewed periodically by the Chief Auditor and presented to the Corporate Management Team and the Governance and Audit Committee for approval. Responsibility for the final approval of the Internal Audit Charter resides with the Governance and Audit Committee.

2. Definition of Internal Audit

2.1 The statutory nature of Internal Audit is established by the following legislation:

- Section 151 of the Local Government Act 1972 which states that local authorities are required to make arrangements for the proper administration of its financial affairs and shall ensure that one of its officers has responsibility for the administration of those affairs. In the City and County of Swansea, this is the responsibility of the Section 151 & Chief Finance Officer.
- The Accounts and Audit (Wales) Regulations 2014 state that '*a larger relevant body shall maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control*'. The 2014 Regulations also say that '*a larger relevant body must, at least once a year, conduct a review of the effectiveness of its internal audit*'.

2.2 Against this statutory background, the PSIAS provides the following definition of internal audit:

- '*Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations.*
- '*It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes*'.

2.3 The Mission of Internal Audit articulates what internal audit aspires to accomplish within an organisation. This Mission, as outlined in the latest version of the Standards is as follows:

'To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight'.

2.4 The Core Principles for the Professional Practice of Internal Auditing articulate internal audit effectiveness. For an internal audit function to be considered effective, all of the Principles should be present and operating effectively. The Standards state that failure to achieve any of the Principles would imply that an internal audit activity was not as effective as it could be in achieving internal audit's mission. The Core Principles are listed in Appendix A.

2.5 The PSIAS also includes a Code of Ethics which all internal audit staff are required to comply with. The principles which underpin the Code of Ethics are integrity, objectivity, confidentiality and competency. All audit staff are required to complete annual declarations to confirm that they

comply with the Code of Ethics. Further details on the Code of Ethics can be found in Appendix B.

- 2.6 Internal auditors are also expected to adhere to the requirements of any professional body that they are members of as well as the Council's Officers' Code of Conduct.
- 2.7 A number of generic terms are used throughout the PSIAS which must be defined in the Internal Audit Charter. The terms and how they are interpreted in the City and County of Swansea are shown in the following table:

| PSIAS | City & County Swansea |
|-----------------------|----------------------------------|
| Chief Audit Executive | Chief Auditor |
| Senior Management | Corporate Management Team |
| Board | Governance and Audit Committee |

3. Role and Function of Internal Audit

- 3.1 A professional, independent and objective internal audit service is one of the key elements of good governance in local government with the foundation of an effective internal audit service being evidenced by compliance with the required standards and proper practices.
- 3.2 Internal Audit is an assurance function that primarily provides an independent and objective opinion to the Council on the control environment comprising risk management, internal control and governance by evaluating its effectiveness in achieving the Council's objectives.
- 3.3 Internal Audit objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.
- 3.4 It is management's responsibility to establish and maintain a sound control environment including risk management, internal control processes, accounting records and governance arrangements.
- 3.5 It is Internal Audit's role to review the established systems and advise management whether suitable arrangements are in place and are operating effectively. It is particularly important that the work of Internal Audit adds value to the services under review.
- 3.6 Internal Audit will work with management to improve the control environment and assist the Council in achieving its objectives.
- 3.7 The role undertaken by Internal Audit and the annual opinion on the control environment provided by the Chief Auditor which also informs the Council's Annual Governance Statement provides a vital assurance

function over the Council's activities. This also assists in ensuring the Council's Governance and Audit Committee discharges its responsibilities in line with the Committee's Statement of Purpose which can be found in Appendix C.

4. Scope of Internal Audit

4.1 The definition of Internal Audit established by the PSIAS covers the control environment of the Council as a whole.

4.2 This means that the scope of Internal Audit similarly covers the Council's operations as a whole and is not limited to the review of financial systems.

4.3 Financial Procedure Rule 12 – Internal Audit states that the Chief Auditor will maintain an adequate and effective internal audit service and provides authority to:

- Enter at all reasonable times on any Council premises or land.
- Have access to, and removal if necessary into custody of, all records, documents and correspondence relating to any financial or other transaction of the Council.
- Require and receive such explanations as are necessary concerning any matter under examination.
- Require any employee of the Council to produce on demand cash, stores or any other Council property under his/her control.

5 Independence of Internal Audit

5.1 It is essential that Internal Audit is independent of the services it reviews and reports upon. Internal Audit must be seen to be independent and all staff must be free of any restrictions which prevent them acting in an independent and objective manner.

5.2 The Internal Audit Section is part of the Finance Directorate reporting to the Director of Finance & Section 151 Officer.

5.3 The Chief Auditor has no other management responsibilities which restrict the independence of Internal Audit.

5.4 The Chief Auditor also has unrestricted access to the Chief Executive, Directors, Chief Officers and Heads of Service and may report to any level of management as considered necessary. Regular meetings are also held with the Council's external auditor.

5.5 The Chief Auditor reports functionally to the Governance and Audit Committee in his own name and has unrestricted access to the Chair of the Audit Committee and elected members. The Chief Auditor or a senior

representative from the Internal Audit team attends all Governance and Audit Committee meetings and contributes to the agenda.

- 5.6 All Internal Audit staff are required to declare any possible conflicts of interest, of whatever kind, which may impair their ability to demonstrate an impartial, unbiased and objective approach to their work on an annual basis. Staff are also required to declare any potential conflicts of interest as they arise during the year. The declarations are considered by the Chief Auditor and the Principal Auditor when allocating work to individual Auditors and Senior Auditors to ensure any potential conflicts of interest are appropriately managed.

6 Consultancy Role of Internal Audit

- 6.1 In addition to the assurance function provided by Internal Audit, there are also occasions where it may also provide a consultancy or advisory role e.g. providing training or advice on controls for systems under development.
- 6.2 On such occasions, Internal Audit is providing advice and guidance and is not giving assurance. Where this occurs, Internal Audit always retains the right to review the service at a later date and make further recommendations.
- 6.3 Should a request be received for consultancy work of a significant nature which is not included in the annual plan, the work will not be accepted if it will restrict the ability to complete the required assurance work and deliver the annual internal audit opinion. The Chief Auditor will also ensure that the Governance and Audit Committee is notified of any requests for significant consultancy work prior to accepting them.

7 Fraud, Bribery and Corruption Role of Internal Audit

- 7.1 The establishment of systems and controls to prevent fraud, bribery and corruption is the responsibility of management.
- 7.2 Internal Audit will be aware of the risk of loss by fraud, bribery or corruption in all audit reviews undertaken and will report any exposure to the risk of loss.
- 7.3 Financial Procedure Rule 12 – Internal Audit requires any responsible officer who suspects financial irregularity to inform the Director of Finance immediately and to provide facilities for investigation in accordance with the Council's Anti-Fraud and Corruption Policy.
- 7.4 The details of any suspected or detected frauds will be considered when preparing the risk based Internal Audit Plan and will also inform the Chief Auditor's annual internal audit opinion.

- 7.5 The Council established a Corporate Fraud function with effect from 1st June 2015 based in the Internal Audit Section.
- 7.6 The Corporate Fraud function is responsible for raising the profile of fraud awareness and promoting an anti-fraud and corruption culture across the Council. Where appropriate the Corporate Fraud Investigators undertake or assist management in the investigation of suspected cases of fraud, corruption or bribery.

8 Internal Audit Resources

- 8.1 Internal Audit should be appropriately resourced to meet its objectives in terms of the number of staff, grades, qualifications, personal attributes and experience.
- 8.2 The PSIAS require the Chief Auditor to be professionally qualified and suitably experienced. The Chief Auditor must be a full member of a CCAB accounting body or a member of the Institute of Internal Auditors.
- 8.3 Risk assessment methodology is used to identify the level of audit coverage required to provide the annual internal audit opinion on the control environment.
- 8.4 A risk based annual Internal Audit Plan is produced which matches the required audit coverage to the available resources. The plan is approved by the Corporate Management Team and the Governance and Audit Committee. The Chief Auditor is required to bring to the attention of the Committee the potential consequences of any shortfall in resources which may impact on the provision of the annual opinion.
- 8.5 The annual plan will be constantly reviewed during the year in response to any changes e.g. vacancies, new risks, frauds and special investigations.
- 8.6 Quarterly reports showing progress made against the annual plan will be presented to the Director of Finance & Section 151 Officer and the Governance and Audit Committee.

9 Quality Assurance and Improvement Programme

- 9.1 To ensure compliance with the PSIAS, the Chief Auditor must put in place a Quality Assurance and Improvement Programme (QAIP).
- 9.2 The QAIP must include both internal and external assessments of Internal Audit.
- 9.3 The internal assessment includes the ongoing supervision and review of work produced by Internal Audit staff as well as performance against targets and client feedback for each audit completed.

- 9.4 A periodic, internal self-assessment must also be undertaken to confirm compliance with the PSIAS. The results of the internal self-assessment are reported to the Director of Finance & Section 151 Officer and the Governance and Audit Committee as part of the Internal Audit Annual Report.
- 9.5 The PSIAS also require an external assessment at least once every 5 years. The external assessment may either be a full assessment by a suitably qualified external assessor or a self-assessment with independent external validation.
- 9.6 The results of the QAIP must be included in the Chief Auditor's annual report to the Governance and Audit Committee. The report must highlight any areas of non-conformance with any significant areas of non-conformance being included in the Annual Governance Statement.
- 9.7 Further details of the QAIP can be found in Appendix D.

Appendices: Appendix A – Core Principles of Internal Audit
Appendix B – Code of Ethics
Appendix C – Amended Audit Committee Terms of Reference
Appendix D – QAIP

Core Principles for the Professional Practice of Internal Auditing

The Core Principles, taken as a whole, articulate internal audit effectiveness. For an internal audit function to be considered effective, all Principles should be present and operating effectively. How an internal auditor, as well as an internal audit activity, demonstrates achievement of the Core Principles may be quite different from organisation to organisation, but failure to achieve any of the Principles would imply that an internal audit activity was not as effective as it could be in achieving internal audit's mission *'to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight'*.

The Core Principles are:

1. Demonstrates integrity.
2. Demonstrates competence and due professional care.
3. Is objective and free from undue influence (independent).
4. Aligns with the strategies, objectives, and risks of the organisation.
5. Is appropriately positioned and adequately resourced.
6. Demonstrates quality and continuous improvement.
7. Communicates effectively.
8. Provides risk-based assurance.
9. Is insightful, proactive, and future-focused.
10. Promotes organisational improvement.

Code of Ethics

Public sector requirement

Internal auditors in UK public sector organisations (as set out in the Applicability section) must conform to the Code of Ethics as set out below. If individual internal auditors have membership of another professional body then he or she must also comply with the relevant requirements of that organisation

The purpose of the Institute's Code of ethics is to promote an ethical culture in the profession of internal auditing. A code of ethics is necessary and appropriate for the profession of internal auditing, founded as it is on the trust placed in its objective assurance about risk management, control and governance.

The Institute's code of ethics extends beyond the definition of internal auditing to include two essential components:

Components

1. Principles that are relevant to the profession and practice of internal auditing
2. Rules of Conduct that describe behaviour norms expected of internal auditors. These rules are an aid to interpreting the Principles into practical applications and are intended to guide the ethical conduct of internal auditors

The Code of Ethics provides guidance to internal auditors serving others. 'Internal auditors' refers to Institute members and those who provide internal auditing services within the definition of internal auditing.

Applicability and Enforcement

This Code of Ethics applies to both individuals and entities that provide internal auditing services. For Institute members, breaches of the Code of Ethics will be evaluated and administered according to The Institute's Disciplinary Procedures. The fact that a particular conduct is not mentioned in the Rules of Conduct does not prevent it from being unacceptable or discreditable and therefore, the member liable for disciplinary action.

Public sector interpretation

The 'Institute' here refers to the IIA. Disciplinary procedures of other professional bodies and employing organisations may apply to breaches of this Code of Ethics

1. Integrity

Principle

The integrity of internal auditors establishes trust and thus provides the basis for reliance on their judgement

Rules of Conduct

Internal auditors:

- 1.1 Shall perform their work with honesty, diligence and responsibility
- 1.2 Shall observe the law and make disclosures expected by the law and the profession
- 1.3 Shall not knowingly be a party to any illegal activity, or engage in acts that are discreditable to the profession of internal auditing or to the organisation
- 1.4 Shall respect and contribute to the legitimate and ethical objectives of the organisation.

2. Objectivity

Principle

Internal auditors exhibit the highest level of professional objectivity in gathering, evaluating and communicating information about the activity or process being examined

Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgements.

Rules of Conduct

Internal auditors:

- 2.1 Shall not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organisation.
- 2.2 Shall not accept anything that may impair or be presumed to impair their professional judgement.
- 2.3 Shall disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review

3. Confidentiality

Principle

Internal auditors respect the value and ownership of information they receive and do not disclose information without appropriate authority unless there is a legal or professional obligation to do so

Rules of Conduct

Internal auditors:

- 3.1 Shall be prudent in the use and protection of information acquired in the course of their duties
- 3.2 Shall not use information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organisation.

4. Competency

Principle

Internal auditors apply the knowledge, skills and experience needed in the performance of internal auditing services.

Rules of Conduct

Internal auditors:

- 4.1 Shall engage only in those services for which they have the necessary knowledge, skills and experience.
- 4.2 Shall perform internal auditing services in accordance with the International Standards for the Professional Practice of Internal Auditing
- 4.3 Shall continually improve their proficiency and effectiveness and quality of their services

Public sector requirement

Internal auditors who work in the public sector must also have regard to the Committee on Standards of Public Life's *Seven Principles of Public Life*, further information on which can be found at www.public-standards.gov.uk

The 7 Principles of Public Life (10 Principles in Wales)

1. Selflessness

Holders of public office should act solely in terms of the public interest. They must never use their position to improperly confer an advantage on, or to avoid a disadvantage for, themselves or to improperly confer an advantage or disadvantage on others.

2. Integrity and propriety

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

Holders of public office must not put themselves in a position where their integrity is called into question by any financial or other obligation to individuals or organisations that might seek to influence them in the performance of their duties. Members must on all occasions avoid the appearance of such behaviour.

3. Objectivity

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful. They must declare any private interests relevant to their public duties and take steps to resolve any conflict in a way that protects the public interest.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

In Wales the seven 'Nolan Principles' are supplemented with three additional principles, which are:

8. Duty to uphold the Law

Holders of public office must act to uphold the law and act on all occasions in accordance with the trust that the public has placed in them.

9. Stewardship

In discharging their duties and responsibilities holders of public office must ensure that their Authority's resources are used both lawfully and prudently.

10. Equality and respect

Holders of public office must carry out their duties and responsibilities with due regard to the need to promote equality of opportunity for all people, regardless of their gender, race, disability, sexual orientation, age or religion, and show respect and consideration for others

Governance & Audit Committee – Terms of Reference

Statement of Purpose

The Governance and Audit Committee is a key component of the City and County of Swansea's corporate governance. It provides an independent and high level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the Governance and Audit Committee is to provide independent assurance of the adequacy of the risk management framework, the internal control environment and the performance assessment of the Council. It provides an independent review of the governance, performance assessment, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

Membership

The Local Government (Wales) Measure 2011 provides that two thirds of the members of the Committee are to be members of the council and one third must be lay members. Only one member of the Cabinet or Assistant to the Cabinet may sit on the Committee, and that person must not be the Leader. The Chair must be a lay member and the vice chair must not be a member of the Cabinet or an Assistant to the Cabinet.

Governance, Performance, Risk and Control

- a) To review the Council's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.
- b) To review the Council's draft annual Self-Assessment Report, and make any appropriate recommendations for changes to the conclusions or actions the Council intends to make.
- c) To review the Council's draft response to the Panel Performance Assessment Report, and make any appropriate recommendations for changes.
- d) To review the Council's draft response to any Auditor General's recommendations arising from a special inspection in respect of the Council's performance requirements and to make any appropriate recommendations for changes.
- e) To review and assess the authority's ability to handle complaints effectively and to make any associated reports and

recommendations in relation to the authority's ability to handle complaints effectively.

- f) To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances.
- g) To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- h) To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.
- i) To monitor the effective development and operation of risk management in the Council.
- j) To monitor progress in addressing risk related issues reported to the Committee.
- k) To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- l) To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.
- m) To monitor the counter fraud strategy, actions and resources.
- n) To review any proposals in relation to the appointment of external providers of internal audit services and to make recommendations.
- o) To review the governance and assurance arrangements for significant partnerships or collaborations.

Internal Audit

- p) To approve the internal audit charter and resources.
- q) To approve the risk-based internal audit plan, containing internal audit's resource requirements, the approach to using other sources of assurances and any work required to place reliance upon those other sources.
- r) To approve significant interim changes to the risk based internal audit plan and resource requirements.

- s) To make appropriate enquiries of both management and the Chief Internal Auditor to determine if there are any inappropriate scope or resource limitations.
- t) To consider the Chief Internal Auditor's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.
- u) To consider the Chief Internal Auditor's annual report.
- v) To consider reports from the Chief Internal Auditor on Internal Audit's performance during the year including the performance of external providers of internal audit services.
- w) To consider a report on the effectiveness of internal audit to support the Annual Governance Statement, where required to do so by the Accounts and Audit Regulations.
- x) To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Chief Internal Auditor. To approve and periodically review safeguards to limit such impairments.
- y) To consider summaries of specific internal audit reports as requested.
- z) To receive reports outlining the action taken where the Chief Internal Auditor has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
- aa) To consider reports dealing with the management and performance of the providers of internal audit services.
- bb) To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.
- cc) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- dd) To contribute to the Quality Assurance and Improvement Programme and in particular the external quality assessment of internal audit that takes place at least once every five years.

- ee) To provide free and unfettered access to the Governance and Audit Committee Chair for the Chief Internal Auditor, including the opportunity for a private meeting with the Committee.

External Audit

- ff) To consider the external auditor's annual letter, relevant reports, and to those charged with governance.
- gg) To consider specific reports as agreed with the external auditor.
- hh) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- ii) To commission work from external audit.
- jj) To advise and recommend on the effectiveness of relationships between external audit and other inspector agencies or relevant bodies

Financial Reporting

- kk) To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
- ll) To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Accountability Arrangements

- mm) To report to full Council on a regular basis on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.
- nn) To report to Council on an annual basis and to publish an annual report on the Committee's work, its performance in relation to the Terms of Reference, and its effectiveness in meeting its purpose.
- oo) To raise the profile of probity generally within the Council and to report on matters of concern to the individual Cabinet Member, relevant Scrutiny Committee, Cabinet or to Council as necessary and appropriate.
- pp) To work in synergy with the Scrutiny Committees of the Council and liaise with other Council Committees as and when appropriate to avoid duplication in work programmes.

- qq) To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the Appendix 1 adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions
- rr) To publish an annual report on the work of the committee.

Training and Development

- ss) To attend relevant training sessions including specialist training tailored for Members of the Governance and Audit Committee.

Quality Assurance & Improvement Programme

The Quality Assurance & Improvement Programme (QAIP) should be based on the following key elements to ensure compliance with the Standards:

- Supervision of the work undertaken by internal auditors as an ongoing process throughout the year.
- Internal reviews or self-assessments to appraise the quality of the audit work and compliance with the PSIAS which is usually undertaken on an annual basis.
- External reviews carried out by a qualified independent person to appraise the quality of the audit work and compliance with the PSIAS which must be completed at least once every 5 years.

Internal Assessment – Ongoing Review

The following systems and procedures have been established to form the internal assessment ongoing review element of the QAIP.

- Policies and procedures have been established to guide staff in the performance of their internal audit duties. Guidance in policies and procedures is provided to internal audit staff by the Chief Auditor, Principal Auditor and Senior Auditors. The Team also has access to a set of guidance notes and templates that are stored on a shared drive for staff to refer to when necessary.
- Audit work is allocated to staff based on their level of skills, experience and competence. A quarterly Audit Plan is prepared by the Principal Auditor which allocates audit assignments to staff and is reviewed by the Chief Auditor before being issued.
- A Lead Auditor is assigned to each audit and will be either the Principal Auditor or a Senior Auditor. The role of the Lead Auditor is to supervise and monitor progress in completion of the audit and to complete a quality assurance review to ensure that the work has been completed to the required level and complies with the PSIAS. The level of supervision required will depend upon the competence and experience of the auditor.
- The Lead Auditor will also review the draft and final report to ensure it fully reflects the findings of the audit and includes appropriate recommendations and level of assurance.
- All draft and final reports are subject to review by the Principal Auditor prior to being issued.
- A Quality Control Questionnaire is issued with the final report to the client to obtain their feedback on the audit. Any issues identified in the completed QCQ are discussed with the auditor and action taken where required.
- A comprehensive set of Performance Indicators are maintained. The PI's are measured at team and individual level with targets being set at the start of

each year. The PI's measured at individual auditor level are monitored on a quarterly basis by the Principal Auditor and Chief Auditor and any issues identified are discussed with the auditor and action taken where necessary. The team PI's are monitored annually and are reported to the Director of Finance & Section 151 Officer and the Governance and Audit Committee in the Internal Audit Annual Report.

- The Welsh Chief Auditors Group collects performance indicator information from across Wales which is used to compare performance against other similarly sized internal audit teams.
- Performance indicator information is also used as part of the annual appraisal process under the Employee Performance Management Policy. All employees receive an annual appraisal which is a competency based process that reviews performance and training and development needs.
- Use is made of available training programmes to keep staff up to date with professional practice and to meet any skill shortages identified. Particular use is made of the annual training programme put together by the South Wales Chief Auditors Group.

Internal Assessment – Periodic Review

The following systems and procedures have been established for the periodic internal assessment:

- A quarterly review of progress made against the Annual Audit Plan is undertaken by the Chief Auditor to ensure the Section is meeting its aims and objectives. The results of the review are reported to the Director of Finance & Section 151 Officer and the Governance and Audit Committee in the quarterly Internal Audit Monitoring Report.
- The Chief Auditor completes an annual self-assessment of compliance with the PSIAS using the detailed checklist included in CIPFA's Local Government Application Note.
- The annual self-assessment also fulfils the requirement established in the Accounts and Audit (Wales) Regulations 2014 for an annual assessment of the effectiveness of the Internal Audit service.
- The results of the annual self-assessment are reported to the Director of Finance & Section 151 Officer and the Governance and Audit Committee as part of the Chief Auditors Annual Report.

External Assessment

An external assessment of compliance with the PSIAS must be completed at least once every 5 years and may either be a full external assessment or a self-assessment which is subject to independent external validation.

The format of the external assessment must be considered fully by the Chief Auditor and discussed with the Governance and Audit Committee. If an

independent validation is to be used, the person or team appointed must be appropriately qualified, have sufficient knowledge of the PSIAS and there must be no conflicts of interest or impairment to objectivity.

The external assessment in Swansea was undertaken during Q3 and Q4 2017/18 with the preferred method being a self-assessment subject to an external validation using the peer review group established by the Welsh Chief Auditors Group. This approach was agreed with the Director of Finance & Section 151 Officer and was approved by the Audit Committee on the 8 August 2017.

As agreed by the Welsh Chief Auditors Group, the external assessment saw Chief Auditors acting as independent assessors of other Internal Audit Sections arranged on a random basis.

The outcome of the external assessment was presented to the then Head of Financial Services & Service Centre (now the Director of Finance & Section 151 Officer), the Director of Resources and the Chief Executive on 28/03/18 and to the Audit Committee on the 10/04/18. In summary, the peer review concluded that the City and County of Swansea's Internal Audit Section is broadly compliant with the PSIAS and CIPFA Application Note with no significant deviations from the Standards being noted.

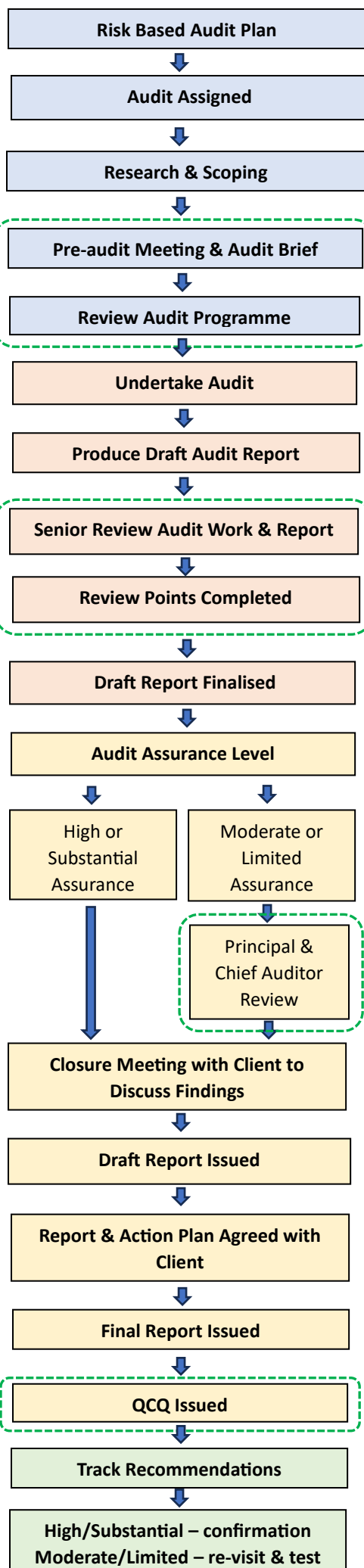
The external assessment must be undertaken at least every 5 years. The second assessment is currently underway and is due to be completed by the end of 2022/23.

Reporting

The Chief Auditor will report the outcome of the periodic internal assessment to the Director of Finance & Section 151 Officer and the Governance and Audit Committee on an annual basis.

The results of the external assessment will also be reported to the Director of Finance & Section 151 Officer, the Corporate Management Team and the Governance and Audit Committee when received along with an Action Plan to address any issues raised in the report. The Action Plan will be subject to regular monitoring with progress being reported to the Director of Finance & Section 151 Officer and the Governance and Audit Committee.

The Chief Auditor will only use the phrase 'Conforms with International Standards for the Professional Practice of Internal Auditing' in reports where the results of the QAIP support the statement.



Planning

- > The Annual Audit Plan is compiled based on the schedule of audits, audit risk scores and consultation exercise. The plan is approved by CMT and Governance and Audit Committee.
- > Audits are allocated to the team via a quarterly audit plan. Auditors research the audit areas, review the previous report, file, risk assessment and run relevant reports to inform the planned audit.
- > Each audit is allocated a Senior Auditor to assist during the audit and to review the audit brief and audit programme. **(Quality Control)**
- > In consultation with the Senior Auditor, a pre-audit meeting will be held with the client contact to discuss the audit and to agree the scope and prepare the audit brief to be signed off by the client. **(Quality Control)**
- > The Auditor and Senior will review and update the audit programme as necessary. **(Quality Control)** and a start date start date will be agreed with the client.

Undertaking the Audit

- > Audit fieldwork will be completed as agreed with the client. Any issues uncovered will be highlighted during the completion of the work.
- > All findings will be documented in the working papers.
- > The auditor will produce a draft report summarising the outcome of the testing.
- > All audit work and the draft report will be reviewed by a Senior Auditor. Any queries that arise will be documented as review points to be completed by the Auditor. **(Quality Control)**
- > The audit report will include recommendations where necessary and an action plan to be completed by the client outlining what action will be taken, who will be responsible for completing the action and a target completion date.

Reporting the Outcome

- > All audit reports will be issued with an Assurance Level based on the number of recommendations made and risk classification of those recommendations.
- > Any uncertainty around the classification of a recommendation or the overall Assurance Level will be discussed with the Principal and/or Chief Auditor.
- > Reports that are due to be issued with a Moderate or Limited assurance level will be reviewed by the Principal and Chief Auditor. **(Quality Control)**.
- > Once all queries have been suitably addressed, the Auditor will arrange a closure meeting with the client to discuss the outcome of the review and to summarise the findings in the draft report.
- > The draft report and management action plan will be issued to the client with a target response date.
- > If requested by the client, the auditor and/or senior auditor may be asked to meet to discuss the response to the recommendations made in the draft report.
- > Once the management action plan has been completed, the final report will be issued.
- > If the final report is issued with a Moderate or Limited assurance level, a summary of the key issues identified during the review will be presented to the Governance and Audit Committee as part of the Internal Audit Quarterly Monitoring Report. Management from the relevant service will also be expected to attend the committee meeting to provide an update on the action taken since the audit report was issued.
- > All actions agreed in the management action plan must have target completion dates to inform our recommendation follow-up procedures.
- > A Quality Control Questionnaire (QCQ) accompanies the final report. Clients are asked to complete this quality assessment and provide feedback on the audit process. The results form part of our internal Performance Indicators **(Quality Control)**.

Track Recommendations

- > Reports with a High/Substantial Assurance Level – clients are asked to confirm recommendations have been completed in writing.
- > Moderate/Limited Assurance – a follow-up audit is arranged to confirm implementation.

Integrated Impact Assessment Screening Form

Please ensure that you refer to the Screening Form Guidance while completing this form.

Which service area and directorate are you from?

Service Area: Internal Audit
 Directorate: Finance

Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services

(b) Please name and fully describe initiative here:

The External Assessment Report outlines the results of the external review of compliance with the Public Sector Internal Audit Standards undertaken by the Internal Audit Team of Blaenau Gwent County Borough Council.

Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

n/a – no impact

| | High Impact | | Medium Impact | | Low Impact | | Needs further investigation |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|-----------------------------|
| | + | - | + | - | + | - | |
| Children/young people (0-18) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Older people (50+) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Any other age group | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

| | | | | | | | |
|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|--------------------------|
| Disability | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Race (including refugees) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Asylum seekers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gypsies & travellers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Religion or (non-)belief | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sex | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sexual Orientation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gender reassignment | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Welsh Language | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Poverty/social exclusion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Carers (inc. young carers) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pregnancy and maternity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Q3 What involvement has taken place/will you undertake e.g. engagement / consultation / co-productive approaches?

Please provide details below – either of your activities or your reasons for not undertaking involvement

Consultation undertaken with the Director of Finance and the Corporate Management Team.

Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:

- a) Overall does the initiative support our Corporate Plan’s Well-being Objectives when considered together?
 Yes No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?
 Yes No
- c) Does the initiative apply each of the five ways of working?
 Yes No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?
 Yes No

Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)

| | | |
|--------------------------|--------------------------|-------------------------------------|
| High risk | Medium risk | Low risk |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes No **If yes, please provide details below**

The review will provide assurance to all Council areas that the Internal Audit function of the Council is being delivered in accordance with the Public Sector Internal Audit Standards.

Q7 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?

(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)

To update the Governance & Audit Committee on the outcome of the external assessment and to provide assurance to the Committee and the Corporate Management Team that the services provide by the Internal Audit Team are compliant with the Public Sector Internal Audit Standards and Cipfa Local Government Application Note.

Outcome of Screening

Q8 Please describe the outcome of your screening below:

The completion of the Integrated Impact Assessment Screening revealed that:

- The Peer Review Outcome Report has a potentially low positive impact across a number of identified groups.
- It has been subject to consultation with the Director of Finance, the Corporate Management Team, Legal and Access to Services.
- All WFG considerations are positive and any risks identified are low.

(NB: This summary paragraph should be used in the relevant section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

| |
|--|
| Screening completed by: |
| Name: Simon Cockings |
| Job title: Chief Auditor |
| Date: 04/08/23 |
| Approval by Head of Service: |
| Name: Ben Smith |
| Position: Director of Finance & S151 Officer |
| Date: 04/08/23 |

Please return the completed form to accesstoservices@swansea.gov.uk

Agenda Item 6



Report of the Director of Social Services

Governance & Audit Committee – 25 October 2023

Social Services Directorate: Internal Control Environment 2023/24

| | |
|------------------------------------|---|
| Purpose: | The report presents the annual review of the (Directorate) control environment, including risk management, in place to ensure functions are exercised effectively; there is economic, efficient and effective use of resources, and; effective governance to secure these arrangements. |
| Report Author: | David Howes |
| Finance Officer: | Chris Davies |
| Legal Officer: | Debbie Smith |
| Access to Services Officer: | Rhian Millar |
| For Information | |

1. Background

- 1.1 The Social Services Directorate continues to be responsible for either delivering or commissioning care and support for adults, children and families across Swansea. As such, the Directorate is the main vehicle through which the Council meets its responsibilities under the Social Services and Well Being Act and the All-Wales Safeguarding Procedures. The Social Services and Wellbeing Act complements the Future Generations Act in requiring a refocus on wellbeing, prevention and early help. Consequently, in recent years the Directorate has assumed responsibility for the direct delivery of the bulk of the Council's prevention and tackling poverty services. The Directorate is also responsible for Youth Offending Services and hosts the West Glamorgan Health & Social Care partnership.

- 1.2 The Social Services Directorate continues to have the highest gross and net spend within the Council (excluding schools) and are the highest income generator. As a consequence the bulk of the Council's required savings within the medium-term financial plan continue to be delivered by the Directorate. The services delivered within the Directorate are the most regulated and have the highest number of statutory performance indicators. Given the nature of those services, the Directorate manages the highest levels of risk as business as usual activity. It continues to take lead responsibility for two of the Council's corporate priorities – safeguarding and tackling poverty.
- 1.3 In order to continue to manage and safely deliver against all of the above, the internal control environment within the Directorate continues to need to be highly sophisticated and particularly effective.

2. Risk Management and business continuity

- 2.1 The work of the social services department is dominated by the effective management of risk through its work in managing child protection and adult safeguarding.
- 2.2 Service delivery post covid has recovered strongly. However the social care sector remains fragile in a context of an extremely challenged health system, exacerbated by the continued cost of living crisis. This means that the Directorate effectively has to operate a state of business continuity.
- 2.3 Given all of the ongoing challenges post covid, including significant workforce challenges, our continued resilience to managing the most challenging of circumstances remains remarkably strong.
- 2.4 We continue to have to focus Corporate and Directorate risks on the most critical areas of system wide concern. Therefore the Corporate risk register has continued to be used to capture the highest-level risks and issues i.e. those that are most pressing at any given time and particularly to provide transparency about risks that cannot be wholly mitigated.
- 2.5 Some risks continue to feature permanently on the risk register. The most obvious example is the risk for safeguarding. However control measures continue to be reviewed and updated to reflect the changing context and new challenges including any immediate areas of increased risk. We remain as confident as we can be that the Council will continue to exercise its functions effectively.
- 2.6 Risks that are captured on the corporate risk register continue to be managed by individual risk owners across the Directorate and then monitored at the monthly Directorate P&FM. The risks on a page (see appendix) are shared with the responsible Cabinet Members on a monthly basis. The P&FM meeting makes the decision about whether

Directorate risks should be escalated to CMT for consideration as to whether they should become a corporate risk. As an example, the risk associated with WCCIS (the Directorate's main information record system to record the care and support needs of individuals) has been escalated to a corporate risk, subsequently de-escalated, then removed from the risk register and will now re-appear but for different reasons than previously. Individual risk owners continue to be encouraged to strengthen the recording of control measures to better describe the range of actions we are taking to at least mitigate whole system fragility. This was previously flagged as an area for improvement.

- 2.7 It remains the case that the Directorate's capacity and resilience to managing risk and business continuity continues to be tested to a degree that would have been considered inconceivable pre-covid. Therefore the fact that arrangements continue to stand up well continues to provide considerable assurance.

3. Performance Management / KPIs

- 3.1 Adults, children's, tackling poverty services and YOS continue to have a substantial suite of KPIs that reflect statutory requirements, grant award conditions and the corporate performance report. Changes to nationally reported KPIs particularly across adults and childrens services have been embedded within the Directorate's performance reporting mechanisms and we are now beginning to generate trend data.
- 3.2 All four services continue to have an extensive individual performance report that is produced on a monthly basis. Those reports feed the monthly Directorate P&FM and are provided to the responsible Cabinet Members. The reports for adults and children services are received by CMT on a quarterly basis. The YOS report is received by the YOS Management Board (a statutory multi agency board) on a quarterly basis. The childrens and adults reports are taken to dedicated scrutiny performance panels on a quarterly basis. Selective information is extracted from these reports to inform the Councils overall quarterly performance report against the corporate plan. Care Inspectorate Wales are provided with the reports on a quarterly basis. Safeguarding information is pulled from the reports and provided quarterly to the regional safeguarding board. Welsh Government are provided end of year information from these reports to meet the Council's statutory reporting requirements. Information from the reports is extracted to inform regional planning priorities across health and care through the regional partnership board. The Director uses the end of year information to inform his Statutory Report to Council on an annual basis.
- 3.3 Live and contemporary performance information continues to be used by frontline teams across the Directorate to inform service delivery and

practice on a day-to-day basis. Swansea's use of performance data to inform and improve day to day practice across social care, to support both service planning and improvement and transformation continues to be recognised as sector leading.

- 3.4 The new WCCIS risk is linked to a recently published business plan by Digital Health Wales to move away from a single performance information system across Wales. At this stage the Council does not understand whether these changes may impact negatively on the ability of the Council to effectively performance manage its service delivery. Local/ regional due diligence of that new national plan is underway.
- 3.5 The Director of Social Services continues to take a lead in supporting the Council's cross cutting approach to corporate safeguarding. The work of the corporate safeguarding group jointly chaired by the Director and responsible Cabinet Member reports on an annual basis to Scrutiny. The cross-Council work plan overseen by the board incorporates any recommendations from internal or external scrutiny or audit activity. One of the key priorities of that board was in relation to improved corporate reporting of things like mandatory training compliance. The performance reporting capability of oracle fusion is at an early stage, but it does appear that the expected benefit of improved corporate reporting will be realised over the next 6 months.
- 3.6 The fact that performance management arrangements in the Directorate are considered sector leading, the high levels of internal and external scrutiny and processes in place that ensure performance and management drives strategic and operational improvement continues to indicate a very high level of assurance in this area.

4. Planning and Decision Making

- 4.1 Planning for the effective delivery of social care continues to be inextricably linked with the planning of the effective delivery of health care. This has been recognised by Welsh Government and prompted the establishment of regional partnership boards. The West Glamorgan Regional Partnership Board provides the infrastructure through which the high-level planning priorities across health and social care are determined. However the statutory partners retain sovereign responsibility. The Director of Social Services advises the Cabinet Members, Cabinet and Council on the exercise of its statutory duties and ultimately Cabinet signs off on local delivery against both the regional priorities and local service delivery.
- 4.2 Each service within the Directorate has updated annual transformation/ improvement plans (service plans) which set out the steps that will be taken to deliver against agreed priorities including recovery from Covid and any new and emerging issues for example the impact of the cost of living crisis. These plans are informed by all of the above and new

Council policies, new statutory requirements, the latest performance information, any savings requirements set out within the Council's medium term financial plan and recommendations from internal or external audit (in particular the Care Inspectorate for Wales).

- 4.3 The infrastructure at both a regional and local level to ensure effective and coherent planning and decision making has now wholly reverted back to a focus on longer term transformation. Overall these arrangements continue to work well and again provide considerable assurance.

5. Budget and Resources Management

- 5.1 The Directorate continues to be supported by a dedicated finance partner who is part of the corporate finance team.
- 5.2 The finance partner works an integral part of the Directorate's budget, finance, planning and commissioning hub. The finance partner provides independent scrutiny and challenge of the Directorates financial plans, including direct advice to the statutory Director and the Council's S151 officer.
- 5.3 The planning and commissioning hub incorporates representation from the corporate procurement team to ensure that the Council's arrangements to commission tens of millions of pounds of care and other services from the independent and third sector is done so in a way that both supports good outcomes and is cost effective. The planning and commissioning hub also continues to provide support to Education and Housing colleagues to promote a peoples approach to commissioning and procurement of cross cutting services. This cross Directorate and increasingly cross Council approach is realising the hoped for additional benefits of added value for the recipients of commissioned services and best value for the Council.
- 5.4 The commissioning hub continues to manage applications for tens of millions of pounds worth of additional grant income and ensures ongoing compliance with grant conditions. The hub is increasingly having to focus on mitigating the potential negative consequences of reduced levels of funding across public services.
- 5.5 The Director continues to chair a monthly meeting of the commissioning hub to ensure cross Directorate and cross Council collaboration.
- 5.6 Charging of organisations that use Council care services, including making sure full cost recovery is applied, is managed by the budget officers within the commissioning hub. However, the financial assessment and charging of Swansea residents for their care and support is managed by the corporate finance and charging team.

- 5.7 The Director also continues to chair a monthly finance and charging meeting, involving Directorate and Corporate finance colleagues, to ensure effective cross Council charging, income generation and debt recovery is maintained.
- 5.8 Overall financial oversight of the Directorate's fiscal position and delivery against the medium-term financial plan takes place in the monthly P&FM and any issues are escalated to CMT and the S.151 officer. The Cabinet members receive a monthly finance report. The s151 officer's quarterly outturn report is informed by the Directorate's finance report.
- 5.9 Analysis of demand, costs of new statutory requirements or policy commitments, delivery against savings targets, inflationary pressures, and new income opportunities are all routinely monitored through the above arrangements and then provided to CMT and Cabinet to inform the annual budget setting process.
- 5.10 For the fifth year in a row, despite having the largest savings targets in the Council, the Directorate has been particularly successful in achieving a balanced budget. The Directorate's proven effectiveness in managing demand led budgets and delivering against challenging savings targets provides strong assurance. However in-year financial challenges and the potential for a significant drop in public services funding looking forward does present considerable financial risk in the context extreme inflationary pressures.

6. Fraud and Financial Impropriety

- 6.1 The Directorate's systems of internal controls have been designed in accordance with the accounting instructions. Compliance is monitored through regular internal audits of the establishments and functions. Suspicions of impropriety are referred to internal audit and Human Resources.

7. Compliance with Policies, Rules and Regulatory Requirements

- 7.1 The functions of the Social Services Department are highly regulated and subject to high levels of internal and external scrutiny and audit consistent. The main regulator is the Care Inspectorate of Wales (CIW) which inspects both at a local authority level and each individual regulated service e.g. individual care homes or domiciliary care service. This high level of external scrutiny complements our internal quality assurance frameworks and the oversight of two dedicated scrutiny panels. Any recommendations for improvement whether externally or internally generated are incorporated into annual service and improvement plans. Throughout this period a number of inspections of regulated services have taken place. Feedback has been overwhelmingly positive and where actions for improvement have been proposed, these have been actioned and reported through the Council's scrutiny, audit and governance arrangements.

- 7.2 CIW's annual assurance meeting activity has continued. The inspectorate remains satisfied that the local authority's arrangements remain strong and effective.

8. Programme and Project Assurance

- 8.1 The overarching transformation of health and social care programmes are facilitated through the infrastructure of the regional partnership board. There is a dedicated regional transformation team hosted by Swansea Council which facilitates the monitoring and delivery of that programme. Plans and projects are monitored by three transformation boards chaired at Director level and ultimately report to the partnership board with senior representation of the statutory partners.
- 8.2 A robust and consistent project management methodology is adopted at both a regional, local, directorate and service level with dedicated specialist resources allocated to ensure project initiation, delivery against intended outcomes, risk management and transition to business as usual is properly managed.

9. Internal Controls

- 9.1 All officers have clear roles and responsibilities. Authorisation processes whether Oracle, HR or financial are clear and in place. Annual review of authorisation levels are carried out. Spending restrictions are in place with appropriate escalation up to HOS and Director level as appropriate. Risk assessments are in place for buildings and services.
- 9.2 The resilience of both internal control arrangements and the Directorate's workforce continue to be severely tested. The ability to flex resource and safely respond to priorities that could change on a weekly, sometimes daily, basis indicates strong assurance.

10. Data Security

- 10.1 The Directorate manages high levels of personal information for citizens and statutory requirements and are such that this information must routinely be used to inform reports, assessments and plans that must be shared in writing with users of our services.
- 10.2 The combination of these two factors means that the risk of an inadvertent data breach is high, and the consequences are always serious.
- 10.3 The processes for monitoring and reporting breaches are well established across the Directorate, as are the processes for learning from any such a breach.

10.4 Improved compliance with mandatory training on data security continue to be monitored at P&FM, as are the details of any breaches or near misses.

10.5 The number of breaches that have taken place have reduced significantly.

11. Partnership / collaboration governance

11.1 The main partnership in which the Directorate is a key partner is the Regional Partnership Board as referred to previously. The governance arrangements for this board are set out in statute. The region and the Council comply with the required governance requirements in full.

11.2 All recommendations of the Regional Partnership Board must be taken through the individual organisations governance mechanisms for final endorsement. Cabinet is the ultimate decision-making body for the Council.

11.3 Partnership arrangements are considered strong in this region.

12. Integrated Assessment Implications

12.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

12.1.1 The Well-being of Future Generations (Wales) Act 2005 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

12.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

12.2 There is no direct impact associated with this report on the relevant groups considered within the IIA itself; but assessing long-term trends and preventing risks from becoming issues are key aspects of risk management. Sustainable ways of working are incorporated within the Council's risk management policy and framework.

13. Legal Implications

13.1 There are no legal implications.

14. Financial Implications

14.1 There are no financial implications directly arising from the consideration of this report.

Background papers: None

Appendices:

| | |
|------------|--|
| Appendix A | (Directorate) Corporate and Directorate Risks on a page Report |
| Appendix B | (Directorate) Assurance Map updated |
| Appendix C | IIA Form |

Risk on a Page

Risk Title : Deprivation of Liberty

Risk ID : 132

Description : If the Local Authority fails to meet its statutory responsibilities to meet the legal requirement in relation to Deprivation of Liberty across Child and Family and Adult services, the Local Authority would be at risk of legal challenges and compensation claims.

Risk Level : Directorate

Responsible Officer : Amy.Hawkins

Councillor : Louise Gibbard

Inherent Risk : **16**

Last Update : 04/09/2023

| Historical RAG : | Oct-22 | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep-23 |
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| | 16 | 16 | 16 | 16 | 16 | 16 | 16 | | 16 | 16 | 12 | 12 |

Current Control Measures

Adult Services & Child and Family Deprivation of Liberty (DoLO). Identifying those who need a DoLO, prioritising DoLO applications targeting the most risky cases, and sourcing support to ensure applications are made in a timely manner, reducing the risk of unauthorised deprivations. Additional grant funding used for additional staffing resource to support with applications, Court of Protection support, Best Interest and Mental Capacity assessments and staff training.

Last Update

31/08/2023

Risk Response

Treat

Projected Completion

31/03/2024

New legislation - Liberty Protection Safeguarding. LPS implementation has been pushed back to 2024. We are currently involved in regional and national forums to fully understand the requirement of the new act

31/08/2023

Terminate / Close

31/03/2024

Identify high risk cases across teams and across Directorate. Regular cross Directorate meetings are undertaken to monitor this and to capture high risk cases.

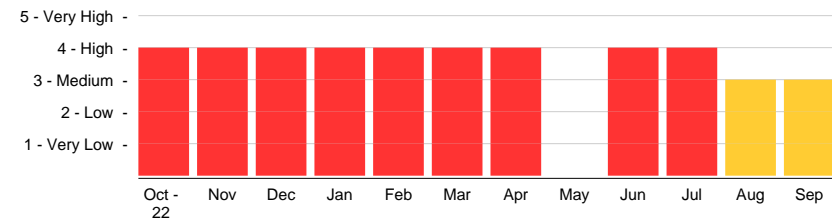
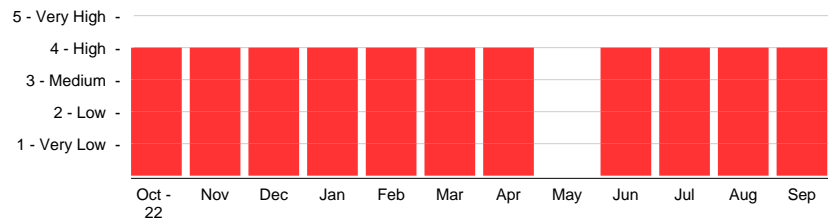
31/08/2023

Treat

31/03/2024

Current Impact : 4 - High

Current Likelihood : 3 - Medium



Risk on a Page

Risk Title : Safeguarding

Risk ID : 153

Description : If our safeguarding arrangements are not sufficiently robust (particularly with regards being able to fund, recruit and retain sufficient qualified social workers; ensure placement sufficiency for looked after children and be able to provide or commission sufficient social care for adults with assessed care and support needs), then we will not be doing everything we possibly can to prevent the death, injury or neglect of a child or vulnerable adult and consequential reputational damage.

Risk Level : Corporate

Responsible Officer : David.Howes

Councillor : Louise Gibbard

Inherent Risk : 25

Last Update : 19/09/2023

| Historical RAG : | Oct-22 | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep-23 |
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Page 90

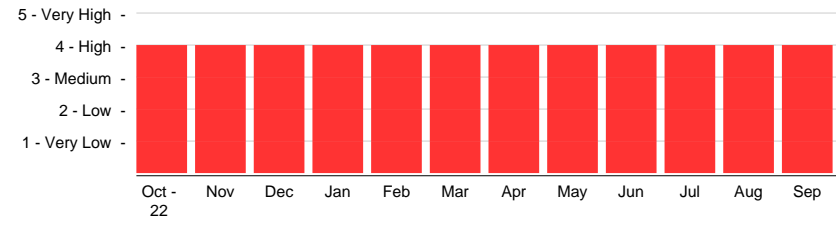
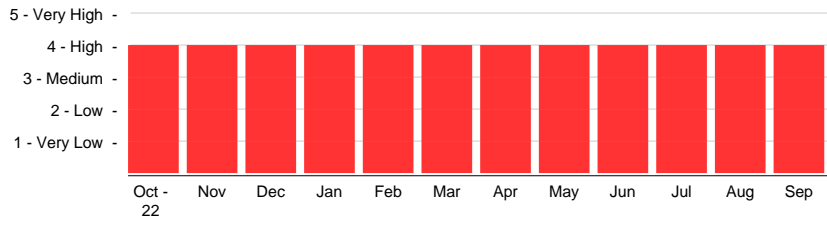
| Current Control Measures | Last Update | Risk Response | Projected Completion |
|---|-------------|---------------|----------------------|
| Work with the Health Board to review the current level of partner financial contributions to the funding of integrated intermediate care services (inc maximising regional and national income opportunities) to ensure an effective service offer that reduces or delays recourse to long term managed care (within the Council's overall available financial resources) | 16/06/2023 | Treat | 31/03/2024 |
| Monitor the effectiveness of safeguarding arrangements bi-monthly at the childrens and adults performance scrutiny panels, the corporate safeguarding board and the regional safeguarding board, quarterly at CMT and monthly at PFM and take appropriate remedial action | 07/03/2023 | Treat | 01/03/2024 |
| Invest in the Council's direct care provision services to maximise capacity and reduce reliance on independently commissioned care services for adults (within the Council's overall available financial resources) | 07/03/2023 | Treat | 01/03/2024 |
| Provide specific advice to Welsh Government as to how they can safely implement the eliminate profit from children services policy commitment (including supporting the growth of not for profit looked after children care provision) to avoid inadvertently exacerbating the current lack of placement sufficiency for looked after children | 07/03/2023 | Treat | 01/03/2024 |
| Implement new models for the commissioning local independent domiciliary care provision to build capacity inc. by supporting providers to provide a fair and competitive wage to their staff (within the Council's overall available financial resources) | 07/03/2023 | Treat | 01/03/2024 |
| Invest in increasing the number of Foster Wales Swansea foster carers and the number of in-house residential care beds for children (both locally and regionally) whilst decreasing reliance on independently commissioned foster and residential care placements (within the Council's overall available financial resources) | 07/03/2023 | Treat | 01/03/2024 |

Current Control Measures

| | Last Update | Risk Response | Projected Completion |
|---|-------------|---------------|----------------------|
| Implement effective recruitment processes both within the Directorate and the corporate centre (including maintaining a sufficient workforce infrastructure) to ensure that there are no avoidable delays in recruiting to essential posts determined as necessary to maintain a safe and effective social services function (within the Council's overall available financial resources) | 07/03/2023 | Treat | 01/03/2024 |
| Implement a weekly Directorate workforce planning meeting to consider and prioritise all new recruitment requests to ensure that new recruitment is focussed on the maintenance of a safe and effective service and complies with current spending restrictions and supports delivery of the Council's MTFP | 07/03/2023 | Treat | 01/03/2024 |
| Prioritise and target resources at maintaining care and support for those individuals in most critical need or at risk of suffering harm as part of the emergency planning infrastructure and re-prioritisation of the Councils COVID-19 Recovery Plan. | 07/03/2023 | Treat | 01/03/2024 |
| Remodel the workforce infrastructure for social services including investment in capacity of alternatively qualified staff (both frontline and back-office staff) to take on functions that can be safely delivered by a non-registrant workforce (within the Council's overall financial resources) | 07/03/2023 | Treat | 01/03/2024 |
| Recruit agency social workers to cover critical gaps in social work capacity | 07/03/2023 | Treat | 01/03/2024 |
| Prioritise maintaining investment in and maximising income for the funding of prevention and wellbeing services that reduce or delay recourse to statutory services and managed care and support for children and adults who would otherwise develop care and support needs (within the Council's overall available financial resources) | 07/03/2023 | Treat | 01/03/2024 |
| Implement a 'grow your own' strategy to support an increase in the number of internal staff to pursue the social work qualification | 07/03/2023 | Treat | 01/03/2025 |
| Prioritise a sufficient budget allocation (within the Council's overall available financial resources) to maintain the Council meeting at least the minimum level of statutory service across childrens and adults services | 07/03/2023 | Treat | 01/03/2024 |
| Implement a social work academy in children services to support newly qualified staff to gain the skills and experience to become competent child protection practitioners | 07/03/2023 | Treat | 01/03/2024 |
| Work with NPT Council and the Swansea Bay Health Board to implement a recruitment strategy for overseas staff to fill critical workforce shortages across health and social care | 07/03/2023 | Treat | 01/03/2024 |

Current Impact : 4 - High

Current Likelihood : 4 - High



Risk on a Page

Risk Title : Data Breaches of Confidentiality

Risk ID : 218

Description : If a data breach occurs then this will result in a breach of confidentiality for an individual and the ICO will have to be notified potentially incurring significant fine for the Authority.

Risk Level : Directorate

Responsible Officer : David.Howes

Councillor : Louise Gibbard

Inherent Risk : 16

Last Update : 14/09/2023

| Historical RAG : | Oct-22 | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep-23 |
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| | 16 | 16 | 16 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |

Current Control Measures

If a data breach occurs then it is reported to P&FM which takes place on a monthly basis. Staff who have also completed Data Breach Training is reviewed, captured and reported to P&FM on a monthly basis. Any learning that is received from a breach is shared with the Directorate. These are on going measures.

Last Update

15/05/2023

Risk Response

Treat

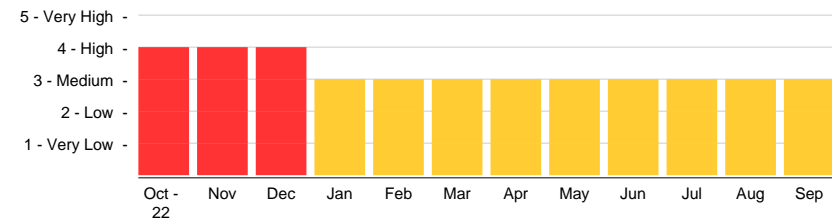
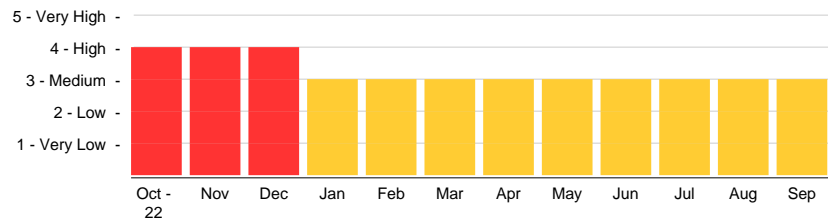
Projected Completion

30/04/2024

Page 93

Current Impact : 3 - Medium

Current Likelihood : 3 - Medium



Risk on a Page

Risk Title : Impact of Poverty

Risk ID : 290

Description : If there is increased demand on Council services due to an increased number of residents experiencing the impact of poverty due to the pandemic and cost of living pressures. Then the impact includes increased debt, reduction in household income and negative impact on health and well-being.

Risk Level : Corporate

Responsible Officer : Amy.Hawkins

Councillor : Alyson Pugh

Inherent Risk : 16

Last Update : 01/09/2023

Historical RAG :

| Oct-22 | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep-23 |
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Current Control Measures

Provide targeted advice on financial inclusion to people who are struggling with accessing the support to manage their debts, to address their needs in a timely, effective manner.

Last Update

31/08/2023

Risk Response

Treat

Projected Completion

31/03/2024

Provide weekly access to Welfare Rights Advice helpline for frontline social care staff to improve their knowledge on benefit entitlements and directly apply this to the people they support in order to increase take-up of benefits.

31/08/2023

Treat

31/03/2024

Support people to gain employment through referrals into mentoring and development of employability skills as part of an agreed personal development plan, to improve the number of people increasing their household income through employment.

31/08/2023

Treat

31/03/2024

Directly support people through Local Area Co-ordination to access the support they require in a place and time that meets their needs, to address the impacts of poverty and its effects on their health and well-being.

31/08/2023

Treat

31/03/2024

Increased demand on council services due to an increased number of residents experiencing the impact of poverty due to the cost of living crisis and the ongoing impact of the pandemic. The impact includes increased debt, reduction in household income and negative impact on health and well-being. The cost of living payments have been automatically been paid to those who we have details for other's the online application is open. Additional funding has been allocated for energy crisis payments which residents are accessing. Further funding has been allocated to community and voluntary organisations for addressing food poverty and addressing period poverty, along with new 'holiday food' schemes for Summer 2023.

31/08/2023

Treat

31/03/2024

The provision of Employability support, Debt and Benefit advice and guidance commissioned and in-house, increase take up of benefit entitlements, skills support and administration of Covid Self isolation payments. Work across the Authority through the Poverty Forum and with external partners through the Poverty Partnership Forum to identify risk management strategies to mitigate the impact.

31/08/2023

Treat

31/03/2024

Current Control Measures

Co-ordinate targeted and time-bound grant schemes for helping people with Cost of Living challenges (e.g. fuel poverty) to reduce the impact of poverty on people and businesses.

Last Update

31/10/2022

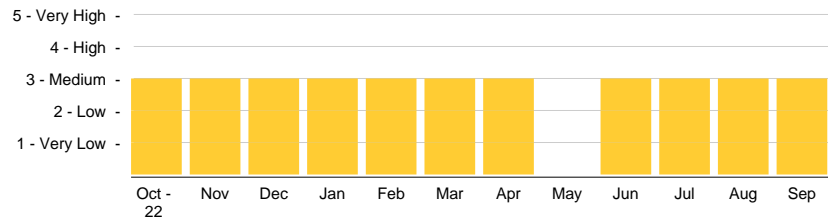
Risk Response

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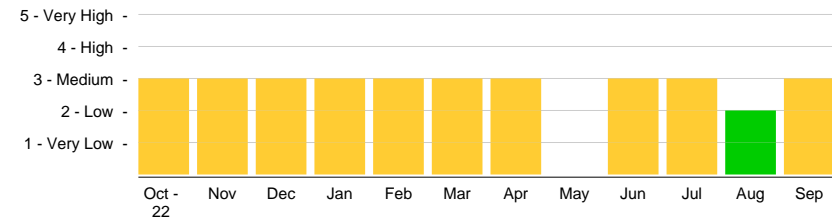
Appendix A
Proposed
Completion

31/12/2023

Current Impact : 3 - Medium



Current Likelihood : 3 - Medium



Risk on a Page

Risk Title : Grant Funding (Revenue Budgets) in Social Services

Risk ID : 298

Description : IF grant funding ceases to flow from Welsh Government, THEN key preventative parts of the Directorate will not be able to deliver the range of services as effectively as it would like to in order to ensure service continuity and to safeguard preventative activities for the economic, social, environmental and cultural well-being of residents of Swansea

Risk Level : Directorate

Responsible Officer : David.Howes

Councillor : Louise Gibbard

Inherent Risk : 12

Last Update : 25/09/2023

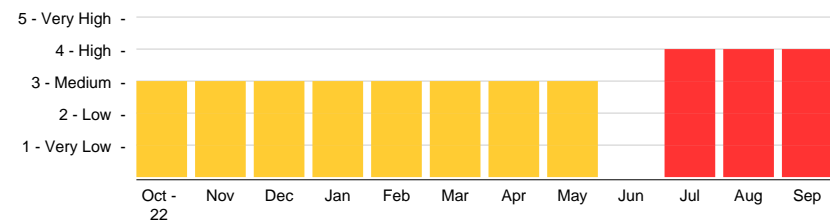
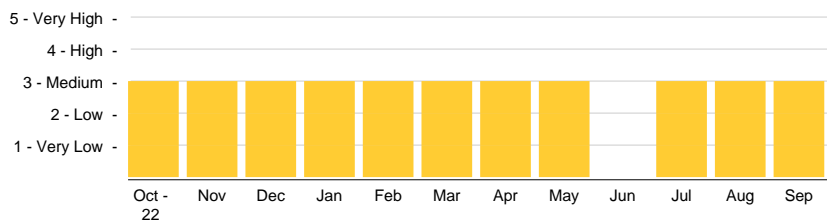
| Historical RAG : | Oct-22 | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep-23 |
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| | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | | 12 | 12 | 12 |

Page 96

| Current Control Measures | Last Update | Risk Response | Projected Completion |
|--|-------------|---------------|----------------------|
| Close working with teams to understand likelihood of changes in grant allocations and possible remodelling needed to mitigate £ 31.03.24 | 25/09/2023 | Treat | 31/03/2024 |
| Monthly discussion at relevant SMT meetings to work through these arrangements and manage risk and over sight at PFM reporting throughout 23/24 31.03.24 | 25/09/2023 | Treat | 31/03/2024 |
| Individual Grant Budget envelope planning for 24/25 underway - especially in large grant schemes such as HSG, CCG and RIF. Planning assumption on a flat grant budget envelope with an increase in inflation for a second year running will impact on the delivery of services for people as provision will have top be managed within grant envelop. Risk and impact assessment of this is underway | 25/09/2023 | Treat | 30/11/2023 |
| Analysis and monitoring of the range of different grants we receive and when they are likely to end and an exit route for these funding sources and implications to staffing levels including redundancy costs | 25/04/2023 | Treat | 31/05/2024 |

Current Impact : 3 - Medium

Current Likelihood : 4 - High



Risk on a Page

Risk Title : Real Living Wage in Social Care

Risk ID : 317

Description : Welsh Government require that the RLW (Real Living Wage) be paid to those who work in registered posts within Social Care. IF the annually calculated rate by the Resolution Foundation based on inflation measures that consider the minimum income standard, is higher than budget available to meet these costs THEN significant remodelling of all services is required
 IF there is not a significant easing of the inflationary pressures, THEN this it is likely that a substantial increase in living wage will be forthcoming and there is no guarantee that Welsh Government will provide adequate funding to meet our responsibilities.

Risk Level : Directorate

Responsible Officer : Jane.Whitmore

Councillor : Louise Gibbard

Inherent Risk : 9

Last Update : 25/09/2023

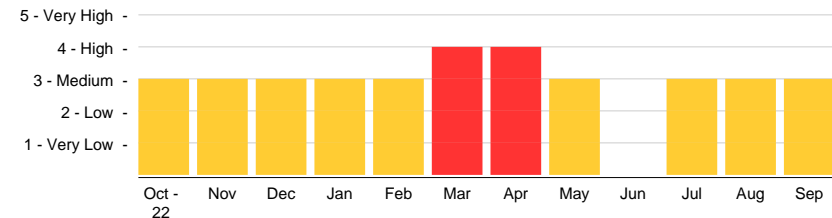
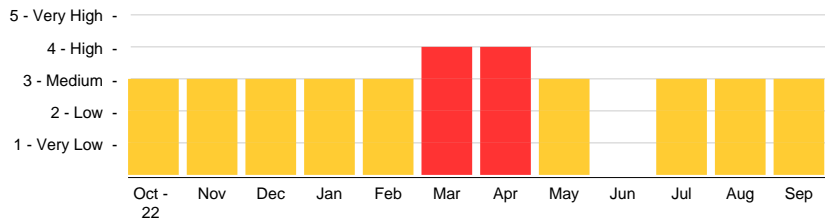
| Historical RAG : | Oct-22 | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep-23 |
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| | 9 | 9 | 9 | 9 | 9 | 16 | 16 | 9 | | 9 | 9 | 9 |

Page 97

| Current Control Measures | Last Update | Risk Response | Projected Completion |
|--|-------------|---------------|----------------------|
| Continue to work with WG to highlight the long term impacts of embedding RLW to influence flow of funding to cover pressures | 25/09/2023 | Treat | 31/10/2023 |
| Monitor the level of inflation to understand the likelihood of this risk being realised in line with monthly published inflation figures. | 25/09/2023 | Treat | 31/10/2023 |
| Track and monitoring the RLW calculations on the following website The Calculation Living Wage Foundation as they are published annually | 25/09/2023 | Treat | 31/10/2023 |

Current Impact : 3 - Medium

Current Likelihood : 3 - Medium



Risk on a Page

Risk Title : Fragility of Commissioned Care Market

Risk ID : 319

Description : Externally commissioned services are fragile. Rising costs are creating operational pressures and sustainability risks. Difficulties recruiting and retaining staff are creating capacity, delivery and quality risks. If these problems persist then there is a risk that either care services will not be sustainable; that people may not receive care; that quality of care may not be satisfactory; that costs to the department will increase.

Risk Level : Directorate

Responsible Officer : David.Howes

Councillor : Louise Gibbard

Inherent Risk : **16**

Last Update : 29/09/2023

| Historical RAG : | Oct-22 | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep-23 |
|------------------|--------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--------|
| | 16 | 16 | 16 | 16 | 16 | 12 | | 12 | | 9 | 9 | 9 |

Page 98

Current Control Measures

Maintain fuel subsidy for domiciliary care workers and ensure temporary financial support is affordable and aligned with appropriate budgets.

Last Update

29/09/2023

Risk Response

Treat

Projected Completion

31/03/2024

Continue to monitor financial risks to services during 23/24 and where necessary take action to mitigate new or additional sustainability risks.

29/09/2023

Treat

31/03/2024

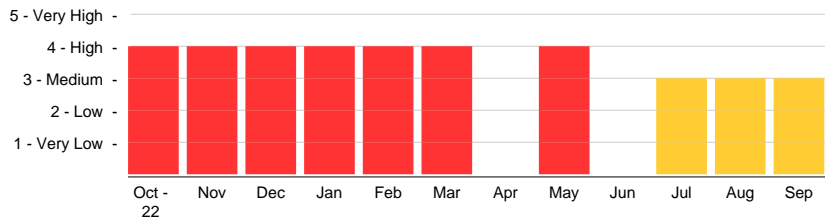
Implement contract monitoring and contract management arrangements to address any quality or performance concerns and ensure that services delivered are fit for purpose.

29/09/2023

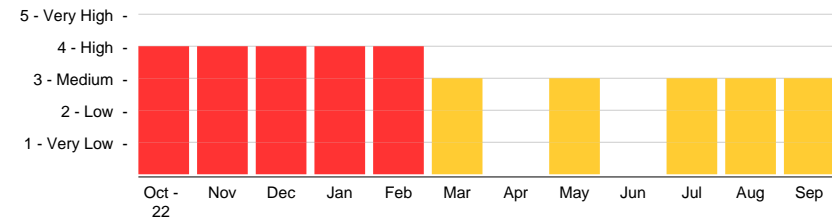
Treat

31/03/2024

Current Impact : 3 - Medium



Current Likelihood : 3 - Medium



Risk on a Page

Risk Title : Social Cohesion

Risk ID : 337

Description : If we do not manage to continue to improve community involvement and break down barriers amongst people in terms of economic disparities, encourage tolerance to avoid social discord and strengthen community development throughout all ages, then we could see increasing community tensions, disorder and civic unrest exacerbated by the cost of living crisis and perceived differences and people not feeling heard or listened to.

Risk Level : Corporate

Responsible Officer : David.Howes

Councillor : Alyson Pugh

Inherent Risk : **16**

Last Update : 25/09/2023

| Historical RAG : | Oct-22 | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep-23 |
|------------------|--------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--------|
| | | | 9 | | 9 | 9 | 9 | 9 | | 9 | 9 | 6 |

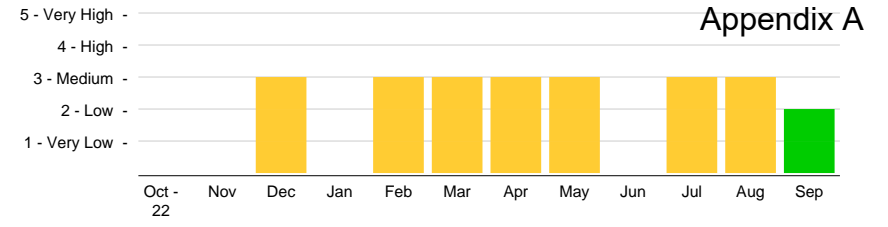
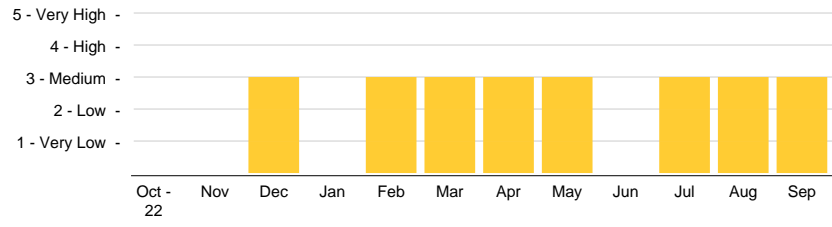
Current Control Measures

Page 99

| | Last Update | Risk Response | Projected Completion |
|--|-------------|---------------|----------------------|
| Engagement and involvement with minority communities to understand what matters and promote community cohesion and mitigate tensions, through the Partnership & Involvement Team. Project initiated and ongoing | 25/09/2023 | Treat | 31/01/2024 |
| Commission a research project to ensure complimentary and inclusive policy and decision-making to ensure social cohesion issues are considered in the development of plans and strategies across the council | 25/09/2023 | Treat | 31/03/2024 |
| Utilise opportunities through the Shared Prosperity fund to join up and embed community engagement and involvement with all ages and all communities to develop shared values and empowered communities, Fund now launched and activity underway | 25/09/2023 | Treat | 31/03/2024 |
| Ensure effective partnership working arrangements to develop supportive networks together through PSB and other key partnership arrangements transpiring out of the new newly developed Wellbeing Plan | 25/09/2023 | Treat | 31/12/2023 |
| Whole Council training and capacity building to implement the Public Sector Equality Duty and the Human Rights Approach, through Strategic Equalities and Future Generations Board | 25/09/2023 | Treat | 31/12/2023 |

Current Impact : 3 - Medium

Current Likelihood : 2 - Low



Risk on a Page

Risk Title : Subject Access Requests (SARS)

Risk ID : 353

Description : If we have confirmed a requester's identity, then we are then obliged to respond to the request free of charge within one calendar month, with the ability to extend up to two months if the case has a high volume of content. Anyone is entitled to find out what information is held by the Authority, about themselves, under a subject access request (SAR).
 CMT agreed that this function should return under the management of Social Services, from Legal, in February 2023. The work transferred with a backlog going back to May 2022. There has also been an increase in demand for this service and due to the volume of paperwork that requires printing and redacting, the ability to meet timescales has been severely compromised. This delay has prompted more complaints to the ICO which could result in the service receiving a reprimand or possible fine.

Risk Level : Directorate

Responsible Officer : Deborah.Reed

Councillor : Louise Gibbard

Inherent Risk : 20

Last Update : 14/09/2023

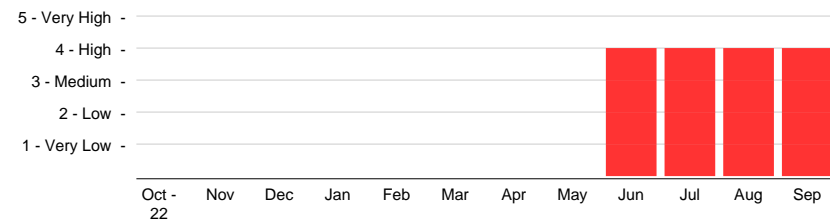
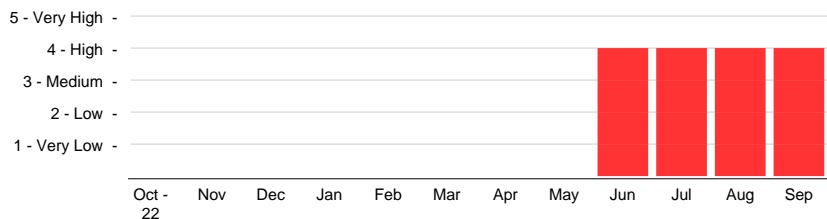
| | | | | | | | | | | | | |
|------------------|--------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--------|
| Historical RAG : | Oct-22 | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep-23 |
| | | | | | | | | | 16 | 16 | 16 | 16 |

Page 101

| Current Control Measures | Last Update | Risk Response | Projected Completion |
|---|-------------|---------------|----------------------|
| Request to increase team to meet the demand and clear backlog | 29/06/2023 | Treat | 31/12/2023 |
| Monitor output and reporting to P & FM on a monthly basis. | 29/06/2023 | Tolerate | 31/12/2023 |
| Weekly meetings to agree priorities. | 29/06/2023 | Tolerate | 31/12/2023 |

Current Impact : 4 - High

Current Likelihood : 4 - High



| Business Risk | Current Impact | Current Likelihood | Overall RAG Status | Risk Owner / Updater | Level and Source of Assurance | | | | | | Internal Audit Needs | Planned Internal Audit Work | Audit Plan Area | |
|------------------|----------------|--------------------|--------------------|----------------------|-------------------------------|---------------------------------|--|--|------------------------------------|--|----------------------|-----------------------------|-----------------|--|
| | | | | | Level 1 | Level 2 | | | Level 3 | | | | | |
| | | | | | Management Assurance | Other <u>Internal</u> Assurance | | | Other <u>Independent</u> Assurance | | | | | |
| Council/ Cabinet | Scrutiny | Other | Internal Audit | Other Bodies | | External Audit | | | | | | | | |

| | | | | | | | | | | | | | | | |
|--|--|------|------|-----|---|---|---|---|--|--|--|------------------------|---|---|---|
| <p>Risk ID 153</p> <p>Risk Title Safeguarding</p> <p>Risk Level Corporate</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 102</p> | <p>If our safeguarding arrangements are not sufficiently robust (particularly with regards being able to fund, recruit and retain sufficient qualified social workers; ensure placement sufficiency for looked after children and be able to provide or commission sufficient social care for adults with assessed care and support needs), then we will not be doing everything we possibly can to prevent the death, injury or neglect of a child or vulnerable adult and consequential reputational damage.</p> | High | High | Red | <p>David Howes / Angela Morgan</p> | <p>>Prioritise and target resources at maintaining care and support for those individuals in most critical need or at risk of suffering harm as part of the emergency planning infrastructure and re-prioritisation of the Councils COVID-19 Recovery Plan >Monitor the effectiveness of safeguarding arrangements bi-monthly at the children's and adults performance scrutiny panels, the corporate safeguarding board and the regional safeguarding board, quarterly at CMT and monthly at PFM and take appropriate remedial action >Invest in the Council's direct care provision services to maximise capacity and reduce reliance on independently commissioned care services for adults (within the Council's overall available financial resources) >Implement new models for the commissioning local</p> | <p>>Directors annual report to Council >Fortnightly meetings with Cabinet Members</p> | <p>>Two dedicated Scrutiny Panels in place to scrutinise Social Services Work and Performance >Safeguarding and tackling poverty corporate development committee >Bi monthly performance reporting to CMT >Monthly p&fm</p> | <p>> Corporate transformation board oversight >Corporate Safeguarding Board >Local authority designated officers for safeguarding within Social Services. >Mandatory Corporate Safeguarding Training in place for Staff and Members. >Corporate Priority plan >Corporate Safeguarding Policy</p> | <p>> Internal Audit of Safeguarding >Internal audit of DBS</p> | <p>>Regional safeguarding board > CIW inspection regime >Regional partnership board</p> | <p>>Audit Wales</p> | <p>>Currently included as part of standard rolling audit schedule, repeated based on audit risk score.</p> | <p>>Safeguarding cross cutting audit is included in the 22/23 audit plan</p> | <p>Cross Cutting – Council Governance and Control – Safeguarding People from Harm</p> |
|--|--|------|------|-----|---|---|---|---|--|--|--|------------------------|---|---|---|

Appendix B

| Business Risk | Current Impact | Current Likelihood | Overall RAG Status | Risk Owner / Updater | Level and Source of Assurance | | | | | | Internal Audit Needs | Planned Internal Audit Work | Audit Plan Area | |
|------------------|----------------|--------------------|--------------------|----------------------|---------------------------------------|---------------------------------|--|--|------------------------------------|--|----------------------|-----------------------------|-----------------|--|
| | | | | | Level 1 | Level 2 | | | Level 3 | | | | | |
| | | | | | Management Assurance | Other <u>Internal</u> Assurance | | | Other <u>Independent</u> Assurance | | | | | |
| Council/ Cabinet | Scrutiny | Other | Internal Audit | Other Bodies | | External Audit | | | | | | | | |
| | | | | | critical gaps in social work capacity | | | | | | | | | |

Last Updated: 10/02/23

Integrated Impact Assessment Screening Form – Appendix C

Please ensure that you refer to the Screening Form Guidance while completing this form.

Which service area and directorate are you from?

Service Area: Directorate

Directorate: Social Services

Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

(b) Please name and fully describe initiative here:

Social Services Directorate Internal Control Environment – a ‘for information’ report setting out Social Services control environment, including risk management, in place to ensure functions are exercised effectively; there is economic, efficient and effective use of resources, and; effective governance to secure these arrangements.

Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

| | High Impact | | Medium Impact | | Low Impact | | Needs further Investigation | No Impact |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|-------------------------------------|
| | + | - | + | - | + | - | | |
| Children/young people (0-18) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Older people (50+) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Any other age group | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Disability | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Race (including refugees) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Asylum seekers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gypsies & travellers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Religion or (non-)belief | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Sex | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Sexual Orientation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gender reassignment | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Welsh Language | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Poverty/social exclusion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Carers (inc. young carers) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Integrated Impact Assessment Screening Form – Appendix C

| | | | | | | |
|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Pregnancy and maternity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Human Rights | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches?
Please provide details below – either of your activities or your reasons for not undertaking involvement**

This is a ‘for information’ report setting out the internal control environment in Social Services, so no consultation or engagement is required.

Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:

- a) Overall does the initiative support our Corporate Plan’s Well-being Objectives when considered together?
Yes No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?
Yes No
- c) Does the initiative apply each of the five ways of working?
Yes No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?
Yes No

Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)

High risk

Medium risk

Low risk

Q6 Will this initiative have an impact (however minor) on any other Council service?

 Yes

 No

If yes, please provide details below

Q7 Will this initiative result in any changes needed to the external or internal website?

 Yes

 No

If yes, please provide details below

Q8 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?

(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)

Integrated Impact Assessment Screening Form – Appendix C

Outcome of Screening – This is a ‘for information’ report on the internal control environment in Social Services. There are no specific equality issues relating to this report and no direct impact on people or communities, so there is no need to complete a full IIA report

Q9 Please describe the outcome of your screening using the headings below:

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q7)**

(NB: This summary paragraph should be used in the ‘**Integrated Assessment Implications**’ section of corporate report)

Outcome of Screening – This is a ‘for information’ report on the internal control environment in Social Services. There are no specific equality issues relating to this report and no direct impact on people or communities, so there is no need to complete a full IIA report

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

| |
|---|
| Screening completed by: |
| Name: Dave Howes |
| Job title: Director of Social Services |
| Date: 4 October 2023 |

| |
|-------------------------------------|
| Approval by Head of Service: |
| Name: As above |
| Position: |
| Date: |

Please return the completed form to accesstoservices@swansea.gov.uk

Agenda Item 7



Report of the Chair of the Scrutiny Programme Committee

Governance & Audit Committee – 25 October 2023

Scrutiny Annual Report 2022-23 & Scrutiny Work Programme (For Information)

| | |
|--------------------------|---|
| Purpose: | This report supports the development of a strong relationship between Scrutiny and the Governance & Audit Committee by providing the recently published Scrutiny Annual Report 2022-23 and information about the current Scrutiny Work Programme. |
| Policy Framework: | Council Constitution |
| Consultation: | Legal, Finance |
| Lead Councillor: | Councillor Peter Black, Chair of the Scrutiny Programme Committee |
| Report Author: | Brij Madahar, Scrutiny Team Leader Tel: 01792 637257 E-mail: brij.madahar@swansea.gov.uk |
| Legal Officer: | Debbie Smith |
| Finance Officer: | Amanda Thomas |

1. Scrutiny Work Programme

- 1.1 The Scrutiny Programme Committee is responsible for developing the Council's Scrutiny Work Programme, and managing the overall work of Scrutiny to ensure that it is as effective as possible.
- 1.2 The broad aim of the Scrutiny function is to engage non-executive Councillors in activities to:
 - provide an effective challenge to the executive
 - help improve services, policies, and performance
 - engage the public in its work
- 1.3 The Scrutiny Work Programme is guided by the overriding principle that the work of Scrutiny should be strategic and significant, focussed on issues of concern, and represent a good use of time and resources.

It also needs to be:

- manageable, realistic and achievable given resources available to support activities
 - relevant to Council priorities
 - adding value and having maximum impact
 - coordinated and avoids duplication
- 1.4 A range of Scrutiny activity is carried out either by the Committee, or informal Panels (for in-depth scrutiny) or Working Groups (one-off meetings) established by the Committee. The Scrutiny Programme Committee maintains an overview of agreed Scrutiny activities to ensure that the work programme is delivered effectively, and co-ordinate work as necessary.
- 1.5 Scrutiny communicates findings, views and recommendations for improvement from its activities through Chair's Letters to Cabinet Members, and where appropriate by producing reports for Cabinet, for response as necessary.
- 1.6 All Scrutiny meetings are accessible to the public. Agendas, reports, letters relating to all Scrutiny activities will be published on the Council's modern.gov online platform:
<https://democracy.swansea.gov.uk/ieDocHome.aspx?bcr=1&LLL=0>
- 2. Developing the Relationship between Scrutiny and the Governance & Audit Committee.**
- 2.1 The Council has long recognised the relationship between Scrutiny and Audit and need for:
- mutual awareness and understanding of each other's work
 - respective work plans to be coordinated and avoiding duplication / gaps
 - clear mechanism for referral of issues, if necessary
- 2.2 It is important that there is:
- clarity between the core roles of both functions
 - regular conversations about Committees' work programmes, and responsibilities
 - a way to ensure that issues can be passed between Committees, avoiding duplication
- 2.3 Action already taken as part of this process:
- i) Chair of Scrutiny Programme Committee / Convener of Service Improvement, Regeneration & Finance Scrutiny Performance Panel copied into Governance & Audit Committee agendas and vice versa, for information.
 - ii) Work Programme / Work Plans published, at least annually, in each other's agenda for information.

- iii) Respective Chairs speaking, at least annually, at each other's Committee meeting on their work and the relationship between Scrutiny and Audit.
- iv) Governance & Audit Committee Chair invited to participate in the Annual Scrutiny Work Planning Conference.
- v) Chairs raise any issues re. coordination / duplication on ongoing basis
- vi) Where matters to be referred from Governance & Audit Committee Chair writes letter to Chair of Scrutiny Programme Committee, and vice versa.

2.3.1 Monitoring of External Audit / Inspection / Regulatory Reports:

The Chair of the Governance & Audit Committee and Chair of the Scrutiny Programme Committee decide between them the route that specific reports should take, i.e., whether reported to and monitored by Governance & Audit Committee or Scrutiny Programme Committee, as deemed appropriate.

In order to help co-ordinate activity in relation to external reports, the Governance & Audit Committee is provided with a Log of reports being dealt with by Scrutiny so that it can maintain an oversight of monitoring and be assured that reports are being effectively followed up. An updated Log is included in every Governance & Audit Committee meeting for awareness.

2.3.2 Council Performance Peer Review and Self-Assessment / Annual Complaints Report:

In view of requirements from the Local Government and Elections (Wales) Act 2021, and additional responsibilities for the Governance & Audit Committee, we are making sure that this is co-ordinated with Scrutiny's existing and ongoing role in regularly challenging performance & improvement across Council services. It is noted that where the Governance & Audit Committee is considering any 'Performance' reports under this new regime, it is reaching out to the Convener of the Service Improvement, Regeneration & Finance Scrutiny Performance Panel for input, to help avoid any duplication, and ensure respective activity is complementary. The Governance & Audit Committee being mainly concerned with assurance around the effectiveness of process.

2.4 The relationship benefits from a number of Councillors sitting on both Committees, including the current Vice-Chair of the Scrutiny Programme Committee.

2.5 To facilitate any discussion the following papers are provided to the Governance & Audit Committee:

- Scrutiny Annual Report 2022-23 (**Appendix 1**)
- Current Scrutiny Work Programme, showing the various Scrutiny Panel and Working Group topics (**Appendix 2**)
- the work plan of the Scrutiny Programme Committee itself, which meets every month (**Appendix 3**)
- progress report on Panels / Working Groups / Regional Scrutiny (**Appendix 4**)

3. Scrutiny Annual Report 2022-23

3.1 Every year Council requires that an annual report is produced for the work of scrutiny for the previous municipal year.

3.2 The Scrutiny Annual Report is used to:

- Highlight the work carried out by Scrutiny
- Show how Scrutiny has made a difference
- Support continuous improvement for the Scrutiny function

3.3 The Annual Report looking back at 2022-23 was presented to Council on 5 October.

4. Financial Implications

4.1 Any costs that arise out of work plan activities, for example expenses for witnesses or transport costs, are not envisaged to be significant and will be contained within the existing Scrutiny Budget.

5. Legal Implications

5.1 There are no specific legal implications raised by this report.

Background papers: None

Appendices:

Appendix 1: Scrutiny Annual Report 2022-23

Appendix 2: Current Scrutiny Work Programme

Appendix 3: Scrutiny Programme Committee Work Plan

Appendix 4: Progress Report – Panels / Working Groups / Regional Scrutiny



Scrutiny Annual Report 2022/23



Contents

| | | |
|-----------|---|-----------|
| 1. | Chair’s Foreword | 1 |
| 2. | Swansea Scrutiny Results Scorecard 2022/23 | 3 |
| 3. | About the Indicators | 4 |
| 3.a | How much Scrutiny did we carry out? | 4 |
| 3.b | How well did we do? | 9 |
| 3.c | How did Scrutiny impact on the business of the Council? | 13 |
| 3.d | What were the outcomes of Scrutiny? | 20 |
| 4. | Impact | 22 |
| 4.1 | How Scrutiny Councillors have made a difference | 22 |
| 5. | Feedback and Improvement | 24 |
| 5.1 | Improving Scrutiny | 24 |
| 5.2 | Scrutiny Improvement Objectives | 27 |
| | For further information | 29 |
| | Appendices: | |
| | A – Scrutiny Stories 2022-23 | |

1. Chair's Foreword

Councillor Peter Black, Chair of the Scrutiny Programme Committee



I am proud to present the Scrutiny Annual Report, reflecting on the first year of the 2022-2027 Council term, as Chair of the Scrutiny Programme Committee. This report covers the work of Scrutiny between May 2022 and May 2023.

Following the Council elections in May 2022, we welcomed many new Councillors and set about encouraging their involvement in Scrutiny. Scrutiny is a vital part of local democracy and good governance, and training on Scrutiny was a key part of the Council's Councillor Induction Programme, with Induction Sessions held in June 2022 to improve everyone's awareness and knowledge of the Scrutiny function and the Council's specific arrangements.

This year also saw the introduction of hybrid (known as multi-location) meetings. The meeting of the Scrutiny Programme Committee in July 2022 was the first held in the Guildhall since the pandemic. It has been good being able to see Councillors, Cabinet Members and Officers face-to-face once again, although some Councillors take advantage of still being able to attend meetings remotely.

The work of Scrutiny covered by this report ensures the Council remains accountable and transparent. By questioning and providing challenge to decision-makers Scrutiny helps the Council to achieve its objectives and drive improvement. We appreciate the engagement of Cabinet Members in Scrutiny and Officers for their support. Our report focuses on how Scrutiny has made a difference in Swansea, and our efforts to support continuous improvement and good practice.

Measuring the performance of Scrutiny in a meaningful way can be challenging, however we have taken a 'results based' approach to tell you about:

- How much Scrutiny we carried out
- How well we did it
- How Scrutiny impacted on the business of the Council
- What the outcomes of Scrutiny were

We hope that each Annual Report provides you with assurance and confidence that Councillors involved in Scrutiny are contributing to better services, policies and decision making in Swansea.

Finally, I would like to give my thanks to all the Councillors who have contributed over the past year, in particular those who have led on Scrutiny activity.

A handwritten signature in black ink, appearing to read 'Peter Black', written in a cursive style.

Councillor Peter Black

2. Swansea Scrutiny Results Scorecard 2022/23

| | A. How much Scrutiny did we carry out? | B. How well did we do? |
|-------------------|---|--|
| Scrutiny Practice | 1. Number of Committee meetings = 11 ↑ (10) 2. Number of Panel & Working Group meetings = 48 ↓ (56) 3. Number of in-depth inquiries completed = 0 ↓ (1) 4. Number of Working Group topics completed = 2 ↔ (2) | 5. Average Councillor attendance at Scrutiny meetings = 73% ↓ (78%) 6. Backbench Councillors actively involved in Scrutiny = 72% ↑ (70%) 7. Meetings with public observers = 15% ↓ (17%) 8. Meetings with public input = 24% ↑ (17%) 9. Meetings attracting media coverage = 25% ↓ (29%) |
| | C. How did Scrutiny impact on the business of the Council? | D. What were the outcomes of Scrutiny? |
| Scrutiny Outcomes | 10. Number of Chairs' Letters sent to Cabinet Members = 58 ↓ (66) 11. Average time for Cabinet Member response letter = 21 days ↑ (18) 12. Letters responded to within 21 day target = 65% ↓ (71%) 13. Number of Scrutiny reports to Cabinet = 1 ↑ (0) 14. Cabinet action plans agreed = 1 ↑ (0) 15. Follow ups undertaken = 1 ↔ (1) 16. Number of Cabinet reports subject to pre decision scrutiny = 5 ↑ (4) 17. Number of Cabinet reports subject to Call-in = 0 ↔ (0) 18. Cabinet Members who attended at least one Scrutiny meeting = 100% ↔ (100%) | 19. Scrutiny recommendations accepted or partly accepted by Cabinet = 100% (n/a) 20. Recommendations signed off by Scrutiny as completed = n/a (39%) |

(Last year in brackets) ↓↑ = notable change, ↓↑ = small change, ↔ no change

3. About the Indicators

A. How much Scrutiny did we carry out?

3.1 Number of Committee meetings = 11

The Council has a single overarching Scrutiny Committee, called the Scrutiny Programme Committee, meeting every 4 weeks with extra meetings added as necessary. During 2022/23 the Committee met 11 times (not including the meeting following Council Annual General Meeting to elect the Committee chair/vice-chair).

The Committee is responsible for developing, agreeing, and managing the overall Scrutiny Work Programme. Overarching priorities were shaped by the Annual Scrutiny Work Planning Conference which took place in June 2022 (open to all non-executive Councillors), that heard a range of perspectives on what should be included. All Councillors can suggest topics of concern for possible Scrutiny.

The Councillor-led Scrutiny Work Programme, which was agreed by the Committee in July 2022 is guided by the overriding principle that the work of Scrutiny should be strategic and significant, focussed on issues of concern, and represent a good use of time and resources.

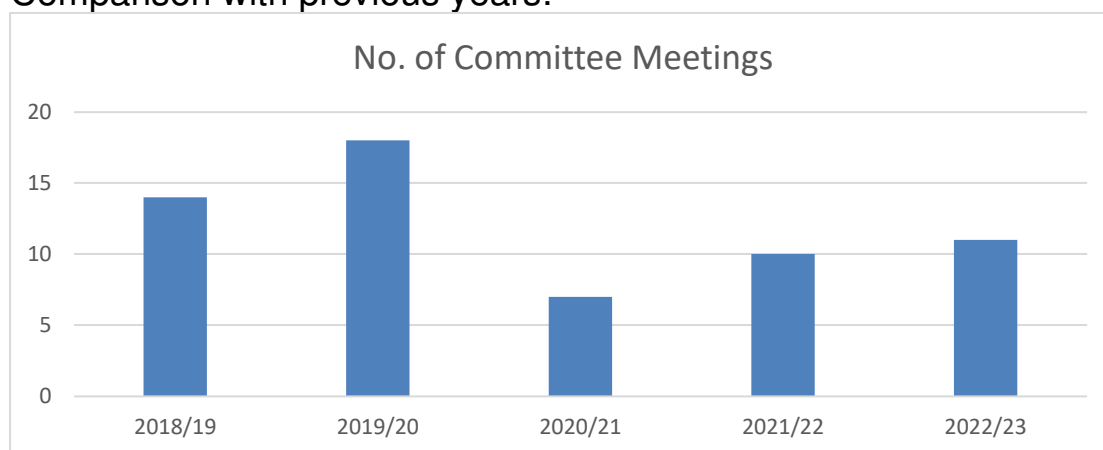
It is important that the Scrutiny Work Programme strikes a balance between community concerns and strategic issues. The Committee considers what specific topics should feature in the programme so that it is focussed on the right things. Specific scrutiny activities included in the Work Programme are carried out either by the Committee or by establishing informal Panels and Working Groups. All meetings are held in public.

Formal Committee meetings gave Councillors the opportunity to hold Cabinet Members to account and provide challenge on a range of policy and service issues of concern, relevant to their portfolio responsibilities, and its work addressed any gaps in the overall Scrutiny Work Programme to ensure good coverage of Scrutiny across all Cabinet portfolios. The Committee is also the Council's designated Committee for statutory Scrutiny of Swansea Public Services Board, and Crime & Disorder Scrutiny of the Safer Swansea Community Safety Partnership.

The following topics were also examined in Committee meetings:

- Archives / Community Hub
- Fly Tipping
- Homelessness
- Development and Regeneration activity, including the Swansea Bay City Deal
- Houses in Multiple Occupation
- Annual Corporate Safeguarding Report
- Delivery of Corporate Priority – Tackling Poverty
- Follow Up on Workforce Scrutiny Working Group Recommendations
- Cabinet Reports on:
 - Oracle Project Investment Update
 - National 20 Mph Default Speed Limit
 - Economic Recovery Fund – Capital and Revenue Budget allocations
- Co-ordination with the Governance & Audit Committee – Discussion between Chairs / Committees on the Audit / Scrutiny Relationship

Comparison with previous years:



3.2 Number of Panel & Working Group meetings = 48

Most of the work of Scrutiny is delegated to informal topic-based Panels and Working Groups. Scrutiny Panels and Working Groups are established by the Scrutiny Programme Committee, with an appointed Convener (Chair), to carry out specific Scrutiny activities.

There are two types of panels:

Inquiry Panels - these undertake in-depth inquiries into specific and significant areas of concern on a task and finish basis, usually around six months, and will produce a final report at the end of the inquiry with conclusions and recommendations for Cabinet (and other decision-makers), informed by the evidence gathered.

| Topics examined | Convener | Status |
|--|----------------------|--|
| <ul style="list-style-type: none"> Anti-Social Behaviour Key Question: How can the Council ensure that it is working with its partners to appropriately and effectively tackle Anti-Social Behaviour in Swansea? | Cllr. Terry Hennegan | Evidence Gathering / Consultation Complete At Final Report Stage – expected completion October 2023 |

(See para. 3.15 for previous / completed inquiries followed up)

Performance Panels - these provide in-depth performance / financial monitoring and challenge for specific service areas.

| Performance Panels 2022/23 | Convener |
|---|--|
| <ul style="list-style-type: none"> Service Improvement & Finance (monthly) Education (monthly) Adult Services (6-weekly) Child & Family Services (6-weekly) Development & Regeneration (every two months) Climate Change & Nature (every two months) In July 2022 the Committee agreed to rename the 'Natural Environment' Panel to 'Climate Change & Nature', reflecting recent change in corporate priorities | Cllr. Chris Holley Cllr. Lyndon Jones Cllr. Sue Jones Cllr. Paxton Hood-Williams Cllr. Chris Holley Cllr. Hannah Lawson |

Performance Panels engage in on-going correspondence with relevant Cabinet Members to share views and recommendations, arising from monitoring activities, about services. Performance Panels will hold relevant Cabinet Members to account with clear opportunities for questioning, to explore their work, looking at priorities, actions, achievements, and impact. Performance Panel Conveners provide a regular update to the Committee to enable discussion on key activities and impact.

Working Groups are one-off meetings established to enable a ‘light-touch’ approach to specific topics of concern, to consider a specific report or information, resulting in a letter to the relevant Cabinet Member(s) or report to Cabinet with views and recommendations.

Four one-off Working Groups were included in the Work Programme, to be completed as time and resources allow. The following Working Group meetings were held during 2022/23:

| Working Groups | Convener |
|--|--|
| <ul style="list-style-type: none"> • Road Safety • Co-production | Cllr Chris Holley Cllr Lyndon Jones |

3.3 Number of in-depth inquiries completed = 0

The Anti-Social Behaviour Inquiry is not yet complete and is expected to conclude in October 2023.

3.4 Number of Working Group topics completed = 2

Work on the following topic(s) was completed through meetings of Working Groups:

- **Road Safety** - Completed in December 2022. This Working Group enabled information, focussed questioning & discussion to understand the Council’s role and responsibilities on road safety, e.g., asking about hot spots; work to improve safety; preventative measures; speed controls – use of signs / humps / cameras; proposed new 20mph limits; condition of roads; safety of cyclists & pedestrians; partnership working, etc. A letter with the Working Group’s conclusions and recommendations was sent to the Cabinet Member and response received. This was reported to the Committee on 14 February and the Committee will be responsible for follow up in the next 12 months.
- **Co-production** - Completed in March 2023. It enabled information, focussed questioning & discussion on the development of Co-production in the Council and progress in helping to improve involvement and engagement with service users, partners, and the public in the design & delivery of

services & decision-making, etc. A letter with the Working Group's conclusions and recommendations was sent to the Cabinet Member and response received. This was reported to the Committee on 16 May and the Committee will be responsible for follow up in the next 12 months.

NOTE: There are also regional Scrutiny arrangements that Swansea is involved in, which have enabled Scrutiny councillors to look at the work of:

- **Partneriaeth** – the new regional Education / School improvement partnership, through a Joint Scrutiny Councillor Group. It comprises of Education Scrutiny Chairs and Vice Chairs, or equivalent, across Swansea Council, Carmarthenshire Council and Pembrokeshire Councils. Initial meetings took place 24 October 2022 and 13 February 2023, but otherwise the Group will meet termly, mirroring the Partneriaeth Joint Committee. The Joint Scrutiny Councillor Group is supported by the Swansea Scrutiny Team.
- **Delivery of the Swansea Bay City Deal programme, through the Swansea Bay City Region Joint Scrutiny Committee** - this arrangement involves three councillor representatives from each of the four Councils involved in the City Region, meeting to scrutinise the work of the Joint Committee responsible for delivering the City Deal programme. Meetings took place in July, September and December 2022, and February and May 2023. As per Joint Agreement, this Joint Scrutiny Committee is serviced by Neath Port Talbot Council.
- **The new South West Wales Corporate Joint Committee (CJC)** -The CJC involves Swansea, Neath Port Talbot, Carmarthenshire and Pembrokeshire Councils, as well as Brecon Beacons and the Pembrokeshire Coast National Park Authorities, and will exercise functions relating to strategic land use planning, regional transport planning and the exercise of economic well-being powers. The Committee has set up a CJC Overview & Scrutiny Sub-Committee which consists of three elected members from each Council and will meet at least quarterly. The Overview & Scrutiny Sub-Committee will scrutinise the decisions / actions of the CJC as it discharges its functions and performance in relation to policy objectives and targets. Meetings took place in November 2022, and January, February and April 2023. The Overview & Scrutiny Sub-Committee is being serviced by Neath Port Talbot Council.

A regular update on regional Scrutiny activity was provided to Committee members to ensure awareness.

B. How well did we do?

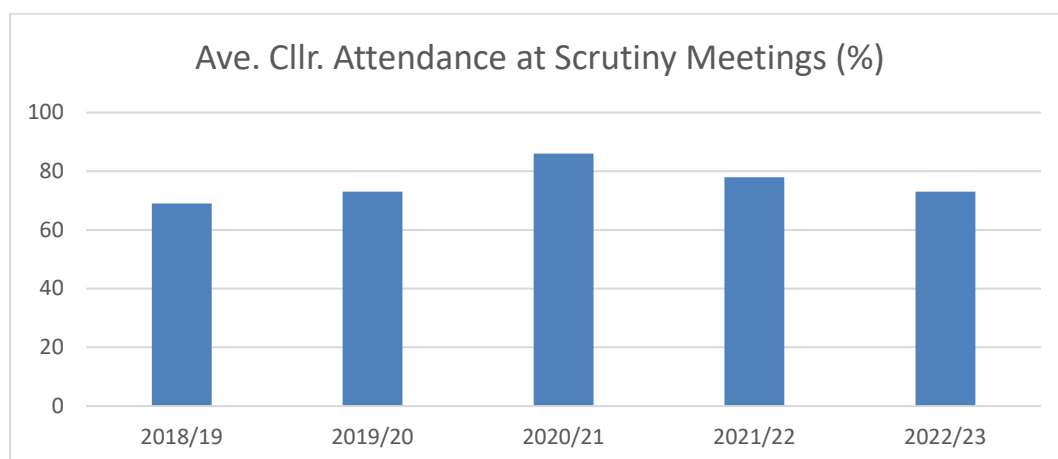
3.5 Average Councillor attendance at Scrutiny meetings = 73%

The rate of Councillor attendance measures an important aspect of effectiveness as it reflects the engagement of Councillors in the Scrutiny process.

Council determines the membership of the Scrutiny Programme Committee. However, membership of the various informal Panels and Working Groups is based on interest shown by Councillors in the topics under Scrutiny. Based on expressions of interest the membership of Panels and Working Groups is agreed by the Committee.

Attendance figures for Councillors are collected by the Council's Democratic Services Team and published on the Council's website. Our figure is an overall attendance figure that includes the Scrutiny Programme Committee, Panel meetings and Working Groups and was 73%. Attendance at Committee meetings was 89%. Both healthy figures of engagement.

Comparison with previous years:

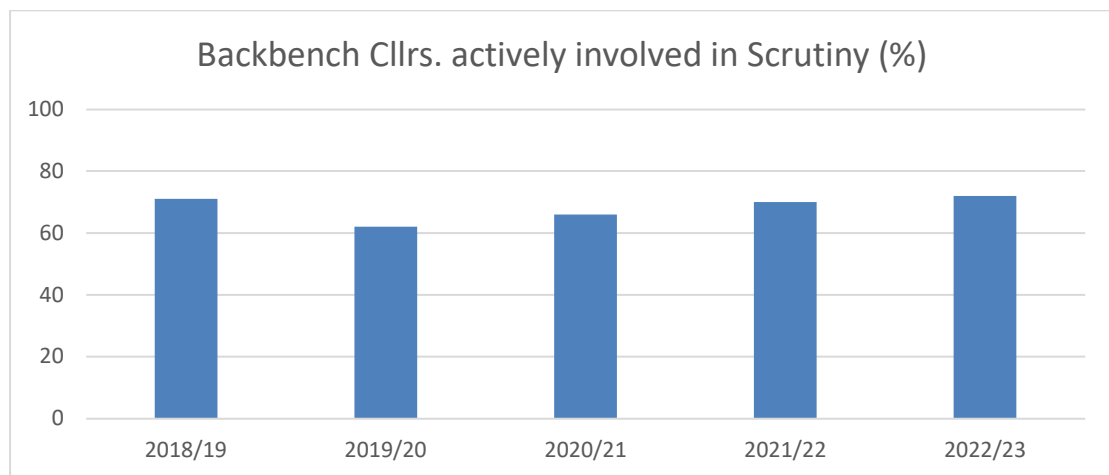


3.6 Backbench councillors actively involved in scrutiny = 72%

All backbench Councillors can participate in Scrutiny work regardless of Committee membership. New Scrutiny topics, once agreed, were advertised to all non-executive Councillors and expressions of interest sought to lead and/or participate in these activities. It enables Councillors to participate based on interest and enables them to build up specialist expertise.

Most backbench Councillors were involved in Scrutiny, through either the Scrutiny Programme Committee, Panels or Working Groups.

Comparison with previous years:



3.7 Meetings with public observers = 15%

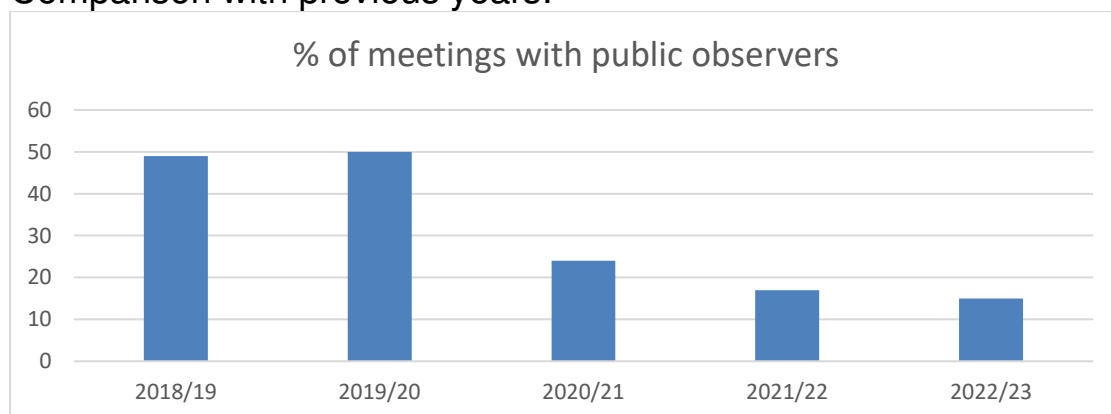
Scrutiny is important as a mechanism for community engagement. The extent to which the public observes (including the press) meetings may indicate whether there is a significant focus of Scrutiny on matters of public interest. All Scrutiny meetings, whether the Committee or Panels and Working Group, are conducted in public, subject to specific items of business that on rare occasions may contain exempt information.

With the move to remote meetings over the past few years, people were able to watch video recordings of meetings. Since June 2022 Scrutiny meetings are all now hybrid (or multi-location) meetings, meaning people can either attend in the Guildhall or join meetings online via MS Teams.

Except for the Committee, Panel / Working Group meetings are not currently live streamed, but recordings of all meetings are published on the Council website / YouTube usually within 24 hours, for public viewing. Given access to video of meeting, this has inevitably impacted on the number of observers physically attending meeting. 9 of the 59 Scrutiny meetings held were observed by members of the public who either attended in person or joined remotely on request or to ask a question.

A scan of YouTube views shows Committee meetings seem to attract on average 40 viewers, significantly more people than who would have watched meetings pre-COVID from the public gallery. There are similarly good figures across other Scrutiny meetings, with Development & Regeneration and Climate Change & Nature Performance Panel meetings appearing to attract the biggest interest.

Comparison with previous years:

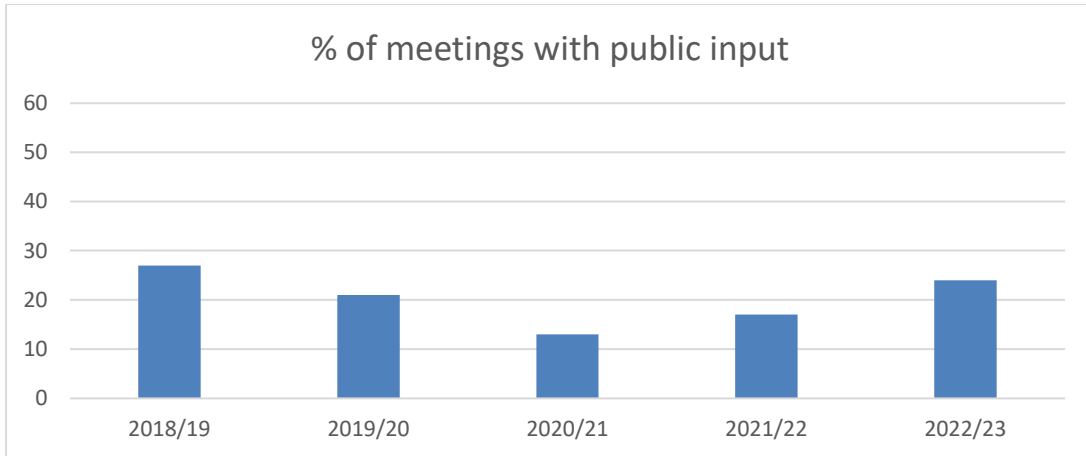


3.8 Meetings with public input = 24%

As well as attracting interest and observers to listen to what is being discussed, Councillors are keen to increase active public involvement in the work of scrutiny. 24% of all Scrutiny meetings had some form of such engagement and public input.

This input can take various forms, including submission of questions for scrutiny sessions with Cabinet Members, making suggestions for the Scrutiny Work Programme, contributing evidence to specific items under scrutiny - whether in person or reflected in the meeting agenda.

Comparison with previous years:

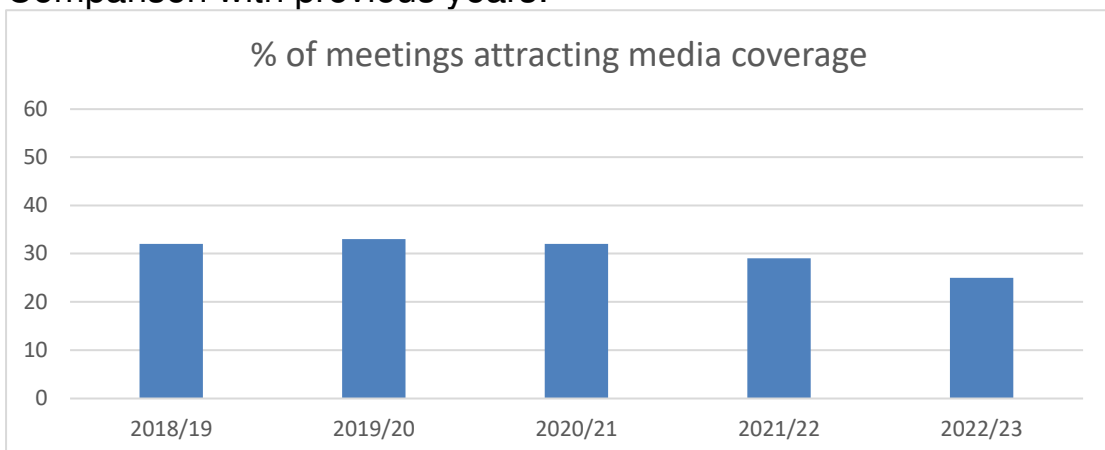


3.9 Meetings attracting media coverage = 25%

As well as attracting interest from individuals and getting members of the public to engage directly, a measure of whether Scrutiny is focussed on the right things and is making an impact is the amount of media coverage that Scrutiny is attracting. We found that a quarter of scrutiny meetings made the news, e.g., in print in the South Wales Evening Post or Western Mail, and/or on websites including WalesOnline, BBC etc. Across all activities there were at least 18 scrutiny discussions reported in the local press (print and on-line).

Issues which generated coverage included Scrutiny discussion on: Archives / Community Hub development; Oracle Project Investment Update; Fly Tipping, Homelessness; 20mph National Default Speed Limit; Civic Centre re-development; Development and Flood Risk; Children's Residential Care Homes; Welsh Housing Quality Standard; Tidal Lagoon development, Castle Square re-development, Air Pollution; Green Vehicle adoption; Domiciliary Care; and the proposed Skyline development.

Comparison with previous years:



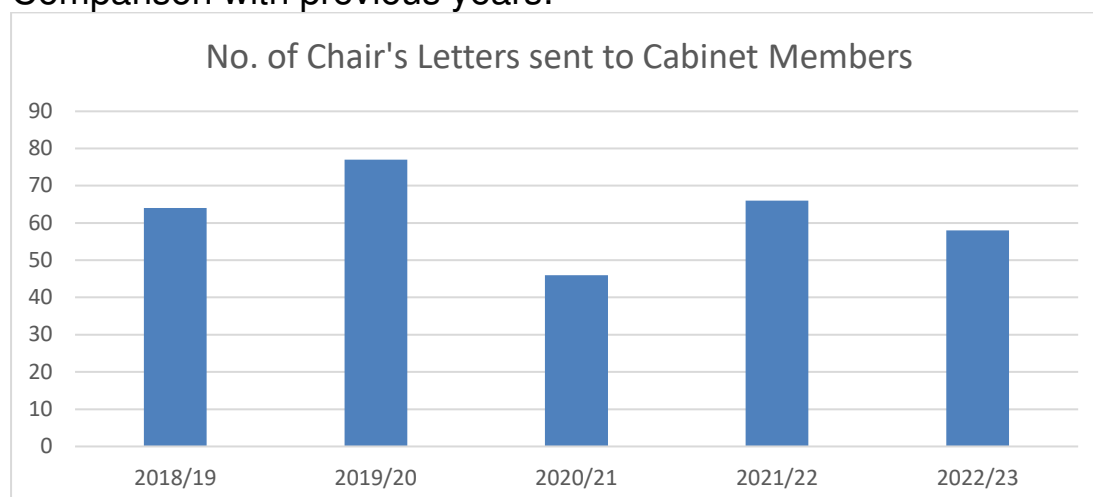
C. How did Scrutiny impact on the business of the Council?

3.10 Number of Chair's Letters sent to Cabinet Members = 58

Chair's / Convener's letters are an established part of the Scrutiny process in Swansea. They allow the Committee and Panel meetings / Working Groups to communicate quickly and efficiently directly with relevant Cabinet Members. They will send letters to raise concerns, recognise good practice, ask for further information and make recommendations for improvement, reflecting the discussion at Committee / Panel / Working Group meetings. Letters are effectively 'mini-reports' with conclusions and proposals from Scrutiny – and where necessary require a response.

58 letters were sent to Cabinet Members following Scrutiny activity.

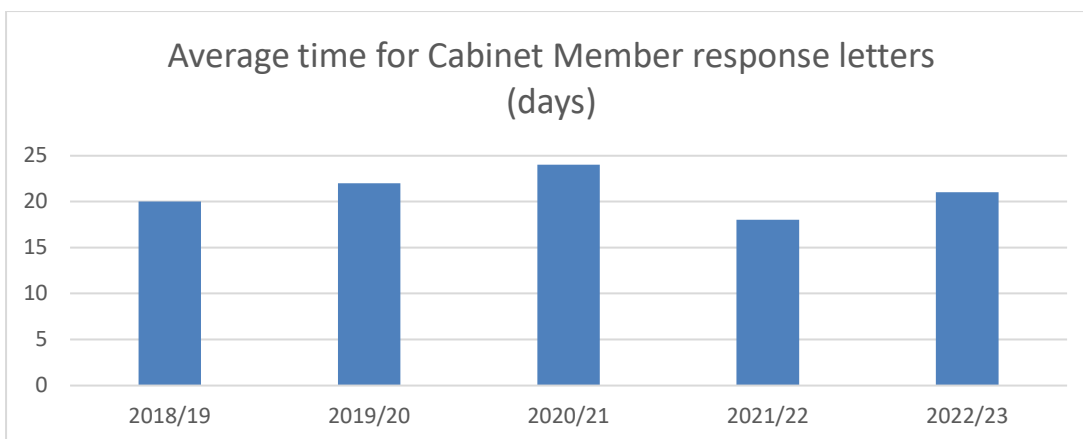
Comparison with previous years:



3.11 Average time for Cabinet Member response letter = 21 days

When Scrutiny Letters are sent to Cabinet Members and require a response, Cabinet Members are required to respond within 21 calendar days. The average response time for letters sent was 21 days and confirms that Scrutiny is getting a timely response to views, concerns, and any suggested action for Cabinet Members.

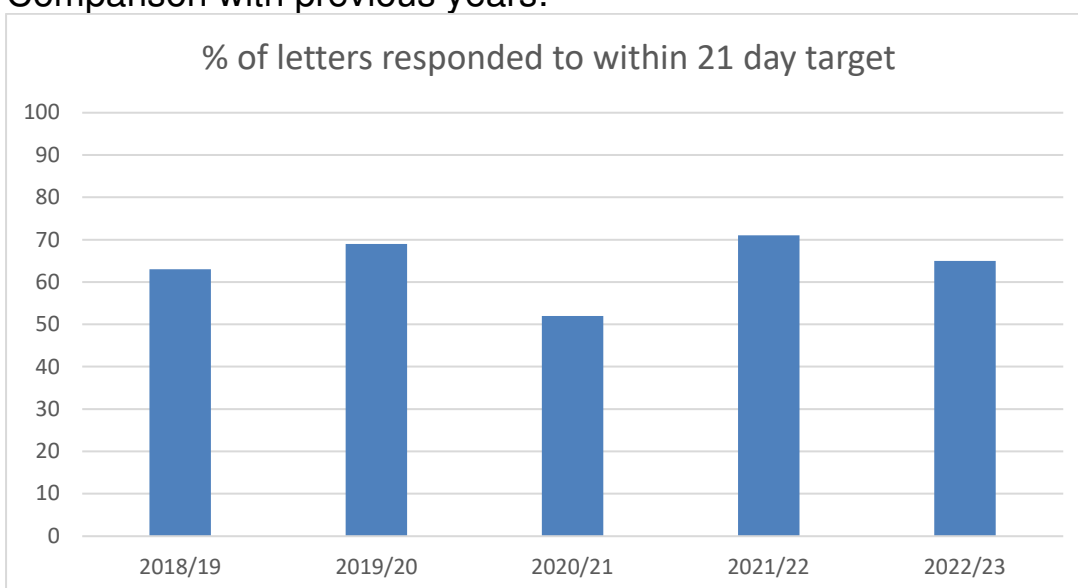
Comparison with previous years:



3.12 Letters responded to within 21 day target = 65%

Whilst the response to Scrutiny Letters was on average 21 days, some did take longer. The number of letters responded to within the 21 day target was 65% (13 out of 20 letters).

Comparison with previous years:



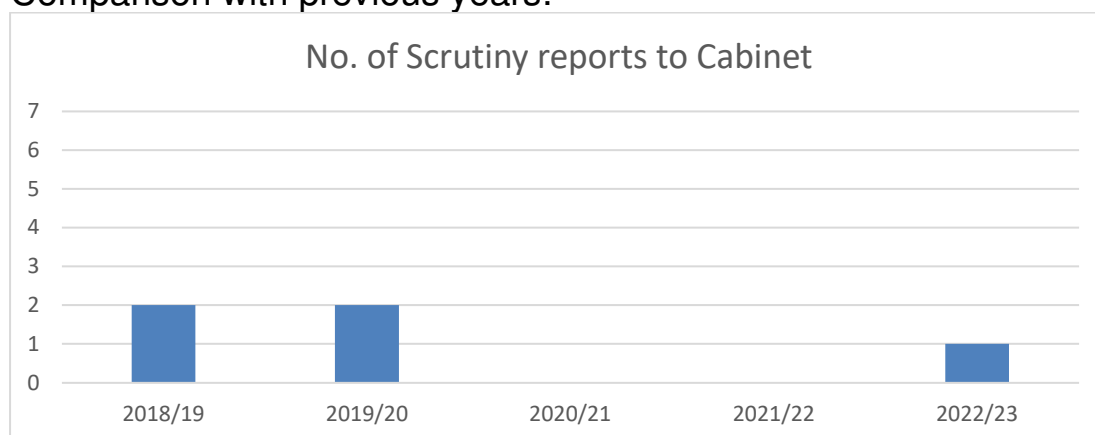
3.13 Number of Scrutiny reports to Cabinet = 1

In-depth inquiries are reported to Cabinet, for it to respond to the recommendations agreed by Scrutiny and its action plan on how recommendations will be implemented. Scrutiny Working Groups also have the option of either writing a letter to relevant Cabinet Member(s) or report to Cabinet, depending on outcomes from discussion.

In June 2022, Cabinet was presented with the final report from the Procurement Scrutiny Inquiry Panel, by the Panel Convener, Councillor Chris Holley. Here, the work of the Scrutiny Panel explored what the Council is doing to ensure it procures locally, ethically, and greenly while being cost effective and transparent in its practices?

(See also para. 3.16 for Pre-decision Scrutiny feedback reports to Cabinet)

Comparison with previous years:

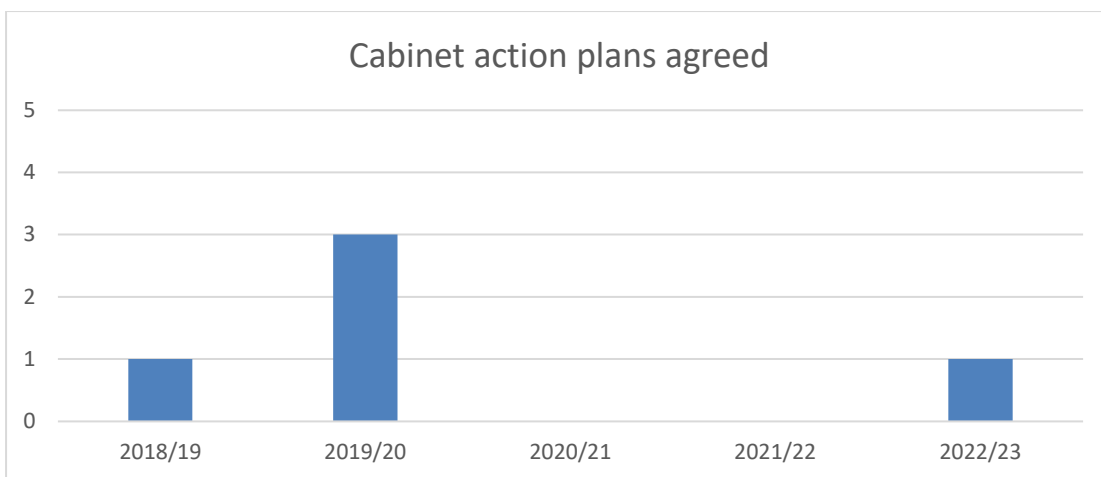


3.14 Cabinet action plans agreed = 1

Once recommendations and an action plan have been agreed by Cabinet, Scrutiny will follow up on progress with implementation and impact.

Cabinet formally responded to the Procurement Scrutiny Inquiry final report in October 2022. The Cabinet Member for Corporate Service & Performance reported to Cabinet with a proposed response to each of the Scrutiny recommendations and action plan, which was agreed by Cabinet.

Comparison with previous years:



3.15 Follow ups undertaken = 1

Inquiry Panels reconvene to follow up on the implementation of agreed recommendations and Cabinet action plans and assess the impact of their work. A meeting will usually be held 6-12 months following Cabinet decision, with a further follow up arranged if required.

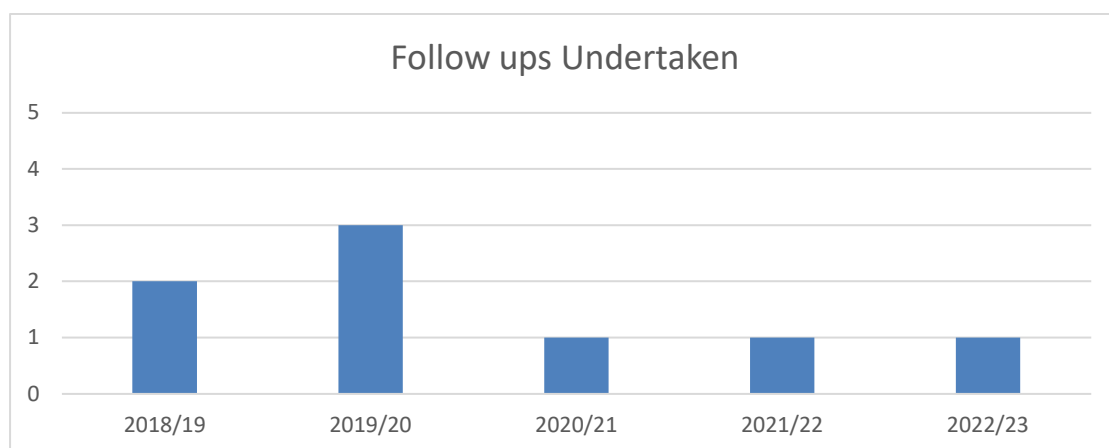
To check whether the agreed action plans have been carried out, Scrutiny will ask for follow up reports from Cabinet Members. If Councillors are satisfied, they can then conclude the work and monitoring for that inquiry.

Previous Scrutiny inquiries that required a follow up:

| Inquiry | Convener | Cabinet Action Plan agreed | Monitoring Status |
|--|--------------------|-----------------------------------|--|
| Procurement Key Question: What is the Council doing to ensure it procures locally, ethically, and greenly while being cost effective and transparent in its practices? | Cllr. Chris Holley | October 2022 | Follow Up meeting planned for Oct 2023 |

Arrangements for the follow up of one-off Working Groups has been strengthened with the Scrutiny Programme Committee formally carrying out a follow up. As such, the indicator is now including both Inquiry follow ups and Working Group follow ups. During 2022/23 it followed up on the Workforce Scrutiny Working Group which concluded in February 2022.

Comparison with previous years:



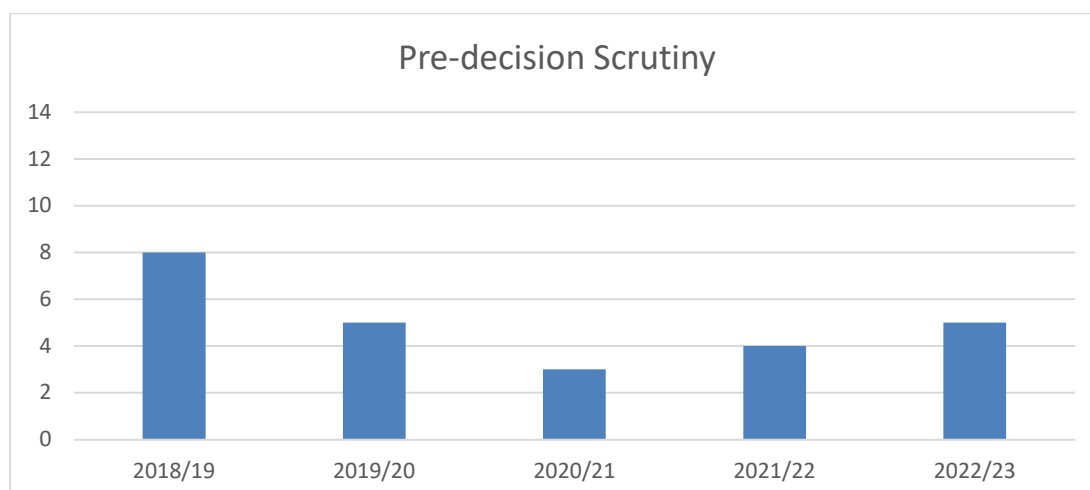
3.16 Number of Cabinet reports subject to pre-decision scrutiny = 5

Pre-decision Scrutiny involves Scrutiny Councillors considering Cabinet reports before Cabinet makes a final decision. Considering strategic impact, public interest, and financial implications, the following five Cabinet reports were subject to Pre-decision Scrutiny (carried out by the Committee or relevant Performance Panels), with views reported to Cabinet before decisions were taken:

| Report | Cabinet Member | Cabinet Meeting | Undertaken by |
|----------------------------------|---|-----------------|---|
| Oracle Project Investment Update | Economy, Finance & Strategy (Leader) & Service Transformation (Deputy Leader) | 20 Oct 2022 | Committee |
| Annual Budget | Economy, Finance & Strategy (Leader) | 14 Feb 2023 | Service Improvement & Finance Panel (with contribution from other Panels) |

| | | | |
|--|--------------------------------------|-------------|-----------|
| National 20 Mph Default Speed Limit | Environment & Infrastructure | 23 Mar 2023 | Committee |
| Financial Procedure Rule 7 - Additional to the Capital Budget & Programme 2022/23 - 2027/28 - Economic Recovery Fund (ERF) Approved Schemes (exceeding one million pounds) | Economy, Finance & Strategy (Leader) | 18 May 2023 | Committee |
| Additional Revenue Provision for Residual Economic Recovery Fund 2023/24. | Economy, Finance & Strategy (Leader) | 18 May 2023 | Committee |

Comparison with previous years:



3.17 Number of Cabinet reports subject to Call-in = 0

During 2018-19, the Council agreed new Call-in arrangements with Scrutiny at the centre of the process. Any valid Call-in of Cabinet decisions leads to the calling of a special meeting of the Scrutiny Programme Committee. A Call-in can be made by the Chair or Vice-Chair of the Scrutiny Programme Committee or by any four Councillors by giving notice in writing to the Head of Democratic Services within a specific Call-in period. With the increase in pre-decision scrutiny seen over the last few years many Call-ins are not anticipated. There were no Cabinet decisions 'called in' over the past year.

3.18 Cabinet Members who attended at least one Scrutiny meeting – 100%

Cabinet Members attend Scrutiny meetings to answer questions and provide information to assist Scrutiny and account for their work. Cabinet attendance at Scrutiny meetings is a good indicator that the 'holding to account' role of Scrutiny is functioning well. It ensures that Scrutiny can provide regular challenge to decision-makers, and explore the work of Cabinet Members, looking at priorities, actions, achievements, and impact.

Aside from a regular Q & A session with the Leader of the Council, there is targeted approach within the Committee, calling in Cabinet Members as and when required to report on specific portfolio responsibilities and issues, with emphasis on Performance Panels holding relevant Cabinet Members to account with clear opportunities for questioning in their meetings.

All Cabinet Members were engaged with Scrutiny, whether with the Committee, Panel or Working Group, over the last year. The range of issues discussed within the Committee alone involved 9 of the 11* Cabinet Members.

Our target is always 100%.

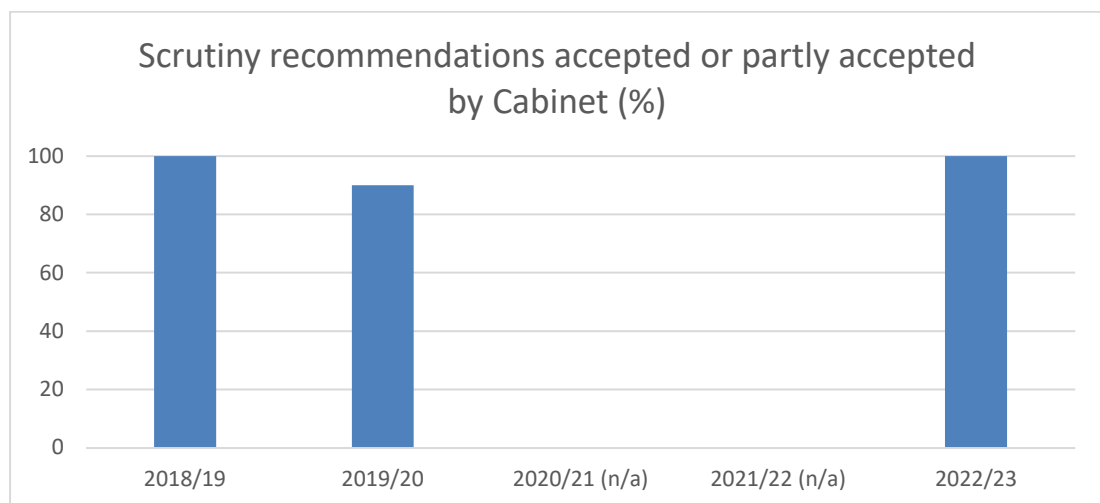
*Although there are 10 Cabinet Portfolios, during 2022/23 there were 11 Councillors in Cabinet positions. The Community portfolio operating under a job share system between two councillors sharing the responsibilities.

D. What were the outcomes of Scrutiny?

3.19 Scrutiny recommendations accepted or partly accepted by Cabinet = 100%

The rate that Cabinet accept Scrutiny recommendations is a good indicator of whether Scrutiny is making strong recommendations based on robust evidence. Cabinet agreed all 14 of the Procurement Scrutiny Inquiry recommendations in October 2022.

Comparison with previous years:



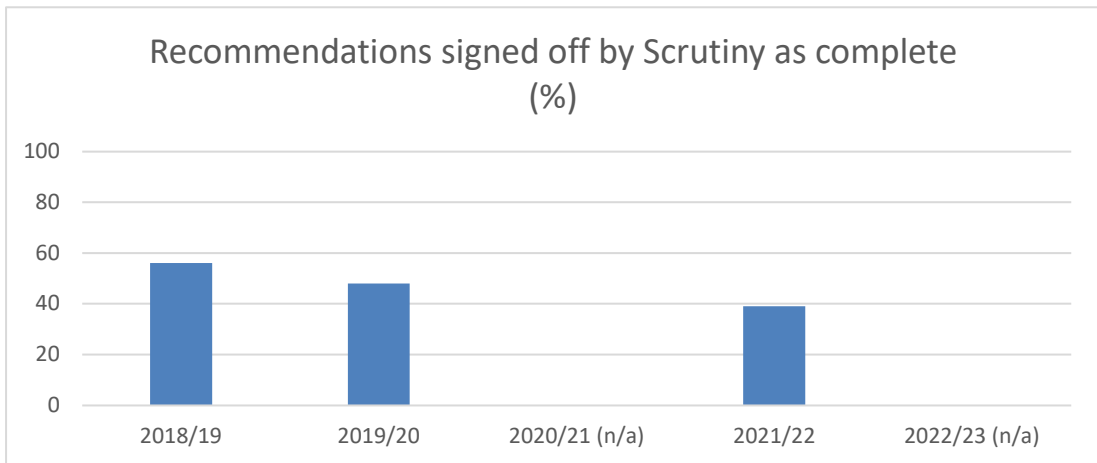
3.20 Recommendations signed off by scrutiny as completed = n/a

When follow up reports are presented to Scrutiny (usually within 12 months following original Cabinet decision) they detail which of the recommendations from the in-depth inquiry (or other scrutiny report) have been completed in line with the agreed Cabinet Member's action plan and which have not. In the case of in-depth inquiries Scrutiny Councillors consider whether they agree with the assessment about implementation of recommendations, looking at the evidence they are presented with about the changes that have happened following Scrutiny and its impact. This indicator would represent the percentage of recommendations accepted by Scrutiny as being complete.

The Procurement Inquiry will be followed up by the Panel in October 2023.

It should be noted that in many cases implementation of Scrutiny recommendations continues beyond the process of formal monitoring.

Comparison with previous years:



4. Impact

4.1 How Scrutiny Councillors have made a difference

4.1.1 Scrutiny Councillors make a difference by:

- Ensuring that Cabinet Members (and other decision-makers) are held to account through public question and answer sessions
- Making evidence-based proposals on topics of concern through task and finish Scrutiny Inquiry Panels, and other Scrutiny activities, that report to Cabinet
- Monitoring and challenging service performance and improvement through standing Scrutiny Performance Panels
- Addressing issues of concern through one off Working Groups
- Acting as a 'check' on the key decisions through Pre-decision Scrutiny and Call-in
- Communicating concerns and proposals for improvement through regular publication of Scrutiny Letters and Reports
- Following up on recommendations made, to check on implementation and assess the impact of Scrutiny
- Making the work of the Council open and transparent to the public

4.1.2 It is important to know that the work and the efforts of Scrutiny Councillors are having a positive impact and are delivering effective Scrutiny. A selection of 'Scrutiny Stories' from the past year is provided in **Appendix A** highlighting specific Scrutiny activities showing the impact of Scrutiny and how Scrutiny is making a difference. Stories from the last year include:

- **Creating a Safer Swansea**
- **Partnership Working**
- **Tackling Poverty**
- **Developing the Workforce**
- **Making our Roads Safer**
- **Working with Service Users**
- **Influencing Cabinet decisions**

- **Monitoring Climate Change & the Natural Environment**
- **Monitoring Education & Learning**
- **Monitoring Development & Regeneration**
- **Monitoring Council Budgets**
- **Monitoring Children's Social Services**
- **Monitoring Adult Services**

4.1.3 The difference made and impact of the overall work of Scrutiny is also communicated via:

- press releases to the local media;
- regular posts to our Swansea Scrutiny blog; and
- use of social media, including Twitter.

5. Feedback and Improvement

5.1 Improving Scrutiny

5.1.1 It is good practice for those involved in the Scrutiny function to undertake regular self-evaluation of this work. Considering the characteristics of effective Scrutiny and our experiences it is important for the continuous improvement of the function that any issues identified about current Scrutiny practice are discussed and addressed. Annual review discussions are usually held within the Scrutiny Programme Committee and Scrutiny Performance Panels towards the end of each municipal year, to reflect on the year's work and Scrutiny experience, specifically considering, for example, how well they have worked, whether they have focussed on the right things, and what lessons had been learnt.

5.1.2 The Scrutiny Programme Committee carried out an End of Year Review in May 2023, reflecting on the past year, the work of the Committee and work programme, to identify any improvement and development issues. As well as reviewing previously agreed improvement objectives, Councillors were encouraged to identify areas of improvement in relation to the work programme and Scrutiny practice, so that it is even more effective.

The following were raised:

- The Annual Work Planning Conference is a good way to get all Councillors involved in identifying Scrutiny priorities for the year ahead.
- Recent Inquiry Panels have worked very well.
- The timing of Scrutiny activity should be considered to ensure topics are being discussed at the right time when it will enable meaningful discussion and maximum impact and value. This will help encourage Councillor engagement in Scrutiny.
- The timeliness of financial monitoring information to support effective Scrutiny and better co-ordination with Cabinet reporting, needs to be considered.
- Overall, the work of Scrutiny should be mindful of pressure not only on officers providing information but on Councillors participating in Scrutiny. It would help if Councillors were clear about the demands of any Scrutiny activity to help them consider

their involvement and ensure they can give their time to it, balancing other demands whether within Scrutiny or elsewhere.

- Whether there is scope to provide Councillors with more time to review agendas / information to help them to prepare for meetings.
- The Committee will need to consider the impact of any reduction in resources on the Work Programme and capacity. The Committee will need to consider quality vs quantity, ensuring effective Scrutiny but also good coverage of Scrutiny across all important areas of the Council.

5.1.3 Feedback from Scrutiny Performance Panels

As well as specific discussion about future work, the following general observations can be noted:

- Overall, Panels were pleased with how the year had gone and felt they have made a positive difference to the working of Council departments and services, and citizens, through ongoing monitoring and challenge.
- Panels feel they have focussed on the most important issues.
- There are positive relationships with Cabinet Members and officers, who have attended meetings and provided reports / information when requested. Panels have felt well supported.

5.1.4 In order to strengthen end of year review / evaluation efforts, a Councillor Survey was issued to all Councillors in April inviting views about the way Scrutiny has worked over the last year, so that we can monitor the effectiveness of Scrutiny, get a better indication of satisfaction, and address any areas for improvement. The survey also provided an opportunity to input ideas for future Scrutiny topics, which were fed into the Scrutiny Work Planning Conference. 28 Councillors responded to the survey (24 non-executive Councillors and 4 Cabinet Members)

Survey results show that:

- ✓ Councillors have a good understanding of the role of Scrutiny. (89%)
- ✓ Respondents feel that overall, Scrutiny is operating well in Swansea. (79%)
- ✓ Swansea Scrutiny is Councillor-led. (100%)

- ✓ Non-executive members have good opportunities to participate in Scrutiny (90%)
- ✓ Our Scrutiny Work Programme balances issues of strategic importance and community concerns. (79%)
- ✓ Scrutiny activities are well-planned. (82%)
- ✓ Scrutiny provides regular challenge to decision-makers. (86%)
- ✓ Scrutiny is an important Council mechanism for public engagement. (75%)
- ✓ Scrutiny has a positive impact on the business of the Council. (75%); and
- ✓ Councillors are happy with the level of support and guidance provided by the Scrutiny Team. (100%)

However, only 54% agree that Scrutiny has the resources and organisational support it needs to be effective.

What Councillors like about getting involved in Scrutiny:

- ✓ ability to maintain good oversight on range of topics of concern.
- ✓ a way to find out what's going on / opportunity to gain insight into reasons behind decisions and way to get more information on issues affecting the area.
- ✓ opportunity to develop an understanding of a subject.
- ✓ being able to get an issue looked at within scrutiny.
- ✓ best opportunity to ask questions and get into the detail.
- ✓ ability to challenge decision-makers / decision-making.
- ✓ way to help the Council, and its services and policies, to improve.

Some things Councillors have raised that we could give attention to:

- workload / timing of meetings, to assist attendance.
- more Councillors actively participating.
- ensuring things are followed up effectively.
- quality of reports / information to scrutiny.
- ensuring all are clear about the process.
- engaging all in meeting preparation.
- ensuring focussed meetings.
- making sure scrutiny is well-timed.
- being careful not to cover the same ground repeatedly.
- co-ordination with other Committees.
- resources.

5.2 Scrutiny Improvement Objectives

5.2.1 A number of Scrutiny Improvement Objectives and action plan were agreed by the Committee in January 2019. This included actions to address the three proposals for improvement made by the Wales Audit Office (now Audit Wales) following its review of the Council's scrutiny arrangements in 2018. This was a co-ordinated and comprehensive single improvement plan for Scrutiny, for the issues that matter most.

WAO Proposals for Improvement

- 1) The Council should consider the skills and training that scrutiny members may need to better prepare them for current and future challenges, and develop and deliver an appropriate training and development programme, including providing additional training on the Well-Being of Future Generations (Wales) Act.
- 2) The Council should strengthen its evaluation of the impact and outcomes of its scrutiny activity.
- 3) The Council should further clarify the distinction between scrutiny and Policy Development Committee activity in relation to policy development.

Councillor Improvement Issues

- 1) We need more of our work to be reported to Cabinet so that there is more formal consideration of scrutiny conclusions and recommendations.
- 2) We need to be involved at an earlier stage in proposed Cabinet decisions so that our input can be more meaningful.
- 3) We need to increase opportunities for participation so that more councillors can get involved in the work of scrutiny.
- 4) We need to strengthen follow up of all scrutiny recommendations so that the response and difference made can be assessed.
- 5) We need more coverage in the media so that people are more aware of our work.

5.2.2 The Committee has regularly reviewed and considered progress against the action plan and did so last in May 2023. The review of the improvement plan showed only one outstanding action:

- Development and delivery of a Scrutiny training and development programme (as suggested by Audit Wales)
MAY 2023 UPDATE: this is currently being explored, with a view to delivery early in the 2023/24 municipal year. Councillors have been surveyed on training development topics that will help inform the programme.

5.2.3 Further to WAO Proposal for Improvement 2, we are also now inviting post-meeting feedback from Cabinet Members and officers who have participated in Scrutiny meetings, about their experience and satisfaction. They are invited to complete a short anonymous survey shortly after each Scrutiny meeting, to help us to evaluate the quality and effectiveness of Scrutiny practice and inform the improvement and development of Scrutiny in Swansea. During 2022/23, this has generated 42 responses.

Drawing some headlines from the responses, the feedback indicates:

- The purpose of Scrutiny meetings has been clear, with topics of discussion being significant and important.
- Those attending meetings have felt well supported in the process of Scrutiny and treated well, with the experience being overwhelmingly positive.
- Scrutiny meetings have been chaired effectively.
- Those carrying out Scrutiny have been focused on the topic(s) and asked pertinent questions, with discussion / debate being fair and balanced.
- Scrutiny meetings have been useful and constructive.

Some improvement suggestions:

- With hybrid meetings it is useful when the Chair says who is in the physical room, as it is unclear from the cameras to those participating online.
- Being careful not to stray into personal / ward specific issues during Scrutiny.

5.2.4 Thought will be given to new Scrutiny Improvement Objectives for the new Council term.

For further information:

Making the work of Scrutiny more transparent and accessible

All Scrutiny agenda packs are now available on the Council's '[agenda and minutes](#)' webpage. There you can also find all Scrutiny Letters sent to Cabinet Members following meetings and responses. All Scrutiny meetings are open to the public and anyone living or working in Swansea can [suggest a topic for Scrutiny](#). There are also opportunities to [suggest questions, and submit views](#). If you would just like to keep an eye on what's going on we have webpages, and a [blog](#). You could even [follow us](#) on Twitter.

Connect with Scrutiny:

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Twitter: @swanseascrutiny

Web: www.swansea.gov.uk/scrutiny

Blog: www.swanseascrutiny.co.uk

Scrutiny Annual Report 2022/23: Scrutiny Stories

Creating a Safer Swansea

The Committee is the authority's designated Crime & Disorder Scrutiny Committee. In discharging this role, the Committee held its annual session in April 2023 focusing on the performance of the Safer Swansea Partnership, looking at partnership priorities, activities, and impact.

Lead representatives from both South Wales Police and the Council, who are involved in the joint-chairing arrangement for the Safer Swansea Partnership Steering Group, attended to present information and take questions on the work of the Safer Swansea Partnership.

This included questions on Governance and Leadership, Resources, the Evening & Night-Time Economy, the Mayhill disturbance and partnership / policing review, Hate Crime reporting and monitoring, Community Integration and Cohesion, Anti-Social Behaviour (off-road bikes), dealing with Sexual Offences / Rape, Substance Misuse, Community Engagement and Co-production, and new Partnership Community Safety Priorities for 2023-26.

Committee Letter to the Joint Chairs of the Safer Swansea Partnership can be found here:

[Apr 2023](#)

Partnership Working

The Committee is responsible for scrutinizing the performance of Swansea Public Services Board (PSB) and how it is making a difference. This was discussed during meetings held in October 2022 and February 2023.

In October, as part of ongoing scrutiny, the Committee considered the PSB Annual Report 2021/22 in relation to overall progress and performance of the PSB. It also considered information on work being done to improve the PSB's performance framework (following issue raised by the Committee); the new Assessment of Local Well-being (published in May 2022), and the development of a new Local Well-being Plan.

In February, the Committee was formally consulted on the Draft PSB Local Well-being Plan, which must be in place by May 2023. It also followed up on issues arising from previous scrutiny sessions, and action taken.

The Committee has continued to make suggestions to challenge improvement, including around visibility, the measuring and reporting of performance against objectives and impact, and public engagement.

The Committee will follow up on the development of the Well-being Plan at the next PSB Scrutiny session, around August 2023, when it hopes to be able to see the associated action plan and how performance against the Plan will be measured.

Committee Letters to the Chair of Swansea PSB can be found here:

[Oct 2022](#)

[Feb 2023](#)

Tackling Poverty

Ensuring that all Council Priorities are sufficiently covered within the Scrutiny Work Programme, the Committee is annually monitoring the delivery of the Corporate Priority on Tackling Poverty, to keep close watch on progress, follow up on issues raised, and enable scrutiny views to influence action and improvement.

A report was provided the Committee with information on progress over the last 12 months. It presented evidence, insights and intelligence that demonstrated the contributions that have been made in delivering this Council priority, as well as future plans. It covered current challenges, including the impact of the cost of living crisis, and the Council's response. The report also considered the findings and recommendations of Audit Wales' 'Time for Change – Poverty in Wales' Report, published in November 2022, showing the Authority's response to the Audit recommendations, and planned action.

This led to questions and discussion including exploration of the level of resources to tackle poverty in Swansea and meet corporate objective, and, how in addition to a dedicated Tackling Poverty Service, this is embedded across the Council, with all departments playing a role, and partnership arrangements helping the Council to deliver on objectives.

The Committee also followed up on concerns from last year's session about efforts to improve employability and skills, and tackle barriers including access to public and personal transport. It heard about the various education, training and employment programmes, and initiatives and successes, including from Communities for Work, Workways+, Pathways to Work, Beyond Bricks & Mortar, and the opening of a 'pop-up' Employment Hub within the Quadrant Shopping Centre. There was also discussion about the links between poverty and mental health, the mental health support available from partners and joint working between teams.

Committee Letter to relevant Cabinet Member(s), and their response, can be found here:

[Jan 2023
Response](#)

Developing the Workforce

The Committee takes responsibility for following up on previous Scrutiny Working Groups, to check on progress with the topic / issue(s) and response to any specific suggestions or recommendations made and agreed action coming out of the scrutiny session.

The Committee received an update on action following the Workforce Scrutiny Working Group, which concluded in February 2022, enabling the Committee to consider progress against recommended improvement and highlight issues where further action may be required.

A comprehensive report on progress since the Working Group, was provided including update on issues raised by the Working Group, informing of actions taken in the delivery of work and achievements on Workforce, which were discussed.

The Committee heard about key developments including recent agreement by Cabinet of a Post Pandemic Working Model (and seven agreed principles), and Workforce Strategy 2022-27, which now provided a longer-term picture and clearer focus on workforce priorities.

The Committee agreed that there should be clarity around standards and expectations regarding future working and customer contact, given there is now an established mix of office and home working across the organisation.

The latest position was also provided on wellbeing and sickness absence, agency workers including improvement actions taken, HR and Service Centre operations, Headcount/FTE, and Occupational Health Data. The Committee asked about the uptake of wellbeing / mental health training by staff.

Committee Letter to relevant Cabinet Member(s), and their response, can be found here:

[Nov 2022
Response](#)

Making our Roads Safer

The Road Safety Scrutiny Working Group met to look at a number of issues including speed controls (signs, humps, and cameras), the new 20mph limits, road conditions and partnership working. It met with Officers from the Road Safety Team.

The Working Group was concerned that the Welsh Government Road Safety Grant has been held back for the 2nd year in a row due to the 20mph speed reduction scheme and the potential impact this will have. It requested the Cabinet Member to appeal to the Go Safe Partnership to be more proactive in the area of Gower Commons. It recommended increasing signage and banners outside schools as a deterrent to remind drivers to drive and park safely around schools and raised the need for developments in the Kerbcraft programme with the particular suggestion of developing a module on encouraging walking to school and general active travel. The Working Group was concluded in December 2022.

Working Group recommendations will be followed up by the Scrutiny Programme Committee during 2023-24.

Working Group Letter to relevant Cabinet Member(s), and their response, can be found here:

[Dec 2022
Response](#)

Working with Service Users

The Co-production Scrutiny Working Group met to look at a number of issues related to the Council's role and responsibilities on the development of co-production in the Council and progress, helping to improve involvement and engagement with service users, partners, and the public in the design & delivery of services & decision-making. The Working Group met with the relevant Cabinet Member and officers. Also in attendance was the Director of SCVS and an officer from Social Services.

Overall, the Working Group was encouraged by the approach the Council are taking to coproduction. It was appraised on developments so far including the work of Co-Pro Lab Wales who are contracted for 12 months until October 2023 to provide advice and support and produce a feedback report. It received an update on co-production progress in Social Services and heard about Internal Coproduction Champions, a model favoured by the Group which can be harder to achieve than a centralised coproduction provision but has the potential to be more successful in embedding co-production. It recommended using a mix of existing coproduction tools and bespoke ones and requested training for members as well as officers. The Working Group was concluded in March 2023.

Working Group recommendations will be followed up by the Scrutiny Programme Committee during 2023-24.

Working Group Letter to relevant Cabinet Member(s), and their response, can be found here:

[Mar 2023
Response](#)

Influencing Cabinet decisions

With Pre-Decision Scrutiny, the Committee can consider Cabinet reports and give views on the proposed decision(s). It is an important practice where Scrutiny Councillors look at a planned decision shortly before it is made by Cabinet. Scrutiny Councillors bring a different perspective to the decision-making process than that provided by Cabinet members or officers, which can help decisions to be more robust.

Pre-decision Scrutiny can help Councillors to understand what is being proposed and rationale, and considering decisions before they are made provides an important means to influence and possibly improve them. It gives Scrutiny Councillors an opportunity to challenge, for example, how decision-makers have considered what risks might arise from the implementation of the decision and how those risks might be mitigated.

Relevant Cabinet Members and officers will attend Scrutiny to present and explain proposals and answer questions. Committee views will be formally communicated to Cabinet Member(s) after the meeting, and the Chair can then attend the Cabinet meeting to convey those views for Cabinet's attention before any decision is taken. Cabinet should provide explanation of any rejection of Scrutiny views.

In March 2023 the Committee considered a Cabinet report on the 'National 20 Mph Default Speed Limit', which comes into effect on 17 September 2023. It set out the consultation process to be followed and sought confirmation of the approach taken in respect of implementation of the change in law. It also asked Cabinet to agree to delegate authority to the relevant Cabinet Member to approve any exceptions agreed with individual ward members leading to the formal public advertisement of the appropriate Traffic Regulation Orders. The session helped the Committee to understand what is happening, the process and implications for the Council and citizens. It was clear to the Committee that the department had a sound grasp of the situation and preparations were well underway to fulfil the Council's obligations. Councillors reflected positively on the engagement to date with them on proposals for their areas.

The Committee recognised this represented a significant change in the law which will require a culture change, and carried with it several risks to success. The Committee offered some views on implementation for Cabinet's attention, in relation to: costs and funding to support implementation; the Council's influence on local enforcement to ensure compliance with the new speed limit; what will happen to traffic signage and calming measures already in place for current 20Mph zones, such as around Schools; and, the extent of public communication that will be necessary to raise awareness amongst the public, for successful implementation, with emphasis on the road / community safety benefits, as well as keeping local Councillors fully informed of works in their area in preparation of the change to facilitate their engagement with local residents and awareness of what is happening.

Committee Letter to relevant Cabinet Member(s) can be found here:

[Mar 2023](#)

Monitoring Climate Change & the Natural Environment

The Climate Change & Nature Scrutiny Performance Panel is responsible for ongoing monitoring of performance in relation to climate change and the natural environment, and has been monitoring the delivery of the Council's work, commitments, and implementation of agreed plans, to assess progress.

Amongst specific topics covered over the last year were:

- The Council's Climate Change Action Plan
- Water Quality and Management
- Green Vehicle Adoption
- Weed Management / Use of Glyphosate
- Air Quality Management
- Local Flood Risk Management

The Panel wrote to relevant Cabinet Member(s) following each meeting to give views, raise concerns and make recommendations, for example the Panel discussed the issue of Public / Residential EV Charging in January 2023, as it was concerned people who choose an electric car but do not have off road parking are forced to use public chargers and are seriously financially disadvantaged.

The Panel felt very strongly about this and queried if the Council could consider installing various devices that are available, which allow people to charge on the road from their own properties. The Panel was informed that the Council has installed several public charge points, providing people with the opportunity to charge within their local community and that this was part of a wider provision of charge points offered by commercial operators. Councillors heard that people are not allowed to use private electric vehicle charging cables to charge vehicles on street locations in Swansea due to the risk this poses to the public, but the Council is keeping abreast of new developments that could potentially make that possible in the future.

The Panel referred to a pilot scheme in Plymouth where charging points come up out of the street, which would prevent adding to street furniture. Officers agreed to investigate the project in Plymouth and consider this in options for future infrastructure of this nature if funding becomes available.

Panel Letter to relevant Cabinet Member(s) can be found here:

[Jan 2023](#)

Monitoring Education & Learning

The Education Scrutiny Performance Panel meets monthly and where possible involve schools in their Scrutiny activity, one example is shown below.

In January 2023, the Panel were pleased to meet the Headteachers and Chairs of Governors from Pontardulais Comprehensive School and each of the cluster of Primary Schools feeding into it, including Pengelli, Pontlliw, Penllergaer, Pontardulais and Llangyfelach Primary Schools. They also invited the Partneriaeth Link Officers, the School Improvement Service and the two Commissioned Headteachers for their input into the session.

The Panel were keen to discuss with them how the new Curriculum for Wales was being implemented on the ground and how the work being done at each Primary School in the cluster was being brought together as pupils made the transition to the Comprehensive School.

The Panel were encouraged to hear Headteachers in the cluster believe that the new curriculum itself is excellent in principle, because it is skills based, progressive and is relevant to the children and their experiences and needs. Although, they did say there is far more work involved in constructing this curriculum than anyone envisaged at a school level and particularly at the national level.

From this session the Panel developed a few learning points that have been shared with the Cabinet Member, Education Department, and schools.

A few of the learning points the Panel took away from the session, includes the cluster having:

- A shared understanding of what the cluster means by progression.
- Continuum of learning between primary and secondary schools.
- Buy in, enthusiasm and excitement in what the new curriculum can do for its pupils.
- Positive and constructive challenge across the cluster, but always in partnership and in a supportive way
- Regular meetings of the headteachers from across the cluster to talk about the progress and ideas openly and frankly.

- Good development support and brokerage of professional learning.
- Ensuring teaching staff themselves, have the knowledge and the confidence to deliver what is a brand-new curriculum.
- Consistency of approach in relation to progression across the cluster.
- An agreed journey of progression across the cluster.
- Willingness to consider and take on board the input and views of others.
- Joint working and sharing of experience.
- Engaging with wider stakeholders.
- Shared understanding of approaches.

Monitoring Development & Regeneration

The Development & Regeneration Scrutiny Performance Panel has been responsible for ongoing monitoring of Council performance in relation to development and regeneration, including the 'health' of the city centre, wider economic development across Swansea and discussion about progress on the Swansea Bay City Deal. The Panel was focused on contributing to the ongoing development and regeneration of Swansea by acting as a critical friend for the Cabinet, and helping to ensure accountability.

The Panel has kept a close eye on the Council's regeneration programme and projects. This has included sites like Swansea Arena, the Civic Centre, Skyline, and the Community Hub. Amongst wider topics of concern, the Panel held a discussion on Tourism, including the Council's Destination Management Plan.

In January 2023 the Development and Regeneration Scrutiny Performance Panel heard from the Cabinet Member, relevant officers and a key external stakeholder, Steve Crocker, Chair of Tourism Swansea Bay, which represents tourism, leisure, and hospitality businesses. The Panel were updated on key achievements over the last few years. With over 6000 jobs, local tourism is a significant employer in Swansea. The Panel asked a variety of questions exploring eco-tourism, free attractions, journalist visits, holiday lets and second homes, advertising, the post covid recovery plan and accommodation regulations. They were made aware of the steady increase of tourists to the area year on year outside of the Covid pandemic. The Panel noted the significance of tourism employment and potential introduction of statutory licencing and a tourism levy for holiday rentals. The Panel also requested further survey information regarding numbers of caravans visiting Swansea. Because of the impact of tourism in the area, potential legislation changes and with a new Development Management Plan in progress looking at 2023-25, Scrutiny Councillors will be following this up during 2023-24 to consider progress on Tourism.

Panel Letter to relevant Cabinet Member, and their response, can be found here:

[Jan 2023
Response](#)

Monitoring Council Budgets

The Service Improvement & Finance Scrutiny Performance Panel keeps an overview of the Council's performance and finances. Every year it scrutinizes Council spending which is set by the Council which agrees an Annual Budget each March for the following year.

The proposed Council budget for 2022-23 was brought before the Panel in February 2023. Given the breadth of services covered by the budget, the two Social Services Panels and the Education Panel reviewed respective budgets with lead Cabinet Members and officers, and passed their views to the Service Improvement & Finance Panel to include in the Panel's overall feedback to Cabinet.

The Service Improvement and Finance Scrutiny Performance Panel met to review the Annual Budget Reports in advance of consideration by the Cabinet. The Leader and the Director of Finance were in attendance.

Scrutiny Councillors' questions centred around borrowing costs, reserves, affordability, head count reduction and increased charges. The Panel reflected their thoughts to Cabinet regarding the risks to future service delivery from a headcount reduction, timing of Welsh Government budgets, increased capital charges, concerns with Council Tax increases further impacting an already inflated cost of living crisis and the detrimental effect to city centre footfall derived from increase car parking costs.

These points were raised by the Panel Convener at the Cabinet meeting. Subsequently a number of savings reductions resulting in a headcount reduction were deferred for a year to allow for a comprehensive review of services to be carried out.

Scrutiny carries out budget monitoring on an on-going basis at least quarterly.

Panel Letter to relevant Cabinet Member can be found here:

[Feb 2023](#)

Monitoring Children's Social Services

Councillors on the Child & Family Services Scrutiny Performance Panel meet regularly to provide ongoing challenge to the performance of Children's Social Services, to ensure that good performance is maintained, and monitor service change and improvement across all areas of the service.

The Panel regularly receives a performance monitoring report on Child and Family Services which enables Councillors to ask questions about performance and improvement, focusing on outcomes, provision, and leadership. As well as considering the performance monitoring report, discussions over the past year were held on several specific topics:

- Residential Care Services (including Ty Nant)
- Corporate Parenting Board
- Child and Family Improvement Programme
- Regional Safeguarding Board
- Safeguarding Quality Unit Annual Report
- Child and Adolescent Mental Health Services (CAMHS)
- Child Disability Services
- Support for Carers
- Youth Offending Service
- Draft Budget Proposals

During discussion on CAMHS in January 2023, the Panel queried how CAMHS measured up against previous Scrutiny Inquiry recommendations and was pleased to see the Inquiry's recommendation that CAMHS should come in house was now being taken forward. The Inquiry had also raised the issue of transition from children to adults and how children felt that one minute they had access to CAMHS and then when they reached 18, especially young boys/men, they were left without the support they needed. Councillors were informed that transition is one of the key areas that CAMHS has been exploring but needs to do more on, and that they see the transfer of CAMHS back into Swansea Bay as one of the key drivers for this. The Panel was pleased to hear CAMHS are looking at recruiting a transitional nurse and have a new regional transitional policy.

The Panel queried what support mechanisms would be available to a youngster in crisis and if they would be referred through to CAMHS in the first instance or if there would other mechanisms to pick up the young person and heard CAMHS has a crisis service which operates between 9am and 9pm and is accessed via the single point of access number. Councillors were pleased to hear the plan is to increase this service to 24-7 by June 2023 at the latest.

Panel Letter to relevant Cabinet Member can be found here:

[Jan 2023](#)

Monitoring Adult Services

Like the Child & Family Services Performance Panel, Scrutiny Councillors met every six weeks to focus on the performance of Adult Social Services.

The Panel regularly received performance management information, which included data on enquires through the Common Access Point; Client Reviews; Carers Assessments; Residential and Community Reablement; Domiciliary and Residential Care; and Safeguarding responses. It also considered the Director of Social Services' statutory Annual Report for 2021/22. The Panel also held a session on the delivery of Council Objectives and Policy Commitments in relation to Adult Services.

As well as looking at overall performance, discussions over the past year were held on several specific topics:

- Actions following Audit Report – Direct Payments for Adult Social Care
- Recent Care Inspectorate Wales Inspection Reports
- Adult Services Transformation Programme
- Options Appraisal for Assistive Technology and Community Alarms
- West Glamorgan Transformation Programme (including relationship between Health and Social Care and the rebalancing agenda, and partnership elements of Health Board Plans for Change)
- Local Area Coordination
- Adult Services Complaints Annual Report
- Commissioning Reviews
- Draft Budget Proposals, including Annual Review of Charges

Prompted by a recent Audit Wales report on Direct Payments for Adult Social Care, the Panel was pleased to hear that of the 10 recommendations, the Council was meeting its requirements and exceeding in some areas. However, the Panel asked if the wider care team have up to date knowledge of direct payments and understand how they can be used. There was some concern raised around available data and welcomed work within the Direct Payments Team to develop more quantitative and qualitative data, so there is a level of measure and

assurance around whether Direct Payments are being used properly and effectively. It was agreed that personal stories of how Direct Payments are used will begin to be shared with the Panel.

Panel Letter to relevant Cabinet Member can be found here:

[Nov 2022](#)

Appendix 2 - AGREED Scrutiny Work Programme 2023/24

| Inquiry Panel (time-limited in-depth scrutiny – six months) | Working Groups (light-touch scrutiny / one-off meetings) | Performance Panels (ongoing in-depth performance / financial monitoring & challenge) | Issues for Scrutiny Programme Committee (overall work programme management; discussion of broad range of policy and service issues) |
|--|---|---|--|
| <p>1. Anti-Social Behaviour (to complete from 2022/23)</p> <p>2. Community Assets (Terms of Reference / Key Question to be agreed by Panel, but could focus on how effective the process of Community Asset Transfer has been and benefits, looking at relevant examples such as Parks & Community Centres, and lessons)</p> <p>Follow Up of Previous Inquiries:</p> <p>1. Procurement</p> | <p>1. Customer Contact (carry over from 2022/23 - enabling focussed discussion & questioning on user experience when contacting the Council / accessing services whether by telephone or on-line / though digital means; response rates; provision for offline and on-line contact; effectiveness of Council Contact Centre; on-going actions to improve digital inclusion / access; quality of website, etc.)</p> <p>2. Public Rights of Way (enabling focussed questioning & discussion on overview of Public Rights of Way across Swansea (mapping / numbers) and issues; impact on PRoW from developments; effect on communities, etc.)</p> <p>3. Community Growing (enabling focussed questioning & discussion around Council activity / support to Community Growing, with examples (e.g., allotments) and experience; benefits / success; including focus on schools / children & young people; and its contribution to health & well-being, etc.)</p> | <p>1. Service Improvement, Regeneration & Finance (monthly)</p> <p>2. Education (monthly)</p> <p>3. Adult Services (every six weeks)</p> <p>4. Child & Family Services (every six weeks)</p> <p>5. Climate Change & Nature (every two months)</p> <p>Specific issues to incorporate within wider Panel work plans:</p> <ul style="list-style-type: none"> • Service Improvement, Regeneration & Finance: <ul style="list-style-type: none"> - New Panel to refocus work plan, taking into account previous work – to create capacity some items to be picked up by Scrutiny Programme Committee - Delivery against Corporate Plan / Transformation Plan - Performance Management - Pre-decision Scrutiny of Budget Proposals - Economic Regeneration Actions / Delivery - City Deal 'Swansea Specific' Projects - Planning Policy & Service (incl. Call-in Process & dealing with 5G Masts) - Recycling, particularly Commercial Waste - Highways / Infrastructure Maintenance - Listed Buildings • Education: <ul style="list-style-type: none"> - Delivery against Corporate Plan / Transformation Plan (as relevant to Education) - Delivery against Education Estyn Inspection actions | <ul style="list-style-type: none"> • Specific annual reports: <ul style="list-style-type: none"> - Children & Young People's Rights Scheme - Corporate Safeguarding - Delivery of Corporate Priority – Tackling Poverty - Complaints - Welsh Language Standards - Welsh Housing Quality Standard • Leader Q & A Session(s): incl. <ul style="list-style-type: none"> - Corporate Transformation / Recovery Plan - Councillor / Officer Relations (communications) • Other Cabinet Member Q & As (issues to pick up): <ul style="list-style-type: none"> - Active Travel - Oracle Fusion Project Implementation - Delivery against Workforce Development Strategy (incl. use of agency staff / Council structures) - Support for Businesses - Homelessness • Public Services Board • Crime & Disorder (Community Safety): incl. Domestic Abuse; Community Cohesion; Tackling Extremism; Substance Misuse; Electric Scooters |

Appendix 1 - AGREED Scrutiny Work Programme 2023/24

| | | | |
|--|---|---|--|
| | <p>Reserve List:</p> <ul style="list-style-type: none"> • Public Consultation (enabling focussed questioning and discussion on the Council's approaches to public consultation and effectiveness; relevant learning and development, etc.) • Healthy City (carry over from 2022/23 - enabling focussed questioning & discussion of the Healthy City Partnership, key activities and achievements, work in relation to health promotion, particularly physical activities, including provision of outdoor sport and activities and opportunities for young people, etc.) | <ul style="list-style-type: none"> - Sustainable Communities for Learning Programme - Additional Learning Needs (ALN) - Post-covid Cost implications for Schools - Reading / Literacy - School Attendance - School Meals service: impact of changes • Adult Services: <ul style="list-style-type: none"> - Delivery against Corporate Plan / Transformation Plan (as relevant to Adult Services) - Safeguarding - Local Area Coordination - Partnership between Health and Social Care Services • Child & Family Services: <ul style="list-style-type: none"> - Delivery against Corporate Plan / Transformation Plan (as relevant to Child & Family Services) - Safeguarding • Climate Change & Nature: <ul style="list-style-type: none"> - Delivery against Corporate Plan / Transformation Plan (as relevant to Climate Change & Nature) – e.g., Progress against Net Zero 2030 Action Plan - Flood Prevention / Drainage Services - Natural Environment / Biodiversity - Impact of Housing Developments on Environment - Public Electric Vehicle Charging Provision - Grounds Maintenance | <ul style="list-style-type: none"> • Follow Up on Previous Working Groups: <ul style="list-style-type: none"> - Bus Services - Road Safety - Co-production |
| <p>Joint / Regional Scrutiny</p> <ul style="list-style-type: none"> • Partneriaeth (Education / School Improvement – Joint Scrutiny Councillor Group) • City Deal (Development / Regeneration - Swansea Bay City Region Joint Scrutiny Committee) • South West Wales Corporate Joint Committee (Land Use Planning; Regional Transport; Economic Well-being – Joint Overview & Scrutiny Sub-Committee) | | | |

Scrutiny Programme Committee – Work Plan 2023/24

| ACTIVITY | 18 Jul 2023 | 19 Sep 2023 | 17 Oct 2023 | 14 Nov 2023 | 19 Dec 2023 | 16 Jan 2024 |
|---|---|---|--|---|---|---|
| Scrutiny Work Programme | Agreement of Scrutiny Work Programme | Scrutiny Annual Report 2022/23 | | | | |
| Cabinet Member Portfolio Responsibility Q & A Sessions | | Active Travel (CM for Environment & Infrastructure) | | | Support for Businesses (CM for Investment, Regeneration, Events & Tourism) | Leader / Economy, Finance & Strategy |
| Other Cabinet Member / Officer Reports Page 166 | | | Scrutiny of Swansea Public Services Board (PSB Chair – Cllr Andrea Lewis) | - Annual Corporate Safeguarding Report (CM for Care Services / Director of Social Services) - Children & Young People's Rights Scheme (annual report) (CM for Community – Support) | Delivery of Corporate Priority – Tackling Poverty (annual item) (Leader / CM for Wellbeing) | |
| Scrutiny Performance Panel Progress Reports | | | Education | Service Improvement, Regeneration & Finance | Adult Services | Child & Family Services |
| Pre-decision Scrutiny | FPR7 Redevelopment of 277-278 Oxford Street - Community Hub Project | | Oracle Fusion Project Implementation / Project Closure Report (Leader / CM for Service Transformation) | | | |
| Final Scrutiny Inquiry Reports / Follow Up on Scrutiny Recs. | | | | - Follow Up on Bus Services Working Group (CM for Environment & Infrastructure) - Anti-Social Behaviour Inquiry Final Report | | Follow Up on Road Safety Working Group (CM for Environ. & Infrastructure) |

| ACTIVITY | 13 Feb 2024 | 19 Mar 2024 | 16 Apr 2024 | 14 May 2024 | | |
|---|---|---|--|---|--|--|
| Scrutiny Work Programme | | Audit / Scrutiny Relationship – Discussion w/ Chair of Governance & Audit Committee | | End of Year Review | | |
| Cabinet Member Portfolio Responsibility Q & A Sessions | Delivery against Workforce Development Strategy (CM for Corporate Services & Performance) | | | | | |
| Other Cabinet Member / Officer Reports Page 167 | Annual Complaints Report 2022-23 (CM for Service Transformation) | - Scrutiny of Swansea Public Services Board (PSB Chair – Cllr Andrea Lewis) - Welsh Language Standards (annual report) (CMs for Education & Learning / Culture, Human Rights & Equalities) | Crime & Disorder Scrutiny - Safer Swansea Community Safety Partnership (Joint Chairs of Safer Swansea Partnership) | | | |
| Scrutiny Performance Panel Progress Reports | Climate Change & Nature | Education | Service Improvement, Regeneration & Finance | | | |
| Pre-decision Scrutiny | | | | | | |
| Final Scrutiny Inquiry Reports / Follow Up on Scrutiny Recs. | | | | Follow Up on Co-production Working Group (CM for Community - Support) | | |

Progress Report – Current Scrutiny Panels / Working Groups / Regional Scrutiny

1. Inquiry Panels:

These will undertake in-depth inquiries into specific and significant areas of concern on a task and finish basis and will be expected to take around six months to complete to enable wide-ranging evidence gathering, and production of a final report with conclusions and recommendations for Cabinet (and other decision-makers).

a) **Anti-Social Behaviour** (convener: Cllr Terry Hennegan)

Key Question: *How can the Council ensure that it is working with its partners to appropriately and effectively tackle Anti-Social Behaviour in Swansea?*

Progress Bar:

| Planning | | | | Evidence Gathering | | | | Draft Final Report | | | |
|----------|--|--|--|--------------------|--|--|--|--------------------|--|--|--|
| | | | | | | | | | | | |

The Panel will meet to discuss their final report in October, looking at the comments made by contributors then agreeing its submission to the Scrutiny Programme Committee in November prior to Cabinet.

(NB - Inquiries may take up to six months to complete, as they will call for wide ranging evidence, and will lead to a report with conclusions and recommendations that will be presented to Cabinet)

2. Follow Up on Completed Inquiries:

Follow-ups of inquiries will consider both the implementation of scrutiny recommendations and wider impact / difference made. Inquiry Panels are reconvened between 6-12 months after cabinet decision on Inquiry reports.

| Inquiry | Cabinet Decision | Recommendations | | | Follow Up Panel Meeting |
|-------------|------------------|-----------------|--------|----------|-------------------------|
| | | Agreed | Partly | Rejected | |
| Procurement | 20 Oct 2022 | 14 | 0 | 0 | 24 Oct 2023 |

3. Performance Panels:

Performance Panels enable regular and structured in-depth monitoring of performance and challenge within these key areas:

- a) **Service Improvement, Regeneration & Finance** (convener: Cllr Chris Holley)

This Panel meets every month. On 26 September the Panel reviewed the Capital Outturn and Financing 2022/23 and the Quarter 1 Performance Monitoring Report 2023/24.

At their next meeting on 17 October they will discuss the Audit Wales Report on the Setting of Wellbeing Objectives and the Annual Library Services Report.

- b) **Education** (convener: Cllr Lyndon Jones)

This Panel meets every month. A progress report appears in the agenda under Item 8.

- c) **Adult Services** (convener: Cllr Susan Jones)

This Panel meets every 6 weeks. The Panel's meeting on 5 September received the Performance Monitoring Report for July 2023 and the Audit Wales Report 'A Missed Opportunity – Social Enterprises.

At its next meeting on 21 October the Panel will discuss the Director of Social Services Annual Report and receive briefings on Deprivation of Liberty Safeguards and Llais.

- d) **Child & Family Services** (convener: Cllr Paxton Hood-Williams)

This Panel meets every 6 weeks. The meeting on 13 September received a video presentation by young carers and an update on the Adolescent Strategy and Action Plan.

At its next meeting on 24 October the Panel will receive an update from the Regional Safeguarding Board and discuss the Safeguarding Quality Unit Annual Report and progress with Commissioning Reviews.

- e) **Climate Change & Nature** (convener: Cllr Sara Keeton)

This Panel meets every two months. At its meeting on 3 October the Panel looked at Water Quality, Management and Pollution Control and discussed Planning Enforcement in relation to Nature and Biodiversity.

The next meeting on 28 November will look at Environmental Tourism.

4. Regional Scrutiny:

This is collaborative Scrutiny with other Local Authorities for topics / issues of shared interest or concern, and models of regional working.

a) Partneriaeth - Regional Education Partnership

Partneriaeth Scrutiny is expected to take place every school term, mirroring meetings of the Partneriaeth Joint Committee.

The Councillor Group met on the 19 June, where they met with all three Directors of Education and the Chair of the Joint Committee, as is stipulated in the Joint Agreement that this should happen annually. They will also receive an update on Partneriaeth Priority 2 - Developing a high-quality education profession and discussed the Risk Assessment Profile.

At their next meeting on the 23 October, they will look at progress with the introduction of the Curriculum for Wales, the Risk Assessment Profile and take a look at the performance of Partneriaeth Priority 2 – Embed principles and processes which underpin educational equity in all schools and educational settings.

b) Swansea Bay City Region City Deal

The Joint Scrutiny Committee meets every two months. As well as overall programme / project monitoring including the latest financial position, the meeting on 4 May focussed on progress with the 'Supporting Innovation and Low Carbon Growth' project. It also received an update on the current situation with City Deal portfolio private sector investment and contributions.

The next meeting takes place on 24 October for continued programme / project monitoring and focussed discussion on specific regional Project(s), with updates on 'Skills & Talent' and 'Digital Infrastructure'

The Joint Scrutiny Committee is supported by Scrutiny Officers in Neath Port Talbot Council and agendas / minutes of meetings can be found on-line:

<https://democracy.npt.gov.uk/ieListMeetings.aspx?Committeeld=417>

c) South West Wales Corporate Joint Committee

The CJC Overview & Scrutiny Sub-Committee will meet at least quarterly. The last meeting held on 20 April involved the Committee discussing the South West Wales Strategic Development Plan, and South West Wales Energy Strategy. A meeting planned for 20 July was cancelled.

The next meeting is due to take place on 2 November – agenda item(s) to be confirmed.

The Overview & Scrutiny Sub-Committee is supported by Scrutiny Officers in Neath Port Talbot Council and agendas / minutes of meetings can be found on-line:

<https://democracy.npt.gov.uk/ie/ListMeetings.aspx?Committeed=499>

5. Working Groups:

A number of topics have been identified which will be dealt with through one-off Working Groups. These enable a 'light-touch' approach to specific topics of concern and will be planned as a one-off meeting (in the order shown below) primarily involving discussion with relevant Cabinet Member(s) / officer(s), and any other persons called, to gather information, ask questions, and give views / raise any concerns.

a) **Public Rights of Way** (convener: Councillor Mike White)

This Working Group has been arranged for 22 November 2023. This will enable information, focussed questioning & discussion on overview of Public Rights of Way across Swansea (mapping / numbers) and issues; impact on Public Rights of Way from developments; effect on communities, etc.

b) **Customer Contact** (convener: Councillor Joe Hale)

This working group will be held in early 2024 and will enable information, focussed questioning & discussion on the user experience when contacting the Council / accessing services whether by telephone or on-line / through digital means; provision for offline and on-line contact; effectiveness of Council Contact Centre; on-going actions to improve digital inclusion / access; quality of website, etc.

This Working Group was carried forward from 2022/23.

c) **Community Growing** (convener: TBC)

This will enable information, focussed questioning & discussion around Council activity / support to Community Growing, with examples (e.g., allotments) and experience; benefits / success; including focus on schools / children & young people; and its contribution to health & well-being, etc.

Agenda Item 8



Report of the Cabinet Member for Service Transformation (Joint Deputy Leader)

Governance & Audit Committee – 25 October 2023

Public Services Ombudsman of Wales Annual Letter 2022-23

| | |
|------------------------------------|---|
| Purpose: | To present the Public Services Ombudsman of Wales Annual Letter 2022-23 for Swansea Council. |
| Policy Framework: | Complaints Policies Transformation & Financial Resilience well-being objective in the Corporate Plan |
| Consultation: | Finance, Legal, and Access to Services. |
| Report Author: | Sarah Lackenby |
| Finance Officer: | Ben Smith |
| Legal Officer: | Debbie Smith |
| Access to Services Officer: | Rhian Millar |
| For Information | |

1. Introduction

- 1.1 This report presents the annual Public Services Ombudsman for Wales (PSOW) letter for 2022-23 and includes complaints performance of both Swansea Council and across the whole of Wales.
- 1.2 The Council recognises that in order to meet the needs and concerns of members of the public, the monitoring of complaints is a valuable resource in its requirement to continually improve services. All complaints are taken very seriously and provide valuable customer insight.
- 1.3 Requests for service are different to complaints (e.g. a request for service could be a request to repair an unlit lamp post, or missed bin collection).

A complaint would only arise should the request for service not be properly dealt with.

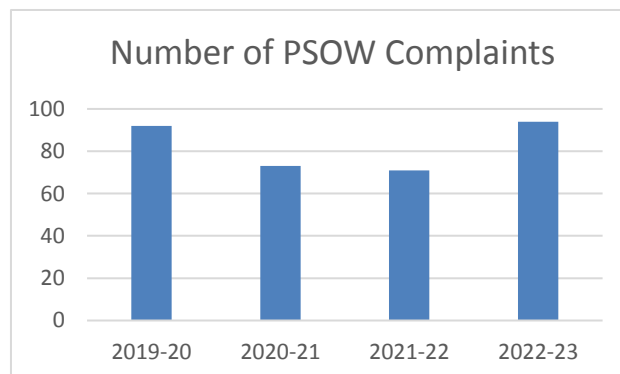
- 1.4 The PSOW recognises there are limitations with the Public Services Ombudsman (Wales) Act 2019, making it difficult to reconcile performance locally. Ombudsman cases received and closed are not reported within financial years and so will never match the annual reports of Councils. The annual PSOW letter is therefore a standalone picture of the Ombudsman's work and will not match the Council's Annual Complaints Report.

2. Public Services Ombudsman (Wales) Annual Letter

- 2.1 The PSOW publishes the annual letters to all Councils on its website and is attached to this report at appendix A. The letter highlights activities undertaken by the Ombudsman's office during the year and the Council's performance and shows:

- The Ombudsman's office has seen a 3% increase in requests compared with 2021-22. This is double the number of cases compared with a decade ago
- However, the number of complaints relating to local authorities has reduced by 11% compared with 2021-22
- In 2021-22 the Ombudsman upheld 13% of local authority complaints
- The Ombudsman has launched a new Service Quality process to ensure the standard of service meets expectations
- The second wider Own Initiative Investigation will be looking into carers assessments in local authorities in the coming year.

- 2.2 In 2022-23 the Ombudsman received 94 complaints relating to Swansea Council (71 in 2021-22), which represents 6% of Swansea Council's overall complaints and 9% of all complaints received across Wales. The table below shows complaints over the past four years and reflects the impact of the pandemic:



- 2.3 24% (23) complaints related to Housing. These were across a range of issues with no particular trend. Housing has seen an increase in

complaints due to clearing the Covid backlog of internal repairs, and the transition period to the new Oracle Field Services system.

2.4 Of the ten complaints that required intervention and reached an early resolution / voluntary settlement these relate to:

- Eight Corporate Complaints including: the Contact Centre (1), Housing Repairs (4), Rats (1), Council tax (1), and Housing (1)
- Two Social Services including: Child and Family (1), Adult Services (1).

2.5 Further to the letter, the Ombudsman requests the Council takes the following actions:

- Present the letter to the Cabinet and the Governance and Audit Committee, which have subsequently both been scheduled in October. In addition to this requirement, the letter will be presented to the Standards Committee as the letter refers to Code of Conduct complaints which is within the Standards Committee's terms of reference.
- Continue to engage with the Ombudsman's Complaints Standards work. In this regard the Council:
 - Continues to access training. The Ombudsman delivered training to Social Services in October 2022
 - Has aligned to the model policy. Swansea Council's complaints policies are aligned with the model policy and other legislation. The Council continues to regularly engage with the Ombudsman's office on any points of clarification or advice
 - Submits quarterly complaints data on time
- The Council will write to the Ombudsman following the Cabinet and Governance and Audit Committee meetings.

3. Integrated Assessment Implications

3.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language.
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

- 3.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 3.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 3.1.3 This report is for information only. Any activities following this report will be subject to the IIA process as required.

4. Financial Implications

- 4.1 There are no specific financial implications arising from this report. Any expenditure on complaints investigations or re-dress payments incurred during 2022-23 will be reported in the Council's Annual Complaints Report.

5. Legal Implications

- 5.1 There are no specific legal implications arising from this report.

Background Papers: None

Appendices:

Appendix A Annual letter from the Public Services Ombudsman of Wales
2022-23



Ask for: Communications
01656 641150
Date: 17 August 2023
Communications
@ombudsman.wales

Cllr. Rob Stewart
Swansea Council
By Email only: cllr.rob.stewart@swansea.gov.uk

Annual Letter 2022/23

Dear Councillor Stewart

I am pleased to provide you with the Annual letter (2022/23) for Swansea Council which deals with complaints relating to maladministration and service failure, complaints relating to alleged breaches of the Code of Conduct for Councillors and the actions being taken to improve public services.

This letter coincides with my Annual Report – “[A year of change – a year of challenge](#)” – a sentiment which will no doubt resonate with public bodies across Wales. My office has seen another increase in the number of people asking for our help – up 3% overall compared to the previous year, and my office now receives double the number of cases we received a decade ago.

In the last year, I have met with public bodies across Wales – speaking about our casework, our recommendations, and our proactive powers. The current climate will continue to provide challenges for public services, but I am grateful for the positive and productive way in which local authorities continue to engage with my office.

1,020 complaints were referred to us regarding local authorities last year - a reduction of 11% compared to the previous year. During this period, we intervened in (upheld, settled or resolved at an early stage) 13% of local authority complaints.

We received fewer Code of Conduct complaints in 22/23 compared to the previous year, relating to both Principal Councils and Town and Community Councils. My role is such that I do not make final findings about breaches of the Code of Conduct. Instead, where investigations find the most serious concerns, these are referred to the Standards Committee of the relevant local authority, or the

Adjudication Panel for Wales. In 2022/23, the Ombudsman made 12 such referrals – a welcome reduction from 20 last year.

Supporting improvement of public services

Despite the challenges of last year, we have pushed forward with our proactive improvement work and launched a new Service Quality process to ensure we deliver the standards we expect.

Last year, we began work on our second wider Own Initiative investigation – this time looking into carers assessments within local authorities. This investigation will take place throughout the coming year, and we look forward to sharing our findings with all local authorities – not just those involved in the investigation.

The Complaints Standards Authority (CSA) continued its work with public bodies in Wales last year, with more than 50 public bodies now operating our model policy. We've also now provided more than 400 training sessions since we started, with local authorities, in September 2020.

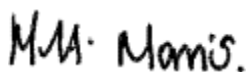
We continued our work to publish complaints statistics into a second year, with data now published twice a year. This data allows us to see information with greater context – for example, last year 6% of Swansea Council's complaints were referred to PSOW.

I would encourage Swansea Council, and specifically your Audit and Governance Committee, to use this data to better understand your performance on complaints and consider how well good complaints handling is embedded throughout the Authority.

Further to this letter can I ask that your Council takes the following actions:

- Present my Annual Letter to the Cabinet and to the Governance and Audit Committee at the next available opportunity and notify me of when these meetings will take place.
- Continue to engage with our Complaints Standards work, accessing training for your staff, fully implementing the model policy, and providing accurate and timely complaints data.
- Inform me of the outcome of the Council's considerations and proposed actions on the above matters at the earliest opportunity.

Yours sincerely,



Michelle Morris
Public Services Ombudsman

cc. Martin Nicholls, Chief Executive, Swansea Council.
By Email only: chiefexecutive@swansea.gov.uk



Factsheet

Appendix A - Complaints Received

| Local Authority | Complaints Received | Received per 1000 residents |
|--|----------------------------|------------------------------------|
| Blaenau Gwent County Borough Council | 16 | 0.24 |
| Bridgend County Borough Council | 55 | 0.38 |
| Caerphilly County Borough Council | 49 | 0.28 |
| Cardiff Council* | 142 | 0.39 |
| Carmarthenshire County Council | 53 | 0.28 |
| Ceredigion County Council | 35 | 0.49 |
| Conwy County Borough Council | 31 | 0.27 |
| Denbighshire County Council | 32 | 0.33 |
| Flintshire County Council | 65 | 0.42 |
| Cyngor Gwynedd | 36 | 0.31 |
| Isle of Anglesey County Council | 25 | 0.36 |
| Merthyr Tydfil County Borough Council | 17 | 0.29 |
| Monmouthshire County Council | 23 | 0.25 |
| Neath Port Talbot Council | 39 | 0.27 |
| Newport City Council | 42 | 0.26 |
| Pembrokeshire County Council | 44 | 0.36 |
| Powys County Council | 38 | 0.29 |
| Rhondda Cynon Taf County Borough Council** | 54 | 0.23 |
| Swansea Council | 94 | 0.39 |
| Torfaen County Borough Council | 16 | 0.17 |
| Vale of Glamorgan Council | 49 | 0.37 |
| Wrexham County Borough Council | 65 | 0.48 |
| Total | 1020 | 0.33 |
| | | |
| * inc 9 Rent Smart Wales | | |
| ** inc 2 South Wales Parking Group | | |



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Appendix B - Received by Subject

| Swansea Council | Complaints Received | % share |
|--|---------------------|---------|
| Adult Social Services | 6 | 6% |
| Benefits Administration | 0 | 0% |
| Children's Social Services | 12 | 13% |
| Community Facilities, Recreation and Leisure | 1 | 1% |
| Complaints Handling | 12 | 13% |
| Covid19 | 0 | 0% |
| Education | 1 | 1% |
| Environment and Environmental Health | 8 | 9% |
| Finance and Taxation | 3 | 3% |
| Housing | 23 | 24% |
| Licensing | 3 | 3% |
| Planning and Building Control | 10 | 11% |
| Roads and Transport | 9 | 10% |
| Various Other | 6 | 6% |
| Total | 94 | |

Page 179

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holwch@ombwdsmon.cymru
0300 790 0203
1 Ffordd yr Hen Gae, CF 35 5LJ
Rydym yn hapus i dderbyn ac
ymateb i ohebiaeth yn y Gymraeg.

ombudsman.wales
ask@ombudsman.wales
0300 790 0203
1 Ffordd yr Hen Gae, CF 35 5LJ
We are happy to accept and respond
to correspondence in Welsh.



Appendix C - Complaint Outcomes
(* denotes intervention)

| Swansea Council | | % Share |
|--|-----------|----------------|
| Out of Jurisdiction | 29 | 29% |
| Premature | 28 | 28% |
| Other cases closed after initial consideration | 32 | 32% |
| Early Resolution/ voluntary settlement* | 10 | 10% |
| Discontinued | 0 | 0% |
| Other Reports - Not Upheld | 0 | 0% |
| Other Reports Upheld* | 0 | 0% |
| Public Interest Reports* | 0 | 0% |
| Special Interest Reports* | 0 | 0% |
| Total | 99 | |



Appendix D - Cases with PSOW Intervention

| | No. of interventions | No. of closures | % of interventions |
|--|----------------------|-----------------|--------------------|
| Blaenau Gwent County Borough Council | 0 | 16 | 0% |
| Bridgend County Borough Council | 5 | 57 | 9% |
| Caerphilly County Borough Council | 6 | 52 | 12% |
| Cardiff Council | 25 | 145 | 17% |
| Cardiff Council - Rent Smart Wales | 1 | 9 | 11% |
| Carmarthenshire County Council | 7 | 60 | 12% |
| Ceredigion County Council | 13 | 44 | 30% |
| Conwy County Borough Council | 5 | 35 | 14% |
| Denbighshire County Council | 2 | 33 | 6% |
| Flintshire County Council | 5 | 70 | 7% |
| Cyngor Gwynedd | 5 | 33 | 15% |
| Isle of Anglesey County Council | 5 | 25 | 20% |
| Merthyr Tydfil County Borough Council | 1 | 18 | 6% |
| Monmouthshire County Council | 1 | 22 | 5% |
| Neath Port Talbot Council | 7 | 38 | 18% |
| Newport City Council | 8 | 48 | 17% |
| Pembrokeshire County Council | 3 | 45 | 7% |
| Powys County Council | 8 | 44 | 18% |
| Rhondda Cynon Taf County Borough Council | 2 | 54 | 4% |
| Rhondda Cynon Taf County Borough Council - South Wales Parking Group | 0 | 2 | 0% |
| Swansea Council | 10 | 99 | 10% |
| Torfaen County Borough Council | 1 | 17 | 6% |
| Vale of Glamorgan Council | 15 | 53 | 28% |
| Wrexham County Borough Council | 6 | 67 | 9% |
| Total | 141 | 1086 | 13% |



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Appendix E - Code of Conduct Complaints

Swansea Council

| | |
|-------------------------------------|----------|
| Decision not to investigate | 0 |
| Discontinued | 5 |
| No evidence of breach | 0 |
| No action necessary | 0 |
| Refer to Adjudication Panel | 0 |
| Refer to Standards Committee | 0 |
| Total | 5 |

Investigations
Page 182

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Appendix F - Town/Community Council Code of Complaints

| Town/Community Council | Decision not to investigate | Investigations | | | | Total | |
|--|-----------------------------|----------------|-----------------------|---------------------|-----------------------------|-------|------------------------------|
| | | Discontinued | No evidence of breach | No action necessary | Refer to Adjudication Panel | | Refer to Standards Committee |
| Clydach Community Council | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| Grovesend and Waungron Community Council | 0 | 0 | 0 | 1 | 0 | 0 | 1 |
| Gowerton Community Council | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mumbles Community Council | 5 | 0 | 0 | 0 | 0 | 2 | 7 |
| Pennard Community Council | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Port Eynon Community Council | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Three Crosses Community Council | 0 | 0 | 0 | 0 | 0 | 0 | 0 |



Information Sheet

Appendix A shows the number of complaints received by PSOW for all Local Authorities in 2022/23. These complaints are contextualised by the population of each authority.

Appendix B shows the categorisation of each complaint received, and what proportion of received complaints represents for the Local Authority.

Appendix C shows outcomes of the complaints which PSOW closed for the Local Authority in 2022/23. This table shows both the volume, and the proportion that each outcome represents for the Local Authority.

Appendix D shows Intervention Rates for all Local Authorities in 2022/23. An intervention is categorised by either an upheld complaint (either public interest or non-public interest), an early resolution, or a voluntary settlement.

Appendix E shows the outcomes of Code Of Conduct complaints closed by PSOW related to Local Authority in 2022/23. This table shows both the volume, and the proportion that each outcome represents for the Local Authority.

Appendix F shows the outcomes of Code of Conduct complaints closed by PSOW related to Town and Community Councils in the Local Authority's area in 2022/23. This table shows both the volume, and the proportion that each outcome represents for each Town or Community Council.

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ymateb i ohebiaeth yn y Gymraeg.

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to correspondence in Welsh.



Report of the Director of Corporate Services

Governance & Audit Committee - 25 October 2023

The Governance and Assurance Arrangements of Swansea Council's Strategic Partnerships

| | |
|-------------------------|--|
| Purpose: | To provide the committee with an update on the governance and assurance arrangements of the council's strategic partnerships |
| Report Author: | Joanne Portwood |
| Finance Officer: | Paul Roach |
| Legal Officer: | Debbie Smith |
| For Information | |

1. Background

1.1 The Governance and Audit Committee received a report about the governance and assurance arrangements of the council's strategic partnerships at its meeting on the 8th March 2023. The purpose of this report is to provide an update on these arrangements within each respective partnership including; Swansea Public Services Board, the West Glamorgan Regional Partnership, Partneriaeth Joint Committee, the South West Wales Joint Committee and the Swansea Bay City Region Joint Committee.

2. Swansea Public Services Board

2.1 Swansea Public Services Board met on two occasions between March 2023 and the end of the September 2023. The main focus of the Board's work during this period was the approval and sign off of the Local Well-Being Plan and the development and implementation of the Action Plan 2023-24. Alongside this work, the Board also undertook work to strengthen the governance and performance management arrangements of the partnership.

2.2 In order to strengthen implementation of the Action Plan 2023-24 and arrangements for reporting performance, Strategic Leads have been identified for each of the 8 steps within the action plan. Each Strategic

Lead is accountable for reporting on the delivery of their step and its performance to Swansea's Public Services Board on a quarterly basis. In addition to reporting to formal committee meetings, Strategic Leads also meet informally to consider synergy between steps. Performance reports will also be considered by the Council's Scrutiny Programme committee twice a year.

- 2.3 Within the Action Plan 2023-24, a specific step has been identified in relation to influencing and connecting with other governance arrangements across the Swansea Bay region. Work is currently underway to map the Swansea Bay region partnership landscape to clarify governance, roles and responsibilities, interfaces and to identify opportunities for collaboration on plan content and to identify gaps / overlaps in activities. It is anticipated that the outcome of this work will result in organisations within the Swansea region and locality having a shared understanding of the partnership landscape and the opportunities to improve their synergy.
- 2.4 Within the Action Plan 2023-24, a specific step has been identified in relation to developing a Performance Management Framework and an Action Plan 2023-24. Work to develop and map milestones, and monitoring arrangements has been completed. Work to identify and map population level outcome measures is underway. It is anticipated that the outcome of this work will result in the PSB having an effective performance management framework in place. The PSB are working towards making and facilitating connections between all of the 8 steps included in the action plan.
- 2.5 Other notable activities in relation to the governance arrangements of Swansea's Public Services Board over the last six months has included revising the frequency of meetings (now quarterly), reviewing the terms of reference for the wider Partnership Forum (now to meet once a year, prior to undertaking the annual review of performance) and revising the terms of reference for Public Services Board.

3. West Glamorgan Regional Partnership Board

- 3.1 The West Glamorgan Regional Partnership Board has met on three occasions between March 2023 and the end of the September 2023. The focus of the Board's work during this period was the approval and sign off the West Glamorgan Area Plan and Action Plan for 2023-27, Annual Report and End of Year Finance and Performance Report. During the meeting, the Board also reviewed the Regional Investment Plan for 2023-24 and received updates on programme delivery.
- 3.2 For the West Glamorgan Regional Partnership Board to deliver the Area Plan and Action Plan it was necessary for the Programme to be amended to enable the partners to meet the outcomes within the plans. The portfolio now has 6 Population Programmes (Communities and

Older People, Carers, Wellbeing and Learning Disabilities, Emotional Wellbeing and Mental Health, Children and Young People and Neurodivergence). In addition, there are several supporting programmes that are designed to enable the population programmes to deliver their objectives for example Digital and Data and Workforce.

- 3.3 The West Glamorgan Regional Partnership officially launched the Peoples Forum on 18th April 2023. The event brought together the Statutory Partners, Third Sector organisations, Unpaid Carers and citizens from across the region. The programme will include a variety of examples of how the Regional Investment Fund has supported the region in its delivery of valuable health and social care services, and how they are making a meaningful difference to the lives of people who need care and support. The event was well attended and included presentations, interactive workshop-style sessions, and information stalls.
- 3.4 The Regional Partnership has established two “Liaison Forums” which includes Users with Lived Experience and Unpaid Carers to support the coproduction of delivery plans and to support the development of strategies. The partnership intends to expand the number of liaison forums to cover the population programmes and is strengthening the participation and engagement by connecting with existing networks across the region.
- 3.5 The Regional Partnership has been working with the Public Service, Pan Cluster Planning Network, and its statutory partners to plan and map the delivery plans to ensure there is synergy between the plans.
- 3.6 The West Glamorgan Regional Partnership has been working extensively with the other regions across Wales and with Welsh Government colleagues to develop a set of national Performance Measures both qualitative and quantitative which will support assurance for the partnership that the expected outcomes are being delivered.

4 Partneriaeth Joint Committee

- 4.1 Between March 2023 and the end of September 2023, Partneriaeth Joint Committee has met on one occasion. The main focus of activity has been the approval of Partneriaeth’s Strategic Plan/Business Plan for 2023-24, Partneriaeth’s Budget for 2023-24 and Medium Term Financial Plan for 2023-34 to 2026-27, in addition to monitoring performance and managing risk. Partneriaeth’s Scrutiny Councillor Group has also continued to meet during this time period, to ensure that Partneriaeth is operating according to its Legal Agreement, its Business Plan and its timetable is being managed effectively.
- 4.2 Partneriaeth Joint Committee has a responsibility for conducting an annual review of its governance framework, including the system of

internal control. During the second quarter of 2023, work was undertaken to produce Partneriaeth's Annual Governance Statement for 2022-23. The review of effectiveness for 2022-23 was informed by the work undertaken during the Internal Audit review, which included a follow-up of the implementation of significant governance issues and priorities for improvement identified in 2021-22. Additional assurance was provided by the Head of Internal Audit Assurance opinion, based on the work undertaken by Internal Audit in 2022-23, along with the minutes from the Partneriaeth Joint Committee.

- 4.3 The Internal Audit review gave a 'moderate' assurance rating on the adequacy and effectiveness of the governance, internal control, risk management and financial management arrangements in place. Areas requiring further improvement were identified and have been included as priorities for improvement within the Annual Governance Statement 2022-23 Action Plan. The priorities for improvement focus on strengthening governance arrangements and business planning processes.
- 4.4 Although governance arrangements have been strengthened through the new Legal Agreement approved by the Joint Committee, it has been recommended that arrangements are strengthened further through the introduction of a scheme of delegation to ensure that there is a formal documented approach for decision making (including acceptance of grant awards). CIPFA also recommends that all local government bodies develop a Local Code of Governance which sets out the framework to conduct its business and affairs. The Annual Governance Statement 2022-23 Action Plan outlines commitments to; develop a local code of governance, develop a scheme of delegation and to put in place Business Partnering Agreements with Authorities who purchase services from Partneriaeth to ensure that there is clarity in the services provided and that the roles and expectations of each party are formally documented.
- 4.5 In terms of Partneriaeth's Business Plan 2022-23, there are currently no clear milestones and outcomes, subsequently the delivery and effectiveness of Partneriaeth cannot be fully scrutinised by the Joint Committee. The Annual Governance Statement 2022-23 Action Plan outlines commitments to; develop SMART outcomes within the Business Plan with clear milestones to facilitate the monitoring and evidencing of delivery and to ensure the Business Plan is aligned to the budget to ensure affordability and deliverability of priorities with a focus on Value for Money included within the Business Plan.

5. South West Wales Corporate Joint Committee (CJC)

- 5.1 The South West Wales CJC has met on two occasions between March 2023 and the end of the September 2023. The main focus of the committee's work during this period was the committee's corporate plan and finalising governance arrangements. A key focus in the

coming weeks is the submission of the delivery plan for the Regional Transport Plan which is being considered at the transport sub committee on the 9th October and which will be presented at the next CJC meeting on the 24th October for formal approval. In addition consideration will be given to the budget proposals for the next financial year. Scrutiny is provided by the South West Wales Corporate Joint Committee – Overview and Scrutiny Sub-Committee

- 5.2 The CJC's Governance and Audit Committee have met and considered its terms of reference. It was suggested that its terms of reference are structured in line with recent Chartered Institute of Public Finance and Accountancy (CIPFA) guidance on Audit Committees. The last meeting was postponed, but the next meeting is planned for the 26th October for which the agendas are being finalised. However it is anticipated that it will include consideration of the budget outturn and also to provide an outcome of the recent Audit Wales programme for CJC's in general throughout Wales.
- 5.3 At the last meeting of the South West Wales CJC (6th June 2023) it was resolved that the Chief Executive of Pembrokeshire County Borough Council will be appointed as the next Chief Executive for the CJC from the 1st November 2023. It was also noted at this meeting, that this date was most appropriate to ensure that existing governance arrangements were in place, prior to the budget setting process for 2024-45 and the identification of priorities for the forthcoming year.
- 5.4. At the last meeting of the South West Wales CJC, further arrangements were set out which outlined the administrative and governance matters for the forthcoming year;
- the re-establishment of the four sub committees of the South West Wales Corporate Joint Committee (Regional Transport Planning, Economic Well Being – Regional Economic Development, Strategic Development Planning and Economic Well Being – Regional Energy Strategy),
 - the re-establishment of the Governance and Audit Sub-Committee which would continue to be facilitated by Pembrokeshire County Council,
 - the re-confirmation that the Neath Port Talbot County Borough Council Standards Committee as the designated Standards Committee for the South West Wales Corporate Joint Committee,
 - the re-establishment of the Overview and Scrutiny Sub-Committee for the South West Wales Corporate Joint Committee

6. Swansea Bay City Region Joint Committee

- 6.1 The Swansea Bay City Region Joint Committee was established to monitor the Swansea Bay City Region City Deal. The Joint Committee met on three occasions between March 2023 and the end of September 2023. The main focus of the Board's work during this period

was to receive project updates, the approval of Swansea Bay City Deal Portfolio cases (including the approval of updated existing business cases), overseeing progress and performance management and to consider the implications of private sector investment and contributions to the portfolio. The Board also considered Internal Audit Recommendations 2022-23, Audit Wales Outline Plan, Q4 2022/23 Financial Monitoring - Final Outturn position, the Joint Committee Statement of Accounts and the Swansea Bay City Deal Annual Report 2022-23.

- 6.2 During 2022-23, the governance and assurance arrangements of the Swansea Bay City have continued to be strengthened. The recommendations from previous Internal Audit reviews have been implemented with the development of action plans to monitor and track progress relating to actions arising from Gateway reviews. Risk management arrangements remain robust.
- 6.3 Assurance arrangements have been strengthened during 2022-23 with Welsh Government approval of the Gateway Assurance Framework received, which provides a framework for the management resourcing and governance of Gateway assurance arrangements for the Swansea Bay City Deal Portfolio, and its constituent programmes, projects and workstreams. The Framework also provides clarity for programme and project Senior Responsible Officers (SROs) and their teams on the assurance arrangements that apply to the Swansea Bay City Deal Portfolio. The introduction of the Joint Assurance Panel underpins the Gateway Assurance Framework by providing oversight of the development and implementation of the arrangements set out which has strengthened and enhanced existing procedures.
- 6.4 A Change Control Procedure has also been established, which is owned by the Programme (Portfolio) Board and highlights the changes that result from projects and programmes at Project, Programme and Portfolio level. Dashboards are presented to the Joint Committee on a quarterly basis, providing high level oversight on the progress of Programmes/Projects, with benefit realisation data now collated and included within the datasets presented.
- 6.5 Overall, the Internal Audit report has determined an audit assurance rating of 'Substantial'; with no or few weaknesses in the adequacy and/or effectiveness of the governance, internal control, risk management and financial management arrangements.
- 6.6 The Swansea Bay City Region Joint Scrutiny Committee met on two occasions between March 2023 to September. Members scrutinised progress and performance, approvals to update existing business cases and were updated on wider economic contextual issues. Members of the committee raised questions related to the risks on the RAG status of the Swansea Bay City Deal Portfolio and its constituent programmes/projects, private sector funding, the effect of inflation,

increased costs, local job creation and training opportunities and the realisation of benefits in the local region.

7. Integrated Assessment Implications

7.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language.
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

7.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

7.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

7.4 An IIA screening report was carried out for this report (Appendix 1). A full IIA is not required for this report, as it is for information only.

8. Legal Implications

8.1 There are no legal implications.

9. Financial Implications

9.1 There are no financial implications arising from this information report.

Background papers:

Overview of the Governance and Assurance arrangements of Partnerships and Collaborations, Governance & Audit Committee, 13 July 2022

The Governance and Assurance Arrangements of Swansea Council's Strategic Partnerships, Governance and Audit Committee, 8th March 2023

Appendix 1: IIA screening report

Integrated Impact Assessment Screening Form – Appendix 1

Please ensure that you refer to the Screening Form Guidance while completing this form.

Which service area and directorate are you from?

Service Area: Communications and Marketing

Directorate: Corporate Services

Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- X Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

(b) Please name and fully describe initiative here:

Update on the governance and assurance arrangements of Swansea Council's strategic partnerships

Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

| | High Impact | | Medium Impact | | Low Impact | | Needs further Investigation | No Impact |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|--------------------------|-----------------------------|--------------------------|
| | + | - | + | - | + | - | | |
| Children/young people (0-18) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Older people (50+) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Any other age group | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Disability | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Race (including refugees) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Asylum seekers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gypsies & travellers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Religion or (non-)belief | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sex | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sexual Orientation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gender reassignment | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Welsh Language | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Poverty/social exclusion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Carers (inc. young carers) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pregnancy and maternity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Human Rights | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | X <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Integrated Impact Assessment Screening Form – Appendix 1

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches?
Please provide details below – either of your activities or your reasons for not undertaking involvement**

All of the strategic partnerships have engaged and consulted with a range of different stakeholders including the public during the development of their respective plans. This report is a retrospective update on the governance and assurance arrangements of each partnership.

Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:

- a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?
Yes No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?
Yes No
- c) Does the initiative apply each of the five ways of working?
Yes No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?
Yes No

Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)

High risk

Medium risk

Low risk

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes No If yes, please provide details below

Q7 Will this initiative result in any changes needed to the external or internal website?

Yes No If yes, please provide details below

Q8 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?

Integrated Impact Assessment Screening Form – Appendix 1

(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)

Outcome of Screening

This is a for information report and it does not contain any proposals which will impact upon people or communities.

Q9 Please describe the outcome of your screening using the headings below:

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q7)**

This is a retrospective description of the governance and assurance arrangements of Swansea's strategic partnerships. All of the partnerships have engaged with stakeholders in a variety of different ways which are appropriate and proportionate to the legislative and policy drivers of each partnership. The work of the partnerships have taken into account the 7 national goals and the 5 ways of working and the sustainability duty within the Well-being and Future Generations (Wales) Act 2015. This is a for information report and does not contain any new proposals, therefore risks and the cumulative impact of the report is negligible.

(NB: This summary paragraph should be used in the **'Integrated Assessment Implications'** section of corporate report)

Full IIA to be completed

X Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

| |
|---|
| Screening completed by: |
| Name: Joanne Portwood |
| Job title: Policy and Strategy Officer |
| Date: 16/10/23 |
| Approval by Head of Service: |
| Name: Lee Wenham |
| Position: Head of Communications and Marketing |
| Date: 16/10/23 |

Please return the completed form to accesstoservices@swansea.gov.uk

Agenda Item 10



Report of the Director of Corporate Services

Governance and Audit Committee – October 2023

Employment of Agency Staff - 2023 Update

| | |
|------------------------------------|---|
| Purpose: | To provide an update from the 2021 Employment of Agency Staff Audit report. |
| Report Author: | Rachael Davies, Head of HR and Service Centre |
| Finance Officer: | Ben Smith |
| Legal Officer: | Debbie Smith |
| Access to Services Officer: | Catherine Window |
| For Information | |

1. Introduction

- 1.1 As a result of an internal audit on the Employment of Agency Staff carried out in 2021/22, an assurance level of “Substantial” was given.
- 1.2 At the September 2022 Governance and Audit Committee meeting an update report was provided which addressed the issues raised by the Committee as a result of the 2021/22 audit report.
- 1.3 In the September 2022 meeting the following areas of discussion arose:
 - *The number of Agency Workers being employed in Waste, the continuous need to maintain frontline services within that service area and recent recruitments made by the service.*
 - *Provision of details of agency workers employed for more than 12 months in a future report.*
 - *Provision of details of high usage of agency workers against high sickness levels in a future report.*

- *Provision of agency worker figures from the amalgamated Parks and Cleansing Services.*
- *The use of contractors instead of agency workers.*
- *The need to hire agency workers to complete seasonal jobs due to the lack of candidates.*

2. Actions Undertaken

- 2.1 The Agency Worker Policy was updated in 2021 to guide managers on the appropriate engagement of agency workers in their respective areas and has been reviewed in 2022/23. It will be further updated in advance of April 2024 when the new agency contract will be in place.
- 2.2 HR&OD continue to send reminders to Managers to review the engagement of agency workers who have been engaged for over 12 months and Managers are required to confirm that it is still appropriate for the Council to engage an agency worker rather than employ someone in the post.
- 2.3 The engagement of non-corporate contracted agencies has been addressed and all managers via a briefing note have been reminded of the appropriate use of agency workers and that approved suppliers only must be used, unless there are exceptional or emergency circumstances/situations which is authorised by Procurement.
- 2.4 In relation to “*contract spend with companies providing agency workers*”, a competitive re-tender exercise for the provision of Agency Services has been advertised openly on Sell2Wales and the evaluation exercise has been completed, with value for money considerations such as rates offered forming part of the assessment criteria. After the award has been made the new contract will be in place from April 2024.
- 2.5 *The number of Agency Workers being employed in Waste, the continuous need to maintain frontline services within that service area and recent recruitments made by the service.*

Please see the table in section 3 and commentary in section 7.2 of this report.

- 2.6 *Provision of details of agency workers employed for more than 12 months in a future report.*

Length of time spent on agency fluctuates on a frequent basis and movement is continuous throughout the year. It is difficult to therefore maintain stability in demographics of agency usage. However, there are clear expectations and processes in place that HR support managers with in challenging the use of agency where appropriate and a move to contracted employment is encouraged where there is evidence to suggest that the nature of the work is ongoing.

2.7 *Provision of details of high usage of agency workers against high sickness levels in a future report.*

Where sickness occurs in the Social Services and Place directorates there will be a great number of posts that require immediate cover to continue to provide services to residents and the need for agency that can work from day one of absence is unavoidable. There is currently a challenge with recruiting to fixed term contracts that are short in duration and applicant numbers for these types of contracts can be very low, or in a number of cases, no applications are received. The labour market suggests that permanent employment is preferential in the economic climate and the unstable nature of fixed term employment is causing difficulty in filling key posts when funding may not continue. Consequently, agency demand increases as an alternative way of identifying resource. Section 3 of this report shows the breakdown of agency in each directorate and a separate report on sickness absence is also being presented to Governance and Audit Committee which will align with this report. The sickness absence report will show that most of the absence falls within the Social Services and Place directorates. The table in section 3 shows that likewise, most of the agency use corresponds with the sickness absence levels and falls within Social Services and Place.

2.8 *Provision of agency worker figures from the amalgamated Parks and Cleansing Services.*

Please see the table in section 3 of this report.

2.9 *The use of contractors instead of agency workers.*

IR35 legislation requires employers to ensure that appropriate checks are in place to ensure HMRC compliance where contractors are used. There are currently no contractors under IR35 being engaged by the Council but some work may be subcontracted where agency workers cannot be sourced e.g. toilet and beach cleaning as referred to in section 7.2.

2.10 *The need to hire agency workers to complete seasonal jobs due to the lack of candidates.*

Please see the commentary in section 7.2 of this report. A lack of candidates is prevalent with employment that is not permanent and we are seeing this with fixed term contracts as well as seasonal work. The current economic climate is contributing to the demand for stable employment in the labour market and as such, more flexible, short term opportunities are not perceived in as attractive a way as permanent employment.

3. Agency Worker Numbers

Total number of agency workers engaged through the corporate contracted agencies (Staffline and RSD Social Care), and reflecting the Governance and Audit Committee request are now detailed monthly as follows;

| Directorate | Service Area | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 |
|------------------------|---------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Place | Corporate Building Services | 6 | 6 | 6 | 6 | 6 | 3 | 3 | 3 |
| | Cultural Services | 5 | 5 | 4 | 5 | 5 | 5 | 0 | 2 |
| | Highways & Transportation | 14 | 13 | 12 | 18 | 17 | 18 | 19 | 19 |
| | Housing & Public Health | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 4 |
| | Planning & City Regeneration | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| | Property Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Waste, Parks and Cleansing | 119 | 114 | 110 | 109 | 114 | 115 | 109 | 103 |
| | PLACE TOTAL | 147 | 141 | 135 | 141 | 145 | 144 | 137 | 134 |
| Variation on last year | -26 | -23 | -24 | -14 | -12 | -15 | -2 | -22 | |
| Social Services | Adult Services | | | | | | | | |
| | Child & Family Services | | | | | | | | |
| | SOCIAL SERVICES TOTAL | 188 | 191 | 190 | 176 | 193 | 159 | 122 | 124 |
| Variation on last year | 181 | 186 | 186 | 143 | 168 | 117 | 61 | 49 | |
| Corporate Services | Communications & Marketing | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 |
| | Digital and Transformation | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 |
| | HR & Service Centre | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| | Legal & Democratic Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | CORPORATE SERVICES TOTAL | | | | | | | | |
| Education | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Finance | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | |
| GRAND TOTAL | 337 | 334 | 327 | 320 | 341 | 305 | 263 | 261 | |

*Awaiting last quarter data from the agencies for June-September

February 2023 was the month where the greatest amount of agency work was required, with 341 engagements. There has been a decline each month since, reducing to 261 by May 2023. This would be explained by the need to cover front line services in social care during the Winter period.

Social Services usage peaked in November and December 2022 at 193 agency workers for those months, but this has steadily declined each month since and by May 2023 was at 124 agency workers.

The numbers engaged through agency in Place have decreased when compared to the same period last year, averaging 140 compared to 170 in 2022/23.

The increase in usage throughout the latter part of 2022 and the beginning of 2023 is in part due to labour market challenges with fixed term recruitment. Permanent employment is far more attractive to job applicants given the current economic climate and fixed term roles, particularly those of less than 12 months' duration, are becoming increasingly challenging to fill. The only alternative to contracted staff is to source agency workers to ensure seamless service delivery for residents.

4. Agency Worker Cost

A comparison of agency spend comparison from 2021/22 to 2022/23 is shown in the table below:

| 21/22 | Annual spend (excl VAT) | 22/23 | Annual spend (excl VAT) |
|-----------------|-------------------------|-----------------|-------------------------|
| Aled Simons | 1,680.00 | Aled Simons | 3,420.00 |
| Wellell UK Ltd | 14,730.00 | Wellell UK Ltd | 23,516.00 |
| Beverly Goold | 17,004.00 | Beverly Goold | 19,217.00 |
| Manpower UK Ltd | 24,596.00 | Manpower UK Ltd | 29,370.00 |
| Steddy Ltd | 48,432.00 | Steddy Ltd | 62,708.00 |

| | | | |
|---|---------------------|---|---------------------|
| Ace Social Work Ltd | 80,740.00 | Ace Social Work Ltd | 126,115.00 |
| Hays Specialist Recruitment Ltd | 216,064.00 | Hays Specialist Recruitment Ltd | 523,041.00 |
| RSD Technology Ltd | 240,029.00 | RSD Technology Ltd | 596,432.00 |
| RSD Social Care | 922,490.00 | RSD Social Care | 1,240,094.00 |
| Prospero Group Ltd | 485,659.00 | Prospero Group Ltd | 10,309.00 |
| Staffline Group Plc T/A Select Appointments Ltd | 3,807,267.00 | Staffline Group Plc T/A Select Appointments Ltd | 3,858,151.00 |
| Total Agency spend 21/22 | 5,777,951.00 | Total Agency spend 22/23 | 6,366,258.00 |

The data shows that there has been an increase in agency expenditure when compared to the same period by £588,307. This is in line with expected rising costs due to inflationary pressures felt in 2022 and does not show any noticeable growth of usage, but a stable position compared to the previous year.

The largest total spend continues to be with Staffline and RSD Social Care.. The majority of providers have risen with expected levels given inflationary pay rises and the overall increase is not out of kilter with the record levels of inflation experienced during 2022/23.

5. Compliance

Heads of Service are expected to be compliant with the measures indicated in the Audit Report as follows:

- Confirmation of budget provision should be obtained and retained for all agency staff appointments.
- HoS approval should be obtained and retained for all appointments of agency workers by line managers.
- Confirmation of appropriate pre-employment checks should be obtained from the Agency and retained by the line manager.
- Confirmation of further budgetary provision should be obtained and retained when agency workers contracts are extended
- Written requests should be submitted to HoS for re-approval when agency workers contracts are extended. This should be in advance of the contract being extended.
- Agency workers engaged by the Council for more than 12 weeks should be made aware that they are entitled to equal treatment on basic working and employment conditions.

6. Social Services Directorate Feedback:

The Directorate remains compliant in all areas and the Social Services Workforce Lead has Directorate oversight and governance over the engagement of Agency Workers.

Agency worker use remains high across Residential Care due to the impact of workforce instability and this is reflected in the Agency numbers contained in the table in Section 3.

7. Place Directorate Feedback;

7.1 Waste, Parks and Cleansing

Confirmation has been received that this Service area continues to remain compliant in all areas.

Agency staff are engaged for one of the following reasons:

- i. To cover temporary absences of employed staff, such as sickness and leave, where there is a need to maintain the level of resource
- ii. To cover temporary positions where the use of agency is considered to most appropriate method, often where the length of need is unknown, or temporary/seasonal recruitment has been unsuccessful.
- iii. To cover permanent positions pending recruitment

It is intended that Agency staff will continue to be used, where most appropriate, until either recruitment into permanent positions has taken place, or permanent/seasonal/temporary recruitment becomes the most appropriate way to fill a role.

Alternative options to minimise use of agency staff continue to be explored and used, and is demonstrated as follows:

- i. We have recruited 102 new starters and Trainees over the last 5 years in Waste, Parks, & Cleansing
- ii. We have trained and given Relief Driver roles to 15 Waste Operatives as cover for Driver absences to avoid the need for agency drivers
- iii. We are using contractors to supplement toilet and beach cleaning to avoid the use of agency.

HoS approval is obtained and retained for fixed term placements. There is ongoing approval to request agency resources on a daily basis to ensure that the staffing levels meet the requirements to deliver the service on a daily basis. Some of these requirements are not known until 6am on the day, due to last minute 'no shows'. The new draft of the Agency Policy reflects this. The Waste Service is considering seeking approval to recruit over and above the required structure to create a pool of staff to cover an expected minimum daily level of absence.

Confirmation of budget provision is obtained and retained for fixed term placements. There is an allocated budget in Waste Management to cover an agency requirement to maintain the staffing structures required to provide the service every day.

Agency workers engaged by the Council for more than 12 weeks are made aware by their Agency that they are entitled to equal treatment on basic working and employment conditions.

8. Other Service areas

Compliant in all areas.

9. Role of Staffline

Staffline provide the following support to work in partnership with the Council to ensure compliance;

- Provision of a policy booklet to all Agency Workers which provides details on Agency Workers Regulations and their rights.
- Maintaining a record of all start dates of all Agency Workers.
- After 12 weeks, move workers to the enhanced pay rate and enhanced rights.

10. Future agency contract arrangements

A procurement exercise has been carried out in 2023/24 which invited tenders for a new 5-year contract. The evaluations have been completed and the award will be made very shortly. A range of criteria were included in the assessment process including value for money and the new contract will be in place from April 2024. This will mean the Council has assessed the most appropriate agency provision for the next 5 years and an opportunity to again remind managers of the correct use of agency workers will be cascaded in advance of the new contract being in place.

11. Integrated Assessment Implications

11.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

- Deliver better outcomes for those people who experience socio-economic disadvantage
 - Consider opportunities for people to use the Welsh language
 - Treat the Welsh language no less favourably than English.
 - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 11.2. The Well-being of Future Generations (Wales) Act 2005 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 11.3. Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 11.4 There are no direct implications associated with this report.

12 Financial Implications

- 12.1 There are no financial implications other than those set out in the body of the report.

13. Legal Implications

- 13.1 The Agency Workers Regulations Act 2010 provide important rights for agency workers, concerning their basic working and employment conditions, from day one and after a 12-week qualifying period. These rights are reflected in our Policy.
- 13.2 There are no other legal implications other than those set out in the body of the report.

Background Papers: None.

Appendices: Appendix A - Integrated Impact Assessment Form

Integrated Impact Assessment Screening Form – Appendix A

Please ensure that you refer to the Screening Form Guidance while completing this form.

Which service area and directorate are you from?

Service Area: HR and Service Centre

Directorate: Corporate Services

Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

(b) Please name and fully describe initiative here:

To provide an update report to the Governance & Audit Committee on actions arising from the Agency Worker Audit report.

Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

| | High Impact | | Medium Impact | | Low Impact | | Needs further Investigation | No Impact |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|-------------------------------------|
| | + | - | + | - | + | - | | |
| Children/young people (0-18) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Older people (50+) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Any other age group | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Disability | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Race (including refugees) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Asylum seekers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gypsies & travellers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Religion or (non-)belief | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Sex | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Sexual Orientation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gender reassignment | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Welsh Language | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Poverty/social exclusion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Carers (inc. young carers) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Pregnancy and maternity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Human Rights | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Integrated Impact Assessment Screening Form – Appendix A

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches?
Please provide details below – either of your activities or your reasons for not undertaking involvement**

This is an update report for Audit Committee. There is no requirement for engagement, consultation or co-production.

Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:

- a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?
Yes No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?
Yes No
- c) Does the initiative apply each of the five ways of working?
Yes No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?
Yes No

Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)

High risk

Medium risk

Low risk

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes No **If yes, please provide details below**

Q7 Will this initiative result in any changes needed to the external or internal website?

Yes No **If yes, please provide details below**

Q8 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?

There is no direct cumulative impact on people and /or communities other than to ensure that services are supported through provision of suitable resources, with appropriate governance, in line with Council policy.

Integrated Impact Assessment Screening Form – Appendix A

Outcome of Screening

- Q9** Please describe the outcome of your screening using the headings below:
- Summary of impacts identified and mitigation needed (Q2)
 - Summary of involvement (Q3)
 - WFG considerations (Q4)
 - Any risks identified (Q5)
 - Cumulative impact (Q7)

There are no direct implications as a result of this report.

(NB: This summary paragraph should be used in the ‘**Integrated Assessment Implications**’ section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

| |
|---|
| Screening completed by: |
| Name: Rachael Davies |
| Job title: Head of HR and Service Centre |
| Date: 10/10/2023 |
| Approval by Head of Service: |
| Name: Rachael Davies |
| Position: Head of HR and Service Centre |
| Date: 10/10/2023 |

Please return the completed form to accesstoservices@swansea.gov.uk

Agenda Item 11



Report of the Director of Corporate Services

Governance and Audit Committee – 25 October 2023

Absence Management Audit Report Update

| | |
|------------------------------------|--|
| Purpose: | To provide an update on the Absence Management audit report for the above period |
| Report Authors: | Rachael Davies (Head of HR and Service Centre) |
| Finance Officer: | Ben Smith |
| Legal Officer: | Debbie Smith |
| Access to Services Officer: | Rhian Millar |
| For Information | |

1. Introduction

- 1.1 As a result of the first internal audit on Absence Management carried out in 2020, an assurance level of moderate was given. A further audit is being carried out as at October 2023 but the outcome will not be known prior to Governance and Audit Committee meeting to discuss the latest assurance level.
- 1.2 An action plan was developed to address the issues identified and appropriate implementation steps put in place.
- 1.3 This action plan identified High Risk and Medium Risk actions and as previously reported to the committee in September 2022, all recommendations have been implemented.
- 1.4 The Committee discussed the following items as areas for future consideration and this report seeks to respond to the discussion topics:
 - Sickness data relating to the current financial year, the potential financial implications if the figures remained high until the end of the financial year and how Directorates would have to absorb the costs from budgets.

- Remit of Management of Absence Advisors and training provision provided.
- Assurances that frontline managers were aware of the Council's policies and procedures.
- Management of Absence Advisors working across all Directorates.
- Provision of additional details including reasons in relation to sickness within the Social Services Directorate.
- The impact of training, support and Occupational Health in driving down the overall figures.

1.5 In addition, the Chair requested an evaluation of the effectiveness of the occupational health provision.

2. Sickness data

2.1 The table below shows the historic trend in terms of the Council's outturn in relation to the Key Performance Indicator for the number of sickness days per FTE over the course of the year.

| Year | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
|--------------------------|----------------|----------------|----------------|----------------|----------------|
| Ave FTE Days Lost | 12.55 | 11.55 | 11.32 | 8.79 | 9.56 |
| Year | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
| Ave FTE Days Lost | 11.82 | 12.61 | 11.98 | 12.97 | 11.85 |
| Year | 2020/21 | 2021/22 | 2022/23 | | |
| Ave FTE Days Lost | 9.23 | 12.66 | 12.28 | | |

2.2 The long term trend for sickness absence days per FTE shows that absence in the Council is a generally static position and has only met the 10 day target three times in the last 13 years.

2.4 Excluding schools, the percentage share of absence across directorates is as follows:

| Directorate | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
|--------------------|---------|---------|---------|---------|---------|
| Finance | | | | 2.09 | 2.78 |
| Corporate Services | 6.26 | 5.09 | 4.06 | 4.86 | 4.61 |
| Education | 11.83 | 17.82 | 14.81 | 11.77 | 12.58 |
| Social Services | 38.58 | 35.92 | 45.43 | 39.75 | 38.04 |
| Place | 43.33 | 41.17 | 35.7 | 41.53 | 41.99 |
| Total | 100 | 100 | 100 | 100 | 100 |

2.5 It is perhaps to be expected that given the type of work carried out in Social Services and Place that the greater share of absence would fall in these directorates. As with the overall number of days lost, the percentage share by directorate is generally stable.

- 2.6 Our workforce demographics show that 47% of employees are over the age of 50 and 59% are female. Only 9% of our workforce are under the age of 30. According to the Department for Work and Pensions/Department of Health and Social Care’s 2019 report into long term absence employees aged 55-64 are three times as likely to have a long term absence than those employees under 25.¹ The report also highlights that those working in the caring, leisure or service sectors are more likely than any other sector to have long term sickness absence. This information demonstrates the ongoing likelihood of absence that the Council has given that our workforce demographics show the extent of our ageing workforce and female dominated job groups in the sectors with the highest likelihood of employees needing to take long term sickness absence.
- 2.7 With the increased prevalence of agile and hybrid working there are new considerations with sickness absence. Whilst there could be a masking of illness due to less physical observation, there are also instances where attending a work location would not be possible whilst managing an illness or health condition and employees would be required to report as sick, carrying out no work. Being able to work in an agile way could lead to increased attendance at work. There are anecdotal pieces of evidence in relation to this but no numerical data to support a finding. This is an area of future exploration to better understand the full impact of agile working on sickness absence.
- 2.8 The breakdown of long and short term absence over the last 5 years is shown in the table below and demonstrates that the impact of long term absence is considerably greater than short term based on the number of days lost to each scenario. 70% of all absence in the Council is long term, defined as an absence lasting more than 28 calendar days.

| Short and long term | Long | Short | Total | % long | % short |
|---------------------|-------|-------|--------|--------|---------|
| 2018/19 | 57382 | 22054 | 79437 | 72 | 28 |
| 2019/20 | 63008 | 23568 | 86576 | 72 | 28 |
| 2020/21 | 58796 | 15604 | 74400 | 79 | 21 |
| 2021/22 | 71756 | 29877 | 101633 | 70 | 30 |
| 2022/23 | 64918 | 28101 | 93019 | 70 | 30 |

- 2.9 The top 5 reasons for absence for each of the last 5 years are shown below as a percentage of all absence. These collective 9 reasons for absence account for over half of all staff absence. Despite Covid appearing as a new reason for absence in 2020, stress has remained the top reason for absence each year.

¹ [Health in the workplace: patterns of sickness absence, employer support and employment retention \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

| Top 5 reasons per year | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
|------------------------|---------|---------|---------|---------|---------|
| Stress | 25.01 | 20.59 | 36.39 | 28.5 | 26.28 |
| Covid | | | 10.03 | 15.63 | 11.73 |
| Hospitalisation | 9.45 | 7.18 | 5.48 | 7.51 | 6.29 |
| Lower limb | | 4.27 | | 5.99 | 4.23 |
| Back | 5.33 | 4.32 | 4.99 | | |
| Stomach complaints | 5.22 | | | 3.64 | |
| Personal | 5.21 | | | | |
| Chest infections | | | 4.2 | | 4.02 |
| Upper limb | | 4.26 | | | |
| Total | 50.22 | 40.62 | 61.09 | 61.27 | 52.55 |

3 Further progress as of October 2023

- 3.1 CMT commissioned an internal review into the effectiveness and value for money of the Council's sickness absence management and occupational health arrangements and to make recommendations for improvement. This review concluded in October 2023 and has been presented to CMT for discussion. Any decisions taken will focus areas of work on improvements in absence management for the coming year.
- 3.2 The review focused on the policy approach, impact of short term trigger breaches where disciplinary sanctions are applied on the basis of attendance levels, long term absence interventions and the existing occupational health service, along with the effectiveness of the Management of Absence Advisors in supporting directorates to improve levels of attendance.
- 3.3 Alternatives to consider were included for CMT discussion and a decision is expected shortly on the areas of focus for future improvement. These alternatives include focusing on wellness in work and retaining staff before they need to take sickness absence, identifying stress as the top strategic priority to address and refocusing the work that Management of Attendance Advisors provide to encourage greater cultural change in supporting wellness rather than delivering policy compliance.
- 3.4 In addition to the absence and occupational health review work continues in other areas to address management of absence. An Oracle Fusion manager dashboard remains in development with the aim to provide information for all managers with absence management responsibility on the following:-
- Staff absent due to sickness and number of days lost
 - Return to Work interviews outstanding
 - Record of Action meetings outstanding

This information will also be available to the next manager in the hierarchy, providing additional data and information to improve absence management across the authority.

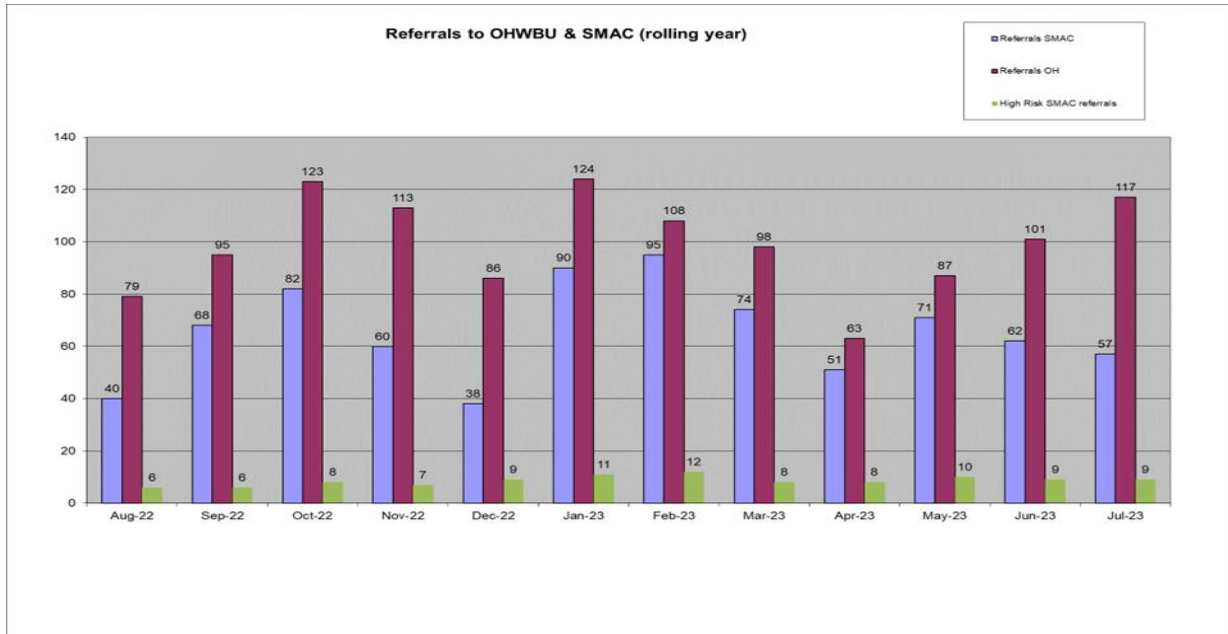
- 3.5 The monthly reminders to managers have had a positive impact in terms of queries and requests for additional training.
- 3.6 The Learning Module in Fusion is now complete having launched in July 2023 and will provide an additional tool to further improve compliance in completing mandatory sickness management training.
- 3.7 There is continued improvement in terms of completing Return to Work and Record of Action meetings.
- 3.8 Management of Absence Advisors have continued to work in the Education, Place and Social Services Directorates to support managers in ensuring compliance with our sickness absence policy and to identify proactive ways in managing and reducing sickness.

This has included;

- Support to progress current long term sickness cases of over 6 months and address cases which are progressing into 6 months and over.
- Early interventions in sickness cases to support managers and employees in progressing cases as appropriate.
- Strengthening links with occupational health by arranging review meetings with the OH team to assist managers by discussing next step plans at an earlier stage.
- Provision of additional dedicated clinics for Social Services staff, to minimise the waiting times between referrals and appointments.
- Manager training, guidance and upskilling.
- Support with manager compliance

4. Occupational Health Support

- 4.1 Occupational health services continue to be provided with a combination of in-house and outsourced support. On average there are 100 referrals received by the department each month and circa 85 of these referrals will be given an appointment with an advisor for further exploration. The resulting 15 will be signposted to other avenues where triaging determines that a medical opinion is not the most appropriate route.
- 4.2 There were 788 referrals to SMAC over the last 12 months- an average of 66 referrals per month. The target wait time for access to stress management and counselling is 10 weeks (unless triaged as high risk) and the current average wait is 5 weeks with employees able to access support via Helping Hands while waiting.
- 4.3 The number of occupational health referrals for the July 2022-2023 period are illustrated below;



4.3 In addition, the service offers a range of proactive interventions such as stress risk assessment training, Supporting Employee Wellbeing Training, Mental Health First Aid, Health Fairs, suicide awareness training sessions, Therapy Garden, Health Promotion Newsletters, the LGBTQ+ café, menopause café, and a bereavement support group.

4.4 As per the absence management review, the occupational health service review has generated options for CMT to consider implementing in order to improve the impact that OH services can have on long term sickness absence.

4.5 The recommendations for consideration include the potential for an Employee Assistance Programme (EAP) to be introduced to support urgent requirements for in-the-moment crises, removing automatic referrals at 28 days absence and promoting earlier intervention and a wider review of the current delivery model. Further updates can be provided to the Committee as this work develops.

5. Integrated Assessment Implications

5.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

- Deliver better outcomes for those people who experience socio-economic disadvantage
 - Consider opportunities for people to use the Welsh language
 - Treat the Welsh language no less favourably than English.
 - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 5.2. The Well-being of Future Generations (Wales) Act 2005 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 5.3. Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 5.4 There is no direct cumulative impact on people and /or communities other than to ensure that services are supported through provision of suitable resources, with appropriate governance, in line with Council policy. There are no implications identified through the Integrated Impact Assessment (IIA) process. Should there be any policy changes as a result of the CMT review these would be subject to an IIA assessment to identify any impact on people or groups.

6. Financial Implications

- 6.1 There are no financial implications other than those set out in the body of the report.

7. Legal Implications

- 7.1 There are no legal implications other than those set out in the body of the report.

Background Papers: None.

Appendices: Appendix A - Impact Assessment Report

Integrated Impact Assessment Screening Form – Appendix A

Please ensure that you refer to the Screening Form Guidance while completing this form.

Which service area and directorate are you from?

Service Area: HR and Service Centre

Directorate: Corporate Services

Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
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- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

(b) Please name and fully describe initiative here:

To provide an update report to the Governance & Audit Committee on actions arising from the Sickness Absence Audit report.

Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

| | High Impact | | Medium Impact | | Low Impact | | Needs further Investigation | No Impact |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|-------------------------------------|
| | + | - | + | - | + | - | | |
| Children/young people (0-18) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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| Disability | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Race (including refugees) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Asylum seekers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gypsies & travellers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Religion or (non-)belief | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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| Sexual Orientation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gender reassignment | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Welsh Language | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Poverty/social exclusion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Carers (inc. young carers) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Pregnancy and maternity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Human Rights | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Integrated Impact Assessment Screening Form – Appendix A

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches?
Please provide details below – either of your activities or your reasons for not undertaking involvement**

This is an update report for Audit Committee. There is no requirement for engagement, consultation or co-production.

Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:

- a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?
Yes No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?
Yes No
- c) Does the initiative apply each of the five ways of working?
Yes No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?
Yes No

Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)

High risk

Medium risk

Low risk

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes No If yes, please provide details below

Q7 Will this initiative result in any changes needed to the external or internal website?

Yes No If yes, please provide details below

Q8 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?

There is no direct cumulative impact on people and /or communities other than to ensure that services are supported through provision of suitable resources, with appropriate governance, in line with Council policy.

Integrated Impact Assessment Screening Form – Appendix A

Outcome of Screening

- Q9** Please describe the outcome of your screening using the headings below:
- Summary of impacts identified and mitigation needed (Q2)
 - Summary of involvement (Q3)
 - WFG considerations (Q4)
 - Any risks identified (Q5)
 - Cumulative impact (Q7)

(NB: This summary paragraph should be used in the ‘**Integrated Assessment Implications**’ section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

| |
|---|
| Screening completed by: |
| Name: Rachael Davies |
| Job title: Head of HR and Service Centre |
| Date: 10/10/2023 |
| Approval by Head of Service: |
| Name: Rachael Davies |
| Position: Head of HR and Service Centre |
| Date: 10/10/2023 |

Please return the completed form to accesstoservices@swansea.gov.uk



Report of the Cabinet Member for Community

Governance & Audit Committee – 25 October 2023

Report on the Audit Wales ‘A Missed Opportunity’ – Social Enterprises Report Recommendations

| | |
|------------------------------------|---|
| Purpose: | To provide a briefing to the Governance and Audit Committee on the findings of the Auditor General for Wales review of Social Enterprises in Wales and its recommendations for action by local authorities. |
| Report Authors: | Lee Cambule |
| Legal Officer: | Debbie Smith |
| Finance Officer: | Chris Davies |
| Access to Services Officer: | Rhian Millar |
| For Information | |

1. Introduction

- 1.1 Swansea Council’s Report on the Audit Wales ‘A missed opportunity’ Social Enterprises report recommendations provides a summary of the report and its findings, as well as highlighting the action taken by Swansea Council to date. This includes our response to the three recommendations and notes areas for further action which we intend to explore further.

2. Context

- 2.1 On 1 December 2022, Audit Wales published the report ‘A missed opportunity’ – Social Enterprises, looking at how local authorities across Wales are working to grow and make the most of Social Enterprises. A copy of the report is available for reference at <https://www.audit.wales/publication/missed-opportunity-social-enterprises>.
- 2.2 The report shares the finding of the second of three investigations by Audit Wales on the challenge of alleviating and tackling poverty. The overall conclusion of the report is that “local authorities are not effectively working with Social Enterprises to maximise their impact, make better use of resources and improve services for people and communities”.

3. Content

- 3.1 The report considers the strategic approach of local authorities to working with Social Enterprises. It summarises that local authorities take a passive leadership role with variable support arrangements that means local authorities miss out on the potential for Social Enterprises to help deliver services that improve the quality of life for our population.
- 3.2 The report considers the mechanisms that local authorities have in place to maximise the value of Social Enterprises. It summarises that there are issues impacting the effectiveness of local authorities' processes in getting the most value from Social Enterprises, from bureaucratic processes and a lack of resources to some procurement and commissioning arrangements potentially discouraging engagement with Social Enterprises.
- 3.3 The report considers the ways that local authorities evaluate and report on their duties and impacts in relation to Social Enterprises. It summarises that most local authorities are not delivering their responsibilities under the Social Services and Wellbeing (Wales) Act 2014, although there are some good opportunities for development as well as a drive for positive change. For reference, Section 16 of the Act places a duty on local authorities to **'promote development of Social Enterprises to provide care and support and preventative services'**.
- 3.4 The report highlights the following three recommendations:

| | Recommendation | What the report says |
|----|---|--|
| R1 | Conduct self evaluation | To get the best from their work with and funding of Social Enterprises, local authorities need to ensure they have the right arrangements and systems in place. We recommend that local authority officers use the checklist in Appendix 2 to: <ul style="list-style-type: none"> • self-evaluate current Social Enterprise engagement, management, performance and practice; • identify opportunities to improve joint working; and • jointly draft and implement an action plan with timeframes and responsibilities clearly set out to address the gaps and weaknesses identified through the self-evaluation. |
| R2 | Deliver Action Plan | To drive improvement we recommend that the local authority: <ul style="list-style-type: none"> • formally approve the completed Action Plan; • regularly report, monitor and evaluate performance at relevant scrutiny committees; and • revise actions and targets in light of the authority's evaluation and assessment of its performance. |
| R3 | Leadership on the poverty agenda | To ensure the local authority delivers its S.16 responsibilities to promote Social Enterprises we recommend that it reports on current activity and future priorities following the evaluation of its Action Plan including the Annual Report of the Director of Social Services. |

4. Way Forward

4.1 Our analysis of the findings of Audit Wales' report is detailed in the report at Appendix A. This includes the first iteration of our completed self-evaluation checklist, which has been developed in collaboration with colleagues across the organisation and with oversight from the Enabling Communities Group and Swansea Council Poverty Forum.

4.2 Based on the evaluation completed as part of the first recommendation, we have identified the following key actions to be taken forward:

Actions

- 1) We will co-produce, approve, publish and promote our regional vision for Social Enterprises.
- 2) We will create an engagement plan for continuous communication and interaction with Social Enterprise providers across Swansea.
- 3) We will complete mapping and analysis of existing Social Enterprises across Swansea.
- 4) We will support and deliver the Regional Social and Micro Enterprise Project Plan in line with key milestones, resources and constraints.
- 5) We will implement a framework for developing and promoting Social Enterprises in Swansea.
- 6) We will implement a framework for performance and financial monitoring and reporting relating to the work of Local Authorities in developing and promoting Social Enterprises in Swansea.
- 7) We will work with our partners to promote Social Enterprises in Swansea and the value of social enterprise.
- 8) We will develop the Council's relationships with local people and communities to increase awareness and understanding of social enterprise and help them to get more involved in developing new initiatives in their areas.
- 9) We will work with our partners to improve the skills and capabilities relevant to Social Enterprises in Swansea.
- 10) We will explore and recommend how information on and access to social and micro enterprises is best held and share that link with people with care and support needs to the people providing that support.
- 11) We will advise on available quality standards for social and micro enterprise.

4.3 We agree with the findings of the Audit Wales report and are committed to deliver the actions identified above through our existing transformation programme governance arrangements. There is a vital role for Social Enterprises to play in responding to this challenge and we can help the Social Enterprise sector to flourish in this region.

5. Integrated Assessment Implications

- 5.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to::
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
 - Deliver better outcomes for those people who experience socio-economic disadvantage
 - Consider opportunities for people to use the Welsh language
 - Treat the Welsh language no less favourably than English.
 - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 5.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the ‘well-being goals’.
- 5.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 5.4 An Integrated Impact Screening has been completed for this report with no further assessment required (See Appendix C). This is an IIA Screening for the ‘For Information’ Report to the Governance and Audit Committee regarding on the findings of the Auditor General for Wales review of Social Enterprises in Wales and its recommendations for action by local authorities. A full IIA will be carried out as part of the development process for the Tackling Poverty Strategy in due course.

6. Legal implications

- 6.1 There are no legal implications associated with this report.

7. Finance Implications

- 7.1 There are no immediate financial implications associated with this report. The actions noted in section 4 will be undertaken in line with departmental budgets.

Background papers: None

Appendices:

Appendix A – Report on the Audit Wales ‘A missed opportunity’ – Social Enterprises report recommendations

Appendix B – ‘A missed opportunity’ – Social Enterprises Report

Appendix C – Integrated Impact Assessment (IIA) Screening



Report on the Audit Wales ‘A missed opportunity’ report recommendations

Governance & Audit Committee

25 October 2023

1. Executive Summary

In 2017, Swansea Council published **Working towards prosperity for all in Swansea: A tackling poverty strategy for Swansea**. This corporate strategy represented the Council's commitment to reducing poverty and the impacts that poverty has on the people of Swansea. In line with this commitment, tackling poverty is one of Swansea Council's well-being objectives defined in its **Corporate Plan 2023-2027**:

Tackling Poverty and Enabling Communities so that every person in Swansea can achieve their potential.

On 1st December 2022, Audit Wales published the report **'A missed opportunity' – Social Enterprises**. The report looks at how local authorities across Wales are working to grow and make the most of Social Enterprises. The report concludes that "local authorities are not effectively working with Social Enterprises to maximise their impact, make better use of resources and improve services for people and communities".

The purpose of this report is to provide an overview of the findings of this report (including the key recommendations for consideration) and set out proposals for our local response.

2. Context

Social Enterprises are businesses which trade for a social or environmental purpose. They operate across many different industries and there are estimated to be around 100,000 social enterprises in the UK. In the Social Services and Well-being (Wales) Act 2014, Section 16 imposes a duty on local authorities to promote social enterprises, co-operative organisations, co-operative arrangements and third sector organisations to provide care and support and preventative services in their area.

Audit Wales published this report as the second of three key reviews relating to tackling poverty in Wales (the other reports being **'Time for Change'** and **'Together We Can'**). This report was compiled based on a high-level examination of all local authorities in Wales conducted between August 2021 and September 2022, using document reviews, data analysis, interviews and surveys to inform the final report.

The report recognises most local authorities take a passive or responsive approach to social enterprises, with little evidence of leadership or proactive engagement in this area. This includes the link to Social Value, where processes and resource constraints mean that procurement and commissioning opportunities do not encourage or enable a role for social enterprise. While the likes of Regional Partnership Boards (RPB) encourage change in this area, most local authorities are not delivering their commitments against Section 16 of the Social Services and Well-being (Wales) Act in relation to promoting Social Enterprises.



Considering the strategic approach of local authorities to working with Social Enterprises, the report highlights the importance of mapping and understanding role of Social Enterprises in their local area. Where local authorities talk positively about Social Enterprises, this does not translate into action or realisation of the benefits that social enterprises can provide. No local authorities in Wales have a dedicated Social Enterprise strategy or a clear vision for the potential outcomes of social enterprises to people and communities (especially considering collaborative working opportunities). Leadership from local authorities is often limited and not senior enough to direct resources, policies and decisions, while there is limited information and promotion of social enterprises by local authorities (e.g. on council websites).

Considering how local authorities exploit the potential value of Social Enterprises, the report highlights that most social enterprises in Wales get their income from trading with the public or grants from public sector sources like Welsh Government, which indicates an opportunity for local authorities to tap into this potential. Recognising the continuing economic pressures facing local authorities, the report does recognise their strong record of local economic development and the opportunities are there if we can overcome barriers such as:

- Procurement rules that discourage smaller businesses;
- Processes focus on profit and savings over social value, community resilience and well-being;
- Preference of local authorities to ‘work with what we know’ rather than actively seeking new opportunities;
- Limited skilled resources in local authorities to target Social Enterprises.

It is worth noting that social value is a key driver in the potential of Social Enterprises and the report highlights the lack of definitions and measures relating to social value. Procurement and commissioning teams often lack the right skills and capacity to realise the benefits of social value although there is good evidence of approaches to developing social value such as in partnership with the third sector.

Considering how local authorities deliver their responsibilities under Section 16 of the Social Services and Well-being (Wales) Act 2014, the report evidences that few local authority officers were aware of the legal duty and how they play a role in growing the social enterprise sector. This was in particular reference to the social care sector where the private sector remains the dominant partner. The creation of Social Value Forums through the RPBs is intended to drive delivery of the Section 16 responsibilities at a regional level while Directors of Social Services are required to produce an annual report setting out the improvement journey of each local authority in providing services to the people in its area. There are other areas of improvement such as reporting to elected members and outcome-based reporting.

Other findings of the report include:

- Social Enterprises are worth a combined £60 billion to the UK economy and employ around 2 million people;
- Over 60% of Welsh Social Enterprises only work in one local authority area given that they are primarily community-based;
- In Swansea, the number of social enterprises is growing, up by 17% from 135 in 2018 to 158 in 2020;
- In 2020, the sectors with the highest proportion of social enterprises were a) arts, entertainment, recreation and other services (26%), b) community centre, social space and youth clubs (20%), c) Education (10%) and Health & Care (9%);
- Ways of working relating to relationships between local authorities and social enterprises vary across Wales, with a small number of councils funding their own social enterprises;

- The language relation to Section 16 duties, specifically the word “promote”, leaves a wide interpretation across local authorities with little activity focused on helping to create new Social Enterprises.

3. Findings

This report from Audit Wales highlights an opportunity for the Council to do more to actively promote and support the Social Enterprise sector in Swansea, as well as deliver its duties in relation to the Social Services and Well-being (Wales) Act. We recognise the role that Social Enterprises can play, sitting between public and private sectors to deliver a wide range of services and support to individuals and communities. This is particularly relevant to supporting disadvantaged areas such as people who are in poverty.

The report provides some good practice examples from various local authorities in Wales and across the UK but it encourages each local authority in Wales to undertake an internal evaluation of where it is now with Social Enterprises. An **evaluation tool** has been developed by Audit Wales and is included in the Appendices of the ‘A missed opportunity’ Report, covering the following headings for local authority consideration:

- 1) Vision;
- 2) Corporate Approach;
- 3) Understanding the local Social Enterprise sector;
- 4) Collaboration and partnership arrangements;
- 5) Strategy;
- 6) Delivering the strategy;
- 7) Designing services;
- 8) Effective award systems;
- 9) Efficient award systems;
- 10) Training and information sharing;
- 11) Information collection;
- 12) Performance review;
- 13) Risk management.

4. Recommendations

Recommendation 1 (R1)

The report states: To get the best from their work with and funding of Social Enterprises, local authorities need to ensure they have the right arrangements and systems in place. We recommend that local authority officers use the checklist in Appendix 2 to:

- self-evaluate current Social Enterprise engagement, management, performance and practice;
- identify opportunities to improve joint working; and
- jointly draft and implement an action plan with timeframes and responsibilities clearly set out to address the gaps and weaknesses identified through the self-evaluation.

Our response:

The Council welcomes the opportunity to evaluate its current position and identify actions, improvements and transformative work required to enable, promote and support the Social

Enterprise sector in Swansea. Through the two oversight groups that coordinate the delivery of the Corporate Priority ‘Tackling Poverty and Enabling Communities’ – these are the **Swansea Council Poverty Forum** and **Enabling Communities Group** – we have undertaken in internal review of the evaluation tool. A table with our evaluation findings is including in Annex A of this document.

Recommendation 2 (R2)

The report states: To drive improvement we recommend that the local authority:

- formally approve the completed Action Plan;
- regularly report, monitor and evaluate performance at relevant scrutiny committees; and
- revise actions and targets in light of the authority’s evaluation and assessment of its performance.

Our response:

Based on the evaluation completed as part of the first recommendation, we have identified the following key actions to be taken forward:

Actions

- 1) We will co-produce, approve, publish and promote our regional vision for Social Enterprises.
- 2) We will create an engagement plan for continuous communication and interaction with Social Enterprise providers across Swansea.
- 3) We will complete mapping and analysis of existing Social Enterprises across Swansea.
- 4) We will support and deliver the Regional Social and Micro Enterprise Project Plan in line with key milestones, resources and constraints.
- 5) We will implement a framework for developing and promoting Social Enterprises in Swansea.
- 6) We will implement a framework for performance and financial monitoring and reporting relating to the work of Local Authorities in developing and promoting Social Enterprises in Swansea.
- 7) We will work with our partners to promote Social Enterprises in Swansea and the value of social enterprise.
- 8) We will develop the Council's relationships with local people and communities to increase awareness and understanding of social enterprise and help them to get more involved in developing new initiatives in their areas.

Actions

- 9) We will work with our partners to improve the skills and capabilities relevant to Social Enterprises in Swansea.
- 10) We will explore and recommend how information on and access to social and micro enterprises is best held and share that link with people with care and support needs to the people providing that support.
- 11) We will advise on available quality standards for social and micro enterprise.

These actions will form the basis of developing a focused Action Plan, aligned with our Corporate Priority action planning, delivery and performance management processes.

Recommendation 3 (R3)

The report states: To ensure the local authority delivers its Section 16 responsibilities to promote Social Enterprises we recommend that it reports on current activity and future priorities following the evaluation of its Action Plan including the Annual Report of the Director of Social Services.

Our response:

We are compliant with the Section 16 duties in relation to promoting and reporting on Social Enterprises through the Annual Report of the Director of Social Services (the current iteration is in development at the time of this report). We are already planning and undertaking the following activities to ensure that we remain aligned with current and future priorities:

- An annual evaluation of performance against action plan priorities and recalibration of action plan objectives and timescales where required;
- Inclusion of annual reporting on S16 responsibilities within Market Stability Reports required under the SSWBA (Wales) 2014;
- Creation of Market Position Statements which communicate S16 aspirations to the wider social care market;
- Review what and how performance information is collated and evaluated so that, if necessary, S16 duties can be reported more effectively in the Annual Report of the Director of Social Services;
- Review arrangements for regional collaboration relating to S16 duties and creation of processes for informing and advising Regional Partnership Boards on matters relating to S16 responsibilities.

5. Way Forward

Overview of the report findings

In summary, we agree with the findings of the Audit Wales report and the recognition that, given the significant challenges that local authorities are facing as a result of the Cost of Living crisis, the impact on our communities is likely to increase in the future. There is a vital role for Social Enterprises to play in responding to this challenge and we can help the Social Enterprise sector to flourish in this region.

We recognise from the evaluation which we have undertaken that there is more to be done to define, deliver and continuously improve our vision and strategy for Social Enterprises in Swansea. Under the Corporate Priority 'Tackling Poverty and Enabling Communities', the Council is committed to taking action and working with our local communities and partners to embed the principles, cultural changes and new initiatives.

Next Steps

The Council's is in a good position to take forward the identified actions and report them against the Corporate Priority 'Tackling Poverty and Enabling Communities'. Existing governance in place for coordination of this Corporate Priority will provide oversight of progress against these actions. Work is underway to refresh our Tackling Poverty Strategy and this will include a range of co-production activities to understand the needs and priorities of our partners, stakeholders and the communities of Swansea.

Annex A – Evaluation Table

| Heading | Action | Status | Current position |
|---------|---|-------------|--|
| Vision | We have an agreed vision on how we will work with Social Enterprises. | Started | <p>The Council is a member of the regional, multi-organisational Micro and Social Enterprise Group. Work on a vision has commenced and the group's purpose has been signed off as follows:</p> <p><i>To develop the right conditions for the sustainable development of Social and Micro Enterprise across the West Glamorgan Region; ensuring links with the Social Value Network.</i></p> <p><i>To support progress towards a rebalanced market by supporting the development of section 16 models of care based within communities and focused on the principles of the Social Services and Wellbeing (Wales) Act 2014</i></p> <p><i>To support individuals in communities across West Glamorgan to design and develop new models of care with local / hyper local delivery.</i></p> <p>The Council is also a member of the regional Social Value Forum. Both of these initiatives are part of the governance for the West Glamorgan Regional Partnership. Though this means an initial focus on health and care, the intention is that the vision and subsequent approaches, actions and impacts will be applied across the Council.</p> |
| | The vision has been shared with, and is understood by, all relevant staff in the local authority. | Not Started | This action will commence once dependent tasks mentioned above have been completed. Existing communication and engagement channels will be used to deliver key messages across all Council departments and services. |
| | The vision has been shared with, endorsed by and is understood by elected members. | Not Started | This action will commence once dependent tasks mentioned above have been completed. Existing relationships and forums will be used to engage with and gain commitment from Elected Members. Bespoke actions may be identified as part of further planning with Elected Members. |
| | The vision has been developed in discussion with the local County Voluntary Council. | Started | Swansea Council for Voluntary Service (SCVS) is a key strategic partner and a member of the regional Prevention and Community Coordination Board that is overseeing the development of a regional vision for micro and social enterprises. |
| | The vision has been disseminated to Social Enterprises we work with. | Not Started | A map of the current provision of Social Enterprises across Swansea is under development. This will be based on definitions and identification of relationship owners within partner organisations. We have existing relationships with some Social Enterprises including those who are members of the Social Value Forum. |

| Heading | Action | Status | Current position |
|--------------------|---|-------------|--|
| | <p>The vision clearly sets out how we intend to deliver our Section 16 responsibilities for promoting Social Enterprises including:</p> <ul style="list-style-type: none"> • Our work to promote social value through the Regional Partnership Board; and • Use of the Regional Integrated Fund to promote and develop Social Enterprises | Started | The Micro and Social Enterprise Group has developed a delivery plan setting out key work and actions including implementation of Section 16 responsibilities. Members of the group report into the Regional Partnership Board's governance through the Prevention and Community Coordination Board. |
| Corporate Approach | We have a corporate led approach for working with Social Enterprises that covers all departments and services. | Not Started | <i>This action will commence once dependent tasks mentioned above have been completed. There is currently no consistent approach applied across Council departments and services for working with Social Enterprises.</i> |
| | The corporate approach translates our vision into practical actions. | Not Started | <i>This action will commence once dependent tasks mentioned above have been completed.</i> |
| | We have designated a corporate lead for Social Enterprises who is responsible for overseeing and coordinating our work with the sector. | Not Started | <i>This action will commence once dependent tasks mentioned above have been completed. There is currently no recognised officer post in the Council for leading on Social Enterprises, although a number of Elected Members and Council Officers have some responsibility for linked aspects such as community enablement, procurement and grant administration.</i> |

| Heading | Action | Status | Current position |
|---|--|---------|--|
| Understanding the local Social Enterprise sector | We have mapped out the Social Enterprise sector in our local authority area and know: <ul style="list-style-type: none"> • The number of organisations working locally; • The services they provide; • The communities the services are provided in; • The people the service is provided for; • How the services are funded; • The operating hours/days for services; • The eligibility criteria for the service (if any); • How the service fits with our Section16 responsibilities for promoting Social Enterprises in delivering social care services; and • Who to contact for more information | Started | We have mapped health and social care / wellbeing social enterprises across Swansea and Neath Port Talbot. Further mapping work is required to identify social enterprises across other sectors and interacting with other Council departments. We are considering merging the Micro and Social Enterprise Group with the new Section 16 Forum - pending further consideration and alignment with regional decision-making. |
| | We have a record of all our Social Enterprise funding | Started | We are mapping this from a health and social care / wellbeing perspective but further mapping and analysis is required. |
| | We collate financial information and report at least annually on the totality of our Social Enterprise funding covering: <ul style="list-style-type: none"> • which organisations we fund; • the contract value; • the length of the contract; • which department/service has contracted; • the measures of success established for the work; and • what the intended benefits of the work are | Started | Some financial reporting exists in separate governance structures and information flows but there is no alignment and consolidation of this data for Social Enterprises. We have mapped out the conditions we believe will support Social Enterprises to thrive and are currently focused on success measures to inform this information and reporting approach. |

| Heading | Action | Status | Current position |
|---|---|-------------|---|
| | <p>We raise awareness on the benefits presented by Social Enterprises to ensure all staff identify opportunities to collaborate with them by:</p> <ul style="list-style-type: none"> • hosting a social enterprise day within the local authority; • putting on workshops for councillors and senior managers; and • developing activities to celebrate and promote social enterprise | Started | <p>We are in the process of developing a framework to promote the understanding and benefits of social enterprise. Activities arising from this framework will be planned in detail and aligned to Council communication and engagement plans.</p> |
| <p>Collaboration and partnership arrangements</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 232</p> | <p>We have identified and agreed how the work of Social Enterprises will be managed and scrutinised at a:</p> <ul style="list-style-type: none"> • corporate level – in the work of strategic partnerships and corporate scrutiny committees; • department level – in specific partnership arrangements to support wider policy agendas within defined areas; and • service level – on local partnerships and specific service-led initiatives | Not Started | <p>As above, currently approaches to Social Enterprises across the Council are not aligned or governed in a corporate approach that differentiates the roles and responsibilities at different levels of the organisation, as well as with our partners and stakeholders. Some governing bodies such as the Enabling Communities Group (which is aligned to the Corporate Priority 'Tackling Poverty and Enabling Communities') could be easily adapted to provide a role in this approach.</p> |
| | <p>We effectively raise awareness of the work of social enterprises and involve local people and communities in developing new Social Enterprises.</p> | Started | <p>We have strong connections with local communities through roles like Local Area Coordination. This presence in communities and relationships with people (including community leaders and activists) provides a solid foundation for engagement and involvement activities. Once we have our framework and engagement plan in place, we will be able to proceed with this work. We are building the right conditions to support the growth of social enterprises.</p> |
| | <p>We have a clear and effective relationship with our County Voluntary Council as a key strategic and delivery partner</p> | Completed | <p>We have a strong working relationship with SCVS across a range of partnership agreements and working arrangements such as the Social Value Forum; they are a key strategic and delivery partner as well as an important link between statutory and voluntary sectors.</p> |

| Heading | Action | Status | Current position |
|-------------------------|--|-------------|--|
| | We have a nominated lead senior official to promote and lead work through the regional Social Value Forum | Not Started | We have officers responsible for various aspects of delivering and engaging with Social Enterprises. Ensuring strategic ownership and designated leads for this work will be part of the development of the framework identified above. |
| Strategy | Our approach to Social Enterprises is integrated with our key strategies and plan – eg Wellbeing Plan, corporate priorities and other community and regional strategies. | Started | Social enterprises are currently captured within and reported against regional transformation plans under the West Glamorgan Regional Partnership. Social Enterprises align within our Corporate Plan under our wellbeing objective 'Tackling Poverty and Enabling Communities' and will align with our Enabling Communities Transformation Programme. More focused internal documents have been developed such as the Social Value Policy developed by Procurement. Some actions that enable us to deliver this strategic approach may be part of business-as-usual or internal plans and policies. |
| | We have set SMART objectives and actions on how we will support and promote the growth of Social Enterprises. | Not Started | <i>This action will commence once dependent tasks mentioned above have been completed. We intend to take a collaborative approach to identifying and defining the actions to support and promote Social Enterprises, embedding the principles of co-production in our action planning approach.</i> |
| | We are clear on the benefits and risks of Social Enterprises for citizens, local communities and the local authority | Started | We are just beginning to explore the benefits and risks of Social Enterprises in partnership with our stakeholders and communities. Further work on this - based on embedding the principles of co-production in all of our work - can continue once the actions above such as mapping activities have been completed. |
| Delivering the strategy | We have enough staff and resources to promote and grow Social Enterprises. | Started | At present, an investment of £148K is dedicated to the development of social and micro enterprise in the regional space. The Council currently commission SCVS to deliver social enterprise development support on a local level; This officer sits on the regional group. Further mapping of roles and responsibilities across Council departments is required to understand and propose future resource requirements. |
| | We have staff in the right services and with the required seniority to deliver our vision for Social Enterprises. | Not Started | <i>This action will commence once dependent tasks mentioned above have been completed. The Enabling Communities Group - which features senior leads and managers from various departments and services focused on community development - will be the key oversight group for this development. We recognise that departments and services are very open to innovation and working in different ways so any changes required to enable the delivery of our vision for Social Enterprises in Swansea will follow internal change processes.</i> |

| Heading | Action | Status | Current position |
|--------------------|--|-------------|--|
| | We have a can-do culture mindset within the council to make the best use of Social Enterprises. | Started | There are positive examples of the Council's approach to working with Social Enterprises and the values held up by Council staff when working with our communities to deliver social value. A robust framework for social enterprise will allow us to fully evidence and demonstrate this attitude and mindset. |
| | We give staff the opportunity to take well-managed risks and explore innovative practices | Started | A culture of innovation and managed risk is inherent in many departments and services such as social care and this translates to our policies, practices and ways of working. A robust framework for social enterprise will allow us to fully evidence and demonstrate this behaviour in our workforce. |
| Designing services | We draw on the expertise and knowledge of Social Enterprises in designing new services. | Not Started | As mentioned above, we are still exploring and mapping the Social Enterprises sector in the Swansea / West Glamorgan region. This will help us to identify and align our existing relationships with Social Enterprises as well as draw upon new sources of expertise and knowledge. We also draw upon our partnership arrangements with the Third Sector to draw upon specialist resources to inform our approach. Embedding the principles of co-production is a key principle for this work but we require a good network across multiple sectors and communities to ensure co-production is done well. |
| | Our commissioners make good use of the Market Stability Report process to inform commissioning and market shaping activity for the social care sector | Started | This is an iterative process and we are beginning to inform commissioning and market shaping. Much effort has gone into developing data sets across the region. |
| | In designing services, we clearly set out: <ul style="list-style-type: none"> • what demand the service will meet; • how we have decided on the type of service that we require; and • how we will engage with current and potential providers to develop the service | Started | From a commissioning of services perspective, we have mature arrangements in place for developing service specifications and supplier engagement events. We recognise that co-design of services is an iterative process and we need to embed principles such as co-production across our service provisions including commissioned services. |
| | We ensure that our tender process is accessible for all potential collaborators. | Started | There is significant effort put into making our tendering process open and accessible, encouraging collaboration with existing organisations and service providers as part of the process. |
| | We can demonstrate we have the capacity and skills to undertake the strategic commissioning process | Completed | We have experienced commissioning officers working in areas such as social care to ensure that our strategic commissioning approach is robust and compliant. All officers currently undergoing training from IPC to continually refresh knowledge and awareness of the standards required. |

| Heading | Action | Status | Current position |
|-------------------------|--|-------------|---|
| | We actively look for ways to invite collaboration | Started | Collaboration on developing and designing services is a key aspect of our commissioning process. Ongoing, iterative collaboration is also encouraged. We have good working relationships and networks with partners, stakeholders and local communities, with opportunities to enhance and expand these avenues toward collaborative working. |
| Effective award systems | We have created a single centralised and corporate funding system for the management and award of all funding to Social Enterprises. | Not Started | While there are existing processes, grant funding opportunities and mature procurement arrangements in place to support funding of Social Enterprises, this is not coordinated and financed in a centralised management system. In developing our framework for Social Enterprises, we will look to define the systems, approaches and common principles for all Social Enterprise activity. |
| | We have effective systems to award funding to organisations that sets out: <ul style="list-style-type: none"> • a clear funding timetable that is available to all potential bidders so that they can prepare for opportunities; • the process that will be used to decide (for example, seeking quotations or using a tender or proposal process); • the value and risk associated with the various funding routes; • clear and published criteria that are understood by all organisations seeking funding, including community benefit and social value clauses; • the cost and resources to oversee and administer the process; and • the length of time that funding will be provided | Started | Although we envisage our framework development to inform a consistent strategic approach for Social Enterprise funding, we currently operate with an effective system in place for those opportunities that are available. Whenever we manage a grant funding opportunity, we promote this information to potential bidders and interested parties. Based on our further actions defined above, we may identify areas for improvement or opportunities to apply more consistency in our approaches across departments and services. |

| Heading | Action | Status | Current position |
|----------------------------------|---|---------------|--|
| Efficient award systems | We have efficient corporate systems to award funding based on: <ul style="list-style-type: none"> • concise and clear application processes; • use of online and electronic systems to distribute and collate information and bids; • short end-to-end decision-making arrangements; • the minimum number of stages and processes required to decide; and • decisions being delegated to the lowest level. | Started | See above |
| | Our contract terms and conditions are proportionate to the level of funding being made and are specific to the work that is being funded. | Completed | Our current contract management processes ensure robust definition of Terms and Conditions relevant to the funding criteria of each initiative. |
| | We review our funding processes to ensure we are not excluding Social Enterprises from securing work. | Started | There are quality review mechanisms in place to ensure that we are continuously improving our funding processes. The framework we are developing will inform how we apply these mechanisms to ensure that Social Enterprises are appropriately considered at all parts of the funding model for all departments and services. |
| Training and information sharing | We provide training to support Social Enterprises covering: <ul style="list-style-type: none"> • how to apply for funding – the do's and don'ts; • complying with our commissioning and procurement systems; • data collection processes; • performance management and scrutiny arrangements; • payment cycles and performance targets; and • contract termination/continuation requirements | Started | There is currently limited training directly focused on Social Enterprise development, primarily delivered through SCVS and third sector partners. We envisage that part of our framework development will include identifying a programme of training and development activities to support our local communities and networks. |

| Heading | Action | Status | Current position |
|------------------------|--|-------------|---|
| Information collection | We have specified the information required to monitor and evaluate the performance of the Social Enterprises we fund | Started | While there are existing processes in place relevant to current Social Enterprise schemes, the framework we develop will inform a consistent approach to performance monitoring and evaluation. |
| | The information only measures relevant activity. | Started | See above. |
| | The systems to collect information are streamlined and efficient, and Social Enterprises only submit information once and electronically on agreed timescales | Not Started | Regional activities currently planned by our Micro and Social Enterprise Group include looking at how information should be stored and accessed, including not just performance and reporting needs but in terms of informing decisions made on the health and care needs of individuals supported by Social Enterprises. |
| Performance review | We regularly report on our Social Enterprise funding to scrutiny committee(s) against a balanced set of performance information that covers: <ul style="list-style-type: none"> • the service standards we set for the Social Enterprise we fund to perform against; • improvements in people's wellbeing and social outcomes; and • relevant service-based performance data; and • conclusions of external audit/inspection reviews | Started | There is currently no mechanism in place to report on all Social Enterprise activity across the Council in a single consolidated report. Individual initiatives may be subject to scrutiny reporting as part of their relevant department or service governance arrangements but we intend to implement a framework that aligns performance information and reporting requirements for all Social Enterprise funding activities. In addition, our framework should align with consistent quality standards in relation to Social Enterprises. |
| | Our scrutiny and evaluation processes: <ul style="list-style-type: none"> • are proportionate for the value of the funding we provide; and • provide us with assurance that our funding is achieving the expected outcomes | Started | Existing scrutiny and evaluation processes are regularly reviewed to ensure that they are proportionate and effective in measuring outcomes. When they are applied to reviews of Social Enterprise activity, they would follow the same processes and standards. |

| Heading | Action | Status | Current position |
|---------------------------------|---|-------------|--|
| | Annually we report publicly: <ul style="list-style-type: none"> • on the work of Social Enterprises; • on the current performance of Social Enterprises we fund; • how we will promote further opportunities for the sector in the future; and • how well we are performing in delivering our S.16 responsibilities for Social Enterprises. | Not Started | See above. |
| Risk management Page 238 | We regularly review risks associated with our Social Enterprise funding | Started | There are risk management processes and compliance reviews in place and applicable to funding of initiatives on individual basis in line with relevant corporate, departmental and service level risk management practices. As mentioned above, the development of a framework for social enterprises would allow us to identify and mitigate risks associated with Social Enterprise developments (including funding) at a cross-organisational level and for mitigating actions to be taken appropriately. |
| | We agree risk management plans if risks are not being managed and mitigated. | Started | See above |
| | We have a rolling programme of internal audit systems testing and compliance reviews to ensure the robustness, efficiency and effectiveness of our funding of Social Enterprise services | Started | See above |

'A missed opportunity' – Social Enterprises

Report of the Auditor General for Wales

December 2022



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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

Contents

| | |
|---|----|
| Context | 4 |
| Key findings | 5 |
| Key Facts | 7 |
| Recommendations | 8 |
| Detailed report | |
| 1 Social Enterprises can provide important services, but most local authorities lack a coherent strategy and are not working collaboratively to help support their growth and development | 10 |
| 2 Local authorities do not have the right mechanisms in place to maximise value for money from their work with Social Enterprises | 22 |
| 3 Local authorities are not delivering their responsibilities under the Social Services and Well-Being (Wales) Act and weaknesses in data and evaluation limits their ability to promote Social Enterprises | 28 |
| Appendices | |
| 1 Audit approach and methods | 35 |
| 2 Checklist for local authorities for effectively engaging and working with Social Enterprises | 37 |
| 3 Differences in legislative, policy and funding for Social Enterprises across the three countries of Great Britain | 46 |
| 4 Number of Social Enterprises by Welsh local authority and percentage change between 2016 - 2020 | 47 |
| 5 Southeast Wales Community Economic Development programme | 48 |
| 6 Summary of Good Practice identified in this review | 49 |

Context

- 1 As organisations, Social Enterprises sit between the public and private sectors. They apply commercial strategies to maximise improvements in financial, social and environmental well-being, often for individual groups in society, defined communities or geographical areas. In particular, Social Enterprises can benefit disadvantaged communities; create wealth where money is scarce; and help to tackle poverty and need. The structure of Social Enterprises vary and include partnerships for-profit or non-profit, co-operatives, mutual organisations, social businesses, community interest companies and charities.
- 2 Social enterprise can therefore work in every sector of the Welsh economy and in all parts of the country and are increasingly prominent in Welsh Parliament legislation. Section 16 of the Social Services and Well-being (Wales) Act 2014 places a duty on local authorities to 'promote development of Social Enterprises to provide care and support and preventative services'. Likewise, the ethos and approach of Social Enterprises fits well with the Wellbeing of Future Generations Act 2015. Social enterprises can make a significant contribution to delivering the seven national wellbeing goals by helping to create a fairer and more equal country.
- 3 Importantly, because Social Enterprises focus on keeping wealth within communities, they can assist people who are in poverty by:
 - directly helping people in disadvantaged communities by providing services that would otherwise not be available;
 - supplying basic public benefits such as social, educational, health and general economic interest services to local communities, including to people who are unable to pay;
 - creating new employment opportunities as a result of the services they supply;
 - contributing to the economic development of deprived communities; and
 - targeting their work to help disadvantaged people, including vulnerable women, people with disabilities and ethnic minority groups.
- 4 This report therefore looks at how local authorities are working to grow and make the most of Social Enterprises ensuring social value and social capital stay in communities and help people who are struggling. This is also the second report of our three reviews on the challenge of alleviating and tackling poverty in Wales. **Appendix 1** sets out our audit approach and methods and includes more information on our poverty themed work.

Key findings

- 5 Our overall conclusion is that local authorities are not effectively working with Social Enterprises to maximise their impact, make better use of resources and improve services for people and communities.
- 6 In **Part 1** of the report, we consider the strategic approach of local authorities to working with Social Enterprises. While they claim they value Social Enterprises, few local authorities have mapped their activity. Less than a third of local authorities consider themselves to have a proactive and supportive relationship with Social Enterprises and none have a dedicated strategy or policy that charts how they intend to promote and grow the sector.
- 7 We also found that most local authorities have adopted a passive leadership role, often responding to Social Enterprises that approach them but not proactively seeking to work with Social Enterprises or help stimulate new ones. This leadership vacuum has resulted in Social Enterprises often being at the fringes of local authority business. An overly reactive approach and variable support arrangements also means that local authorities are missing out on the potential for Social Enterprises to help deliver services that can improve people's quality of life.
- 8 In **Part 2** we consider the mechanisms local authorities have in place to ensure they maximise the potential value for money of Social Enterprises. While most local authorities provide grants for businesses and the third sector, they are not using them to specifically support Social Enterprises. Current procurement and commissioning arrangements often unintentionally discourage Social Enterprises to engage. Overly bureaucratic approaches and a lack of capacity and resources within local government also limits the potential to grow the role of Social Enterprises in delivering services. Social value – the added value that commissioning processes can deliver – does not feature as a key driver for many local authorities.

- 9 Finally, in **Part 3** we examine evaluation and impact arrangements. We found that most local authorities are not delivering their responsibilities under the Social Services and Wellbeing (Wales) Act 2014 and effectively promoting Social Enterprises. No Director of Social Services Annual Report sets out how their authority is delivering the Section 16 duty and the majority of reports make little reference to Social Enterprises. Positively, a number of authorities are working to develop micro social enterprise businesses and Regional Partnership Boards have a growing role to drive positive change. Taken together, these represent good opportunities for the future. Despite this, over three-quarters of local authorities do not have robust performance management, reporting and evaluation systems in place to be able to judge the impact and value of the work of Social Enterprises.



Social Enterprises play an important role in meeting needs and helping people in communities across Wales. Local authorities could do more to maximise the impact of Social Enterprises, get better value for money from their work, and improve services for people and communities.

Adrian Crompton
Auditor General for Wales



Key facts

The Value of Social Enterprises

- In 2021 the UK had over **100,000 Social Enterprises**, worth a combined **£60 billion** to the UK economy employing 2 million people.
- The Social Enterprise sector in Wales in 2020 – up to **2,309** businesses employing **56,000** people and generating **£3.1 – £3.8 billion** in value.
- In Scotland in 2019 there were estimated to be **6,025** Social Enterprise businesses, with **88,318** staff and a net worth of **£6.1 billion**.
- Between 2018 and 2020 the Social Enterprise sector in Wales increased by **43%** rising from **1,601** organisations in 2016 to **2,247** in 2020.
- In Scotland Social Enterprises increased by **15.9%** between 2015 and 2019 rising from **5,199** to **6,025** in this period.



The size and turnover of the sector in Wales

- **5%** of Welsh Social Enterprises are medium sized to large (i.e. have at least 50 employees), far above the equivalent for all businesses within the Welsh economy (only **1%**).
- **32%** of Social Enterprises surveyed had no paid staff at all, whilst a further **9%** only had one.
- In 2020 the mean average turnover level was **£1.25 million**, of which:
 - **43%** have a turnover of between **£0** and **£50,000**;
 - **34%** turnover between **£50,001** and **£250,000**;
 - **14%** turnover of between **£250,001** and **£1 million**;
 - **6%** turnover of between **£1.01 million** and **£5 million**; and
 - **4%** over **£5 million**.

Source: [Social Business Wales, Mapping the Social Business Sector in Wales / 2020 Census](#), June 2021; [Social Enterprise UK, No Going Back – State of the Social Enterprise Survey 2021](#); and [CEIS, Social Enterprise in Scotland – Census 2019](#).

Recommendations

- 10 Our recommendations are set out below. We expect each council to consider the findings of this review and our recommendations, and that its governance and audit committee receives this report and monitors its response to our recommendations in a timely way.

Recommendations

- R1 To get the best from their work with and funding of Social Enterprises, local authorities need to ensure they have the right arrangements and systems in place. We recommend that local authority officers use the checklist in **Appendix 2** to:
- self-evaluate current Social Enterprise engagement, management, performance and practice;
 - identify opportunities to improve joint working; and
 - jointly draft and implement an action plan with timeframes and responsibilities clearly set out to address the gaps and weaknesses identified through the self-evaluation.
- R2 To drive improvement we recommend that the local authority:
- formally approve the completed Action Plan;
 - regularly report, monitor and evaluate performance at relevant scrutiny committees; and
 - revise actions and targets in light of the authority's evaluation and assessment of its performance.

Recommendations

- R3 To ensure the local authority delivers its S.16 responsibilities to promote Social Enterprises we recommend that it reports on current activity and future priorities following the evaluation of its Action Plan including the Annual Report of the Director of Social Services.



Social Enterprises can provide important services, but most local authorities lack a coherent strategy and are not working collaboratively to help support their growth and development

- 1.1 In this section of the report, we consider the strategic approach of local authorities to working with Social Enterprises. We review local authority plans, the range of information used to identify and prioritise action and arrangements to support the development of Social Enterprises. We also consider how well local authorities and Social Enterprises work together.

While they claim they value Social Enterprises, few local authorities have mapped their activity or planned how they will collaborate with them to maximise their impact

Local authorities have not mapped out the social enterprise sector in their area

- 1.2 In order to maximise impact, it is essential that local authorities have a full and detailed knowledge of the services Social Enterprises provide. Unless you know who works in your area, what services they provide and what opportunities they offer, it is difficult to develop a coherent strategic response. In this context, mapping is critical for local authorities to understand the contribution that Social Enterprises are making and the barriers they face to growing their role and enhancing their value in communities.
- 1.3 We found that very few local authorities have completed any formal mapping exercise to either understand the current role and contribution of Social Enterprises in their area or to identify opportunities for the future. While some noted that they have databases of Social Enterprises, these are out of date, mostly as a result of the pandemic.
- 1.4 Generally, those local authorities that have dedicated staff with a responsibility for working with the social enterprise sector, or business support staff in economic development, had a better understanding of the local situation and could describe relative strengths, weaknesses and opportunities. However, even in these circumstances, officers acknowledged that there were still gaps in their understanding and their intelligence was not sufficient to drive future strategic choices and priorities.

1.5 **Exhibit 1** below shows that the social enterprise sector in Wales is primarily community-based with most organisations operating in only one local authority area. This is markedly different to England where Social Enterprises are more likely to work across several local authority areas and often operate regionally, nationally and internationally. For instance, in 2021 only 23% of Social Enterprises in England¹ work in one local authority.

Exhibit 1 – number of Welsh local authorities Social Enterprises operate in

Just over 60% of Welsh Social Enterprises work in one local authority area and less than a quarter in six or more local authorities

| Number of local authorities | 2016 | 2018 | 2020 |
|------------------------------------|-------------|-------------|-------------|
| One | 62% | 59% | 61% |
| Two | 7% | 7% | 7% |
| Three | 8% | 7% | 7% |
| Four | 3% | 3% | 2% |
| Five | 2% | 3% | 2% |
| Six to fifteen | 6% | 4% | 4% |
| Sixteen to twenty-two | 12% | 15% | 18% |

Source: Social Business Wales, Mapping the Social Business Sector in Wales / 2020 Census, June 2021

1.6 Given that Social Enterprises in Wales are primarily community based, often concentrated in areas of deprivation², it is important that local authorities undertake a wider mapping exercise to better understand the sector and the opportunities they present and use this information to inform their future plans. If authorities do not have a good understanding of the sector then it will be difficult for them identify opportunities to work collaboratively and agree actions to promote and grow Social Enterprises.

1 Social Enterprises UK, No Going Back: State of Social Enterprise Report 2021

2 Research by [Social Business Wales](#) found that 45% of social businesses operate in the top 40% most deprived areas in Wales, and only 30% operate in the 40% least deprived areas.

Local authorities speak about the value of Social Enterprises but are not always translating this into action

- 1.7 A strategic approach to working with Social Enterprises will ensure the local authority as a whole understands what Social Enterprises offer and will set out how the local authority is seeking to maximise the benefits of working with Social Enterprises. Moreover, given Social Enterprises contribute to the enhancement of social cohesion, to the accumulation of social capital, and to a more equitable economic development at the community level, they are bodies with a strong poverty reduction focus. A small number of local authorities recognise that Social Enterprises could therefore be an inherently more sustainable method of delivering services given their deep-rooted work in communities and often strong preventive focus.
- 1.8 Research by Social Business Wales shows that Social Enterprises are particularly strong in areas that either complement the work of local government or where the role and work of local authorities has diminished in recent years. For instance, **Exhibit 2** shows a strong presence in community-based arts, leisure, recreation and youth work and important contributions in social care, health and education.

Exhibit 2 – proportion of Social Enterprises working in different sectors

Social Enterprises cut across a wide range of operational sectors but are primarily based in arts and recreation, community centres/groups, education, and health and care

| Sector | Proportion 2018 | Proportion 2020 ³ |
|--|--------------------|---------------------------------|
| Arts, entertainment, recreation & other services | 22% | 26% |
| Community Centre / Social Space / Youth Club | 8% | 20% |
| Education | 14% | 10% |
| Health & Care | 19% | 9% |
| Business administration & support services | 4% | 6% |
| Other | 9% | 6% |
| Accommodation & food services | 3% | 6% |
| Agriculture, forestry & fishing | 0% | 3% |
| Information & communication | 2% | 3% |
| Retail | 5% | 3% |
| Property | 6% | 3% |
| Transport & storage | 1% | 2% |
| Professional, scientific & technical | 6% | 2% |

Source: Social Business Wales, Mapping the Social Business Sector in Wales / 2020 Census, June 2021

3 The report suggests that due to the method of data collection (surveys), organisations which were more likely to close their doors (such as community spaces) are easier to contact and more likely to respond than healthcare organisations who are under heavy strain due to COVID-19.

- 1.9 Local authorities told us that they appreciate the good qualities of Social Enterprises and their potential, whether they provide services commissioned from the local authority or are merely active at a community level in the local area. However, we found that no local authority has a dedicated Social Enterprise strategy. And, while 10 of the 21 local authorities responding to our survey⁴ stated that they have a wider policy, strategy and/or plan that identifies the contribution of Social Enterprises, our review of these plans found that they are mostly limited, lacking detail on future priorities and opportunities for both local authorities and the sector.
- 1.10 For instance, none of the documents we reviewed set out a vision for Social Enterprises nor the potential outcomes that Social Enterprises can deliver for local authorities, residents and communities. A robust analysis of need was mostly missing from the Plans we reviewed and Social Enterprises did not receive more than a passing mention in any local authority's COVID-19 Recovery Strategy. As a consequence, priorities and actions for improvement are unambitious and limited, often overlooking added social value and social capital outcomes that Social Enterprises can secure. Our survey of local authority officers also found that only seven of the 21 authorities responding proactively engage with Social Enterprises in developing future plans and activity. Consequently, the significant benefits of working with Social Enterprises are less pronounced and often not shaping local authorities' priorities.

4 We surveyed all local authorities and received responses from 21 of the 22. Newport City Council did not respond to our survey.

Local authorities are not harnessing the potential of Social Enterprises to help deliver improved services, and a better quality of life for people

1.11 Successful Social Enterprises can have a good grasp of local need, work within strong local networks and have legitimacy as a voice for the community. They are, therefore, well placed to deliver services efficiently and innovatively. It is important therefore that local authorities help communities to identify needs, opportunities and proactively work with the sector to deliver the services people want. The growth and sustainability of Social Enterprises is therefore increasingly dependent on the opportunity and capacity for collaboration.

Effective local authority leadership on Social Enterprises is mostly absent

1.12 Leadership of the social enterprise agenda often rests with a handful of individuals in economic development or social care, but too often those managing these relationships are service managers and often not senior enough to direct resources, policies and decisions. For example, our survey of local authority officers found that only three of the 21 local authorities responding to our survey have a lead member for Social Enterprises and only six a lead officer.

1.13 We also found that most local authorities have adopted a passive leadership role, often responding to Social Enterprises that approach them rather than proactively seeking to work with existing Social Enterprises and help stimulate new ones. This is partly a reflection of some seeing Social Enterprises as 'risky,' citing issues with governance, handling of money, and legitimacy as areas of concern. Irrespective, this leadership vacuum is not helping to bring Social Enterprises from the fringes of local authority business to play a more central role.

1.14 More than half of the local authority officers we interviewed acknowledged that there was much more they could and should do to lead on this agenda, recognising that without an investment in senior leaders time, the local authority is unlikely to be successful in attracting new businesses and entrepreneurs to commit resources. Because leadership is generally poor, local authorities do not have a common understanding of how they want to work with Social Enterprises, which means that Social Enterprises cannot play a more active role in tackling poverty and disadvantage.

- 1.15 A number of local authorities in England⁵ have sought to create a more cohesive leadership approach by raising awareness to improve understanding. For instance:
- a hosting a social enterprise day within the local authority;
 - b putting on workshops for councillors and senior managers;
 - c ensuring senior management teams take responsibility for communicating their vision for Social Enterprises;
 - d setting targets for growth of the social enterprise sector; and
 - e developing activities to celebrate and promote social enterprise.
- 1.16 Good and effective leadership is therefore critical to support the Social Enterprise agenda's movement to the mainstream. Particularly as there is significant 'churn' in the Social Enterprise market which is mostly happening outside of any engagement with or support from local authorities. Research shows that the social business sector in Wales is very dynamic, comprising a core group of well-established organisations but also a growing group of start-ups.
- 1.17 For instance, in 2020 just under a fifth of Social Enterprises (17%) started trading within the last two years⁶ and double the number of start-ups in 2016. Start-up activity is particularly concentrated in Northeast Wales — Denbighshire and Wrexham account for 15% of all start-ups. With such a vibrant and ever-changing sector, it is important that local authorities take a more proactive and less passive approach in working with Social Enterprises if they are to maximise their potential and help support businesses that are struggling.

5 For example, Northumberland County Council raised awareness of the work conducted by social enterprises through information stalls aimed at staff, a social enterprise day and senior manager workshops to enhance understanding of the role and vision for the social enterprise sector. The local authority is also looking to create a cross-party member task group to consider how the local authority can support social enterprise. The task group will also champion social enterprise as a concept and promote a joint vision.

6 [Social Business Wales, Mapping the Social Business Sector in Wales / 2020 Census, June 2021](#)

While there are good examples of how some local authorities effectively collaborate with Social Enterprise, most authorities are not effectively promoting opportunities to widen their role and maximise their impact

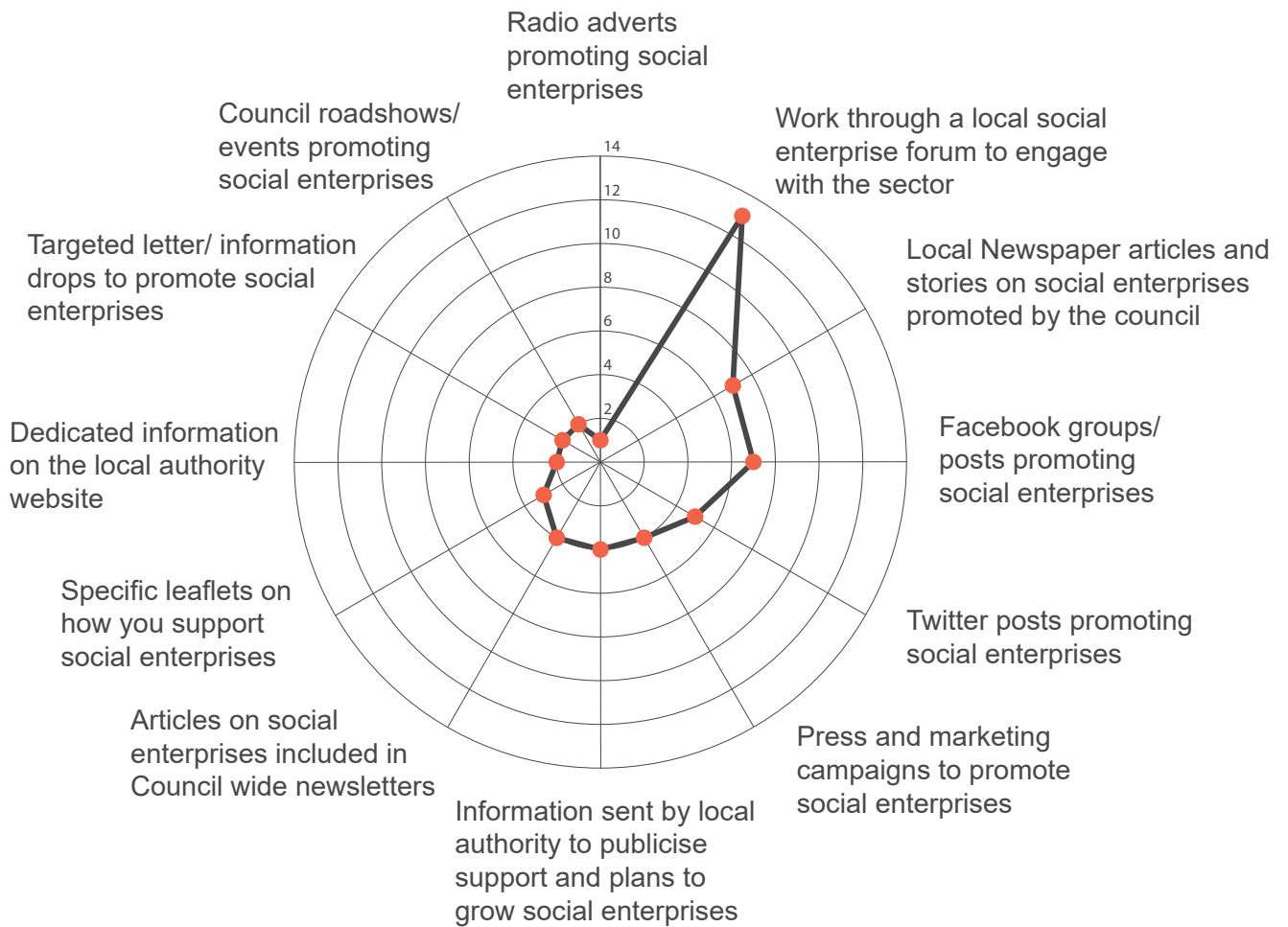
- 1.18 Collaboration between local authorities and the Social Enterprise sector can provide greater opportunities for all parties. It can also increase understanding by sharing knowledge. Just over half of local authorities have partnership boards or forums, usually with the third sector, which involve Social Enterprises, and a smaller number the presence of a sector led local Social Enterprise network. For example, the Blaenau Gwent 'voluntary sector group' brings together many partners, including Social Enterprises, and works with Transport for Wales, Jobcentre Plus, and others to prioritise future work, including opportunities to work with Social Enterprises, in the county.
- 1.19 In addition, a small number of local authorities have officers with specific responsibility for engaging with and developing relationships with Social Enterprises. For instance, the Business Enterprise Officer in Wrexham is the local authority's key contact with the local Social Enterprise Network. Generally, authorities with a better understanding of the barriers facing Social Enterprises are in a better place to work with the sector going forward.
- 1.20 The ways in which local authorities in Wales work with Social Enterprises to deliver services vary considerably. A small number of authorities have created and funded their own Social Enterprises. For example, in Torfaen, [Circulate](#) operates a recycling centre, providing recycling and waste disposal services which in turn help achieve the local authority's environmental sustainability goals. In the Vale of Glamorgan, the [Big Fresh Catering Company](#) is a social enterprise which provides food services to schools, businesses and private events, investing all profits into local schools. Other local authorities have externalised local authority services such as leisure services and libraries and transferred delivery responsibility to Social Enterprises with a proven record in delivering these activities.
- 1.21 In addition, officers we interviewed flagged the important role of Social Enterprises and the third sector more generally during the pandemic. Social Enterprises 'stepped up' to fill gaps in provision following the closure of frontline offices. One officer noted that 'Social Enterprises did amazing work during COVID-19, giving out food and making PPE. They deserve recognition. They stepped up to the plate at a time when some charities had to furlough all their staff!'

- 1.22 A number of local authority officers however, reflected that the pandemic had limited opportunities for involving Social Enterprises in the work of the local authority. While others noted that Social Enterprises 'value their independence' and do not respond well to local authority involvement. National organisations like CWMPAS and Social Business Wales are seen by some local authority officers as being better placed to work with the sector and determine future growth strategies. In addition, County Voluntary Councils also play an important support and development role linking between local authorities and Social Enterprises.
- 1.23 While almost all local authorities signpost to information on Social Enterprises on their website, only six local authorities had a dedicated page for Social Enterprises, and a small number had no information on Social Enterprises at all. Overall, we judge the quality and level of website information on Social Enterprises as limited. Too often information is not easy to find and is more than '3 clicks' away⁷. Local authorities are mostly not actively promoting opportunities to work with existing Social Enterprises nor effectively encouraging the creation of new ones.
- 1.24 The best local authority websites include:
- a a clear definition of what a Social Enterprise is;
 - b have links to a wide variety of organisations to access further and more detailed information, particularly on legal issues, such as Social Business Wales, CWMPAS, Social Enterprise UK or the WCVA; and
 - c provide contact details and information on local support programmes and grants administered by the local authority.
- 1.25 The findings of our officer survey set out in Exhibit 3 show that beyond working with forums or networks which include Social Enterprises as members, local authorities are not using all the available avenues to deliver their responsibilities to promote Social Enterprises.

⁷ The three-click rule is an unofficial web design rule concerning the design of website navigation. It suggests that a user of a website should be able to find any information with no more than three mouse clicks. It is based on the belief that users of a site will become frustrated and often leave if they cannot find the information within the three clicks.

Exhibit 3 – local authority officer survey - Options used by local authorities to promote the growth of Social Enterprises

Local authorities are not effectively promoting opportunities to enhance the Social Enterprise sector which weakens their ability to deliver their statutory responsibilities



Source: Audit Wales, Survey of Local authority Officers, January – May 2022

- 1.26 A small number of local authority officers identified raising awareness as an area for improvement. For example, one noted that 'It should be [part of our role], but we don't do much of that, due to not having a formal strategy. We don't really report our impact either.' And some local authorities have sought to encourage Social Enterprises to work collectively in order to bid for larger contracts or encourage them to move into areas of activity that better align with local authority grants and funding programmes.
- 1.27 However, other local authorities noted that while they would support emerging Social Enterprises, they would not necessarily 'push' them as a preferred option. One officer noted that they were 'a bit cautious about foisting a specific model or approach on people.' This passive approach to engagement and involvement with Social Enterprises is not supporting local authorities to make best use of the sector and we conclude that there is much more to do.



Local authorities do not have the right mechanisms in place to maximise value for money from their work with Social Enterprises

2.1 In this section of the report, we consider how local authorities are working to exploit the potential value of Social Enterprises. We consider the effectiveness of procurement and commissioning approaches and whether they are delivering value for money and adding social value for people.

Procurement and commissioning arrangements do not encourage Social Enterprises to pursue public funding. Local authorities do not have sufficient capacity and resources to grow the sector

2.2 **Exhibit 4** shows that roughly two-thirds of Social Enterprises generate income through trade with the general public and just under half from public sector grants. These are predominantly from Welsh Government and/or grant-making trusts rather than local authorities and in 2020 mostly related to the financial support made available to help businesses through the pandemic. With regards to bidding for and delivering commissioned services the data highlights that there has been a slight drop in trade with the public sector between 2018 and 2020, indicating the significant untapped potential of Social Enterprises for local authorities.

Exhibit 4 – where Social Enterprises in Wales get their money from in 2016, 2018 and 2020

Trading with the general public remains the main source of income for Social Enterprises although public sector grants are growing in importance

| Sources of income | 2016 | 2018 | 2020 |
|---|------|------|------|
| Trading with the general public | 57% | 63% | 64% |
| Public sector Grants | 39% | 49% | 49% |
| Other grants | 39% | 44% | 42% |
| Trading with the public sector | 23% | 40% | 32% |
| Donations | 24% | 33% | 33% |
| Trading with third sector organisations | 15% | 32% | 25% |
| Trading with the private sector | 17% | 29% | 25% |
| Trading with other Social Enterprises | 8% | 22% | 17% |

Source: Social Business Wales, [Mapping the Social Business Sector in Wales / 2020 Census](#), June 2021

- 2.3 Analysis by Social Business Wales highlights that while 32% of Social Enterprises currently trade with the public sector, most businesses (61%) do not tender for public sector work and just under a third (31%) consider their inability to access funding from local authorities and other public sector bodies as a barrier to their sustainability and growth⁸. This research also noted more generally that local authority funding of Social Enterprises has significantly reduced since 2014, in part because of a greater reliance on trade with the general public but also because of difficulties in working under public bodies commissioning and procurement rules⁹. In addition, the findings of the CWMPAS 'Buy Social Buy Local project' – which was set up to identify public sector spend that Social Enterprises could secure – found that too often the sector in Wales is not geared up to work with public bodies.
- 2.4 Local authorities are under continuous pressure to deliver public services with limited budgets and resources. Combined with rising expectations from service users and growing demand for many statutory services, local authorities need to ensure they make every £1 count through their procurement and commissioning processes.
- 2.5 Local authorities have a strong record in local economic development work, promoting growth and, in particular, providing help for small and medium size businesses. Over half of the local authority officers we interviewed however, did not differentiate between their wider economic development work and the specific opportunities Social Enterprises present, seeing Social Enterprises as one option among many locally. And, while most local authorities provide financial assistance to businesses and the third sector, these grants are for businesses in general, with no specific focus on growing Social Enterprises. Some local authorities noted that their procurement and commissioning approaches sought to create a 'level playing field' and did not favour one group of organisations over others.

8 [Social Business Wales, Mapping the Social Business Sector in Wales / 2020 Census, June 2021](#)

9 <https://wales.coop/wp-content/uploads/2019/06/SBWP-4-1-Mapping-Report-English.pdf>

- 2.6 Notwithstanding, authority officers responding to our survey also identified various barriers to Social Enterprises benefitting from local authority procurement and commissioning opportunities. These include:
- a 'onerous' and 'not proportionate' procurement rules that discourage smaller businesses;
 - b processes focusing too much on profit and savings and not enough on social value, community resilience and well-being, all areas where Social Enterprises can add value;
 - c Social Enterprises not operating in the appropriate sector, or not offering all the services required;
 - d a preference for local authorities to go to existing providers and 'work with what we know' rather than pushing the boundaries and actively seeking to develop new opportunities; and
 - e limited capacity, skills and resources in local authorities which reduces opportunity to broaden the contractor base and specifically target Social Enterprises.
- 2.7 However, despite these weaknesses we also found that most local authorities are not resourcing work to promote Social Enterprises. For example, our survey of local authorities found that only two of the 21 responding to us have a dedicated budget to support the growth of Social Enterprises. Social Enterprise UK recognise four of the seven local authorities – Conwy, Flintshire, Gwynedd and Wrexham – as 'Social Enterprise Places' – areas where social business activity is thriving and there is commitment to invest in and work with the sector.¹⁰
- 2.8 A number of interviewees also noted the impact of the loss of the EU funded Southeast Wales Community Economic Development (SEWCED) program, a £13.5 million programme delivered in six authorities (Bridgend, Blaenau Gwent, Caerphilly, Merthyr Tydfil, Rhondda Cynon Taf and Torfaen) that funded work on developing Social Enterprises. The SEWCED program ended in 2015 and, despite its success, has ended. Officers from the six authorities who delivered the SEWCED initiative felt the loss of EU funding stopped them from working collaboratively to grow the social business sector. **Appendix 5** provides further information on this project.

10 There are 33 recognised social enterprise places in the UK of which four are in Wales.

Social value does not feature as a key driver in local authority commissioning

- 2.9 There is no single definition of social value, however Social Enterprise UK has defined social value in the context of procurement as ‘the additional benefit to the community of a commissioning/procurement process over and above the direct purchasing of goods, services and outcomes.’ For local authorities who are commissioning services it is important to consider and measure this social value from the perspective of those affected by the organisation’s work. By capturing in a monetised form the value of a wide range of outcomes, commissioners are then able to broadly identify how much social value they can get for every £1 of investment. The social value model of delivery is therefore a framework that supports a collaborative re-design of services in every area of activity.¹¹
- 2.10 Our local authority officer survey found that of the 21 who responded, nine authorities specifically consider social value when scoring tenders for services, nine do not and three did not know. Of the nine local authorities who do consider social value, five said the level of weighting varies across tenders but four did not know.
- 2.11 Recent research published by Welsh Government echoes these conclusions noting that because local authorities are under resourced, procurement and commissioning teams often lack the skills and capacity to realise the benefits of social value¹². Current approaches, which focus too much on cost, are leading to less sustainable models of delivery because too often the only area where organisations can reduce price is by squeezing pay and/or staff terms and conditions.
- 2.12 Notwithstanding, our review of local authorities’ procurement strategies identified some good approaches to widening impact and enhancing social value. For example, Caerphilly’s Procurement Strategy includes an option to use ‘Social/Community Benefit Clauses’ in contracts. Flintshire has also introduced a ‘Dynamic Purchasing System,’ allowing smaller businesses to fulfil small parts of larger orders, rather than going to a single large supplier. This can also encourage existing businesses to establish social enterprise arms. Flintshire and Rhondda Cynon Taf, have also created ‘Social Value Development Officer’ (or similar), a dedicated role that specialises in scrutinising tenders and budgets and identifies and promotes opportunities to maximise social value.

11 cwmpas.coop/wp-content/uploads/2022/04/3.2.9.-supporting-care-commissioners-and-procurers-to-promote-social-value-models-of-delivery-2020-ENG.pdf

12 CWMPAS, [For economic and social change: Welsh Government Social value review - Summary Report](#), June 2022.

- 2.13 A number of authorities use the Welsh Local Government Associations (WLGA) Themes, Outcomes and Measures¹³ (TOMS) metrics which provide a social value weighting for analysing and scoring tenders. For example, Flintshire told us 'We will likely lean on our TOMS, to measure success, as these are pre-made and standard across the social enterprise sector and the local authority.' Flintshire's TOMs, which relate to their corporate priorities and well-being objectives, allow the Council to use its commissioning procurement activities to generate strategic place-based outcomes in line with local community needs. Similarly, Rhondda Cynon Taf similarly noted that 'we use the TOMS system as they are national and include an underlying social value element. It's considered when we look at their business plan.' However, several local authorities noted that from their experience TOMS did not provide a helpful or workable solution for social care commissioning.
- 2.14 The majority of local authorities would also consider it their responsibility to 'step in' to support a struggling Social Enterprise if they had commissioned services from the organisation. However, given the limited amount of commissioning taking place and a natural reluctance to bail out organisations that are struggling, most would not seek to support them financially or otherwise, considering this too risky and uncertain.
- 2.15 Given limitations in how authorities are promoting social value in commissioning and procurement, Welsh Government have recently reappointed CWMPAS to support the needed transformation of services within the social care sector, by pushing forward the development of social value models for care. CWMPAS has announced its intention to 'help strengthen regional arrangements for rebalancing the social care market by introducing more co-operatives, Social Enterprises and social value delivery models in the Welsh social care sector'¹⁴. In addition, a sub-group of the National Commissioning Board is also producing a guide for social value in social care commissioning. While still in draft, it notes that to make procurement work more effectively commissioners need to think differently with a greater focus on place, people and use of assets.

¹³ Published in November 2020, Themes, Outcomes and Measures guidance is in three parts with [Part 1](#) providing an overview of the approach.

¹⁴ www.wales247.co.uk/welsh-government-appoints-cwmpas-to-transform-social-care-delivery-across-wales



Local authorities are not delivering their responsibilities under the Social Services and Well-Being (Wales) Act and weaknesses in data and evaluation limits their ability to promote Social Enterprises

- 3.1 In this final section of the report, we examine how local authorities are delivering their responsibilities under the Social Services and Wellbeing (Wales) Act 2014. We also assess the strength of oversight arrangements and whether they allow authorities to fully evaluate the work of Social Enterprises, their impact and identify opportunities for the future.

The majority of local authorities are not delivering their responsibilities under the Social Services and Well-Being (Wales) Act to promote Social Enterprises

- 3.2 Section 16 of the Social Services and Well-being (Wales) Act 2014 (the 'Act') places a duty on local authorities to 'promote development of Social Enterprises to provide care and support and preventative services'. Social enterprises themselves are well-placed to collaborate with local authorities to deliver social care services. Research by Social Business Wales¹⁵ found that:
- a 54% of Social Enterprises are aware of the 'Act';
 - b 21% reported that the 'Act' is central to the work that they undertake;
 - c 19% incorporated the requirements of the 'Act' into their governance and policy documents;
 - d 9% of Social Enterprises are legally obliged to adhere to the 'Act';
 - e 9% explained that the 'Act' formed part of their safeguarding policies;
 - f 8% reported that the 'Act' informed their staff-training programme; and
 - g 7% use the 'Act' for lobbying and marketing purposes.
- 3.3 We found that relatively few local authority officers we spoke to were aware of their legal duty to champion the use of Social Enterprises and very few could set out how they are working to grow the sector and deliver their Section 16 responsibilities. The imprecise language in the Act is unhelpful in this context; specifically, the word 'promote.' In practice local authorities interpret their responsibilities to 'promote' very widely. A number of authorities simply focus their efforts on working with existing Social Enterprises with little active promotion to encourage others and help create new ones. Few authorities are investing time and resources in refreshing policies and procurement procedures to build capacity and provide more opportunities to existing Social Enterprises, as well as helping to stimulate new ones.

- 3.4 Recent research echo these findings noting that there has not been a major shift by local authorities commissioning to provide more social care services through Social Enterprises, and the private sector is still the dominant partner¹⁶. Third sector partners we interviewed and surveyed likewise noted that since the Act went live in 2016, there has been little change in how local authorities work with and encourage Social Enterprises. Consequently, Welsh Government legislative ambitions are not being delivered.
- 3.5 One opportunity to deliver this change is through the new Social Value Forums created under each Regional Partnership Board¹⁷ which are intended to support the growth of the social value sector within the health and social care market. While these forums have varying degrees of support from statutory partners and commissioners, they do provide a good opportunity to engage with the sector, County Voluntary Councils and others within a region to identify opportunities for investment and growth. The 20% allocation of the Regional Integration Fund¹⁸ for the social value sector, managed via Regional Partnership Boards provides a real opportunity for working with Social Enterprises to invest in new ways of delivering services.
- 3.6 In addition, there is an expectation from Welsh Government that each Regional Partnership Board creates a Social Value Forum to explicitly deliver the S.16 responsibilities. For instance, the North Wales Social Care and Well-being Improvement Collaborative¹⁹ have created a Social Value Forum to explore how to promote social value in public services in the region. The Regional Market Stability Reports²⁰ – recently completed by local authorities through the Regional Partnership Boards – also provide a wealth of information on the scale and stability of the social value market within health and social care and will support the work of Social Value Forums.

16 gov.wales/sites/default/files/publications/2022-07/social-value-review-summary-report.pdf

17 In April 2016, seven statutory regional partnerships came into being. Their purpose is to drive the strategic regional delivery of social services in close collaboration with health.

18 The Health and Social Care Regional Integration Fund is a 5-year fund from April 2022 to March 2027.

19 The North Wales Social Care and Well-being Improvement Collaborative includes the six local authorities in North Wales, Betsi Cadwaladr University Health Board and other partners. The aim is to improve services, make the most of the resources available, reduce duplication and make services more consistent across North Wales.

20 Market Stability Reports review the sufficiency of care and support in an area to provide a snapshot of the sector to help plan and shape services, including care for the future.

- 3.7 A number of local authorities such as Rhondda Cynon Taf and Pembrokeshire are already using (or are in the process of creating) micro-enterprises. Micro-enterprises are small business delivering independent care or support services which employ fewer than 10 people. They are an alternative to often expensive day care services. Due to the current staffing pressures in social services, Micro-Enterprises offer a more sustainable solution as well as delivering better outcomes.
- 3.8 The Act also introduced a requirement for each Director of Social Services to produce an annual report that sets out the local authority's improvement journey in providing services to people in its area ²¹. Guidance for the annual reports requires local authorities to report their performance against six quality standards. Standard one – 'Working with people to define and co-produce personal well-being outcomes that people wish to achieve' – specifically covers the promotion of Social Enterprises.
- 3.9 Our review of all Reports of the Director of Social Services found that only eight reports referenced the use of micro-enterprises and a further three mentioned Social Enterprises in some capacity, whether highlighting the work of a specific social enterprise in the area or a service commissioned from a social business. The other 11 reports did not mention Social Enterprises and only expressed in general terms the value of working with the third sector. We also found that no report specifically named the Section 16 duty, though several did include statements acknowledging that the 'Act' requires co-production or partnership working with the third sector. Overall, we conclude that there is more for local authorities to do in their public reporting on how they are promoting Social Enterprises.

There is minimal oversight and evaluation of Social Enterprises by local authorities

3.10 Social Enterprises play an important role in meeting need and helping people in communities across Wales. For instance, the findings of Social Business Wales Census in 2020, set out in **Exhibit 5**, show that improving local communities and improving the wellbeing of the people are key objectives for over half of all Social Enterprises.

Exhibit 5 – the priority areas for the work of Social Enterprises in Wales

Social Enterprises are widening out the focus of their work and increasingly delivering activity to benefit the most vulnerable people in communities across Wales

| Social Enterprises social and/or environmental objectives | 2016 | 2018 | 2020 |
|--|------|------|------|
| Improving a particular community | 64% | 57% | 66% |
| Improving health and well-being | 39% | 45% | 52% |
| Supporting vulnerable people | 35% | 46% | 48% |
| Addressing financial exclusion | 26% | 28% | 44% |
| Encourage people to participate in the arts, sports & recreation | - | 32% | 42% |
| Supporting vulnerable children and young people | 20% | 29% | 34% |
| Creating employment opportunities | 21% | 24% | 31% |
| Promoting education and literacy | 32% | 29% | 29% |
| Protecting the environment | 16% | 26% | 29% |
| Providing access to services | - | 22% | 27% |
| Supporting other Social Enterprises / organisations | 9% | 16% | 25% |
| Promotes and protect culture, heritage & the Welsh language | - | 21% | 24% |
| Addressing social exclusion | 7% | 9% | 21% |
| Providing affordable housing | 5% | 4% | 3% |

Source: [Social Business Wales, Mapping the Social Business Sector in Wales / 2020 Census, June 2021.](#)

- 3.11 Despite Social Enterprises providing services that help public bodies deliver their wellbeing objectives and other statutory responsibilities, local authorities are mostly not monitoring or evaluating their activities nor their impact. Five local authorities responding to our survey noted that they have agreed measures to judge the impact of Social Enterprises in their local area and report against these. Over half (13) have no arrangements to evaluate activity, and the remainder responding did not know.
- 3.12 Because of weaknesses in performance management, reporting and evaluation, it is difficult for local authorities to judge how well they are currently performing and identify how they can support a growth and expansion in the role of Social Enterprises in the future. While a few local authorities included broad input/output measures in core documents on the work of partners, these are often limited to capturing the 'number of Social Enterprises we work with.' A minority of local authorities stated that they considered obtaining 'qualitative' information on the impact of Social Enterprises, drawing on service users experience, but we found little evidence of local authorities following this through in practice.
- 3.13 Local authorities are mostly not reporting to elected members on Social Enterprises. Consequently, those officers responsible for delivering services are not held to account and the ability to challenge and identify development opportunities are lost. Several officers we interviewed acknowledge that the lack of performance reporting to members restricts chances to encourage elected members to take ownership of this agenda and actively promote Social Enterprises.
- 3.14 Local authorities who commission services from Social Enterprises generally have a Service-Level Agreement (SLA) in place underpinned by a range of agreed performance measures to evaluate commissioned services. However, we found that performance reporting of SLAs focus heavily on 'inputs' and 'outputs' – for instance, number of service users dealt with – rather than assessing the wider social benefit of the work of Social Enterprises and the impact they have on people who receive their services.



Appendices

- 1 Audit approach and methods**
- 2 Checklist for local authorities effectively engaging and working with Social Enterprises**
- 3 Differences in legislative, policy and funding for Social Enterprises across the three countries of Great Britain**
- 4 Number of Social Enterprises by Welsh local authority and percentage change between 2016 - 2020**
- 5 Southeast Wales Community Economic Development programme**
- 6 Summary of Good Practice identified in this review**

1 Audit approach and methods

Approach

This report is the second of our themed work for 2022 looking at poverty. This report sits alongside [our earlier report on poverty in Wales](#) and our forthcoming review examining how local authorities empower people to be more self-reliant and resilient.

For this work our approach has been to understand how well local authorities are working with, promoting and developing Social Enterprises. In particular we have looked at the robustness of needs information, strategies, plans and policies for Social Enterprises and how local authorities are ensuring they deliver their commitments under the Social Services and Wellbeing Act 2014 to promote Social Enterprises.

We examined all 22 principal local authorities in Wales at a high-level, managing delivery to be mindful of the pressures local authority officers are under during both the pandemic and the cost-of-living crisis. We ensured coverage was sufficient to draw a view on the whole sector but not to significantly detract from officers' service delivery responsibilities. Our approach was flexible to fit around officers when agreeing and delivering our fieldwork.

Methods

We completed our review between August 2021 and September 2022 and used a range of methods in delivering our work:

- **document review:** we reviewed documentation from the Welsh Government, local authorities, PSBs and other relevant public bodies. This included, relevant committee minutes, corporate strategies, economic, business, regeneration and procurement strategies; COVID-19 recovery plans; and the Director of Social Services Annual reports. We also reviewed information published by Social Business Wales, Social Enterprise UK and Social Enterprise Scotland.

- **interviews** – we undertook a range of different interviews:
 - officer interviews – we interviewed officers nominated by all Welsh principal local authorities, generally those with responsibility for Social Enterprises, social care or economic development. These took place between January and May 2022.
 - national interviews – we interviewed representatives of Welsh and Scottish Social Enterprises, national representative bodies such as CWMPAS, charities, think tanks, academic institutions and research bodies. These took place between March and June 2022.
- **focus groups** – in line with our approach, some local authorities felt it was more appropriate for us to speak to a range of officers in focus groups to reduce our impact on service delivery.
- **survey** – we undertook a survey with local authority officers. The survey was open between January and May 2022, and we received responses from all local authorities except Newport City Council.
- **websites** – local authority and external resources, eg DEWIS.
- **data analysis** – we analysed a range of data collated and published by Social Business Wales, Social Enterprise UK and Social Enterprise Scotland.

2 Checklist for local authorities for effectively engaging and working with Social Enterprises

| Action | Completed | Started | Not Started |
|--|-----------|---------|-------------|
| 1 Strategic Arrangements | | | |
| Vision | | | |
| We have an agreed vision on how we will work with Social Enterprises. | | | |
| The vision has been shared with, and is understood by, all relevant staff in the local authority. | | | |
| The vision has been shared with, endorsed by and is understood by elected members. | | | |
| The vision has been developed in discussion with the local County Voluntary Council. | | | |
| The vision has been disseminated to Social Enterprises we work with. | | | |
| <p>The vision clearly sets out how we intend to deliver our Section 16 responsibilities for promoting Social Enterprises including:</p> <ul style="list-style-type: none"> • Our work to promote social value through the Regional Partnership Board; and • Use of the Regional Integrated Fund to promote and develop Social Enterprises. | | | |

| Action | Completed | Started | Not Started |
|---|-----------|---------|-------------|
| Corporate Approach | | | |
| We have a corporate led approach for working with Social Enterprises that covers all departments and services. | | | |
| The corporate approach translates our vision into practical actions. | | | |
| We have designated a corporate lead for Social Enterprises who is responsible for overseeing and coordinating our work with the sector. | | | |
| Understanding the local Social Enterprise sector | | | |
| <p>We have mapped out the Social Enterprise sector in our local authority area and know:</p> <ul style="list-style-type: none"> • The number of organisations working locally; • The services they provide; • The communities the services are provided in; • The people the service is provided for; • How the services are funded; • The operating hours/days for services; • The eligibility criteria for the service (if any); • How the service fits with our Section 16 responsibilities for promoting Social Enterprises in delivering social care services; and • Who to contact for more information. | | | |
| We have a record of all our Social Enterprise funding. | | | |

| Action | Completed | Started | Not Started |
|--|-----------|---------|-------------|
| <p>We collate financial information and report at least annually on the totality of our Social Enterprise funding covering:</p> <ul style="list-style-type: none"> • which organisations we fund; • the contract value; • the length of the contract; • which department/service has contracted; • the measures of success established for the work; and • what the intended benefits of the work are. | | | |
| <p>We raise awareness on the benefits presented by Social Enterprises to ensure all staff identify opportunities to collaborate with them by:</p> <ul style="list-style-type: none"> • hosting a social enterprise day within the local authority; • putting on workshops for councillors and senior managers; and • developing activities to celebrate and promote social enterprise. | | | |

Collaboration and partnership arrangements

| | | | |
|--|--|--|--|
| <p>We have identified and agreed how the work of Social Enterprises will be managed and scrutinised at a:</p> <ul style="list-style-type: none"> • corporate level – in the work of strategic partnerships and corporate scrutiny committees; • department level – in specific partnership arrangements to support wider policy agendas within defined areas; and • service level – on local partnerships and specific service-led initiatives. | | | |
|--|--|--|--|

| Action | Completed | Started | Not Started |
|---|-----------|---------|-------------|
| We effectively raise awareness of the work of social enterprises and involve local people and communities in developing new Social Enterprises. | | | |
| We have a clear and effective relationship with our County Voluntary Council as a key strategic and delivery partner | | | |
| We have a nominated lead senior official to promote and lead work through the regional Social Value Forum. | | | |

Strategy

| | | | |
|--|--|--|--|
| Our approach to Social Enterprises is integrated with our key strategies and plan – eg Wellbeing Plan, corporate priorities and other community and regional strategies. | | | |
| We have set SMART objectives and actions on how we will support and promote the growth of Social Enterprises. | | | |
| We are clear on the benefits and risks of Social Enterprises for citizens, local communities and the local authority. | | | |

Delivering the strategy

| | | | |
|---|--|--|--|
| We have enough staff and resources to promote and grow Social Enterprises. | | | |
| We have staff in the right services and with the required seniority to deliver our vision for Social Enterprises. | | | |
| We have a can-do culture mindset within the council to make the best use of Social Enterprises. | | | |
| We give staff the opportunity to take well-managed risks and explore innovative practices | | | |

| Action | Completed | Started | Not Started |
|--------|-----------|---------|-------------|
|--------|-----------|---------|-------------|

2 Commissioning and Procurement

Designing services

| | | | |
|---|--|--|--|
| We draw on the expertise and knowledge of Social Enterprises in designing new services. | | | |
| Our commissioners make good use of the Market Stability Report process to inform commissioning and market shaping activity for the social care sector. | | | |
| In designing services, we clearly set out: <ul style="list-style-type: none"> • what demand the service will meet; • how we have decided on the type of service that we require; and • how we will engage with current and potential providers to develop the service. | | | |
| We ensure that our tender process is accessible for all potential collaborators. | | | |
| We can demonstrate we have the capacity and skills to undertake the strategic commissioning process. | | | |
| We actively look for ways to invite collaboration | | | |

| Action | Completed | Started | Not Started |
|--|-----------|---------|-------------|
| Effective award systems | | | |
| We have created a single centralised and corporate funding system for the management and award of all funding to Social Enterprises. | | | |
| <p>We have effective systems to award funding to organisations that sets out:</p> <ul style="list-style-type: none"> • a clear funding timetable that is available to all potential bidders so that they can prepare for opportunities; • the process that will be used to decide (for example, seeking quotations or using a tender or proposal process); • the value and risk associated with the various funding routes; • clear and published criteria that are understood by all organisations seeking funding, including community benefit and social value clauses; • the cost and resources to oversee and administer the process; and • the length of time that funding will be provided. | | | |
| Efficient award systems | | | |
| <p>We have efficient corporate systems to award funding based on:</p> <ul style="list-style-type: none"> • concise and clear application processes; • use of online and electronic systems to distribute and collate information and bids; • short end-to-end decision-making arrangements; • the minimum number of stages and processes required to decide; and • decisions being delegated to the lowest level. | | | |

| Action | Completed | Started | Not Started |
|---|-----------|---------|-------------|
| Our contract terms and conditions are proportionate to the level of funding being made and are specific to the work that is being funded. | | | |
| We review our funding processes to ensure we are not excluding Social Enterprises from securing work. | | | |

Training and information sharing

| | | | |
|--|--|--|--|
| <p>We provide training to support Social Enterprises covering:</p> <ul style="list-style-type: none"> • how to apply for funding – the do's and don'ts; • complying with our commissioning and procurement systems; • data collection processes; • performance management and scrutiny arrangements; • payment cycles and performance targets; and • contract termination/continuation requirements. | | | |
|--|--|--|--|

| Action | Completed | Started | Not Started |
|--|-----------|---------|-------------|
| 3 Managing performance | | | |
| Information collection | | | |
| We have specified the information required to monitor and evaluate the performance of the Social Enterprises we fund. | | | |
| The information only measures relevant activity. | | | |
| The systems to collect information are streamlined and efficient, and Social Enterprises only submit information once and electronically on agreed timescales. | | | |
| Performance review | | | |
| <p>We regularly report on our Social Enterprise funding to scrutiny committee(s) against a balanced set of performance information that covers:</p> <ul style="list-style-type: none"> • the service standards we set for the Social Enterprise we fund to perform against; • improvements in people’s wellbeing and social outcomes; and • relevant service-based performance data; and • conclusions of external audit/inspection reviews. | | | |
| <p>Our scrutiny and evaluation processes:</p> <ul style="list-style-type: none"> • are proportionate for the value of the funding we provide; and • provide us with assurance that our funding is achieving the expected outcomes. | | | |
| <p>Annually we report publicly:</p> <ul style="list-style-type: none"> • on the work of Social Enterprises; • on the current performance of Social Enterprises we fund; • how we will promote further opportunities for the sector in the future; and • how well we are performing in delivering our S.16 responsibilities for Social Enterprises. | | | |

| Action | Completed | Started | Not Started |
|--------|-----------|---------|-------------|
|--------|-----------|---------|-------------|

Risk management

| | | | |
|---|--|--|--|
| We regularly review risks associated with our Social Enterprise funding. | | | |
| We agree risk management plans if risks are not being managed and mitigated. | | | |
| We have a rolling programme of internal audit systems testing and compliance reviews to ensure the robustness, efficiency and effectiveness of our funding of Social Enterprise services. | | | |

3 Differences in legislative, policy and funding for Social Enterprises across the three countries of Great Britain

| Issues | England | Scotland | Wales |
|---|--|--|---|
| Legislation on Social Enterprises | Mainly focussed on making better use of Social Value contracts under the Public Services (Social Value) Act 2012 | Mainly through land/ asset usage and requirement for public bodies to have at least one Social Enterprise contract | Yes, S.16 of the SSWBA 2015 requires Local Authorities to “Promote Social Enterprises, co-operatives, user led services and the third sector”. This could also be widened out in the Social Partnership and Public Procurement Bill |
| National Strategy for growing Social Enterprises | Social Enterprises UK have published a futures report – Social Value 2032 . | Scotland’s Social Enterprise Strategy 2016-2026 | Welsh Government had strategy in 2005 but this has ended. The current strategy – Transforming Wales Through Social Enterprises – was developed by the sector and is supported by Welsh Government |
| Government funding for Social Enterprises | Government backed Start Up Loan of £500 to £25,000 and Levelling Up monies | Just Enterprise, Developing Markets, Social Growth, Business Gateway, etc | Business Wales Economic Resilience Fund and Development Bank of Wales |
| Government support for Social Enterprises | Mainly provided via the UK Government’s Business Support Helpline and 38 local ‘ growth hubs ’ | Mainly coordinated via Business Support Scotland | Welsh Government’s Social Business Wales |
| Minister with responsibility for Social Enterprises | Junior Minister for Civil Society and Youth | Cabinet Minister for Business, Trade, Tourism and Enterprise | Cabinet Minister for Economy |

Source: Audit Wales.

4 Number of Social Enterprises by Welsh local authority and percentage change between 2018 - 2020

| Local Authority | 2018 | 2020 | Difference | % increase |
|---------------------------------|-------|-------|------------|------------|
| Vale of Glamorgan ²² | 41 | 217 | 176 | 429% |
| Cardiff | 228 | 265 | 37 | 16% |
| Newport | 51 | 76 | 25 | 49% |
| Swansea | 135 | 158 | 23 | 17% |
| Wrexham | 62 | 78 | 16 | 26% |
| Ceredigion | 71 | 79 | 8 | 11% |
| Flintshire | 65 | 70 | 5 | 8% |
| Monmouthshire | 29 | 34 | 5 | 17% |
| Isle of Anglesey | 56 | 60 | 4 | 7% |
| Conwy | 76 | 78 | 2 | 3% |
| Denbighshire | 71 | 72 | 1 | 1% |
| Bridgend | 83 | 85 | 2 | 2% |
| Gwynedd | 127 | 128 | 1 | 1% |
| Caerphilly | 99 | 98 | -1 | -1% |
| Merthyr Tydfil | 67 | 64 | -3 | -4% |
| Pembrokeshire | 121 | 115 | -6 | -5% |
| NPT | 79 | 73 | -6 | -8% |
| RCT | 162 | 155 | -7 | -4% |
| Carmarthenshire | 174 | 164 | -10 | -6% |
| Blaenau Gwent | 45 | 38 | -7 | -16% |
| Powys | 110 | 100 | -10 | -9% |
| Torfaen | 51 | 40 | -11 | -22% |
| Total identified | 2,003 | 2,247 | 244 | 12% |

Source: Social Business Wales, Mapping the Social Business Sector in Wales / 2020 Census, June 2021.

22 Per the report by CWMPAS, the figure for the Vale of Glamorgan is an outlier, due to the inclusion of an additional source provided by the Vale of Glamorgan Voluntary Service. It is not known if this approach was adopted elsewhere in Wales.

5 Southeast Wales Community Economic Development programme

Six local authorities (Bridgend, Blaenau Gwent, Caerphilly, Merthyr Tydfil, Rhondda Cynon Taf and Torfaen) funded dedicated Social Enterprise programs using £13.5m of EU monies under the Southeast Wales Community Economic Development (SEWCED) program. An evaluation of the SEWCED program commissioned by Merthyr Tydfil County Borough Council found that the project had exceeded expectations in terms of generating new jobs, and all aspects of the project were rated highly in surveys with social enterprise beneficiaries. For instance, SEWCED supported:

- the creation of 30 new jobs and 3 new Social Enterprises;
- the provision of financial assistance to 28 local organisations;
- 15 organisations to adopt and implement Environmental Action Plans; and
- 13 to adopt Equality Strategies and improve how their systems for monitoring and evaluating delivery.

The SEWCED program ended in 2015 and, despite the success of the project and the evaluation findings, the activity has not been continued or replaced in the majority of cases. Only two local authorities received transitional funding to keep on the staff they employed to work with Social Enterprises under SEWCED.

The evaluation determined that 'without the support of the SEWCED, the social enterprise sector in Southeast Wales would not have achieved the same outcomes as it did. Furthermore, without similar support in the future, these results would suggest that the social enterprise sector will not produce the same benefits as it has done as a result of the SEWCED programme.' The interviews with local authorities where SEWCED were mentioned have borne this out, as there is no equivalent funded and organised effort to promote Social Enterprises active in Wales at this time.

6 Summary of Good Practice identified in this review

Good practice – how we determine it

These are the parameters we use to judge whether to include a case study as good practice:

- a programme, activity or strategy that has proven effectiveness, supported by a comprehensive evaluation.
- a programme, activity or strategy that has been shown to produce successful outcomes and is supported to some degree by subjective and objective data sources.
- a programme, activity or strategy that has worked within one organisation and shows promise during its early stages for becoming practice with long-term sustainable impact.
- a programme, activity or strategy that has the potential for replication among other organisations.
- a programme, activity or strategy that is delivering value for money. Value for money is defined as the optimal use of resources to deliver the intended benefits.
- a programme, activity or strategy that is delivering savings/reductions in expenditure with no or low impact on performance.

Within the body of the report, we have identified the following areas of good practice:

- Blaenau Gwent County Borough Council – the work of the Voluntary Sector Group that leads on engaging with Social Enterprises – paragraph 1.18.
- Wrexham County Borough Council – the work of the Business Enterprise Officer to support and promote Social Enterprises – paragraph 1.19.
- Torfaen County Borough Council and the Vale of Glamorgan Council – the creation of Social Enterprises to deliver local services – paragraph 1.20.

- Caerphilly County Borough Council – the use of Social and Community Benefit Clauses in contracts – paragraph 2.12.
- Flintshire County Council – Dynamic Purchasing System which allows smaller businesses to fulfil small parts of larger orders – paragraph 2.12.
- Flintshire County Council and Rhondda Cynon Taf County Borough Council – creation of officers with specific responsibilities to identify and promote opportunities to maximise social value in tendering processes – paragraph 2.12.
- Rhondda Cynon Taf County Borough Council and Pembrokeshire County Council – promotion of and work with Micro-Enterprises – paragraph 3.7.



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Integrated Impact Assessment Screening Form – Appendix C

Please ensure that you refer to the Screening Form Guidance while completing this form.

Which service area and directorate are you from?

Service Area: Tackling Poverty Service

Directorate: Adult Social Services

Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

(b) Please name and fully describe initiative here:

This is an IIA Screening for the report by the Tackling Poverty Service to the Governance and Audit Committee on the recommendations from the Audit Wales 'A missed opportunity – Social Enterprises'. The report from Audit Wales looks at evidence from local authorities across Wales on different approaches to working with and realising the benefits of Social Enterprises. The recommendations focus on each local authority conducting a self-assessment of their current position in order to identify actions and improvements.

The report is to inform the Committee of the findings of Audit Wales' investigation, summarise the recommendations of their review and highlight the proposals for actions to be taking by the Council in response to the review. These actions will be incorporated into the refresh of the Tackling Poverty Strategy.

A full IIA will be carried out as part of the Tackling Poverty Strategy development in due course.

Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

| | High Impact | | Medium Impact | | Low Impact | | Needs further Investigation | No Impact |
|-------------------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|-----------------------------|--------------------------|
| | + | - | + | - | + | - | | |
| Children/young people (0-18) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Older people (50+) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Any other age group | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Disability | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Race (including refugees) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Asylum seekers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gypsies & travellers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Integrated Impact Assessment Screening Form – Appendix C

| | | | | | | | | |
|------------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|
| Religion or (non-)belief | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sex | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sexual Orientation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gender reassignment | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Welsh Language | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Poverty/social exclusion | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Carers (inc. young carers) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pregnancy and maternity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Human Rights | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches?
Please provide details below – either of your activities or your reasons for not undertaking involvement**

In relation to the Audit Wales investigation, Council staff contributed to the review undertaken by the Auditor General for Wales through a series of interviews and the provision of documentation / information between April 2021 and September 2022.

In relation to the actions proposed in this report, we plan to take these actions through our planned approach to refreshing the Council’s Tackling Poverty Strategy. We intend to undertake a range of activities working with our poverty networks and forums as well as targeted engagement and consultation activities but this will be highlighted in our update on the strategy development approach.

A full IIA will be carried out as part of the Tackling Poverty Strategy development in due course.

Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:

- a) Overall does the initiative support our Corporate Plan’s Well-being Objectives when considered together?
Yes No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?
Yes No
- c) Does the initiative apply each of the five ways of working?
Yes No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?
Yes No

Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)

Integrated Impact Assessment Screening Form – Appendix C

High risk

Medium risk

Low risk

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes

No

If yes, please provide details below

The evaluation presented in this report identifies a range of actions that Council staff can deliver collaboratively and in partnership with others. This may lead to impacts on other Council services but the detail will emerge through detailed activity planning with the relevant staff.

Q7 Will this initiative result in any changes needed to the external or internal website?

Yes

No

If yes, please provide details below

Q8 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?

(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)

There is no impact for the report itself.

Outcome of Screening

Q9 Please describe the outcome of your screening using the headings below:

- Summary of impacts identified and mitigation needed (Q2)
- Summary of involvement (Q3)
- WFG considerations (Q4)
- Any risks identified (Q5)
- Cumulative impact (Q7)

This is an IIA Screening for the report by the Tackling Poverty Service to the Governance and Audit Committee on the recommendations from the Audit Wales 'A missed opportunity – Social Enterprises'.

The report is to inform the Committee of the findings of Audit Wales' investigation, summarise the recommendations of their review and highlight the proposals for actions to be taking by the Council in response to the review (which are to be incorporated into the plans for refresh of the Tackling Poverty Strategy). This report has identified no implications with the IIA.

(NB: This summary paragraph should be used in the 'Integrated Assessment Implications' section of corporate report)

Full IIA to be completed

Integrated Impact Assessment Screening Form – Appendix C

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

| |
|--|
| Screening completed by: |
| Name: Lee Cambule |
| Job title: Tackling Poverty Services Manager |
| Date: 29/09/23 |
| Approval by Head of Service: |
| Name: Amy Hawkins |
| Position: Head of Adult Services and Tackling Poverty |
| Date: 12/10/23 |

Please return the completed form to accesstoservices@swansea.gov.uk



Report of the Cabinet Member for Community

Governance & Audit Committee – 25 October 2023

Report on the Audit Wales ‘Together We Can’ – Community Resilience and Self-Reliance Report Recommendations

| | |
|------------------------------------|---|
| Purpose: | To provide a briefing to the Governance and Audit Committee on the findings of the Auditor General for Wales review of community resilience and self-reliance in Wales and its recommendations for action by local authorities. |
| Report Authors: | Lee Cambule |
| Legal Officer: | Debbie Smith |
| Finance Officer: | Chris Davies |
| Access to Services Officer: | Rhian Millar |
| For Information | |

1. Introduction

- 1.1 Swansea Council’s Report on the Audit Wales ‘Together We Can’ – Community resilience and self-reliance report recommendations provides a summary of the report and its findings, as well as highlighting the action taken by Swansea Council to date. This includes our response to the three recommendations and notes areas for further action which we intend to explore further.

2. Context

- 2.1 On 23 January 2023, Audit Wales published the report ‘Together We Can’ – Community resilience and self-reliance. The report looks at the priority placed on community resilience and self-reliance in local authority plans, and how local authorities are equipping people to be less reliant on often over stretched local authority services. A copy of the report is available for reference at <https://www.audit.wales/publication/together-we-can-community-resilience-and-self-reliance> .

2.2 The report shares the finding of the third of three investigations by Audit Wales on the challenge of alleviating and tackling poverty. The overall conclusion of the report is that “local authorities face a challenging and uncertain financial future but find it difficult to empower people and communities to be more self-reliance and less dependent on services”.

3. Content

3.1 The report identifies that there are many different interpretations and meanings of community resilience and self-reliance, with the report finding different local authorities taking various approaches to defining it. It broadly uses these terms to mean:

- Community preparedness for adverse situations (to cope or thrive in adversity);
- Support from within the community to promote individuals' independence;
- Everything in between (such as addressing complex societal issues like poverty).

3.2 The main barriers to creating more self-reliant and resilience communities identified through this review include:

- A lack of resources to drive the transformational change in this area;
- Inability to redirect resources from service delivery to supporting communities;
- Relationships between local authorities and community residents;
- A lack of appetite from communities to become more self-reliant;
- Internal culture to be direct providers of services, not enablers and influencers;
- Local-level partnership and collaborative working to influence communities;
- Lack of strategic vision and understanding the needs of the community;
- Wider challenges such as poverty, rurality, transportation and digital exclusion.

3.3 Some other highlights of the report it is worth noting include:

- Most Local Authorities are operating with no clear definition of resilience or self-reliant communities and only three could define the characteristics of a self-reliant individual;
- Local authorities that included 'communities' within their corporate plan objectives were recognised for defining their commitment to supporting communities to develop;
- Volunteering is a key theme but requires a shift in culture and needs to be nurtured carefully to avoid burnout of the volunteering section;
- Empowering communities to do more for themselves can take a range of approaches from making grant processes more agile to a less risk averse approach to Community Asset Transfers (CAT);
- Community leaders, activities, and town / community councils play an important role in the community engagement and involvement for this work;

- The role of local authorities is moving from providing services to supporting communities to do more for themselves is unclear and requires planning and getting the right balance.

3.4 The report highlights the following recommendations:

| Recommendation | |
|----------------|---|
| R1 | <p>To strengthen community resilience and support people to be more self-reliant, local authorities need to ensure they have the right arrangements and systems in place. We recommend that local authorities use the evaluation tool (attached) to:</p> <ul style="list-style-type: none"> • self-evaluate current engagement, management, performance and practice; • identify where improvement is needed; and • draft and implement an action plan with timeframes and responsibilities clearly set out to address the gaps and weaknesses identified in completing the evaluation tool. |
| R2 | <p>To help local authorities address the gaps they identify following their self-evaluation, we recommend that they:</p> <ul style="list-style-type: none"> • formally approve the completed Action Plan arising from the evaluation exercise; • regularly report, monitor and evaluate performance at relevant scrutiny committees; and • revise actions and targets in light of the authority's evaluation and assessment of its performance. |

4. Way Forward

- 4.1 Our analysis of the findings of Audit Wales' report is detailed in the report at Appendix A which includes a completed evaluation conducted by two oversight groups that coordinate the delivery of the Corporate Priority 'Tackling Poverty and Enabling Communities' – these are the **Swansea Council Poverty Forum** and the **Enabling Communities Group**.
- 4.2 The evaluation identifies 10 key actions to define, deliver and continuously improve our vision for resilient and self-reliant communities in Swansea. These actions will fall under the governance of the Corporate Priority 'Tackling Poverty and Enabling Communities' and progress will be monitored and reported via the two oversight groups above.

5. Integrated Assessment Implications

- 5.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.

- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

5.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

5.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

5.4 An Integrated Impact Screening has been completed for this report with no further assessment required (See Appendix C). This is an IIA Screening for the 'For Information' Report to the Governance and Audit Committee regarding the findings of the Auditor General for Wales review of community resilience and self-reliance in Wales and its recommendations for action by local authorities. A full IIA will be carried out as part of the development process for the Tackling Poverty Strategy in due course.

6. Legal implications

6.1 There are no legal implications associated with this report.

7. Finance Implications

7.1 There are no immediate financial implications associated with this report. The actions noted in section 4 will be undertaken in line with departmental budgets..

Background papers: None

Appendices:

Appendix A – Report on the Audit Wales 'Together We Can' – Community resilience and self-reliance report recommendations

Appendix B – 'Together We Can' – Community resilience and self-reliance Report

Appendix C – Integrated Impact Assessment (IIA) Screening



Report on the Audit Wales ‘Together We Can’ report recommendations

Governance & Audit Committee

25 October 2023

1. Executive Summary

In 2017, Swansea Council published **Working towards prosperity for all in Swansea: A tackling poverty strategy for Swansea**. This corporate strategy represented the Council's commitment to reducing poverty and the impacts that poverty has on the people of Swansea. In line with this commitment, tackling poverty is one of Swansea Council's well-being objectives defined in its **Corporate Plan 2023-2027**:

Tackling Poverty and Enabling Communities so that every person in Swansea can achieve their potential.

On 23rd January 2023, Audit Wales published the report **'Together We Can' – Community resilience and self-reliance**. The report looks at the priority placed on community resilience and self-reliance in local authority plans, and how local authorities are equipping people to be less reliant on often overstretched local authority services. The report concludes that "local authorities face a challenging and uncertain financial future but find it difficult to empower people and communities to be more self-reliance and less dependent on services".

The purpose of this report is to provide an overview of the findings of this report (including the key recommendations for consideration) and set out proposals for our local response.

2. Context

Audit Wales published this report as the third of three key reviews relating to tackling poverty in Wales (the other reports being **'Time for Change'** and **'A missed opportunity'**). This report was compiled based on a high-level examination of all local authorities in Wales conducted between September 2021 and August 2022, using document reviews, data analysis, interviews and surveys to inform the final report.



The report recognises that community resilience and self-reliance is important for local authorities as part of a broad shift in policy from 'Doing' to 'Enabling' to 'Influencing' (where the focus for local authorities is moving away from being service providers toward equipping communities to become more resilience and self-reliant). Financial challenges, legislative drivers and the increasing demand for statutory services make this move essential for local authorities especially in dealing with some of the worst levels of poverty in the UK.

A key issue with this approach is that there are many different interpretations and meanings of community resilience and self-reliance, with the report finding different local authorities taking various approaches to defining it. These range from not making the definitions a priority to using different definitions across various services to believing it is not possible to define these things.

The report broadly uses the terms resilience and self-reliance to cover:

1. Community preparedness for adverse situations (to cope or thrive in adversity);
2. Support from within the community to promote individuals' independence;
3. Everything in between (such as addressing complex societal issues like poverty).

Achieving this will involve local authorities potentially ‘resetting’ their presence in communities, as evidenced by the main approaches currently being used; Community Hubs, and Community Connectors / Navigators. This has been partly achieved through the COVID-19 pandemic which sparked a resurgence in community activism and helped local communities pull together to support vulnerable people in their area. However, there is a risk that these good values are not embedded for the longer term and an opportunity may be missed to restate the role of local authorities within “resilient” communities.

The report identifies the essential components or ‘building blocks’ of resilience to be:

- **Human capital** – people and their skills, capacity and knowledge;
- **Social capital** – networks and connections within a community, groups working effectively within the community (such as voluntary organisations) and resources that support a community coming from public, private and third sectors;
- **Built capital** – physical infrastructure and commodities such as homes, roads and shared amenities;
- **Environmental capital** – natural resources such as green and blue spaces for community benefits;
- **Financial capital** – income, wealth and access to resources supported through civic and social enterprises.

The main barriers to creating more self-reliant and resilience communities identified through this review include:

- A lack of resources to drive the transformational change in this area;
- Inability to redirect resources from service delivery to supporting communities;
- Relationships between local authorities and community residents;
- A lack of appetite from communities to become more self-reliant;
- Internal culture to be direct providers of services, not enablers and influencers;
- Local-level partnership and collaborative working to influence communities;
- Lack of strategic vision and understanding the needs of the community;
- Wider challenges such as poverty, rurality, transportation and digital exclusion.

Measuring this transformation is complex as there are no established national measures to determine individual and community resilience. There are proxy measures that could be used as indicators, such as levels of active citizenship, social loneliness and levels of community cohesion. However, the report identifies that no local authorities in Wales are using these indicators effectively to evaluate community resilience.

Other findings of the report include:

- Most Local Authorities are operating with no clear definition of resilience or self-reliant communities and only three could define the characteristics of a self-reliant individual;
- Local authorities that included ‘communities’ within their corporate plan objectives were recognised for defining their commitment to supporting communities to develop;
- Volunteering is a key theme but requires a shift in culture and needs to be nurtured carefully to avoid burnout of the volunteering section;
- Empowering communities to do more for themselves can take a range of approaches from making grant processes more agile to taking a less risk averse approach to Community Asset Transfers (CAT);
- Community leaders, activists, and town / community councils play an important role in the community engagement and involvement for this work;
- The role of local authorities as a result of shifting from providing services to supporting communities to do more for themselves is unclear and requires planning and getting the right balance.

3. Findings

This report from Audit Wales highlights an opportunity for the Council to do more to achieve a clear vision for community resilience and self-reliance in Swansea. The findings of the report recognise that this is a continuing challenge and that a lot of good work has already been done but recommends some of the key approaches we could take including:

- Creating a clear vision of how things will work in the future;
- Holding a two-way dialogue and communicating what change will 'look' and 'feel' like;
- Revitalising the role of council members as community champions;
- Refocussing the work of council staff;
- Recognising that recasting community relationships will require different solutions in different places;
- Ensuring wealth stays local and works for all the community.

The report provides good practice examples from across the UK in these approaches but it encourages each local authority in Wales to undertake an internal evaluation of where it is now with community resilience and self-reliance. An **evaluation tool** has been developed by Audit Wales and is included in the Appendices of the 'Together We Can' Report, covering the following headings for local authority consideration:

- 1) Understanding the challenge and articulating your role;
- 2) Knowing your communities;
- 3) Skills and knowledge to build community resilience;
- 4) Making a difference.

4. Recommendations

Recommendation 1 (R1)

The report states: To strengthen community resilience and support people to be more self-reliant, local authorities need to ensure they have the right arrangements and systems in place. We recommend that local authorities use the evaluation tool (attached – *Annex A*) to:

- self-evaluate current engagement, management, performance and practice;
- identify where improvement is needed; and
- draft and implement an action plan with timeframes and responsibilities clearly set out to address the gaps and weaknesses identified in completing the evaluation tool.

Our response:

The Council welcomes the opportunity to evaluate its current position and identify actions, improvements and transformative work required to enable communities in Swansea to become resilience and self-reliant. Through the two oversight groups that coordinate the delivery of the Corporate Priority 'Tackling Poverty and Enabling Communities' – these are the **Swansea Council Poverty Forum** and **Enabling Communities Group** – we have undertaken in internal review of the evaluation tool.

A table with our evaluation findings is including in Annex A of this document.

Recommendation 2 (R2)

The report states: To help local authorities address the gaps they identify following their self-evaluation, we recommend that they:

- formally approve the completed Action Plan arising from the evaluation exercise;
- regularly report, monitor and evaluate performance at relevant scrutiny committees; and
- revise actions and targets in light of the authority's evaluation and assessment of its performance.

Our response:

Based on the evaluation completed as part of the first recommendation, we have identified the following key actions to be taken forward:

Actions

- 1) We will explore what community resilience and self-reliance means with our partners and with the people we support to develop a co-produced set of **terms and definitions**.
- 2) We will develop a **clear approach** that embeds principles such as co-production, social value and strengths-based approaches to ensure that communities play a key role in developing community resilience and self-reliance.
- 3) We will build on our existing **partnership arrangements and wider networks**, forums and groups to develop collaborative opportunities to improve community resilience and self-reliance across Swansea.
- 4) We will develop the **tools and infrastructure** to conduct and sustainably maintain a mapping of community assets.
- 5) We will conduct and sustainably maintain **knowledge of local individuals and organisations** supporting community resilience and self-reliance across Swansea.
- 6) We will conduct a co-productive approach to planning and delivering **programmes and initiatives to improve community resilience and self-reliance** across Swansea.
- 7) We will explore existing relationships and develop new **partnerships / collaborative working practices throughout communities** across Swansea.
- 8) We will utilise opportunities to **encourage people to be more active in their community**, either through volunteering with the council, local volunteering in their communities or with our partners.

These eight actions will form the basis of developing a focused Action Plan, aligned with our Tackling Poverty and Enabling Communities Corporate Priority action planning, delivery and performance management processes.

5. Way Forward

Overview of the report findings

In summary, we agree with the findings of the Audit Wales report and the recognition that, given the significant challenges that local authorities are facing as a result of the Cost of Living crisis, the impact on council services is likely to increase in the future. There is a vital role for communities to play in responding to this challenge and by helping communities to become more resilient and self-reliant, we can help people to do more for themselves and be less reliant on stretched statutory services.

We recognise from the evaluation which we have undertaken that there is more to be done to define, deliver and continuously improve our vision for resilient and self-reliant communities in Swansea. Under the Corporate Priority 'Tackling Poverty and Enabling Communities', the Council is committed to taking action and working with our local communities to embed the principles, cultural changes and new initiatives.

Next Steps

The Council's is in a good position to take forward the identified actions and report them against the Corporate Priority 'Tackling Poverty and Enabling Communities'. Existing governance in place for coordination of this Corporate Priority will provide oversight of progress against these actions. Work is underway to refresh our Tackling Poverty Strategy and this will include a range of co-production activities to understand the needs and priorities of our partners, stakeholders and the communities of Swansea.

Annex A – Self-Evaluation Table

| Heading | | Status | Current position | Target |
|--|---|-------------|--|---------------|
| Understanding the challenge and articulating your role | We have clearly defined and agreed what community resilience and self-reliance means to us | Not started | There are a number of definitions used or referenced in different places but no singly definitive or co-produced definition. It is important that we develop the right terms and definitions for all parties so a co-production approach is essential. This approach should consider the needs of all of our communities including communities defined by shared interests and characteristics. | March 2024 |
| | Our vision makes clear what we need to do and what others are best placed to do | Started | <p>The Council's corporate plan vision is "In 2028 Swansea is a place that has a thriving mixed use city centre and local economy. It is a place where people can gain the skills and qualifications they need to succeed in life, where everyone can achieve their potential and where communities are resilient and cohesive. Swansea is a place where human rights are respected, and people are safeguarded from harm and exploitation. It is a place where nature and biodiversity are maintained and enhanced, and carbon emissions are falling."</p> <p>This vision and the wider context of the Corporate Plan 2023-2027 establishes some elements of the priorities for enabling communities to become more resilient self-reliant but additional work is required to explore these priorities through our partnerships, networks and forums.</p> | December 2023 |
| | We have identified by service, the activities: <ul style="list-style-type: none"> • that the authority must continue to provide; • those that can be delivered in partnership with others; and • those that the community can lead on. | Started | Service Plans based on the corporate priorities defined in the Corporate Plan have been developed and define the role of the Council in not only working with partners but in improving the capabilities of our communities to lead on initiatives such as social enterprises. | March 2024 |

| Heading | | Status | Current position | Target |
|---------|--|-------------|--|---------------|
| | We have communicated our definitions widely to ensure all key stakeholders understand what we want to achieve through our work on community resilience and self-reliance | Not started | As above, work on properly defining community resilience and self-reliance in a co-productive approach is required before engagement and communication actions can be taken. Planning will be based on utilising existing channels and forums as well as exploring opportunities unique to each of our communities. | December 2023 |
| | Our key partners have identified how they will collaborate with us to strengthen community resilience and self-reliance | Started | Key partners are involved in our planning process through Council-led groups and events such as the Swansea Poverty Partnership Forum and the Safer Swansea Partnership. Existing relationships have been used to deliver collaborative approaches to community resilience and self-reliance. Partners in areas like Education, Police and Health have their own community engagement methods to support these partnership approaches. | March 2024 |
| | We have completed a place-based asset mapping exercise to assess community resilience and capacity for increased self-reliance. | Not started | Asset mapping exercises have been carried out previously in 'snapshot' exercises but a robust model of community asset assessment and reporting needs to be considered as to whether this is a priority and required for Swansea | March 2024 |
| | We know the number and types of organisations working locally that can help us improve community resilience and self-reliance | Started | Good relationships exist with communities through partnerships and approaches like Local Area Coordination. This allows us to have a good understanding of what organisations and services are operating on local and hyper-local levels. Organising and coordinating this data in a sustainable and accessible way is the next challenge. | December 2023 |

| Heading | | Status | Current position | Target |
|---------------------------------|---|-------------|---|------------|
| Page 307 | We know where there are gaps that we need to address | Started | Planning has been undertaken in a number of areas to identify gaps and opportunities for development. The Enabling Communities Group provides oversight of the strategic approach to that element of the Corporate Priority 'Tackling Poverty and Enabling Communities' as well as a focal point for collaboration and alignment of plans. More insight from communities directly could inform the perspective of what gaps need to be addressed as a priority for the people of those communities. | March 2024 |
| | We have agreed the actions required to help improve community resilience and self-reliance in our area. | Started | Some action plans exist aligned to various corporate and partnership services and initiatives such as the Safer Swansea Partnership. Governance is in place to provide oversight of these actions through the Enabling Communities Group though decision-making in relation to implementing these actions are subject to different departmental structures and approvals. | March 2024 |
| | We have set SMART objectives and actions on how we will improve community resilience and self-reliance | Started | As above, work on refining the objectives and actions to improve community resilience and self-reliance where required. Existing strategies, action plans and initiatives follow the corporate approach to setting SMART objectives and actions. | March 2024 |
| | We are clear on the benefits and risks of our work on community resilience and self-reliance for citizens, local communities and the local authority. | Not started | As above, a co-production approach involving more insight and shared responsibilities with citizens and local communities is part of the way forward that requires further development. | March 2024 |
| Knowing your communities | We know who our key community activists and leaders are. | Started | Good relationships exist with communities through Elected Members, partnerships and approaches like Local Area Coordination. In many cases, key community activists and leaders are known and actively engaged with Elected Members and Council staff. | Ongoing |

| Heading | | Status | Current position | Target |
|--|---|-------------|---|---------|
| Page 308 | We have good working relationships and work effectively with our key community activists and leaders. | Started | Relationships with those community activists and leaders known to the Council are generally positive and effective. There are opportunities to explore more joined-up cross-departmental processes to connect community activists and leaders to the relevant services and support across the Council. | Ongoing |
| | We provide help, support and training to ensure our key community activists and leaders are as effective as they can be | Started | At present, support provided to community activists and leaders is provided in partnership and targeted at helping them to become more organised (e.g. help to run community centres and sports clubs) or to raise awareness of things they need to know (e.g. when small grants are available or information about safeguarding). | TBC |
| | We effectively encourage local community activists and leaders to improve community resilience and self-reliance | Not started | As above, more work on the definitions, mapping and increased coproduction will help us to understand if further activity is required for this. | TBC |
| Skills and knowledge to build community resilience | We are good at encouraging people to help out and do more in their community. | Started | Taking an active approach to encouraging people to do more in their community is linked to a number of drivers including our relationships with Third Sector partners and investment in community initiatives. Local Area Coordinators walk alongside people who are often looking to contribute to their community through volunteering. The Council actively endorses and promotes National Volunteering Week and other similar campaigns. There are many events and activities delivered in communities with the support of volunteers including grass roots community sports, managing assets transferred to local communities and engagement events coordinated with local community groups. | Ongoing |

| Heading | | Status | Current position | Target |
|---------|---|-------------|---|------------|
| | We have the right staff in the right place to help improve community resilience and self-reliance. | Started | Services like Libraries and roles like Local Area Coordinators (which are based within local community settings) enable those sorts of activity in partnership with community activists and leaders. Adopting a strength-based approach to community development ensures that we can identify what resources are needed to meet the needs of local people. The recent development of the Tackling Poverty and Enabling Communities Corporate Priority provides a catalyst for us to continue improving and responding to the needs of local communities. | TBC |
| | We have revised job descriptions and person specifications to strengthen their focus on involvement, to help improve community resilience and self-reliance | Not started | In Social Services, both Child and Family and Adult Services have revised roles ensuring Early Help and Prevention functions across teams, focusing on strength-based approaches, local solutions and services and supporting people to be self-reliant. In addition, ways of working and cross-departmental organisation of resources could enhance help to improve community resilience and self-reliance. | March 2025 |
| | We give staff the opportunity to take well-managed risks and explore innovative practices with communities | Started | Some of our community-facing roles have the ability to work in partnership with communities to try new ways of working and take risk-based approaches to solutions that meet the needs of the community. More work is required to analyse the extent of this risk-based approach and embed innovative thinking into our enabling communities plans and actions. | Ongoing |
| | Our staff are good at influencing people to do more for themselves where they can | Started | Community-focused roles are important for encouraging and enabling people to take actions for the benefit of themselves, their families and their communities. Person-centred strength-based approaches are part of the delivery model of Social Services and evidence from service user stories demonstrates the effect of this approach and achieving positive outcomes is part of our performance measurement model. Removing barriers to enable people to be more independent (such as tackling digital exclusion) is also a part of this work. This is included in the Council's Digital Strategy 2023-28 which includes goals around people-focused digital services and accessible data that supports communities. | Ongoing |

| Heading | | Status | Current position | Target |
|---------|---|-------------|--|---------|
| | Elected members support the authority's work on strengthening community resilience and self-reliance. | Started | <p>Engagement from Elected Members on our enabling communities is very positive and our Cabinet Member for Community Support is a champion for our broader programmes of work and approaches including Local Area Coordination.</p> <p>As above, more work on defining and co-producing our definitions and plans for community resilience and self-reliance would focus this work and we will continue to engage Elected Members in our plans and actions as this work progresses. This includes Members involvement and focus on community cohesion and safety including the Safer Swansea Partnership which includes partners such as South Wales Police and Mid & West Wales Fire and Rescue Service.</p> | TBC |
| | We have put in place the right support to help Elected Members strengthen community resilience and self-reliance in their wards | Not started | As above, further work on definitions, ways of working would be required to ensure we continuously provide the right support and information for Elected Members as well as other supporters and stakeholders. | TBC |
| | We have a can-do culture and mindset within the local authority to improve community resilience and self-reliance | Started | Evidence from the oversight of the various services and initiatives across the Council is that our work on enabling communities is approached with a broadly positive mindset. Feedback from service users and partners is evidence of this can-do attitude. More work could be done to understand and measure the culture of our community-focused services as well as evidencing the positive impacts of the Council's efforts in this space. | Ongoing |
| | We are good at encouraging communities to find their own solutions to problems and not rely on us. | Started | There is a range of evidence of how staff have encouraged specific actions for communities to take on for themselves. Grant funding for initiatives like Men's Sheds is one example of solutions that have been successfully delivered with little more than funding from the Council. Evidence includes our response to the COVID-19 pandemic such as supporting hyper-local community actions (e.g. collecting food and medicine for house-bound people). We are connected to a vibrant and active third sector across Swansea with great relationships within communities. Further work could be required to define better data and evidence of how this works, as well as working with our partners, community activists and leaders to celebrate these successes. | Ongoing |

| Heading | | Status | Current position | Target |
|---------------------|--|-------------|---|---------|
| Making a difference | We have reviewed ways of working across the Council and are changing services to help improve community resilience and self-reliance | Not started | As above, this will be taken forward once we have completed other actions around definitions, ways of working, engagement with communities and clarification of community-focused services across the Council. | |
| | We have identified how these changes will impact on people. | Not started | As above, this will be taken forward once we have completed other actions around definitions, ways of working, engagement with communities and clarification of community-focused services across the Council. | |
| | We are communicating to citizens how our services are changing. | Started | There are existing corporate processes in place in relation to service transformation, public communications and service standards across all Council services. The IAA process supports this approach by ensuring Council services consider the needs of the population when making any changes to our services, including their needs in relation to participation, engagement and communication. Elected Members also play a crucial role in communicating with citizens at times of service transformation. | Ongoing |
| | We have specified the information required to evaluate how our work is improving community resilience and self-reliance | Not started | As above, this will be taken forward once we have completed other actions around definitions, ways of working, engagement with communities and clarification of community-focused services across the Council. | |

| Heading | | Status | Current position | Target |
|---------|--|---------|--|---------|
| | We use our resources, money and assets to build and retain wealth in our local communities | Started | <p>There are existing programmes and initiatives in place that support community developments. More definition is required around social value and opportunities for communities to build and retain wealth through schemes such as community food growing partnerships. There are existing partnerships and relationships with communities that can be developed to explore these opportunities.</p> <p>For example, Beyond Bricks and Mortar (BB+M) is an important initiative to secure community benefits from all suitable council activities in Swansea for the lasting benefits of our communities. It involves introducing community benefit clauses – such as targeted recruitment and training – into Council contracts to ensure that members of our communities (especially young people and those who have been out of the job market for some time) are given opportunities of meaningful training and employment.</p> | Ongoing |
| | We use our procurement of services as a means of investing in the local economy. | Started | We are engaged with the Social Value movement to use procurement as a means of investing in local economies. Further work could be done to support communities to take a proactive approach to defining what is of value to them and how procurement practices can achieve their desired outcomes. | Ongoing |
| | We work with our local anchor institutions to ensure they support community wealth building through their provision of services, use of resources, procurement and assets. | Started | There are existing relationships in place with key local anchor institutions like South Wales Police and DVLA, both within the Council and through our communities. We are also engaged through the Swansea Public Services Board (PSB) as part of collaborative working to improve local services as well as local social, economic, environmental and cultural well-being. The Swansea Poverty Truth Commission is one example of how local anchor institutions are engaged with and listening to the needs of our local communities. Further work could be done around co-design of services, embedding social value principles and collaborative use of resources and assets. | |

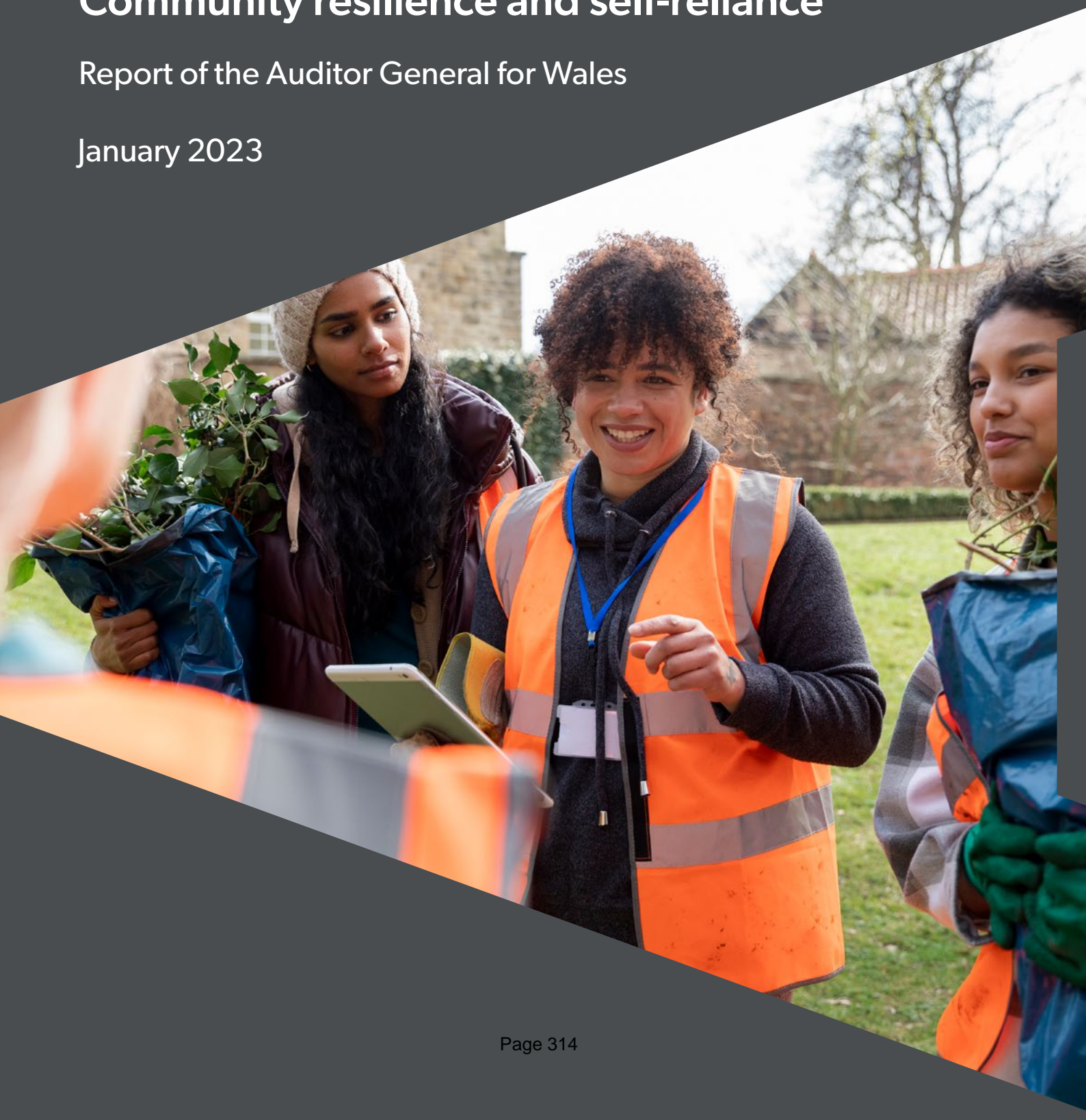
| Heading | | Status | Current position | Target |
|----------|--|-------------|--|---------|
| Page 313 | We encourage suppliers to enhance the social value aspects of their contracts through the inclusion of training and employment opportunities in agreements | Started | Social Value through procurement has been driven by the introduction of national TOMs (Themes, Outcomes and Measures) and work is ongoing within the Council to apply a robust model for maximising the impact of our contracts. As a result of more definition and direction for community resilience and self-reliance, we may be able to better inform the social value aspects of our commissioning and contractual agreements to deliver changes that our communities tell us are of value to them. | Ongoing |
| | We regularly report on our community resilience and self-reliance work to scrutiny committee(s) against a balanced set of performance information that covers: • demand for local authority services; • alternative provision within communities and by partners; and • impact of our work on people's wellbeing. | Not started | As above, this action will be taken forward once we have completed other actions around definitions, ways of working, engagement with communities and clarification of to community-focused services across the Council. | |
| | Our scrutiny and evaluation processes provide us with assurance that our work is delivering anticipated outcomes. | Not started | As above, any additional action will be taken forward once we have completed other actions around definitions, ways of working, engagement with communities and clarification of community-focused services across the Council. There is a robust approach to scrutiny and evaluation in place across the council.. | |

'Together we can'

Community resilience and self-reliance

Report of the Auditor General for Wales

January 2023



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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

Contents

| | |
|--|----|
| Context | 4 |
| Key findings | 6 |
| Recommendations | 8 |
| Detailed report | |
| 1 Defining community resilience and self-reliance | 9 |
| 2 The current approach of local authorities to creating more resilient communities and self-reliant people | 17 |
| 3 Looking to the future and learning from elsewhere | 30 |
| Appendices | |
| 1 Audit approach and methods | 45 |
| 2 Community resilience and self-reliance evaluation tool | 47 |

Context

- 1 This study is the final report of three under our themed programme of work looking at how local government is alleviating and tackling poverty. Through our work we have sought to:
 - **Assure** people on how public money is being spent on tackling and alleviating poverty and provide evidence on where change is needed.
 - **Explain** the scale of the poverty challenge facing people in Wales and set out how all tiers of government are working to address this. We highlight good practice but also identify areas where improvement is needed.
 - **Inspire** a change in how money and services can be delivered in the future identifying new ways of doing things to help address poverty.
- 2 Our first report provided a baseline showing that poverty is the major challenge facing all tiers of government, and Wales has the greatest and deepest levels of poverty in Great Britain. With this context in mind, our second report looked at how local authorities are working to grow and expand social enterprises to help local government deliver more services and reduce demand.
- 3 This final review focuses on understanding how local authorities are creating the conditions needed to transform ways of working and empower communities to thrive as independently as possible. We specifically look at the priority placed on community resilience and self-reliance in local authority plans, and how local authorities are equipping people to be less reliant on often over stretched local authority services.

Local authorities face a daunting challenge

- 4 In the last 15 years, local government in Wales has faced significant pressures, dealing with crisis after crisis, which has changed the way services are provided. Austerity tested local government's ability to change and react. Local authorities adapted well in responding to this challenge, devising and implementing a range of efficiency measures that reduced the cost of services, but also finding innovative ways of working. Similarly, local authorities were flexible when responding to COVID-19, finding new ways of delivering services that protected people while overcoming the many challenges the pandemic presented.

- 5 Local authorities are now facing more significant challenges as a result of the current cost-of-living crisis, and it is clear that they are again being challenged to support people where demand for services is likely to increase. But, because capacity within local authorities has been eroded and opportunities to deliver further efficiency savings are exhausted, local authorities will have to find other ways of maintaining services and continuing to support the wider community and in particular those most in need. This is also set against the current situation of public spending not keeping pace with inflation. While the Welsh Government revenue settlement for local authorities in 2023-24 will increase by 7.9% on a like-for-like basis compared to the current year¹, this is below the rate of inflation which was estimated to be 9.3% at the end of November².
- 6 Against this challenging situation, local authorities are showing an increasing interest in encouraging and growing community resilience; equipping people to do more for themselves and be less reliant on the state. Resilience is not a new concept and has been central to how local authorities have traditionally responded to local emergencies such as flooding, natural disasters and, indeed, the pandemic. In this context, resilient communities are defined by their ability to deal with a sudden calamity but are also able to quickly bounce back to their pre-crisis state.
- 7 But at a time of reductions in budgets and uncertainty in public finances, the idea of equipping people to do more for themselves on a more sustained basis, is increasingly appealing. It responds to the pressure of where to prioritise local authority activity and ensure there is an adequate safety net in place for the most vulnerable and disadvantaged. Consequently, community and self-resilience has begun to appear as a priority in more local authority corporate plans and strategy documents, not merely as a response to a natural disaster but as means of equipping people to be able to adapt and directly manage the problems they face.
- 8 The application of resilience thinking is not, however, without its risks and challenges. While promoting resilience can be seen as a pragmatic response by local authorities faced with difficult decisions about how to use their reducing resources, it is important to recognise the limits of what might be achieved; resilience might serve as a strategy for helping communities to cope with adversity, but it cannot overturn structural inequalities and deliver solutions to generational issues like poverty alone.

1 [Written Statement: Provisional Local Government Settlement 2023-24](#)

2 www.ons.gov.uk/economy/inflationandpriceindices/timeseries/l55o/mm23

Key findings

- 9 Overall, we conclude that local authorities face a challenging and uncertain financial future but find it difficult to empower people and communities to be more self-reliant and less dependent on services.
- 10 In **Part 1**, we consider why community resilience and self-reliance are important for local authorities. We found that much of the current narrative on community resilience is framed by the need to respond to emergencies and civil contingency requirements. This narrow focus can lead to local authorities missing opportunities to make a broader impact and, in some cases, even unintentionally encouraging dependency.
- 11 Importantly, recent Welsh Parliament legislation such as the Well-being of Future Generations (Wales) Act 2015 is mapping a new direction for public service delivery. However, we found that this has not translated into the fundamental shift with people being encouraged to do more for themselves and being less reliant on local authority services. While 19 of the 22 local authorities are prioritising community resilience, too often the work is poorly defined and the actions that underpin plans are narrowly focussed.
- 12 In **Part 2**, we outline how local authorities are currently working to engender more self-reliance and greater resilience in communities. We summarise current activity highlighting how local authorities are framing their changing relationship with communities. In this section, we also consider the effectiveness of approaches, noting areas of strength and good practice but also the barriers to making positive change.
- 13 The growth in volunteering, community asset transfers, community hubs, emerging work on community empowerment and the work of community navigators shows the commitment of local authorities to transform how they operate. However, given the societal, financial and demographic challenges facing Wales, there is a need to scale and speed up activity. We acknowledge that the shift in emphasis from local authorities doing less and requiring others to do more is not easy to achieve.
- 14 There are also significant barriers to overcome, both within local authorities but also communities. Capacity, resources and skills are scarce, people are facing tougher choices and struggling to cope with the cost-of-living crisis. Communities and local authorities themselves also have different abilities and are starting from different places with their own unique challenges to overcome.

- 15 Positively, as a result of COVID-19, there is a huge amount of goodwill and commitment within communities that local authorities can build on and use. However, the view of partners and stakeholders we spoke to suggests that some local authority services are returning to their pre-pandemic ways of working and the opportunity to shift to being an 'influencer' and 'enabler' rather than 'direct provider' is potentially being wasted.
- 16 In **Part 3**, we look to the future, setting out approaches and learning from elsewhere. We highlight positive practice and examples of how others are seeking to address the challenge of enabling people to be less reliant on local authority services and how they are supporting and enabling this transition. We frame this around the following:
- creating a clear vision of how things will work in the future;
 - holding a two-way dialogue and communicating what change will 'look' and 'feel' like;
 - revitalising the role of local authority members as community champions;
 - refocussing the work of local authority staff;
 - recognising that recasting community relationships will require different solutions in different places; and
 - ensuring wealth stays local and works for all the community.



The pandemic showed communities can play a more active role and become less dependent on public services but sustaining this requires local authorities to change how they work. I recognise how difficult this is in the current climate but also believe that change is necessary. Our report makes the case for change and provides helpful recommendations to help authorities make the transition.

Adrian Crompton
Auditor General for Wales



Recommendations

- 17 Our recommendations are set out below. We expect each local authority to consider the findings of this review and our recommendations, and that its governance and audit committee receives this report and monitors its response to our recommendations in a timely way.

Recommendations

- R1 To strengthen community resilience and support people to be more self-reliant, local authorities need to ensure they have the right arrangements and systems in place. We recommend that local authorities use the evaluation tool in **Appendix 2** to:
- self-evaluate current engagement, management, performance and practice;
 - identify where improvement is needed; and
 - draft and implement an action plan with timeframes and responsibilities clearly set out to address the gaps and weaknesses identified in completing the evaluation tool.
- R2 To help local authorities address the gaps they identify following their self-evaluation, we recommend that they:
- formally approve the completed Action Plan arising from the evaluation exercise;
 - regularly report, monitor and evaluate performance at relevant scrutiny committees; and
 - revise actions and targets in light of the authority's evaluation and assessment of its performance.



Defining community resilience and self-reliance

01

The policy shift from 'doing' to 'enabling' and 'influencing'

- 1.1 Nurturing resilience is not an exact science. Neither is it a traditional service or a neatly defined activity in its own right. An understanding of the evolving role of government and the changing relationship between citizen and state provides the foundations; from this evolving position, local authorities can develop their approach to community resilience, embedding consistent and sustained ways of working that ultimately empower people and communities.
- 1.2 This fundamental shift – from 'providers' to 'enablers' – is not insignificant or easy to achieve. Austerity drove local authorities to reflect on their role and in many ways necessitated a shift towards adopting a more enabling approach. At the same time, however, the budgetary constraints that demanded this shift in the first place, also significantly reduced the capacity and expertise needed to navigate this tricky transformation. However, with a challenging and uncertain future for public finances³, increasing demand for statutory services through an aging population⁴, and Wales already facing some of the worst poverty levels in the UK⁵, local authorities have little option but to focus their efforts on equipping communities to become more resilient and self-reliant.
- 1.3 Broadly, the terms resilience and self-reliance should encapsulate both community preparedness for adverse situations; the support to promote individuals' independence, and everything else in between. From those we reviewed, we found Public Health Wales's⁶ definition of resilience to be the most rounded; 'an ability to draw on strengths and assets to cope or thrive in adversity – be that a severe or acute life event or the chronic stresses of everyday life'. The 2019 Public Health Wales report on community resilience sets out a number of key contributors to community resilience, highlighting its importance as a means of tackling complex societal issues such as poverty. These are set out in **Exhibit 1**.

3 Welsh Local Government Association (WLGA), ['Autumn Statement is a missed opportunity to help our communities'](#), November 2022

4 Welsh Government, [Population and household estimates for Wales \(Census 2021\)](#), June 2022

5 Auditor General for Wales, [Time for change – Poverty in Wales](#), November 2022

6 Public Health Wales, [Resilience: Understanding the interdependence between individuals and communities](#), 2019

Exhibit 1: Public Health Wales' 'Building blocks of resilience'**Human capital**

the innate and acquired personal attributes including skills and education, capacity and local knowledge

**Social capital (community level)**

the extent of social networks and connections within a community, effectiveness of local community and voluntary organisations (support, participation), and resources of public, private and third sector organisations that are available to support a community

**Physical/built capital**

the physical infrastructure including homes and roads, access to amenities

**Natural/environmental capital**

access to green and blue space, availability and use of natural resources

**Financial or economic**

capital: income, wealth, access to resources, civic and social enterprises

Source: Public Health Wales, [Resilience: Understanding the interdependence between individuals and communities](#), Public Health Wales, 2019

- 1.4 Defining social resilience and community self-reliance is not helped by different interpretations and meanings in the contexts of key legislation and various functions of local authorities. For example, as a core principle of the [Social Services and Well-being Act \(Wales\) 2014](#), local authorities have long focused on supporting people to live independently by providing information, advice and assistance to prevent the escalation of their needs. This shifts the emphasis for local authorities to playing a more 'enabling' role, albeit in the context of supporting those needing care and support. This has not been without its challenges and there is still more to do to fully embed the principles of the Social Services and Well-being (Wales) Act 2014 and to ensure organisational cultures support its implementation⁷.

- 1.5 At the other end of the spectrum, under the [Civil Contingencies Act 2004](#), Local Resilience Forums are responsible for co-ordinating local responses to threats and emergencies. Community resilience is a well-known term in this context but relates specifically to ensuring community preparedness for and adequate response to events such as pandemics, flooding, or terrorist incidents. The inherent focus and emphasis on emergency planning clearly relates to events or situations which threaten serious damage to human welfare, the environment or to the security of the UK⁸. Beyond the scope of emergency planning, resilience in this sense has little to do with promoting self-reliance in daily life and equipping people to be less dependent on the state.
- 1.6 A further interpretation is set out in the context of the [Well-being of Future Generations \(Wales\) Act 2015](#) – specifically, the focus on climate change and air quality in the national wellbeing goal of 'A resilient Wales'. Although clearly relevant in a broader sense, this has little to do with creating the social and human conditions that help communities thrive without calling on local authorities. Developing resilient communities and self-reliant citizens, therefore, requires local authorities to 'let go' of control and involve and empower people. Despite 'involvement' being one of the five ways of working under the Well-being of Future Generations (Wales) Act, public bodies are often not creating opportunities for citizens to be involved from the early stages of design through to evaluation and must do more to include the full diversity of the population⁹.

8 Cabinet Office, [The role of Local Resilience Forums](#), Cabinet Office, 2013

9 Auditor General for Wales, [So, what's different? Findings from the Auditor General's Sustainable Development Principle Examinations](#), May 2020 Page 325

Most local authorities recognise the need to create more resilient and self-reliant communities, but very few have clearly defined what this means or entails

- 1.7 Given the current policy and legislative drivers, it is not surprising to find that local authorities' interpretations of resilience and self-reliance are rooted in either emergency planning or social care, and/or linked to their corporate efforts to reduce carbon emissions and boost biodiversity. Whilst these approaches clearly make an invaluable contribution to people's well-being and safety, their narrower focus can mean local authorities risk missing opportunities to make a broader impact and, in some cases, even risk encouraging dependency.
- 1.8 At the time of our review, we found that most local authorities have no clear definition of resilience or self-reliant communities, despite 19 having well-being objectives specifically aimed at promoting community resilience. In a survey of local authority lead officers, fewer than half could define what is meant by a resilient community and only three could define characteristics of a self-reliant individual.
- 1.9 All local authorities reference the national well-being goals, including a more resilient Wales, in their plans, but there is little development from these into local objectives or actions. The lack of definition for the terms 'community resilience' and 'self-reliance' means they are nebulous and often little more than catch-all statements. Between different local authorities, and between different services within local authorities, it can mean various things.
- 1.10 During interviews, we asked local authority officers to define community resilience and self-reliance (**Exhibit 2**). Some believed these are not possible to define, or that definitions are not a priority, or their meaning varies significantly between different services. While this recognises the holistic nature of resilience to the individual and the need to consider it in all service areas, it also illustrates the importance of a clear definition for different parts of the local authority to work towards.

Exhibit 2: example of local authority officers' definitions of community resilience and self-reliance



'A resilient community is one that reacts to a challenge.'



'Cannot be defined.'



'Looking at opportunities to make people in their communities feel more engaged.'



'The local authority working with communities and individuals to find the things that matter in life without the local authority being the first port of call.'



'Can be defined differently wherever you go. Different areas need different support.'



'Working with residents and the community to share responsibility, helping communities to do more for themselves and give them more control over what they can do to support local people in their communities.'



'The process and outcome of engaging with the third sector and investing in their knowledge of their communities.'

Source: Audit Wales interviews with local authority officers.

“ A resilient community is one that reacts to a challenge ”

- 1.11 Other officers placed more emphasis on the need to engage with communities and the third sector to develop resilience – both as an outcome and a process. The end outcome would be that citizens work as a community to address issues rather than going straight to the local authority. There was also recognition of the need for resilience to empower communities to cope both with crises, but also grasp opportunities. Having a clear definition, therefore, enables impactful actions to be devised that embody these key features. Many officers we interviewed also view their role as helping to network community groups and involve them in creating infrastructure and systems to support their development. Others see the role of the local authority as a co-producer alongside partners continuing to deliver services rather than the end goal of passing all delivery onto partners.
- 1.12 Despite this, we found some promising approaches. Bridgend's Corporate Plan¹⁰ includes a well-being objective to help 'people and communities to be more healthy and resilient'. This is framed around reducing or preventing an escalation of need in response from the local authority and to enable community-based solutions. Newport's refreshed Corporate Plan for 2022-27 includes a well-being objective to make Newport 'a supportive city where communities and care are at the heart of what we do'¹¹. The plan describes how the ambition is for communities to support each other in a more co-operative approach.
- 1.13 Successful transformation requires local authority leaders, both officers and elected members, to clearly articulate the benefits of the new ways of working and successful outcomes. This, in turn, allows officers in each service area to take actions to the greatest benefit locally, such as commissioning investment in social enterprises to keep funding within the local economy. Consequently, third sector and social business organisations that support groups that promote community resilience felt that local authority leadership was paramount both externally in creating the needed dialogue within communities but also within local authorities to stimulate culture change.
- 1.14 In addition, many local authorities continue to frame their activities around continuing to be a service delivery body and have further work to do to help create a change in mindset and culture. Self-reliance is clearly influenced by the things that local authorities do. But it is also shaped by the things they do not do – it follows that, by supporting communities to do more for themselves, local authorities will ultimately change or limit what they do.

10 Bridgend County Borough Council, [Corporate Plan 2018-23](#)

11 Newport City Council, [Corporate Plan 2022-27](#) Page 328

1.15 Through our interviews, we found that local authorities are comfortable in discussing direct provision of activities – for example, activities to support vulnerable people – but are less clear on their role in moving towards supporting communities to do more for themselves. Getting the balance between helping those who need support and enabling others to do more is a key challenge facing local authorities in creating greater levels of self-reliance.



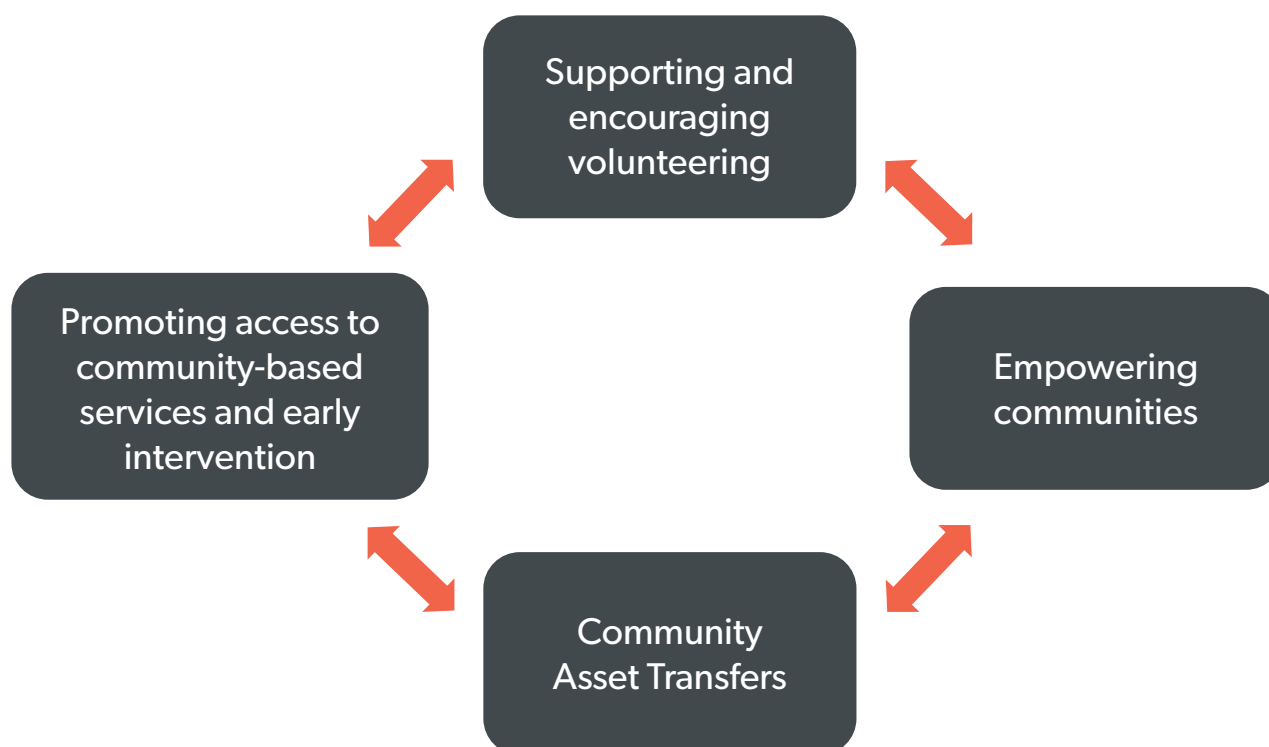
The current approach of local authorities to creating more resilient communities and self-reliant people

2.1 In **Part 2** of the report, we outline how local authorities are currently working to engender more self-reliance and greater resilience in communities. We summarise current activity highlighting how local authorities are framing their changing relationship with communities. We consider the effectiveness of approaches, noting areas of strength and good practice but also the barriers to making positive change.

Local authorities have a mixed track record in helping to build community resilience and strengthen self-reliance

2.2 In terms of where local authorities have traditionally pitched their efforts in helping to build stronger and more self-reliant individuals and communities, their work in recent years has broadly fallen into one or more of the following areas – **Exhibit 3**.

Exhibit 3: how local authorities are helping to create resilient and self-reliant communities



Source: Audit Wales

Supporting and encouraging volunteering

- 2.3 Local authorities value the additional support provided by volunteers to a range of services, and volunteers bring new skills, new ideas and a fresh perspective. There are many examples of volunteer programmes within local government, and volunteering has evolved in line with the changing policy and operational context of local authority services. As local authorities increasingly focus on community engagement and participation, they have also begun to take a more strategic approach to volunteer involvement in service delivery.
- 2.4 Through our interviews with local authorities, we found that volunteering initiatives often work best when the local authority has a close working relationship with their local County Voluntary Council (CVC)¹². We also found some positive examples of how local authorities are building upon these local relationships to boost volunteering. For example, Caerphilly's [Employee Volunteering Scheme](#), and the Isle of Anglesey 'good turn schemes' in defined communities on the island.
- 2.5 There are nonetheless some challenges around volunteering. Not all communities have a strong volunteering demographic and communities themselves have different capabilities and capacity. For instance, we found good work taking place within Pembrokeshire, with the creation of an effective volunteer network undertaking a range of activities including good neighbour schemes, a 50+ network and a pharmacy delivery service. However, it is clear that Pembrokeshire has a strong local community with a good range of volunteers with the skills and abilities to thrive independently that the local authority and its partners can draw on. This is not the same everywhere in Wales, and it is clearly more challenging to encourage volunteers in the more deprived areas.
- 2.6 There is also a growing worry of burnout in the volunteering sector and a danger that while volunteers can play an important role, they are often 'papering over the cracks' of a system under stress. Volunteering has its place, but it needs to be managed and nurtured carefully and requires a shift in culture and policy within local authorities to be successful¹³.

12 Every county in Wales has a voluntary sector infrastructure body, generically called a County Voluntary Council or CVC. The key role of a CVC is to provide advice and information to local voluntary and community groups on volunteering, funding sources and a wide range of other issues.

13 Nesta, [Making the shift to people powered services](#), [Nesta – Government agenda](#), gov.uk

Empowering communities

- 2.7 A number of local authorities are similarly focusing their efforts on mobilising community capacity and empowering communities to identify their own needs and priorities and produce workable solutions. A good example of this is the work of Isle of Anglesey Council with Medrwn Môn, an independent agency providing support and advice to voluntary organisations and community groups. Under the 'network of alliances' initiative, Medrwn Môn is helping to create a system of local coalitions across the island which are empowered to identify the problems in their area, the assets that are available to help tackle these problems and the solutions needed to address them¹⁴. An evaluation of the success of this initiative was not available at the time of our audit.
- 2.8 Caerphilly has established a Community Empowerment Fund to support its Transformation Strategy. The first round of funding was shared between 18 community projects totalling over £40,000. The local authority has established criteria for applications to help focus efforts on improving resilience across the County Borough. While the criteria prioritise initiatives to support the establishment of new community groups, projects to support greater community cohesion, and projects aimed at tackling isolation and loneliness, although no update on the success of this work was provided at the time of our audit.
- 2.9 Despite the above, there is more that local authorities can do. Our analysis of responses to our survey of officers highlights that local authorities are not shifting efforts to empower communities to do more for themselves. From our survey of local authority officers, the activities where communities are more directly involved in delivery without local authority involvement are things like community litter picks, food banks and recycling and repurposing furniture, goods and clothing. While clearly important, these fall short of activities that help to encourage people to be more self-reliant and less dependent. In addition, procurement and grants processes are often not streamlined or agile enough to either encourage local groups to apply for funding or to get money to community organisations in a timely manner¹⁵.

14 Medrwn Môn, 'What is an Alliance?' Event, July 2022

15 South Wales Argus, Caerphilly Council still has budget for grants to charities, November 2022

Community Asset Transfers

- 2.10 A Community Asset Transfer (CAT) happens when a local authority transfers the management and/or ownership of a property asset to a town and community council, third-sector body or community group. This will sometimes include the delivery of any associated services. Transferring assets enables the retention of key local facilities and services that might otherwise be closed. Overall, we found that local authorities are not using CATs to help stimulate and build community resilience, and are mostly focussing on opportunities to reduce expenditure and divest themselves of assets that can no longer be subsidised.
- 2.11 Our survey of town and community local authorities highlights mixed performance in their experience of local authorities transferring assets. A common complaint from town and community councils is that transfers of community assets are unequitable and unfair. They often take far too long, with some reporting that the process took multiple years, resulting in the loss of potential funding opportunities, spiralling costs, and sudden changes in contract agreements. Local authorities were categorised as being excessively risk averse and poor at communicating.
- 2.12 Some respondents to our survey also flagged that they had no option but to take on the asset because of the threat that the service would otherwise be stopped. Several we interviewed reflected that local authorities were not transferring assets but liability with conditions placed on transfers that made success unachievable. Suggestions for improvement included providing an easily-accessible register of available transfers, more flexibility in transfer agreements, recognising the importance of cross-subsidisation and guaranteed ongoing support from local authorities.

Promoting access to community-based services and early intervention

2.13 Local authorities are recognising the need to reset their presence in communities and have focussed primarily on two approaches:

- **Community Hubs** – Several local authorities including Cardiff Council have developed 'community hubs,' providing a space for people to access key services. The Hubs also function as a place for people to meet and interact and are helping to reduce isolation and loneliness. In Gwynedd, the community hub in Maesgeirchen, Bangor has been instrumental in strengthening the local authority's presence on the estate, creating a more easily accessible and suitable space where services and the community can come together to work in partnership.

Likewise, the positive work of the Pembrokeshire Community Hub. This started life as a COVID-19 response for the county and was based in county hall in Haverfordwest. During the pandemic, the Hub took over 10,000 calls providing help and assistance so that citizens could access the food, prescriptions and the community services they needed. Following its success and in-depth engagement with communities and partners at a Community Activity and Wellbeing Day in June 2022, the Hub has recently been re-launched with a broader role¹⁶.

- **Community Navigators or Connectors** – Most local authorities are recognising the importance of the community navigator role to co-ordinate access to community-based services and to support the development of alternative non-local-authority provision. The job titles vary across Wales. Some are referred to as local area co-ordinators, others community navigators. Irrespective, local authorities recognise the value of these roles in helping to support resilience in communities. They often draw their roots from work in social care, and are focused on developing the provision of community-based services and activities, identifying potentially vulnerable people before their needs escalate and promoting access to alternative services¹⁷.

For example, Bridgend County Borough Council through its 'Local Community Coordination and Connecting Communities' programme which supports people whose needs would not usually meet the eligibility criteria for care and support. The local authority, working with Swansea University, has quantified and evaluated the impact of this programme, highlighting that every £1 spent delivers a return of £4. In addition, and more importantly, only 4% of people referred by the Local Co-ordinators to third-sector services subsequently needed to access statutory help from the local authority.

16 The Hub partnership includes Pembrokeshire Alliance of Voluntary Services (PAVS), Hywel Dda Health Board, Pembrokeshire County Council, Public Health Wales, PLANED, Volunteering Matters and West Wales Action for Mental Health.

17 The roles are rooted in the principles of the Social Services and Well-being (Wales) Act 2014 and are focused on prevention, helping to ensure people's well-being is maintained to avoid them requiring statutory care and support.

There are significant cultural, resource and capacity barriers to overcome in helping to create more resilient and self-reliant communities

2.14 While it is clear local authorities have a strong track record in some key areas that can help create more self-reliant individuals and resilient communities, our survey of senior local authority officers highlights that significant challenges remain – **Exhibit 4**.

Exhibit 4: barriers to creating more self-reliant and resilient individuals and communities identified by local authority officers



Lack of resources, limited skills and weak capacity to be able to drive this agenda.



Inability to redirect resources from service delivery to supporting communities to be more self-reliant.



A lack of trust between the council and residents and a perceived inability and appetite within communities to be more self-reliant.



The prevailing service delivery culture within the council of needing to be 'direct providers' rather than 'influencers' and 'enablers'



Limitations in joined up working with partners on the ground to foster stronger community involvement and influence.



Lack of a strategic vision and limited understanding of community needs and abilities

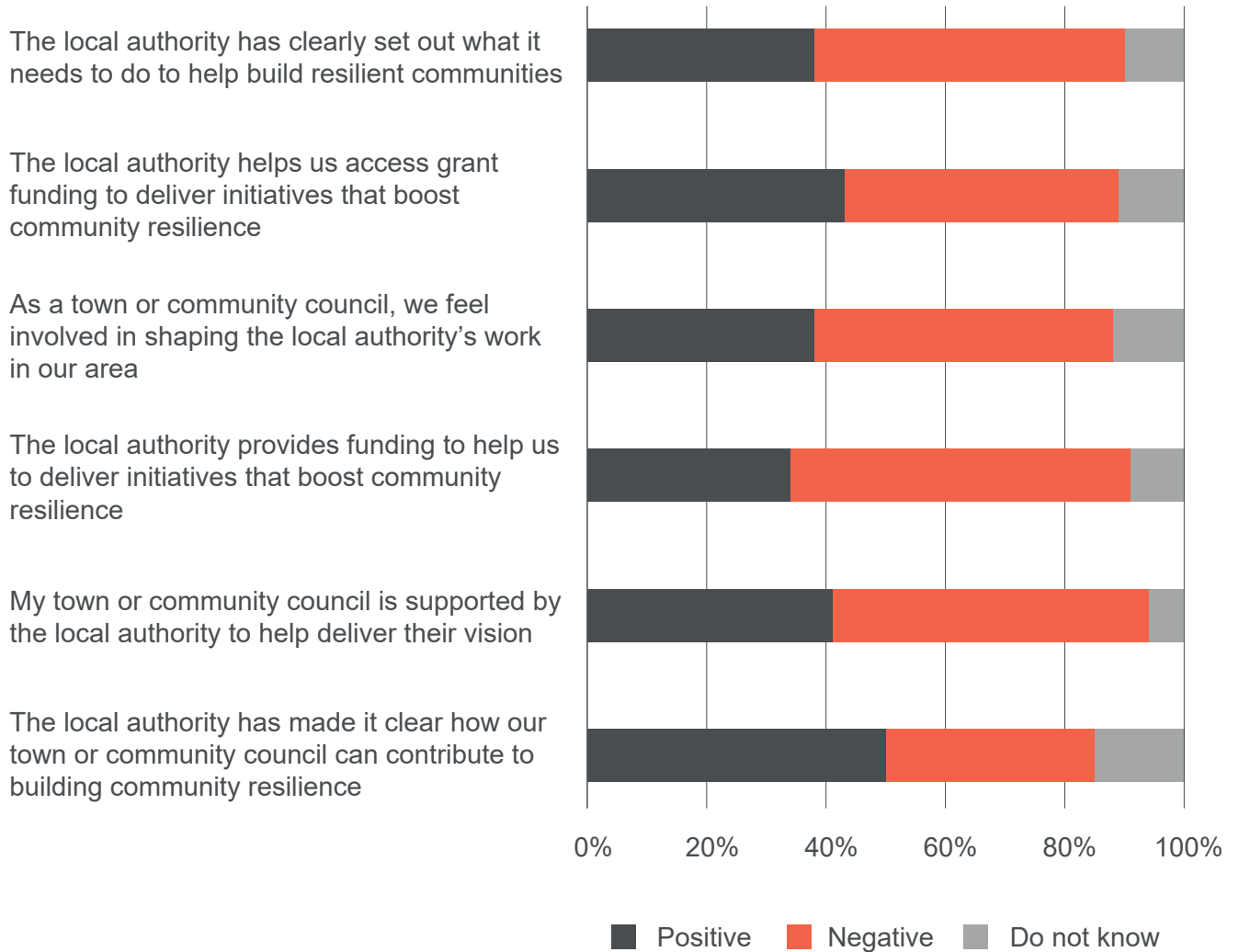


Ongoing challenges in helping connect and re-connect communities due to challenges of poverty, rurality, transportation and digital exclusion.

Source: Local Authority Officer Survey, Audit Wales analysis

- 2.15 A strong message from our interviews and survey work is that local authorities are not using resources to effectively stimulate community resilience. This is unsurprising. In the current fiscal climate, with an uncertain future, switching resources from often over stretched services is no easy thing. However, without some investment on the ground targeted at building capacity and encouraging resilience, it is clear some communities will not be able to respond, and responses where they happen, may not be sustainable.
- 2.16 Town and community councils are a key stakeholder in creating resilient and self-reliant communities. They are often well placed in local networks and hold significant community assets that can be used by groups. Collaborating with town and community councils opens the opportunity to involve communities more actively, which should increase public buy-in, and, in turn, help stimulate community resilience.
- 2.17 Town and community council survey comments had an overwhelmingly negative tone. While local authorities were felt to be effective at planning and creating a vision, they are overwhelmingly seen as ineffective at putting these into action. Poor communication, as well as delays caused by 'red tape,' were cited as the reasons initiatives failed. One respondent recorded that due to delays, 'the enthusiasm tends to tail off.' Survey responses on specific questions identify lots of opportunity for improvement. For example, while half of town and community council respondents felt that their local authority had set out what was needed to help build resilient communities, only 41% felt involved in shaping the approach and just over a third were clear on what they could and should be doing – **Exhibit 5**.

Exhibit 5: town and community council views on how well they collaborate with their local authority



Source: Town and Community Council Survey, Audit Wales analysis

- 2.18 Another strong line of feedback from town and community councils is the lack of funding and resources. Respondents noted that local authority budgets have shrunk, resulting in the local authorities 'not having enough experienced staff to cover statutory functions' let alone engage in community development activity. In addition, services that could often be in the frontline in engendering community resilience, are often absent on the ground. For instance, the lack of focus on the role of economic development to keep funding within local communities and prevent wealth extraction is seen as a missed opportunity.
- 2.19 Others highlight an enduring 'command and control' culture in some local authorities, strengthening the power imbalance between the local authority and its communities, framing the relationship as 'them' and 'us.' This limits local authorities' ability to fully engage with, involve and understand the community, and in turn creates difficulties for a community to fully trust the local authority. One respondent noted that their local authority continues to identify its own priorities and only then goes to local communities for validation of their work.
- 2.20 This is not helped by local authorities' performance monitoring and evaluation arrangements. Most local authorities reflect on their previous performance towards all well-being objectives and against key performance indicators as part of regular performance monitoring arrangements. However, we found that, because of weaknesses in how local authorities have articulated their vision around community resilience, performance monitoring is often limited to focusing on specific projects or initiatives and does not consider what these mean collectively in terms of community resilience.
- 2.21 There are no national measures collected that formally determine how resilient people and communities are in Wales. However, a number of publicly available datasets can be used as proxy measures to identify the key challenges facing local government in nurturing more resilient and self-reliant communities:
- active citizenship, measured through people's participation in democratic processes and decision-making drawing on data by [The Electoral Commission](#) showing the proportion of eligible voters who participated in local authority elections. Ceredigion had the highest turnout of voters in the most recent election in 2022, with 48.6% of eligible voters voting. This compares with a turnout of 31.3% in Torfaen during the same election. And across Wales, turnout on average was almost 4% lower in 2022 compared with the 2017 election. The data shows that turnout in local authority areas across some of the South Wales Valleys is consistently lower¹⁸.

- the National Survey for Wales measures emotional and social loneliness over time, and these are key issues to address in promoting social capital. The data shows that almost a third of the Wales population reported feeling socially lonely in 2019-20. Data by the Office for National Statistics (ONS) breaks a similar measure down by local authority area. It shows that, by 2020-21, almost 40% of the Welsh population reported feeling lonely. Local authority areas in the South Wales Valleys, including Blaenau Gwent and Torfaen, are amongst those with the highest proportions of people having reported feeling lonely¹⁹.
- Data Cymru publishes data showing people's sense of belonging to an area and levels of community cohesion. It measures the number of people agreeing that they belong to the area; that people from different backgrounds get on well together; and that people treat each other with respect. It shows an increase in recent years – from an average of 51% agreement across Wales in 2016-17 to 70% agreement in 2020-21²⁰.

2.22 Through our review we found no local authority in Wales using these proxy measures to help evaluate or monitor resilience.

19 [National Survey for Wales](#)

20 [Well-being of Wales, Data Cymru](#)

The pandemic showed communities can play a more active role and become less dependent, but sustaining this requires local authorities to change how they work

- 2.23 Local authorities in Wales responded to COVID-19 with effective leadership and extraordinary sacrifices from frontline workers, elected members and senior leaders. The pandemic made people more aware of the role of local authorities in their lives. As such there is a window of opportunity to reset the relationship between local authorities and their citizens and to use the experience of collaborating with communities as genuine partners to reset relationships and expectations.
- 2.24 People we interviewed in particular noted that the pandemic had sparked a resurgence in 'community activism' with individuals, groups, and organisations working together to bring about change. Several people we spoke to also highlighted that the crisis encouraged local authorities to be more open, with officers and elected members showing a new willingness to involve and collaborate with people to find solutions to problems, often on a daily basis.
- 2.25 Our town and community council survey asked recipients how the pandemic had impacted on resilience and self-reliance in their local areas. Positively, a number of respondents stated that COVID-19 had supported communities to 'pull together' and support vulnerable people in the community by providing meals and medication to vulnerable people shielding, undertaking home deliveries and community activities like litter picking. Some also noted that having to operate with less support from their local authority also helped increase resilience, demonstrating that individuals and communities could do more for themselves.

- 2.26 We also found some good examples of local authorities taking learning from the pandemic to help improve community resilience. For instance, Gwynedd County Council are learning from the shift to prevention required by the Social Services and Well-being (Wales) Act 2014 to influence its work and approach elsewhere in the organisation. By rolling out training on the 'What Matters'²¹ principles more widely to staff in other services, the local authority is seeking to redefine its work moving away from responding to need to identifying personal and local strengths and solutions as a way of supporting resilience. Similarly, Flintshire County Council is drawing on the positive response from communities during the pandemic to help address staff shortages in social care. Building on the success of people volunteering during COVID-19, the local authority is prioritising work to engage with its residents to encourage people to begin a career in care.
- 2.27 However, others we spoke to noted that much of the good work of reframing relationships and changing how people access and use services created by the pandemic have not been embedded and maintained. Despite local authorities having the experience of the pandemic to draw on how to do things differently, many are not grasping the opportunities to recast their relationship with people and communities. Through our interviews with officers, we found that a growing number acknowledge that a culture shift is required but are yet to articulate and set out what they will do differently to reduce dependency. As a result, there is a growing concern that local authorities are reverting to their traditional ways of working and not building on the enthusiasm and buy-in created by the pandemic.
- 2.28 This is echoed in the evidence of our local 'Springing Forward' review delivered in 2022. Our audit work focussed on how local authorities are taking learning from the pandemic to transform both their workforce and use of assets. We found that local authorities are increasingly seeing flexibility and agility in their human and physical assets as critical in the models of service delivery they will need to apply in the future. However, we found little focus on the need to create more resilient communities and self-reliant citizens, nor a prioritisation of the steps needed to reduce demand on services.

21 A 'What Matters' assessment is an outcomes-focused, strengths-based conversation between a social care practitioner and an individual to determine whether they have eligible care and support needs.



Looking to the future and learning from elsewhere

03

- 3.1 In this final part of the report we look to the future, setting out approaches and opportunities from other parts of Great Britain. We acknowledge that different parts of Wales will have different challenges to overcome, and no local authority is starting from exactly the same place. However, from our research there are opportunities to learn from elsewhere that can help local authorities make this transition.

With an uncertain future and growing complexity in service delivery, local authorities must change how they work and use resources differently to empower communities and individuals to build resilience and become more self-reliant

- 3.2 The scale of the current challenges facing communities across Wales is threatening to overwhelm local authority services. Entrenched poverty, longstanding inequalities, uncertain public finances and growing demand from people with a range of complex problems are creating a tough operating environment²².
- 3.3 It is clear that local authorities are going to face significant problems in the next few years with capacity continuing to be stretched, services increasingly becoming more targeted and potentially oversubscribed. There are likely to be fewer services delivered directly by local authorities, to fewer people, and local authority services as we know them will look hugely different by the end of the next decade.
- 3.4 As a consequence, a key focus for local authorities will need to be on steering people away from their services and replacing this with a co-operative approach, collaborating with communities and doing things differently. To achieve this, local authorities need to think and act differently, building capacity and social capital and encouraging communities and citizens to do more for themselves.
- 3.5 Positively, we are not starting from zero. As noted in Part 2, local authorities are already doing much and during COVID-19, we witnessed a community response on a scale and diversity that were previously unthinkable highlighting that many communities have significant depths of resilience. There is also much work already happening across Wales and the other nations of the United Kingdom from which we can learn. **Exhibit 6** sets these out.

22 For instance, see the conclusions of the [Future Trends Report Wales 2021](#) produced by the Welsh Government, which brings together a range of information to assist Welsh citizens and policy makers in understanding the big trends and drivers that are likely to shape Wales' future. The most recent report of December 2021 set out a series of significant challenges facing local authorities in the next decade and beyond.

Exhibit 6: key approaches in how local authorities are seeking to strengthen community resilience and self-reliance to reduce demand on services



Creating a clear vision of how things will work in the future.



Holding a two-way dialogue and communicating what change will 'look' and 'feel' like.



Revitalising the role of council members as community champions.



Refocussing the work of council staff.



Recognising that recasting community relationships will require different solutions in different places.



Ensuring wealth stays local and works for all the community.

Source: Audit Wales

Creating a clear vision of how things will work in the future

- 3.6 When embarking on a new direction, it is important for local authorities to articulate what their vision for the future is. Setting a vision helps to describe the local authority's purpose, what it is striving for, and what it wants to achieve. The vision should be derived from the local authority's core values and should function as a guiding principle to support long-term decision making.
- 3.7 Bristol City Council in its [Resilience Strategy 2016](#) set out a long-term direction of travel, reflecting the need for change at all levels: starting with individual citizens, through local communities and neighbourhoods, to the city as a whole and its place in the wider world. With the overall ambition of creating a flourishing resilient city the Council and its partners are focussing on:
- **Fair** – Every person living in Bristol has the assets and opportunities to enjoy a good quality of life.
 - **Liveable** – The city centre and neighbourhoods are great places for people of all ages to live, work, learn and play.
 - **Sustainable** – The city and region prosper within environmental limits through adopting new behaviours and technology.
 - **Agile** – Bristol citizens and leaders make effective decisions based on shared priorities and real-time information.
 - **Connected** – A strong network of local communities and organisations promotes trust, co-operation and shared action across the city.
- 3.8 Similarly, Oldham Council has embarked on a bold programme centred on becoming a co-operative borough with everybody doing their bit and everybody benefitting. The Council's [Corporate Plan](#) sets out an ambition of 'working with communities to reduce need by taking a community-centred, preventative approach to public services'. The starting point for the local authority was to recognise that everybody in Oldham has shared problems and ambitions and only by working together and looking at what the local authority, partners, community groups and individual citizens can do, are you be able to deliver change.

3.9 For Oldham, a whole system approach is required, engaging with communities to design and deliver things in partnership and emphasising self-help and responsibility by supporting communities to be more resilient. The driving ethos is to collaborate with communities to reduce need by focussing on four key areas of work:

- supporting local leaders and empowering people because the local authority is often not well placed to deal with issues at a community level;
- encouraging staff to constantly look for ways to improve services or solve problems, supporting them to take responsibility and act boldly;
- putting Oldham and its people first and doing what's best for communities; and
- creating a high-performance culture which focuses on knowledge and using data to maximise the impact of spending and service delivery choices.

Holding a two-way dialogue and communicating what change will 'look' and 'feel' like

3.10 Setting a vision is one thing. Making this a reality requires local authorities to enable a cultural shift within their communities, away from seeing them as the first point of contact when seeking help to a shared understanding of the future role of the local authority. This will require local authorities to clearly articulate a strong message on what they can and will do in the future but also how they will support and encourage communities to do more for themselves. In driving this shift, local authorities will need to ask some fundamental questions, for instance:

- What do we need to do differently to develop and improve the resilience in each of our communities?
- What support and assistance do we need to provide and maintain to ensure the resilience capability and capacity in each of our communities is retained?
- How can we maintain community resilience beyond the voluntary sector?
- What partnership approach and support are needed to truly enable community resilience?

- 3.11 As a starting point, local authorities will need to have an honest conversation with the public about the reality of future service provision and the potential role of the local community going forward. Within this conversation, local authorities will need to engage with communities to determine what they might be able to do without help, and how they can collaborate better with local people, local groups and local community assets.
- 3.12 Asset mapping is essential to highlight what already takes place and what others are doing, both for the local authority (elected members in their role as community champions and local authority staff) and local people. Likewise, local authorities will need to promote opportunities to apply for funding, directly to the local authority but also from other organisations, locally and nationally, and set out how they will support this activity.
- 3.13 An example highlighted in Scotland of intense involvement of communities in designing and planning new approaches is the use of Community 'Charrettes'. Supported with funding by the Scottish Government²³, the Charette model brings together stakeholders and decision makers to collaborate with experts to co-develop solutions to address problem issues in the physical environment of an area. Examples of recent successful Charrettes include Crieff and Glenrothes West. As such, Charrettes have the power to provoke transformation; but without careful preparation they can backfire, creating distrust within communities. Although traditionally applied to regeneration and planning work, the Charette approach is also being used in policy and organisational planning and change efforts.

Revitalising the role of local authority members as community champions

- 3.14 Elected members, as community leaders, can play a critical role in recasting the future relationship between the local authority and local communities. They often lead local partnerships, sit on the boards and management committees of voluntary groups, represent their communities with other organisations, such as the Police or Local Health Board, and regularly promote local services within the community.
- 3.15 Going forward, elected members will now have to deliver a different community leadership role, one which focuses on encouraging people to take more responsibility for their neighbourhoods and inspiring people to do more to help out in their local community. The role of elected members in developing stronger and more resilient communities cannot be underestimated. They will have key roles to play in:
- managing the expectations of communities, by setting out why things are changing and explaining why things will be different going forward;
 - identifying and collaborating with local community activists and leaders to ensure they are encouraged, supported and assisted to play a more prominent role in the future;
 - enabling the flow of two-way information and intelligence between local communities and the local authority, to identify the issues on the ground and provide the information local communities need to ensure they can get involved; and
 - acting as the channel between local community groups and the local authority to help develop local community-led solutions that strengthen resilience and meet local need.
- 3.16 A number of Welsh local authorities we interviewed highlighted the important role of elected members in developing community resilience and a rejuvenated role is central to strengthening self-reliance and community resilience. For example, in Cardiff, officers emphasised that members often 'approach life from the bottom up' and bring a deep understanding of community issues and the role the Council can play in helping communities to thrive.

3.17 In Oldham, the local authority has taken this approach a step further introducing in 2011 a [Local Leaders Programme](#). This has been vital in equipping elected members with the skills, knowledge, competencies and attitudes necessary for engaging with and driving a new relationship with communities. The course included a mix of elected member-led discussions, seminars offering useful tools and models, expert facilitators and speakers, and a range of formats for discussions and activities. The six modules covered:

- the local leadership role in communities;
- personal leadership skills and understanding;
- working inside the organisation and the politics;
- a deeper look at community leadership in Oldham;
- issues and challenges; and
- neighbourhoods, partnerships and outward communication.



Refocussing the work of local authority staff

3.18 As with the revitalised role for elected members, local authorities will also need to ensure their workforce has the skills to deliver a new way of working. Local authority staff are trained and experienced in delivering services to people, but the move towards community development and community resilience work will entail a quite different way of thinking and doing for some.

3.19 At present, the model for many local authority services is predicated on meeting need, with responses concentrating on delivering actions to address short-term acute issues. But with less emphasis on direct provision and more focus on influencing others to do more, the local authority worker of the future will need to be able to foster positive working relationships with networks and groups in communities.

3.20 To do this well will require staff to be good communicators who are able to encourage and motivate people, facilitating change and encouraging communities and individuals to step up and do more. Critically, staff will also need to be effective problem solvers and active agents for change, being less concerned with process and more driven by delivering solutions on the ground.

3.21 Local authorities will therefore need to develop their workforce to be able to respond to this new set of challenges. This will mean redefining roles and responsibilities for those both on the frontline, but also managers. Support and training will be required to help engender a new culture and ethos for service delivery, focussing on prevention rather than intervention.

Recognising that recasting community relationship will require different solutions in different places

3.22 Communities themselves are not uniform. They will have different capacities, skills and assets and each will come from a different starting point. It is clear that there are communities in Wales which are still coming to terms with their post-industrial past, where levels of poverty remain stubbornly high, and the socio-economic challenges are vast. The response to engendering community resilience in these areas will therefore be quite different to areas with high levels of affluence and an active history of doing many things for themselves with little intervention or support from local authorities.

3.23 Irrespective, it is important that local authorities recalibrate their relationship with their communities and find solutions that are specific to the differing needs of Wales. To be successful in achieving this shift of emphasis – from concentrating on need and service provision to focusing on mobilising the energies and strengths within communities – requires local authorities to create a new relationship with citizens, helping to build capacity and improve a community's potential to do more. For instance, by working with:

- **individuals**, including volunteers, to build capacity to do things that local authorities traditionally have done;
- **groups**, including faith and community groups, who offer a wealth of experience in helping support people and have established and successful links on the ground;
- **organisations**, including town and community councils, local businesses and anchor institutions, which are active in supporting local interests but now need to be encouraged to do more; and
- **networks**, including associations such as county voluntary councils and local partnerships which are better placed to influence others to do what is needed.

- 3.24 Research highlights that for communities to have the capacity to act, three things are generally required: the motivation and commitment to act; the resources required to support action; and the skills, confidence and understanding to act²⁴. Often the starting point for local authorities is to understand current capacity within a community, focussing on things such as local needs and issues and the relative strengths and weaknesses of a community. Key to this is to identify the community players and leaders and to establish forums, systems, and structures that encourage participation, engagement and involvement.
- 3.25 Scotland's Urban Regeneration Forum (SURF) has a track record in highlighting positive examples of community-led regeneration work and awarded Campbeltown in Argyll and Bute the most improved place award in 2020. In response to socio-economic challenge, the local authority initiated a wide-ranging programme of activities in Campbeltown that secured the participation of public, private, community and third-sector organisations²⁵.
- 3.26 A shared vision based on trust and perseverance helped to transfer ownership from the local authority into the community which is now empowered to shape and deliver projects that respond to local circumstances to the extent that Campbeltown is once again a thriving town centre, and an increasingly attractive place to live, work and invest in. Importantly, less reliance is placed on the local authority with the community doing far more for itself.
- 3.27 The work in Argyll and Bute has also been helped greatly by the policy framework adopted by the Scottish Government under the umbrella of the Community Empowerment (Scotland) Act 2015 – **Exhibit 7**.

24 Building Community Capacity – Resources for Community Learning and Development Practice: A Guide, Scottish Government, 2007.

25 Argyll and Bute Council, Campbeltown Regeneration

Exhibit 7: Community Empowerment in Scotland

The [Community Empowerment \(Scotland\) Act 2015](#) was introduced to help empower community bodies through the ownership or control of land and buildings, and by strengthening their voices in decisions about public services. To support implementation of the Act, the Scottish Government has sought to empower communities to do more for themselves through the provision of, for example:

- funding for community-led regeneration through the [Empowering Communities Fund](#);
- funding [participatory budgeting](#) through the £1.5 million Community Choices Fund, giving people more power to make decisions on spending in their local areas; and
- making it easier for communities to take over land and buildings in public ownership through [asset transfer](#) and extending the community right to buy to all of Scotland;
- [supporting community local authorities](#) to represent communities' opinions and needs to public bodies; and
- giving communities the ability to request to participate in decisions and processes which are aimed at improving outcomes through [participation requests](#).

Taken together, it is clear that national policy in Scotland has developed to encourage and support the ownership of assets by communities and for communities themselves to have more say in how services should both be provided to them and how public services should collaborate with them. Scottish communities now have legal rights to participate in policy development and buy assets from public bodies. They can shape services on the ground and play a greater role in deciding where resources are committed.

Ensuring wealth stays local and works for all the community

- 3.28 Community wealth building is a people-centred approach to local economic development, which redirects wealth back into the local economy, and places control and benefits into the hands of local people. It is an especially helpful model for delivering services in a time of restrictions on public funding, austerity and growing economic uncertainty because it seeks to stop, or at least limit, the flow of money out of those communities that most need investment and financial stimulation, by reshaping the local economy and using an organisation's assets in vastly different ways.
- 3.29 To do this, community wealth building uses the economic power of large, locally-rooted organisations, commonly referred to as 'Anchor Institutions' – **Exhibit 8**. The way in which these institutions spend their money, employ people and use their land, property and financial assets can make a huge difference to a local area. The role of 'Anchor Institutions' cannot be underestimated, and they can play a defining role in creating and reinforcing local economic ties.

Exhibit 8: the role and value of Anchor Institutions

The term '**Anchor institutions**' is used to refer to organisations which:



Have an important presence in a place, usually through a combination of being largescale employers, the largest purchasers of goods and services in the locality, controlling large areas of land and/or having relatively fixed assets.

Are tied to a particular place by their mission, histories, physical assets and local relationships. Examples include local authorities, NHS services, universities, trade unions, large local businesses, the combined activities of the community and voluntary sector and housing associations.



Source: [Community business and anchor institutions](#), CLES, February 2019

3.30 The Centre for Local Economic Strategies (CLEES) has been at the forefront of developing approaches to community wealth building. Through their work with public sector bodies, CLEES have identified five key principles that are critical to delivering successful community wealth building. These are:

- plural ownership of the economy;
- making financial power work for local places;
- fair employment and just labour markets;
- progressive procurement of goods and services; and
- socially productive use of land and property.

3.31 Preston City Council have been long-term exponents of Community Wealth Building and are a positive example of an organisation that are using the CLEES method, focussing on providing value for communities within the city directly and indirectly through their policy choices and spending power. The City Council's approach, often referred to as the 'Preston Model', is centred around tackling inequality by collaborating and building locally controlled economies, which put communities first²⁶. Practical examples of how the local authority has sought to deliver this vision on the ground include:

- using local authority procurement of services as a means of investing in the local economy and urging other local public sector partners to do the same. New procurement practices are providing opportunities for local SMEs, worker co-operatives, social enterprises and businesses to bid for contracts.
- encouraging suppliers to enhance the social value aspects of their contracts through the inclusion of training and employment opportunities in agreements.
- being an early adopter of the 'real living wage' locally and using the local authorities' profile and soft power to influence other employers to do the same.
- supporting and encouraging greater diversity of ownership in the local economy by investing directly in key assets in the centre of the city, bringing services back in-house and promoting worker cooperatives and community businesses;

- enabling more financial wealth to be retained locally by contributing to the establishment of a regional development bank – the North West Mutual – with Liverpool City Council and the Wirral. The new bank is tasked with improving access to financial services for local people and businesses, and has a specific aim to retain banking profits in the North West and recycle regional savings into business loans and mortgages.
- encouraging the Lancashire County Pension Fund to invest in Preston.



Appendices

- 1 Audit approach and methods**
- 2 Community resilience and self-reliance evaluation tool**

1 Audit approach and methods

Approach

Our approach was to understand local authorities' definitions and approaches to building social resilience and community self-reliance and how town and community local authorities are supported to promote resilience.

This report sits alongside other reviews examining how local authorities are addressing poverty, and another review considering the role of social enterprises in delivering public services. Combined, they serve to examine how local authorities empower citizens to tackle and prevent issues developing into a crisis that requires statutory intervention.

We examined all 22 principal local authorities in Wales at a high level, managing delivery to be mindful of the pressures local authority officers are under during both the pandemic and the cost-of-living crisis. We ensured coverage was sufficient to draw a view on the whole sector but not to significantly detract from officers' delivery. Our approach was flexible to fit around officers when agreeing and delivering our fieldwork.

Methods

We completed our review between September 2021 and August 2022 and used a range of methods in delivering our review:

- **document review** – we reviewed published research and documentation from the Welsh Government, local authorities and other relevant public bodies. We also reviewed a range of publications from representative groups, research organisations and public bodies in other UK countries.
- **interviews and focus groups** – we undertook a range of different interviews and focus groups:
 - officer interviews – we interviewed officers nominated by all Welsh principal local authorities, generally those with responsibility for leading on social resilience and community self-reliance. These took place between January and May 2022.

- officer focus groups – in line with our flexible approach, some local authorities felt it was more appropriate for us to speak to a range of officers in focus groups to provide more rounded information and reduce our impact on service delivery.
- national interviews – we interviewed representatives from national bodies, UK-wide think tanks, research organisations and representative bodies. These took place between March and July 2022.
- **surveys** – we undertook two surveys to inform our work:
 - a national survey of town and community councils – we invited all 732 town or community councils in Wales to share their views on social resilience and community self-reliance through an online survey. We received a total of 336 responses, including 195 fully completed submissions and a further 141 partially completed responses. The completed responses represent roughly one in every four town or community council in Wales, and we received responses from all 22 local authority areas.
 - survey of senior local authority officers. We invited all 22 local authorities to participate and received 21 responses. Despite being invited to take part, Pembrokeshire County Council elected not to respond.
- **data analysis** – we collected and analysed a range of publicly available datasets from the Welsh Government, the UK Government, the Office for National Statistics, and third-sector organisations.

2 Community resilience and self-reliance evaluation tool

| Action | Yes | No | Do not know |
|--|-----|----|-------------|
| Understanding the challenge and articulating your role | | | |
| We have clearly defined and agreed what community resilience and self-reliance means to us. | | | |
| Our vision makes clear what we need to do and what others are best placed to do. | | | |
| We have identified by service the activities: <ul style="list-style-type: none"> • that the authority must continue to provide; • those that can be delivered in partnership with others; and • those that the community can lead on. | | | |
| We have communicated our definitions widely to ensure all key stakeholders understand what we want to achieve through our work on community resilience and self-reliance. | | | |
| Our key partners have identified how they will collaborate with us to strengthen community resilience and self-reliance. | | | |
| We have completed a place-based asset mapping exercise to assess community resilience and capacity for increased self-reliance. | | | |
| We know the number and types of organisations working locally that can help us improve community resilience and self-reliance. | | | |
| We know where there are gaps that we need to address. | | | |

| Action | Yes | No | Do not know |
|---|-----|----|-------------|
| We have agreed the actions required to help improve community resilience and self-reliance in our area. | | | |
| We have set SMART objectives and actions on how we will improve community resilience and self-reliance. | | | |
| We are clear on the benefits and risks of our work on community resilience and self-reliance for citizens, local communities and the local authority. | | | |

Knowing your communities

| | | | |
|--|--|--|--|
| We know who our key community activists and leaders are. | | | |
| We have good working relationships and work effectively with our key community activists and leaders. | | | |
| We provide help, support and training to ensure our key community activists and leaders are as effective as they can be. | | | |
| We effectively encourage local community activists and leaders to improve community resilience and self-reliance. | | | |

Skills and knowledge to build community resilience

| | | | |
|--|--|--|--|
| We are good at encouraging people to help out and do more in their community. | | | |
| We have the right staff in the right place to help improve community resilience and self-reliance. | | | |
| We have revised job descriptions and person specifications to strengthen their focus on involvement, to help improve community resilience and self-reliance. | | | |

| Action | Yes | No | Do not know |
|--|-----|----|-------------|
| We give staff the opportunity to take well-managed risks and explore innovative practices with communities. | | | |
| Our staff are good at influencing people to do more for themselves where they can. | | | |
| Elected members support the authority's work on strengthening community resilience and self-reliance. | | | |
| We have put in place the right support to help Elected Members strengthen community resilience and self-reliance in their wards. | | | |
| We have a can-do culture and mindset within the local authority to improve community resilience and self-reliance. | | | |
| We are good at encouraging communities to find their own solutions to problems and not rely on us. | | | |

Making a difference

| | | | |
|---|--|--|--|
| We have reviewed ways of working across the Council and are changing services to help improve community resilience and self-reliance. | | | |
| We have identified how these changes will impact on people. | | | |
| We are communicating to citizens how our services are changing. | | | |
| We have specified the information required to evaluate how our work is improving community resilience and self-reliance. | | | |
| We use our resources, money and assets to build and retain wealth in our local communities. | | | |

| Action | Yes | No | Do not know |
|--|------------|-----------|--------------------|
| We use our procurement of services as a means of investing in the local economy. | | | |
| We work with our local anchor institutions to ensure they support community wealth building through their provision of services, use of resources, procurement and assets. | | | |
| We encourage suppliers to enhance the social value aspects of their contracts through the inclusion of training and employment opportunities in agreements. | | | |
| <p>We regularly report on our community resilience and self-reliance work to scrutiny committee(s) against a balanced set of performance information that covers:</p> <ul style="list-style-type: none"> • demand for local authority services; • alternative provision within communities and by partners; and • impact of our work on people's wellbeing. | | | |
| Our scrutiny and evaluation processes provide us with assurance that our work is delivering anticipated outcomes. | | | |



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Integrated Impact Assessment Screening Form – Appendix C

Please ensure that you refer to the Screening Form Guidance while completing this form.

Which service area and directorate are you from?

Service Area: Tackling Poverty Service

Directorate: Adult Social Services

Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services

(b) Please name and fully describe initiative here:

This is an IIA Screening for the report by the Tackling Poverty Service to the Governance and Audit Committee on the recommendations from the Audit Wales report ‘Together We Can’ – Community resilience and self-reliance. The report from Audit Wales looks at the priority placed on community resilience and self-reliance in local authority plans, and how local authorities are equipping people to be less reliant on often overstretched local authority services. The recommendations focus on each local authority conducting a self-assessment of their current position in order to identify actions and improvements.

The report is to inform the Committee of the findings of Audit Wales’ investigation, summarise the recommendations of their review and highlight the proposals for actions to be taking by the Council in response to the review. These actions will be incorporated into the refresh of the Tackling Poverty Strategy.

A full IIA will be carried out as part of the Tackling Poverty Strategy development in due course.

Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

| | High Impact | | Medium Impact | | Low Impact | | Needs further investigation |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|-----------------------------|
| | + | - | + | - | + | - | |
| Children/young people (0-18) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Older people (50+) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Any other age group | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Disability | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Race (including refugees) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Asylum seekers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Integrated Impact Assessment Screening Form – Appendix C

| | | | | | | | |
|------------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|--------------------------|
| Gypsies & travellers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Religion or (non-)belief | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sex | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sexual Orientation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gender reassignment | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Welsh Language | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Poverty/social exclusion | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Carers (inc. young carers) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Community cohesion | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pregnancy and maternity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches? Please provide details below – either of your activities or your reasons for not undertaking involvement

In relation to the Audit Wales investigation, Council staff contributed to the review undertaken by the Auditor General for Wales through a series of interviews and the provision of documentation / information between April 2021 and September 2022.

In relation to the actions proposed in this report, we plan to take these actions through our planned approach to refreshing the Council’s Tackling Poverty Strategy. We intend to undertake a range of activities working with our poverty networks and forums as well as targeted engagement and consultation activities but this will be highlighted in our update on the strategy development approach.

A full IIA will be carried out as part of the Tackling Poverty Strategy development in due course.

Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:

- a) Overall does the initiative support our Corporate Plan’s Well-being Objectives when considered together?
 Yes No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?
 Yes No
- c) Does the initiative apply each of the five ways of working?
 Yes No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?
 Yes No

Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)

High risk

Medium risk
 Page 367

Low risk

Integrated Impact Assessment Screening Form – Appendix C

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes

No

If yes, please provide details below

Q7 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?

(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)

There is no impact for the report itself.

Outcome of Screening

Q8 Please describe the outcome of your screening below:

- Summary of impacts identified and mitigation needed (Q2)
- Summary of involvement (Q3)
- WFG considerations (Q4)
- Any risks identified (Q5)
- Cumulative impact (Q7)

This is an IIA Screening for the report by the Tackling Poverty Service to the Governance and Audit Committee on the recommendations from the Audit Wales report 'Together We Can' – Community resilience and self-reliance.

The report is to inform the Committee of the findings of Audit Wales' investigation, summarise the recommendations of their review and highlight the proposals for actions to be taking by the Council in response to the review (which are to be incorporated into the plans for refresh of the Tackling Poverty Strategy). This report has identified no implications with the IIA.

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

| |
|--|
| Screening completed by: |
| Name: Lee Cambule |
| Job title: Tackling Poverty Service Manager |
| Date: 29/09/23 |

| |
|---|
| Approval by Head of Service: |
| Name: Amy Hawkins |
| Position: Head of Adult Social Services and Tackling Poverty |
| Date: |

Please return the completed form to accesstoservices@swansea.gov.uk

City & County of Swansea – Detailed Audit Plan 2023

Audit year: 2023

Date issued: October 2023

Document reference: 3834A2023



This document has been prepared as part of work performed in accordance with statutory functions. Further information can be found in our [Statement of Responsibilities](#).

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

About Audit Wales

Our aims and ambitions

Assure



the people of Wales that public money is well managed

Explain



how public money is being used to meet people's needs

Inspire



and empower the Welsh public sector to improve



Fully exploit our unique perspective, expertise and depth of insight



Strengthen our position as an authoritative, trusted and independent voice



Increase our visibility, influence and relevance



Be a model organisation for the public sector in Wales and beyond

Contents

| | |
|--|----|
| Introduction | 5 |
| Your audit at a glance | 8 |
| Financial statements' materiality | 10 |
| Significant financial statements' risks | 11 |
| Other areas of focus | 12 |
| Financial statements' audit timetable | 14 |
| Planned performance audit work | 15 |
| Certification of grant claims and returns | 16 |
| Statutory audit functions | 16 |
| Fee and audit team | 17 |
| Audit quality | 19 |
| Appendices | |
| Appendix 1 – key ISA315 changes and impact | 20 |

Introduction

This Detailed Audit Plan specifies my statutory responsibilities as your external auditor and to fulfil my obligations under the Code of Audit Practice.

It sets out the work my team intends undertaking to address the audit risks identified and other key areas of focus during 2023.

It also sets out my estimated audit fee, details of my audit team and key dates for delivering my audit team's activities and planned outputs.



Adrian Crompton

Auditor General for
Wales

My audit responsibilities

I complete work each year to meet the following duties:

- I audit the Council and Group's financial statements to make sure that public money is being properly accounted for.
- The Council has to put in place arrangements to get value for money for the resources it uses, and I have to be satisfied that it has done this.
- The Council needs to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives. The Auditor General must assess the extent to which they are doing this.

Audit of financial statements

I am required to issue a certificate and report on your financial statements which includes an opinion on their 'truth and fairness' and an assessment as to whether the Narrative Report and Annual Governance Statement is prepared in line with the CIPFA Code and relevant guidance and is consistent with your financial statements and my knowledge of the Council.

In addition to my responsibilities for auditing the Council and Group's financial statements, I also have responsibility for:

- responding to questions and objections about the accounts from local electors (additional fees will be charged for this work, if necessary);
- auditing the City & County of Swansea's pension fund accounts (a separate audit plan has been prepared for the audit of the pension fund);
- the limited assurance review of the Swansea Bay Port Health Authority; and
- the certification of a number of grant claims and returns as agreed with the funding bodies.

I do not seek to obtain absolute assurance on the truth and fairness of the financial statements and related notes but adopt a concept of materiality. My aim is to identify material misstatements, that is, those that might result in a reader of the accounts being misled. The levels at which I judge such misstatements to be material is set out later in this plan.

I will also report by exception on a number of matters which are set out in more detail in our [Statement of Responsibilities](#).

There have been no limitations imposed on me in planning the scope of this audit.

Performance audit work

I carry out a programme of performance audit work to discharge my duties¹ as Auditor General in relation to value for money and sustainable development.

My local performance audit programme will continue to be delivered through a combination of an Assurance and Risk Assessment Project, bespoke local projects and thematic projects examining risks common to all councils.

The majority of my performance audit work is conducted using INTOSAI auditing standards. The International Organisation of Supreme Audit Institutions is a global umbrella organisation for the performance audit community. It is a non-governmental organisation with special consultative status with the Economic and Social Council (ECOSOC) of the United Nations.

¹ When we undertake audit work under our statutory powers and duties we may collect information from public bodies that contains some personal data. Our general audit fair processing notice, explains what we do with personal data, and how you can contact our Data Protection Officer.

Your audit at a glance



My financial statements audit will concentrate on the following areas of identified risks

My audit planning has identified the following risks:

Significant financial statement risk

- Management override of controls

Other areas of audit focus

- Valuation of pension fund liability
- Valuation of land and buildings
- New fixed asset register system
- Senior officer remuneration



My performance audit will include:

- Assurance and Risk Assessment and any follow up work
- Thematic reviews:
 1. Commissioning and contract management
 2. Financial sustainability in local government



Materiality

| | |
|---------------------|---------------|
| Materiality | £10.4 million |
| Reporting threshold | £518,000 |



Group

We will also perform an audit of City & County of Swansea Group (incorporating the National Waterfront Museum and the Wales National Pool).

Financial statements' materiality



Materiality £10.4 million

My aim is to identify and correct material misstatements, that is, those that might otherwise cause the user of the accounts to be misled.

Materiality is calculated using:

- 2021-22 gross expenditure of £1,036 million
- Materiality percentage of 1%

I report to those charged with governance any misstatements above a trivial level (set at 5% of materiality).



Areas of specific interest

There are some areas of the accounts that may be of more importance to the user of the accounts and we have set a lower materiality level for these:

- Senior officer remuneration £1,000
- Related party disclosures £10,000 (for disclosures relating to individual Members or officers)

Significant financial statements' risks

Significant risks are identified risks of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum of inherent risk or those which are to be treated as a significant risk in accordance with the requirements of other ISAs. The ISAs require us to focus more attention on these significant risks.

Exhibit 1: significant financial statement risks

| Significant risk | Our planned response |
|--|---|
| The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33]. | The audit team will: <ul style="list-style-type: none">• assess the design and implementation of controls over journal entry processing;• test the appropriateness of journal entries and other adjustments made in preparing the financial statements;• review accounting estimates for bias; and• evaluate the rationale for any significant transactions outside the normal course of business. |

Other areas of focus

I set out other identified risks of material misstatement which, whilst not determined to be significant risks as above, I would like to bring to your attention.

Exhibit 2: other areas of focus

| Audit risk | Our planned response |
|--|---|
| <p>Valuation of pension fund net liability</p> <p>The Local Government Pension scheme (LGPS) pension fund liability as reflected in the financial statements represents a material estimate.</p> <p>The nature of this estimate means that it is subject to a high degree of estimation uncertainty as it is sensitive to small adjustments in the assumptions used in its calculation</p> | <p>The audit team will:</p> <ul style="list-style-type: none"> • evaluate the instructions issued by management to their management expert (actuary) for this estimate and the scope of the actuary’s work; • assess the competence, capabilities and objectivity of the actuary who carried out the valuations; • assess the accuracy and completeness of the information provided by the Council to the actuary to estimate the liability; • test the accuracy of the pension fund net liability and disclosures in the financial statements with the actuarial report from the actuary; and • assess the reasonableness of the assumptions made by the actuary by reviewing the report of the consulting actuary (auditor’s expert) and undertaking any additional procedures require |
| <p>Valuation of land and buildings</p> <p>The value of land and buildings reflected in the balance sheet and notes to the accounts represent material estimates.</p> <p>Land and buildings are required to be held on a valuation basis which is dependant on the nature and use of the assets. This estimate is subject to a high degree of subjectivity depending on the specialist and management assumptions adopted and changes in these can result in material changes to valuations.</p> | <p>The audit team will:</p> <ul style="list-style-type: none"> • review the information provided to the valuer to assess for completeness; • evaluate the competence, capabilities and objectivity of the professional valuer; • test a sample of assets revalued in the year to ensure the valuation basis, key data and assumptions used in the valuation process are reasonable, and the |

| | |
|--|--|
| <p>Assets are required to be revalued every five years, but values may also change year on year and there is a risk that the carrying value of assets reflected in the accounts may be materially different to the current value of assets as at 31 March 2023.</p> | <p>reevaluations have been correctly reflected in the financial statements;</p> <ul style="list-style-type: none"> • evaluate the assumptions made by management as to why it considers that land and buildings not revalued in 2022/23 are not materially misstated; and • test the reconciliation between the financial ledger and the asset register. |
| <p>New fixed asset register system</p> <p>The Council have implemented a new fixed asset register system during the year which will be used to produce all the entries in the financial statements relating to property, plant and equipment. There is a risk that asset information has not been transferred correctly to the new system which increases the risk that assets may not be correctly stated in the financial statements.</p> | <p>The audit team will</p> <ul style="list-style-type: none"> • review the migration of data from the old to the new system to ensure that information has been correctly transferred to the new system; • test a sample of asset transactions during the year to ensure they are in line with our expectations and correctly reflected in the financial statements. |
| <p>Senior officer remuneration</p> <p>The Council has detailed and complex disclosures for senior officer remuneration and there have been changes to appointments to these posts in 2022-23.</p> <p>There is a risk that these are not appropriately disclosed in the financial statements as remuneration paid to senior officers continues to be of high interest and are material by nature.</p> | <p>The audit team will:</p> <ul style="list-style-type: none"> • understand the movements in the senior officer team during 2022-23. • ensure that remuneration disclosed is consistent with supporting evidence; and • ensure that amounts paid are consistent with those approved by the Council. |

Financial statements' audit timetable

I set out below key dates for delivery of my accounts audit work and planned outputs.

Exhibit 3: key dates for delivery of planned outputs

| Planned output | Work undertaken | Report finalised |
|--|----------------------------|------------------|
| 2023 Outline Audit Plan | March 2023 | April 2023 |
| 2023 Detailed Audit Plan | September/October 2023 | October 2023 |
| Audit of financial statements work: <ul style="list-style-type: none">• Audit of Financial Statements Report• Opinion on the Financial Statements | November 2023 - March 2024 | March 2024 |

Planned performance audit work

I set out below details of my performance audit work and key dates for delivery of planned outputs.

Exhibit 4: key dates for delivery of planned outputs

| | | |
|--|--|--|
| <p>Assurance and risk assessment and any follow up work</p> | <p>Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle. This Assurance and Risk assessment work may involve any follow up/tracer work that we may identify from our audit reports and recommendations in previous years.</p> | <p>Ongoing</p> |
| <p>Thematic review – financial sustainability of local government</p> | <p>A review of councils’ financial sustainability including a focus on the actions, plans and arrangements to bridge funding gaps and address financial pressures over the medium term.</p> | <p>Timescales for individual projects will be discussed with you and detailed within the specific project briefings produced for each audit.</p> |
| <p>Thematic review – commissioning and contract management</p> | <p>A review focusing on how councils’ arrangements for commissioning, and contract management apply value for money considerations and the sustainable development principle.</p> | <p>Timescales for individual projects will be discussed with you and detailed within the specific project briefings produced for each audit.</p> |

We will provide updates on the performance audit programme through our regular updates to Council officers and Governance and Audit Committee.

Certification of grant claims and returns, and statutory audit functions

Certification of grant claims and returns

I have also been requested to undertake certification work on the Council's grant claims, which I anticipate will include Housing Benefits, Teachers Pension, NDR and pooled budget returns.

Statutory audit functions

In addition to the audit of the accounts, I have statutory responsibilities to receive questions and objections to the accounts from local electors. These responsibilities are set out in the Public Audit (Wales) Act 2004:

- Section 30 Inspection of documents and questions at audit; and
- Section 31 Right to make objections at audit.

As this work is reactive, I have made no allowance in the fee table below. If I do receive questions or objections, I will discuss potential audit fees at the time.

Fee and audit team

In January 2023 I published the [fee scheme](#) for the 2023-24 year as approved by the Senedd Finance Committee. My fee rates for 2023-24 have increased by 4.8% for inflationary pressures. In addition, my financial audit fee has a further increase of 10.2% for the impact of the revised auditing standard ISA 315 on my financial audit approach. More details of the revised auditing standard and what it means for the audit I undertake is set out in **Appendix 1**.

I estimate your total audit fee will be £418,181

Exhibit 5: audit fee

This table sets out the proposed audit fee for 2023, by area of audit work, alongside the estimated audit fee for last year.

| Audit area | Proposed fee (£) ² | Estimated fee last year (£) |
|---|-------------------------------|-----------------------------|
| Audit of accounts ³ | 281,932 | 245,329 |
| Performance audit work ⁴ | 108,332 | 102,676 |
| Grant certification work ⁵ | 25,828 | 24,645 |
| Other financial audit work ⁶ | 2,089 | 2,032 |
| Total fee | 418,181 | 374,682 |

Planning will be ongoing, and changes to my programme of audit work, and therefore my fee, may be required if any key new risks emerge. I shall make no changes without first discussing them with the Council.

Our financial audit fee is based on the following assumptions:

- The agreed audit deliverables sets out the expected working paper requirements to support the financial statements and includes timescales and responsibilities.
- No matters of significance, other than as summarised in this plan, are identified during the audit.

² Notes: The fees shown in this document are exclusive of VAT, which is not charged to you.

³ Payable November 2022 to October 2023.

⁴ Payable April 2023 to March 2024.

⁵ Payable as work is undertaken.

⁶ Swansea Bay Port Health Authority

The main members of my team, together with their contact details, are summarised in **Exhibit 6**.

Exhibit 6: my local audit team

| Name | Role | Contact number | E-mail address |
|-----------------|-----------------------------------|-----------------------|--|
| Derwyn Owen | Engagement Director | 02920 320 651 | Derwyn.Owen@audit.wales |
| Gillian Gillett | Audit Manager (Financial Audit) | 02920 829 305 | Gillian.Gillett@audit.wales |
| Non Jenkins | Audit Manager (Performance Audit) | 02920 320 500 | Non.Jenkins@audit.wales |
| Leanne Malough | Audit Lead (Financial Audit) | 02920 320 687 | Leanne.Malough@audit.wales |
| Bethan Roberts | Audit Lead (Performance Audit) | 02920 829 366 | Bethan.Roberts@audit.wales |

I can confirm that my team members are all independent of the Council and your officers.

Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by QAD* and our Chair, acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2022](#).

Our People



The first line of assurance is formed by our staff and management who are individually and collectively responsible for achieving the standards of audit quality to which we aspire.

- Selection of right team
- Use of specialists
- Supervisions and review

Arrangements for achieving audit quality



The second line of assurance is formed by the policies, tools, learning & development, guidance, and leadership we provide to our staff to support them in achieving those standards of audit quality.

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support

Independent assurance



The third line of assurance is formed by those activities that provide independent assurance over the effectiveness of the first two lines of assurance.

- EQCRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

* QAD is the quality monitoring arm of ICAEW.

Appendix 1

The key changes to ISA315 and the potential impact on the Council

| Key change | Potential impact on the Council |
|--|---|
| <p>More detailed and extensive risk identification and assessment procedures</p> | <p>Your finance team and others in your organisation may receive a greater number of enquiries from our audit teams at the planning stage of the audit. Requests for information may include:</p> <ul style="list-style-type: none"> • information on your organisation’s business model and how it integrates the use of information technology (IT); • information about your organisation’s risk assessment process and how your organisation monitors the system of internal control; • more detailed information on how transactions are initiated, recorded, processed, and reported. This may include access to supporting documentation such as policy and procedure manuals; and • more detailed discussions with your organisation to support the audit team’s assessment of inherent risk. |
| <p>Obtaining an enhanced understanding of your organisation’s environment, particularly in relation to IT</p> | <p>Your organisation may receive more enquiries to assist the audit team in understanding the IT environment. This may include information on:</p> <ul style="list-style-type: none"> • IT applications relevant to financial reporting; • the supporting IT infrastructure (e.g. the network, databases); • IT processes (e.g. managing program changes, IT operations); and • the IT personnel involved in the IT processes. <p>Audit teams may need to test the general IT controls and this may require obtaining more detailed audit evidence on the operation of IT controls within your organisation.</p> <p>On some audits, our audit teams may involve IT audit specialists to assist with their work. Our IT auditors may need to engage with members of your IT team who have not previously been involved in the audit process.</p> |

| Key change | Potential impact on the Council |
|--|--|
| <p>Enhanced requirements relating to exercising professional scepticism</p> | <p>Our audit teams may make additional inquiries if they identify information which appears to contradict what they have already learned in the audit.</p> |
| <p>Risk assessments are scalable depending on the nature and complexity of the audited body</p> | <p>The audit team's expectations regarding the formality of your organisation's policies, procedures, processes, and systems will depend on the complexity of your organisation.</p> |
| <p>Audit teams may make greater use of technology in the performance of their audit</p> | <p>Our audit teams may make use of automated tools and techniques such as data analytics when performing their audit. Our teams may request different information or information in a different format from previous audits so that they can perform their audit procedures.</p> |

Through our Good Practice work we share emerging practice and insights from our audit work in support of our objectives to assure, to explain and to inspire. Our newsletter provides you with regular updates on our public service audit work, good practice and events, which can be tailored to your preferences. For more information about our Good Practice work click [here](#). Sign up to our newsletter [here](#).



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We welcome correspondence and telephone calls in Welsh and English. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Audit Wales Work Programme and Timetable – City and County of Swansea Council

Quarterly Update: 30 September 2023

Annual Audit Summary

| Description | Timetable | Status |
|--|-----------|---|
| A report summarising completed audit work since the last Annual Audit Summary, which was issued in May 2023. | Complete | Published: Annual Audit Summary 2022 |

Financial Audit work

| Description | Scope | Timetable | Status |
|---|---|----------------------------|--|
| Audit of the Council's 2022-23 statement of accounts | To provide an opinion on the 'truth and fairness' of the Council's financial statements for the financial year ended 31 March 2024. | November 2023 – March 2024 | In progress |
| Certification of Grant returns for financial year 2022-23: <ul style="list-style-type: none"> • Housing Benefit Subsidy • Non-Domestic Rates • Teachers' Pension Contributions | Certification that nothing has come to our attention to indicate that the return is: <ul style="list-style-type: none"> • Not fairly stated • Is not in accordance with the relevant terms and conditions | September 2023 -March 2024 | Non-Domestic Rates –Work Started Teachers Pension Contributions – Work Started Housing Benefit Subsidy – Not started |

Performance Audit work

| 2021-22 Performance Audit work | Scope | Timetable | Status |
|---|---|---------------|----------|
| Well-being of Future Generations Act (Wales) 2015 (WFG Act) examinations | We will seek to integrate the delivery of our WFG examinations of steps to deliver well-being objectives with our other audit work. We will discuss this with the Council as we scope and deliver the audit projects listed in this plan. | N/A | N/A |
| Improvement reporting audit | Audit of discharge of duty to publish an assessment of performance. | December 2021 | Complete |

| 2021-22 Performance Audit work | Scope | Timetable | Status |
|---|--|---------------------|---|
| Assurance and Risk Assessment | <p>Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources.</p> <p>At the Council the project is likely to focus on:</p> <ul style="list-style-type: none"> • Financial position • Self-assessment arrangements • Recovery planning • Implications of the Local Government and Elections (Wales) Act • Carbon reduction plans | Ongoing | <p>Complete:</p> <p>Published ARA 2021-22 progress update letter summarising Implications of the Local Government and Elections (Wales) Act, and Self-Assessment arrangements.</p> <p>Published ARA 2021-22 Carbon Reduction plans summary</p> <p>Published ARA 2021-22 Financial Position Update</p> <p>Draft Recovery Planning finalised (see also local risk work too)</p> |
| Springing Forward – Examining the building blocks for a sustainable future | <p>As the world moves forward, learning from the global pandemic, this review looks at how effectively councils are strengthening their ability to transform, adapt and maintain the delivery of services, including those delivered in partnership with key stakeholders and communities.</p> | Autumn 2021 onwards | Drafting |

| 2021-22 Performance Audit work | Scope | Timetable | Status |
|--|---|----------------|-------------------------|
| <p>'Achieving Better Together' Transformation – a local project to 'review' new transformation arrangements</p> | <p>The focus of the work is real time working alongside the Council in taking forward its new transformation arrangements to:</p> <ul style="list-style-type: none"> • Remobilise the Council • Refocus the Council to be efficient and effective in delivering its Corporate Plan and current priorities • Reshape to look beyond the next two years in setting out its new Corporate Plan building on 'Sustainable Swansea – fit for the future' <p>We have worked alongside the Council as it further develops its recovery plan as a 'critical friend' and in learning from and sharing practice and assurance and insight</p> | <p>Ongoing</p> | <p>Report finalised</p> |

| 2022-23 Performance Audit work | Scope | Timetable | Status |
|---|--|---|-------------------------------|
| <p>Assurance and Risk Assessment</p> | <p>Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle.</p> <ul style="list-style-type: none"> • Financial position | <p>March 2022 – December 2023</p> <p>Ongoing monitoring of financial position</p> | <p>Ongoing</p> <p>Ongoing</p> |

| 2022-23 Performance Audit work | Scope | Timetable | Status |
|---|---|---|--|
| | <ul style="list-style-type: none"> • Capital programme management • Use of performance information – with a focus on service user feedback and outcomes • Setting of well-being objectives | <p>September – December 2023</p> <p>February – September 2023</p> <p>March 2023 – July 2023</p> | <p>AW will not undertake detailed work at all councils as part of our 2022-23 work programme. We are currently exploring our options for undertaking a detailed piece of work on this topic either in 2023-24 or future years.</p> <p>Report being finalised</p> <p>Report published <u>Setting of Well-being Objectives</u></p> |
| Thematic Review – Unscheduled Care | A cross-sector review focusing on the flow of patients out of hospital. This review will consider how the Council is working with its partners to address the risks associated with the provision of social care to support hospital discharge, as well as prevent hospital admission. The work will also consider what steps are being taken to provide medium to longer-term solutions. | August 2022 – July 2023 | Fieldwork nearing completion, reporting from September 2023 onward. |

| 2022-23 Performance Audit work | Scope | Timetable | Status |
|--------------------------------------|---|---------------------------|------------------------|
| Thematic review – Digital | A review of councils’ strategic approach to digital, and the extent to which this has been developed in accordance with the sustainable development principle; and that it will help to secure value for money in the use of councils’ resources. | January – September 2023. | Report being finalised |

| 2023-24 Performance Audit work | Scope | Timetable | Status |
|--|--|----------------------------|---------|
| Assurance and Risk Assessment | Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle. | April 2023 – December 2023 | Ongoing |
| Thematic review – Financial Sustainability | A review of councils’ financial sustainability including a focus on the actions, plans and arrangements to bridge funding gaps and address financial pressures over the medium term. | March – June 2024 | Scoping |
| Thematic review – commissioning and contract management | A review focusing on how councils’ arrangements for commissioning, and contract management apply value for money considerations and the sustainable development principle. | January – July 2024 | Scoping |

Local government national studies planned/in progress

| Study | Scope | Timetable | Status | Fieldwork planned at Swansea Council |
|---|---|--------------------------------|--|---|
| Planning for sustainable development – Brownfield regeneration | Review of how local authorities are promoting and enabling better use of vacant non-domestic dwellings and brownfield sites | October 2022 – September 2023 | Report drafting – publication due November/December 2023 | Yes – interview with nominated officer at seven councils and survey. |
| Governance of special purpose authorities – National Parks | Review of systems and effectiveness of governance | November 2022 – September 2023 | Report drafting – publication due November/December 2023. | No |
| Corporate Joint Committees (CJCs) | Assessing CJCs' progress in developing their arrangements to meet their statutory obligations and the Welsh Government's aim of strengthening regional collaboration. | September 2022 – August 2023 | individual letters have been issued to the four CJCs. National summary report due for publication October/November 2023. | Yes – We explored the Council's perspective via our routine liaison meetings. Fieldwork included interviews with the chief executive, director of finance and chair of each of the four CJCs. |

| Study | Scope | Timetable | Status | Fieldwork planned at Swansea Council |
|--|---|-----------------------------|----------------------|--------------------------------------|
| Governance in Fire and Rescue Authorities | Review of systems and effectiveness of governance | September 2023 – March 2024 | Project brief issued | No |
| Homelessness | Examining how services are working together to progress the response to homelessness. | tbc | Scoping | tbc |

Estyn

Our link inspectors are continuing to work with Torfaen as part of our follow-up process for an authority causing significant concern. Wrexham local authority was removed from the causing significant concern category following a monitoring visit in July. We inspected Gwynedd in the week beginning 26 June and Carmarthenshire in the week beginning 10 July. Both reports have been published on our website. We will be inspecting Conwy local government education service on the week beginning 6 November.

Field work being carried out across local authorities during the autumn term includes a focus on attendance, school improvement and the work of the local authority to mitigate the impact of poverty on learners' attainment.

Care Inspectorate Wales (CIW)

| CIW planned work 2023-25 | Scope | Timetable | Status |
|--|---|-----------|-----------|
| Thematic reviews | | | |
| CLDT | Working with HIW we will complete a small sample of joint CLDT inspections in 2024. We will use this approach to evaluate and consider our approach to joint inspection. | 2024-25 | Planning |
| Deprivation of Liberty Safeguards – 10 years on | We are working in partnership with HIW to consider our approach and follow up on the report: A National Review of the use of Deprivation of Liberty Safeguards (DoLS) in Wales (hiw.org.uk) undertaken in 2014. | 2024-25 | Scoping |
| Stoke pathway | Working in collaboration with HIW a National Review of Patient Flow: a journey through the stroke pathway (hiw.org.uk) has recently been published. | Complete | Published |

| CIW planned work 2023-25 | Scope | Timetable | Status |
|---|---|---|-----------------------------------|
| National review of Care Planning for children and young people subject to the Public Law Outline pre-proceedings | <p>Purpose of the review</p> <p>To provide external scrutiny, assurance and to promote improvement regarding the quality of practice in relation to the care planning for children and young people subject to the public law outline pre-proceedings.</p> <p>To consider the extent to which practice has progressed since the publication of both the CIW 'National Review of care planning for children and young people subject to public law outline pre-proceedings' and the publication of the PLO working group report 2021 including best practice guidance.</p> | <p>In progress</p> | <p>Publication November 2023</p> |
| Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2022-23 | <p>The 2020-21 report was published on 7 February 2021</p> <p>The 2021-2022 report is underway</p> | <p>Published</p> <p>To be confirmed</p> | <p>Published</p> <p>Preparing</p> |

| CIW planned work 2023-25 | Scope | Timetable | Status |
|---|--|--------------------------------|-----------------|
| Joint Inspection Child Protection Arrangements (JICPA) | <p>We will complete a further two multi-agency joint inspections in total.</p> <p>The findings following Denbighshire County Council have been published - Joint Inspectorate Review of Child Protection Arrangements (JICPA): Denbighshire 2023 Care Inspectorate Wales</p> <p>The findings following Bridgend County Borough Council have been published - Joint Inspectorate Review of Child Protection Arrangements (JICPA): Bridgend 2023 Care Inspectorate Wales</p> <p>We will publish a national report in late spring 2024.</p> | <p>April 2023 – April 2024</p> | <p>Delivery</p> |
| Performance review of Local Authorities | <p>We continue to inspect Local Authorities in line with our updated Code of Practice for our local authority inspection activity Care Inspectorate Wales</p> <p>How we inspect local authority services and CAFCASS Cymru</p> | <p>Ongoing</p> | <p>Ongoing</p> |

Audit Wales national reports and other outputs published since September 2022

| Report title | Publication date and link to report |
|--|-------------------------------------|
| NHS workforce – data briefing | September 2023 |
| Income Diversification for National Park Authorities in Wales | September 2023 |
| Approaches to achieving net zero across the UK | September 2023 |
| Springing Forward: Lessons learnt from our work on workforce and assets (in local government) | September 2023 |
| Local Government Financial Sustainability Data tool update (further update planned autumn 2023) | September 2023 |
| NHS finances data tool – to 31 March 2023 | September 2023 |
| Public interest reports – Ammanford Town Council and Llanferres Community Council | September 2023 |
| Cwm Taf Morgannwg University Health Board - Quality Governance Arrangements Joint Review Follow-up | August 2023 |
| 'Cracks in the Foundations' – Building Safety in Wales | August 2023 |
| Maximising EU funding – the Structural Funds Programme and the Rural Development Programme | June 2023 |
| Digital inclusion in Wales (including key questions for public bodies) | March 2023 |

| Report title | Publication date and link to report |
|---|---|
| Orthopaedic Services in Wales – Tackling the Waiting List Backlog | March 2023 |
| Betsi Cadwaladr University Health Board – Review of Board Effectiveness | February 2023 |
| Welsh Government purchase of Gilestone Farm | January 2023 |
| Together we can – Community resilience and self-reliance | January 2023 |
| A Picture of Flood Risk Management | December 2022 |
| 'A missed opportunity' – Social Enterprises | December 2022 |
| Poverty Data Tool | November 2022 |
| 'Time for change' – Poverty in Wales | November 2022 |
| Learning from cyber-attacks | October 2022 (distributed privately to audited bodies) |
| National Fraud Initiative 2020-21 | October 2022 |
| COVID-19 business support in 2020-21 – Memorandum for the Public Accounts and Public Administration Committee | October 2022 |
| Payment to the Welsh Government's Former Permanent Secretary on Termination of Employment | September 2022 |

| Report title | Publication date and link to report |
|---|-------------------------------------|
| Equality Impact Assessments: More than a Tick Box Exercise? | September 2022 |
| Welsh Government – setting of well-being objectives | September 2022 |
| Welsh Government workforce planning and management | September 2022 |

Audit Wales national reports and other outputs (work in progress / planned)^{1, 2}

| Title | Indicative publication date |
|--|-----------------------------|
| Covering teachers' absence – follow-up (letter to the Public Accounts and Public Administration Committee) | October 2023 |
| NHS quality governance | October/December 2023 |
| A465 Section 2 – update | November/December 2023 |
| Ukrainian refugee services | December 2023/January 2024 |

¹ We will continue to keep our plans under constant review, taking account of the evolving external environment, our audit priorities, the context of our own resourcing and the capacity of audited bodies to engage with us. Follow up work could also lead to other outputs, as may other local audit work where we consider there is merit in a national summary output of some kind.

² We have also published to our website a paper – [Our work programme for 2023-2026](#) – that provides additional detail about our national work (including local thematic reviews). In addition to new work that we will be taking forward in 2023-24, the paper includes details about indicative topics for work to start in 2024-24 or 2025-26.

| Title | Indicative publication date |
|---|--|
| Local government digital strategy review – national summary | January 2024 |
| Local government use of performance information, outcomes and service user perspective – national summary | November/December 2022 |
| Affordable housing | February/March 2024 |
| Active travel | Spring 2024 |
| Cancer services | To be confirmed (scoping) |
| Velindre Cancer Centre | To be confirmed (scoping) |
| Welsh Government capital and infrastructure investment | To be confirmed (scoping) |
| Addressing biodiversity decline (pan-public sector and at Natural Resources Wales) | R&D work underway September to December 2023. Data gathering with representative groups. Outputs will inform any further audit work. |
| Further and higher education funding and oversight – Commission for Tertiary Education and Research | To be confirmed (scoping) |
| The senior public service | To be confirmed (scoping early 2024) |
| Challenges for the cultural sector | To be confirmed (starting in 2023-24) |
| Rebalancing care and support | To be confirmed (starting in 2023-24) |

| Title | Indicative publication date |
|--|---|
| Tackling NHS waiting lists | To be confirmed (starting in 2023-24) |
| Access to education for children with Additional Learning Needs | To be confirmed (starting in 2023-24) |
| Audit Committees. 'What does good look like?'. R&D work to understand the broad audit committee landscape across all sectors in Wales. Outputs to support Good Practice Exchange events and potential future audit work. | R&D work Sept – Dec 2023 Good Practice Event Spring 2024 |

Good Practice Exchange events and resources

| Title | Link to resource |
|--|--|
| <p>Strategy to Action: How digital makes a difference to everyday lives This event will take a practical and honest view at the digital landscape in Wales and will offer practical ideas for public and third sector organisations which will help them achieve the best value for money.</p> | <p>27 September 2023 09:00 – 13:00 – North Wales – To register for North Wales</p> <p>5 October 2023 09:00 – 13:00 – Cardiff – To register for Cardiff</p> |
| <p>Working in partnership to improve wellbeing This event will bring together the North Wales Insight Partnership, the Public Service Boards and the C4C community to share wellbeing plans across the North Wales region, as well as sharing the innovative work being undertaken by a range of sectors around wellbeing in our communities. The event will provide opportunities to discuss how we can connect all of this work to deliver real change.</p> | <p>24 October 2023 09:30 – 16:30 To register for North Wales Cardiff date TBC</p> |

| Title | Link to resource |
|--|---|
| <p>Integrity in the Public Sector ‘Trust is built and maintained through competence, reliability, and honesty, as well as the building of genuine and sound relationships between the public sector and the public it serves. That means the public sector must be accountable for the management and delivery of public services and outcomes, for the direction and control of the work it does, the resources it manages, and for its behaviour and ethics.’ This event will look at how public services can promote a culture of integrity.</p> | <p>5 December 2023 10:00 – 12:00 Online To register</p> |
| <p>Podcast: Auditing Community Resilience In this edition of The Exchange, our Local Government team discuss some of the factors that cause poverty in Wales, as well as the value provided by social enterprises, and the importance of keeping wealth in communities.</p> | <p>To listen</p> |

Recent Audit Wales blogs

| Title | Publication date |
|---|--------------------------|
| <p>Building Safety – Have we learnt from Grenfell?</p> | <p>1 August 2023</p> |
| <p>Helping people to help themselves</p> | <p>15 February 2023</p> |
| <p>A perfect storm – the cost of living crisis and domestic abuse</p> | <p>21 November 2022</p> |
| <p>Tackling poverty means tackling poverty data</p> | <p>11 November 2022</p> |
| <p>Cost of living and putting away the bayonet</p> | <p>21 September 2022</p> |
| <p>Heat is on to tackle Climate Change</p> | <p>18 August 2022</p> |
| <p>Direct Payments in Wales</p> | <p>15 June 2022</p> |

| Title | Publication date |
|---|------------------|
| <u>Unscheduled Care in Wales – a system under real pressure</u> | 21 April 2022 |

Agenda Item 16



Report of the Head of Democratic Services

Governance & Audit Committee – 25 October 2023

Governance & Audit Committee Action Tracker Report

| | |
|------------------------------------|---|
| Purpose: | This report details the actions recorded by the Governance & Audit Committee and response to the actions. |
| Report Author: | Jeremy Parkhouse |
| Finance Officer: | N/A |
| Legal Officer: | N/A |
| Access to Services Officer: | N/A |
| For Information | |

1. Introduction

- 1.1 During the course of Governance & Audit Committee meetings various actions may be decided which are recorded on the minutes of the meetings.
- 1.2 As agreed in 2016/17 an Action Tracker process was put in place to ensure transparency over the outcomes of actions agreed by Committee.
- 1.3 The Action Tracker records the actions agreed by the Governance & Audit Committee and provides an outcome for each action.
- 1.4 The up to date Action Tracker 2023/24 is attached at Appendix 1.
- 1.5 The Action Tracker is regularly updated and any completed actions will be marked 'Completed' and coloured in grey.
- 1.6 The Action Tracker is reported to each Governance & Audit Committee meeting for information.

2. Integrated Assessment Implications

2.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

2.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

2.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

2.2 There are no implications associated with this report.

3. Financial Implications

3.1 There are no financial implications associated with this report.

4. Legal Implications

4.1 There are no legal implications associated with this report.

Background Papers: None

Appendices:

Appendix 1 Governance & Audit Committee Action Tracker 2023/24 (Recently closed actions highlighted).

Governance & Audit Committee - Action Tracker 2023/2024

| Date of Meeting | Minute Ref | Action | Nominated Officer(s) | Status / Timescale |
|-----------------|------------|---|--------------------------------------|--|
| 13/09/23 | 33 | Governance & Audit Committee Work Plan | | |
| | | The Director of Finance stated that the Draft Statement of Accounts 2022/23 and Audit Wales – Audit of Accounts Report – City & County of Swansea – Draft were delayed and would be deferred to the December Committee meeting. | Ben Smith / Audit Wales | Ongoing Added to the Work Plan for 6 December 2023 meeting. |
| 13/09/23 | 31 | Annual Review of Performance 2022-23 (including Self-Assessment Report) | | |
| | | The suggested amendments to the draft report be updated prior to the report being presented to Council. | Ness Young / Richard Rowlands | Ongoing Report is scheduled for Council on 9 November 2023. |
| 13/09/23 | 30 | Education Directorate: Internal Control Environment 2023/2024 | | |
| | | The Chair noted that the monitoring of the position at Clydach Primary School would be done by the Education Performance Scrutiny Panel and added that the Committee would gain assurance from their findings. She requested that it be added to the Action Tracker Report. | Education Performance Scrutiny Panel | Ongoing The request is being considered. |
| 13/09/23 | 28 | Internal Audit Recommendation Follow-Up Report Quarter 1 2023/24 | | |
| | | The Chair requested that in future, this report be combined with the quarterly monitoring report. | Nick Davies / Simon Cockings | Ongoing The request is being considered for the Q2 reports due at the December meeting. |
| | | The Committee also queried the reporting of all outstanding high / medium risks that had not been actioned in future in order for long term outstanding risks to be identified. | Nick Davies / Simon Cockings | Ongoing For consideration. This will require the interrogation of the audit system and ultimately, some additional man hours to see the required information can be extracted. Feasibility to be investigated. |
| | | A report regarding external audit recommendations would be provided in December 2023 and the action added to the Action Tracker Report. | Ness Young / Richard Rowlands | Ongoing Added to the Work Plan for 06/12/23 meeting. |

| | | | | |
|----------|----|--|------------------------------|---|
| 13/09/23 | 26 | Internal Audit Monitoring Report - Quarter 1 - 2023/24 | | |
| | | The audit of regional working, the scope of testing and the possibility of providing information to Committee on what areas had been tested. | Nick Davies / Simon Cockings | Closed Regional Working Internal Final Audit Memo issued in June and the areas included in the review circulated to the Committee. |
| | | Gas boiler servicing, the related risk potential with delays as a result of Covid and providing an update in a future quarterly report. | Nick Davies / Simon Cockings | Closed Response provided by Nigel Williams, Head of Building Services circulated to the Committee. |
| | | Lettings at Swansea Marina and Boat Parks, assurances provided by officers and gaining further assurance with follow-up information during the next quarter. | Nick Davies / Simon Cockings | Closed Response provided by Steve Kern, Marina Manager circulated to the Committee. |
| 19/07/23 | 22 | Destinations Lettings audit – providing confirmation that the unpaid licence fee had been paid, was being recovered or had been revoked. | Nick Davies / Simon Cockings | Closed Response provided by Jamie Rewbridge, Strategic Manager Leisure Partnerships Health Wellbeing circulated to the Committee. |
| | | Governance & Audit Committee Action Tracker Report | | |
| | | The Chair referred to the following: - <ul style="list-style-type: none"> Minute No.6 – 14 June 2023 – Fleet Maintenance Audit Report 2022/23 <p>The Chair asked for the total mileage for each of the vehicles to make sure the vehicles are being used to achieve the best benefits to the environment and to the financial position of the Council. The additional information requested is still awaited.</p> <p>The Chair also requested that details of the discussion be fed back to the Chief Auditor and Fleet Manager.</p> | Mark Barrow / Simon Cockings | Closed Response circulated 28/09/2023 |
| 19/07/23 | 19 | Internal Audit Section - Fraud Function Annual Report for 2022/2023 | | |
| | | The Corporate Fraud Manager stated that he would provide responses regarding / action the following: - <ul style="list-style-type: none"> Agency staff / contractor investigations. Closed Housing Options advice regarding housing succession fraud. Closed Provide reasons for closure in future reports. | Jonathon Rogers | Ongoing Response circulated in August 2023 regarding Housing Options advice on housing succession fraud. Response circulated in October 2023 regarding agency staff / contractor |

| | | | | |
|-----------------|------------|--|----------------------------------|--|
| | | <ul style="list-style-type: none"> Provide examples of cases studies in future training sessions. | | investigations. |
| 19/07/23 | 17 | Annual Complaints Report - Six Month Update. | | |
| | | The Director of Corporate Services would liaise with Sarah Lackenby, Head of Head of Digital and Customer Services regarding the actions / changes required. | Ness Young / Sarah Lackenby | Closed Email circulated – 13/09/2023. |
| 19/07/23 | 16 | Minutes | | |
| | | Minute No. 9 – Internal Audit Recommendation Follow-Up Report – Quarter 4 2022/23 – amend paragraph 3 to: - 'The Committee queried the recommendation tracking of the Food & Safety Division, namely the disposal of electronic records being disposed of in accordance with the Council's retention policy (LR Rec). The Chief Auditor confirmed that he would add that aspect of the audit to the audit of the review of Application Controls – CX System (Flare Replacement), which is in the Audit Plan'. | Simon Cockings | Closed Data retention is included in the planned audit of the CX/Flare System and has been noted on the audit programme. |
| 14/06/23 | 13 | Governance & Audit Work Plan | | |
| | | It was highlighted that there was not any training contained in the Work Plan. The Chair stated that future training was being considered. The Director of Corporate Services would discuss prior to the next meeting. | Chair / Ness Young | Ongoing A training session would be arranged as soon as possible. |
| 14/06/23 | 10 | Audit Wales - City & County of Swansea Annual Audit Summary | | |
| | | The request that the report be forwarded to Council / Cabinet was noted and would be discussed further following the meeting. | CMT | Closed Report would not be reported to Cabinet / Council. Governance & Audit Committee is the appropriate Committee to receive the report. |
| 14/06/23 | 7 | Accounts Receivable | | |
| | | The Chair thanked the officers for a detailed report and requested an update be provided in approximately 6 months. | Rachael Davies / Michelle Davies | Ongoing Added to the Work Plan for January 2024. |
| 12/04/23 | 111 | Internal Audit Strategy & Annual Plan 2023/24 | | |
| | | The Chair asked the Chief Auditor to consider whether the reviews of Clydach and Crwys Primary Schools, which had been requested by the Education Department, were the responsibility of the department and not Internal Audit. She added that due to the size of the Plan and the resources issues, the request could be pushed back to be dealt with by central management. | Simon Cockings | Closed The audit of Clydach has been completed and Crwys is due in Q3 at the request of the Director of Education as a result of specific added value work requested as part of the 2023/24 consultation process. Comments will be considered for any future requests of a similar nature. |

| | | | | |
|----------|-----|---|--|---|
| 08/03/23 | 105 | <p>Governance & Audit Committee Action Tracker Report</p> <p>The Chair highlighted the following: -</p> <ul style="list-style-type: none"> Minute 90 (08/02/2023) – Audit Wales Reports – Readiness of the Public Sector for Net Zero Carbon by 2030 – Councillor A S Lewis (Deputy Leader of the Council) had updated the Climate Change and Nature Performance Panel regarding progress and would provide the Committee with a briefing note in order to provide assurance. | Councillor Andrea Lewis / Geoff Bacon | <p>Ongoing Audit Wales have rightly identified the need for all public bodies to develop costed plans to meet political aspirations and legal obligations. It remains relatively early days and at this stage it is not realistic to have a fully costed plan that's aligned to the MTFP and beyond. The costed plan doesn't and couldn't align with a 4-year MTFP as the programme will develop and continues up until 2030.</p> <p>As yet there has been no statement from WG concerning additional funding. The council recognises its obligations and the expectations placed upon it and the wider public sector and will continue to develop its own methodology and share and learn best practice with others to try and ensure comparability and consistency where possible. Conversations are ongoing with Welsh Government Energy Services as to how an action plan can be refined and properly delivered which strikes a pragmatic balance between the realistic and affordable at a truly local, council wide level and what will require regional, national and international joint working and very substantial additional funding support . A future draft/interim report will follow when completed.</p> |
| 08/02/23 | 88 | <p>Social Services Absence Management Audit Report Update</p> <p>Comparators being provided in future reports to allow the Committee to observe if absences are reducing or not and Introducing measures that were aimed at reducing future sickness.</p> | Rachael Davies | <p>Ongoing Update to be provided at 25/10/23 meeting.</p> |

| | | | | |
|----------|----|--|-------------------------------|---|
| 14/12/22 | 70 | Annual Review of Performance 2021-22 | | |
| | | <p>The following be added to the 2022/23 report: -</p> <ul style="list-style-type: none"> • Consider methods & methodologies for 2022/23 in parts 1, 2, 3. • Linking the performance and risk assessments for 2022/23. • Recognizing improvements that would need to be articulated within the report around stronger analysis. • Improving the links between consultation engagement and stakeholder reference. | Richard Rowlands | Closed Report provided to Committee on 13/09/2023. |
| 27/09/22 | | The Chair requested that an evaluation of the effectiveness of Occupational Health be completed. | Rachael Davies | Ongoing A review of sickness management and the end-to-end absence management process including Occupational Health will be completed by October 2023 and the findings will be reported to the meeting on 06/12/2023. |
| 08/02/22 | 74 | Internal Audit Recommendation Follow-Up Report - Quarter 3 2021/22 | | |
| | | The Chair highlighted that a suitable solution in respect of External Audit Recommendation Tracking should be found as soon as possible in order for the Council to have a far better control of the situation. | Ness Young / Richard Rowlands | Closed Duplicate with Minute No.28 – 13/09/23. Report scheduled for 06/12/23. |

Agenda Item 17



Report of the Head of Democratic Services

Governance & Audit Committee – 25 October 2023

Governance & Audit Committee Work Plan

| | |
|------------------------------------|--|
| Purpose: | This report details the Governance & Audit Committee Work Plans to May 2024. |
| Report Author: | Jeremy Parkhouse |
| Finance Officer: | N/A |
| Legal Officer: | N/A |
| Access to Services Officer: | N/A |
| For Information | |

1. Introduction

- 1.1 The Governance & Audit Committee Work Plan to May 2024 in Terms of Reference Order is attached at Appendix 1.
- 1.2 The Additional Work programme Governance and Audit Committee as a result of the Local Government and Elections Act is attached at Appendix 2.
- 1.3 The Scrutiny Programme Committee Work Plan 2023/24 report is attached at Appendix 3.
- 1.4 The Scrutiny & Monitoring of External Audit / Inspection / Regulatory (AIR) Reports (2023/24) is attached at Appendix 4.
- 1.5 The updated Governance & Audit Committee Terms of Reference is attached at Appendix 5.
- 1.6 The dates included for the meetings in 2023/24 were approved at the Council's Annual Meeting on 18 May 2023.

2. Integrated Assessment Implications

2.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

2.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

2.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

2.2 There are no impact assessment implications associated with this report.

3. Financial Implications

3.1 There are no financial implications associated with this report.

4. Legal Implications

4.1 There are no legal implications associated with this report.

Background Papers: None.

Appendices:

Appendix 1 - Governance & Audit Committee Work Plan to May 2024 in Terms of Reference Order.

Appendix 2 - Additional Work Programme - Governance and Audit Committee as a result of the Local Government and Elections Act.

Appendix 3 - Scrutiny Programme Committee Work Plan 2023/24

Appendix 4 - Scrutiny & Monitoring of External Audit / Inspection / Regulatory (AIR) Reports (2023/24).

Appendix 5 - Governance & Audit Committee Terms of Reference.

Governance & Audit Committee Workplan 2023/24

Appendix 1

| Terms of Reference | 14 June 2023 | 19 July 2023 | 13 September 2023 | 25 October 2023 | 6 December 2023 | 17 January 2024 | 28 February 2024 | 10 April 2024 | June 2024 (24/25) |
|--|---|--|--|---|---|--------------------------------|---|--|--|
| Training | | | | | | | | | |
| Governance & Assurance | <p>Election of Chair & Vice Chair</p> <p>Appointment of Committee Member on Annual Governance Group</p> | Complaints Update Report 2022/23 | | <p>Scrutiny Annual Report 2022-23.</p> <p>The Governance and Assurance Arrangements of Swansea Council's Strategic Partnerships – 6 Month Update</p> <p>Public Services Ombudsman for Wales Annual letter to the Council for the period 2022-23</p> | Review of Sickness Management and Absence Management Process. | Annual Complaints Report | <p>The Governance and Assurance Arrangements of Swansea Council's Strategic Partnerships.</p> <p>Update on the Council's Transformation Programme, including Governance</p> | <p>Draft Committee Work Programme 2024/25</p> | <p>Annual Governance Statement 2023/24</p> <p>Draft Governance & Audit Committee Annual Report 2023/24</p> <p>Election of Chair & Vice Chair</p> <p>Appointment of Committee Member on Annual Governance Group</p> |
| Internal Audit | <p>IA Quarter 4 2022/23 Monitoring Report</p> <p>IA Quarter 4 2022/23 Recommendation Tracker Report</p> <p>Fleet Maintenance Update</p> <p>Accounts Receivable Update</p> <p>DBS Update</p> | Annual Report of School Audits 2022-23 | <p>IA Quarter 1 2023/24 Monitoring Report</p> <p>Moderate Report - Catering and Cleaning Team 23/24</p> <p>IA Quarter 1 2023/24 Recommendation Tracking Report</p> | <p>Employment of Agency Staff Update</p> <p>Management of Absence Update</p> <p>Moderate Report – Clydach Primary School</p> <p>External Assessment Report 2023/24.</p> | <p>IA Quarter 2 2023/24 Monitoring Report</p> <p>IA Quarter 2 2023/24 Recommendation Tracker Report</p> <p>Fundamental Audits 2022/23 – Recommendation Tracker Report</p> | Accounts Receivable Update | <p>Employment of Agency Staff Update</p> <p>Management of Absence Update</p> <p>IA Quarter 3 2023/24 Monitoring Report</p> <p>IA Quarter 3 2023/24 Recommendation Tracker Report</p> <p>IA Annual Plan Methodology Report 2024/25</p> <p>Draft IA Annual Plan 2024/25</p> | <p>IA Charter 2024/25</p> <p>IA Strategy & Annual Plan 2024/25</p> | Internal Audit Annual Report 2023/24 |
| Risk Management & Performance | | | <p>Q1 Risk Monitoring Report</p> <p>The Annual Review of Performance 2022-</p> | | Q2 Risk Monitoring Report | Performance Management update. | Q3 Risk Monitoring Report | | Q4 Risk Monitoring Report |

Governance & Audit Committee Workplan 2023/24

Appendix 1

| | | | | | | | | | |
|--|--|--|--|---|--|--|--|--|--|
| | | | 23 (including Self-Assessment Report) | | | | | | |
| Counter Fraud | | Corporate Fraud Annual Report 2022/23 and Corporate Fraud Annual Plan 2023/24 | | | Corporate Fraud – Six Month Update | | | | |
| Operational matters / key risks | | | Update on Internal Control Environment – Director of Education | Update on Internal Control Environment - Director of Social Services | Update on Internal Control Environment - Director of Finance | | Update on Internal Control Environment – Director of Place | Update on Internal Control Environment – Director of Corporate Services | |
| External Audit | Audit Wales Report - City & County of Swansea Annual Audit Summary | Audit Wales Work Programme and Timetable – City and County of Swansea Council. | | Audit Wales Work Programme and Timetable – City and County of Swansea Council. Audit Wales – 2023 Audit Plan 'A Missed Opportunity' - Social Enterprises. 'Together we can' - Community Resilience and Self-Reliance | Audit Wales Work Programme and Timetable – City and County of Swansea Council. Setting of well-being objectives – City and County of Swansea Council Audit Wales - Audit of Accounts Report - City & County of Swansea - Draft. External Audit Recommendations. | | Audit Wales Work Programme and Timetable – City and County of Swansea Council. | Audit Wales - Assurance and Risk Assessment - Financial Position Update Audit Wales Report - City & County of Swansea Annual Audit Summary Audit Wales - 2024 Audit Plan | |
| Financial Reporting | | | | | Draft Statement of Accounts 2022/23 | | | | |

Additional Work programme Governance and Audit Committee
As a result of the Local Government And Elections Act.

Across all areas of the work programme, consideration and acknowledgement will be given to the views, feedback and assurance from the scrutiny and performance committees that robust overview and scrutiny has taken place of decisions, policies and proposals and the assurance then given to Audit committee when they are reviewing the area of work in relation to Assurance, risk environment, Regulatory compliance and overall governance.

| Area of work | Owner | Frequency <i>The frequencies are a guide and additional reviews may take place as and when the committee feel necessary.</i> | Month to present to committee |
|--|-------------------------------|---|---------------------------------|
| To review the Council's corporate governance arrangements against the good governance framework | Ness Young / Richard Rowlands | Every 2 years | See Annual Governance Statement |
| To review the Council's draft annual Self-Assessment Report, | Richard Rowlands | Annual | September |
| To review the Council's draft response to the Panel Performance Assessment Report | Richard Rowlands | Once every 4 years | TBC |
| To review the Council's draft response to any Auditor General's recommendations arising from a special inspection in respect of the Council's performance requirements | Ness Young | As and When required | TBC |
| To review the programme of work from regulators | Richard Rowlands | Annually | Quarterly |

Appendix 2

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| To review and assess the authority's ability to handle complaints effectively | Sarah Lackenby | Annual | January |
| To review the Annual Governance Statement prior to approval | Richard Rowlands | Annual | May |
| To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements. | Richard Rowlands / Ness Young | Annual | Possibly covered to a degree in the self-assessment report but too early to say. |
| To consider the Council's framework of assurance | Richard Rowlands / Ness Young | Annual | See Internal Audit Assurance Map |
| To monitor the effective development and operation of risk management | Richard Rowlands | Each meeting | Quarterly Overview of Risk Reports |
| To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions | Simon Cockings | As and when required | Quarterly Monitoring Reports throughout the year. |
| To review the assessment of fraud risks and potential harm to the Council from fraud and corruption | Simon Cockings | Every 6 months | Fraud Function Annual Plan – March Fraud Function Annual Report – July Fraud Function Half-Year Update Report - December |
| To monitor the counter fraud strategy, actions and resources | Simon Cockings | Every 6 Months | Fraud Function Annual Plan – March Fraud Function Annual Report – July |

Appendix 2

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| | | | Fraud Function Half-Year Update Report - December |
| To Receive proposals in relation to the appointment of external providers of internal audit services and to make recommendations | Simon Cockings | as and when | n/a |
| To review the governance and assurance arrangements for significant partnerships or collaborations | Director of Corporate Services / Richard Rowlands / Relevant Director | Annual / as and when new Partnerships or collaborations are established | June/July |
| To approve the internal audit charter and resources | Simon Cockings | Annual | Internal Audit Charter Report – April |
| To consider the Chief Internal Auditor's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements | Simon Cockings | Annual | Internal Audit Annual Report – May |
| To consider reports from the Chief Internal Auditor on Internal Audit's performance during the year including the performance of external providers of internal audit services | Simon Cockings | Every 6 months | Quarterly Monitoring Reports throughout the year. |
| To consider a report on the effectiveness of internal audit to support the Annual Governance Statement, where required to do so by the Accounts and Audit Regulations | Simon Cockings | Annual | Internal Audit Annual Report – May |

Appendix 2

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| To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Chief Internal Auditor. To approve and periodically review safeguards to limit such impairments | Simon Cockings | Annual | Internal Audit Charter Report – April |
| To receive reports outlining the action taken where the Chief Internal Auditor has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions | Simon Cockings | As and when | Quarterly Monitoring Reports throughout the year. |
| To consider reports dealing with the management and performance of the providers of internal audit services | Simon Cockings | As and when required | Quarterly Monitoring Reports throughout the year. |
| To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale. | Simon Cockings | Quarterly | Quarterly Monitoring Reports throughout the year. |
| To contribute to the Quality Assurance and Improvement Programme and in particular the external quality assessment of internal audit that takes place at least once every five year | Simon Cockings | Every 5 Years | Internal Audit Annual Report – May |
| To consider the external auditor's annual letter, relevant reports, and to those charged with governance. | Ben Smith | Annual | External Auditor's annual letter – July |

Appendix 2

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| To review the annual statement of accounts. | Ben Smith | Annual | Report of S151 officer including Statement of Accounts – July |
| To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts | Ben Smith | Annual | External Audit Annual Report - July |
| To publish an annual report on the work of the committee. | Paula O'Connor | Annual | Draft Audit Committee Annual Report – May |

Scrutiny Programme Committee – Work Plan 2023/24

| ACTIVITY | 18 Jul 2023 | 19 Sep 2023 | 17 Oct 2023 | 14 Nov 2023 | 19 Dec 2023 | 16 Jan 2024 |
|---|---|---|--|---|---|---|
| Scrutiny Work Programme | Agreement of Scrutiny Work Programme | Scrutiny Annual Report 2022/23 | | | | |
| Cabinet Member Portfolio Responsibility Q & A Sessions | | Active Travel (CM for Environment & Infrastructure) | | | Support for Businesses (CM for Investment, Regeneration, Events & Tourism) | Leader / Economy, Finance & Strategy |
| Other Cabinet Member / Officer Reports Page 427 | | | Scrutiny of Swansea Public Services Board (PSB Chair – Cllr Andrea Lewis) | - Annual Corporate Safeguarding Report (CM for Care Services / Director of Social Services) - Children & Young People's Rights Scheme (annual report) (CM for Community – Support) | Delivery of Corporate Priority – Tackling Poverty (annual item) (Leader / CM for Wellbeing) | |
| Scrutiny Performance Panel Progress Reports | | | Education | Service Improvement, Regeneration & Finance | Adult Services | Child & Family Services |
| Pre-decision Scrutiny | FPR7 Redevelopment of 277-278 Oxford Street - Community Hub Project | | Oracle Fusion Project Implementation / Project Closure Report (Leader / CM for Service Transformation) | | | |
| Final Scrutiny Inquiry Reports / Follow Up on Scrutiny Recs. | | | | - Follow Up on Bus Services Working Group (CM for Environment & Infrastructure) - Anti-Social Behaviour Inquiry Final Report | | Follow Up on Road Safety Working Group (CM for Environ. & Infrastructure) |

| ACTIVITY | 13 Feb 2024 | 19 Mar 2024 | 16 Apr 2024 | 14 May 2024 | | |
|---|---|---|--|---|--|--|
| Scrutiny Work Programme | | Audit / Scrutiny Relationship – Discussion w/ Chair of Governance & Audit Committee | | End of Year Review | | |
| Cabinet Member Portfolio Responsibility Q & A Sessions | Delivery against Workforce Development Strategy (CM for Corporate Services & Performance) | | | | | |
| Other Cabinet Member / Officer Reports Page 428 | Annual Complaints Report 2022-23 (CM for Service Transformation) | - Scrutiny of Swansea Public Services Board (PSB Chair – Cllr Andrea Lewis) - Welsh Language Standards (annual report) (CMs for Education & Learning / Culture, Human Rights & Equalities) | Crime & Disorder Scrutiny - Safer Swansea Community Safety Partnership (Joint Chairs of Safer Swansea Partnership) | | | |
| Scrutiny Performance Panel Progress Reports | Climate Change & Nature | Education | Service Improvement, Regeneration & Finance | | | |
| Pre-decision Scrutiny | | | | | | |
| Final Scrutiny Inquiry Reports / Follow Up on Scrutiny Recs. | | | | Follow Up on Co-production Working Group (CM for Community - Support) | | |

Scrutiny & Monitoring of External Audit / Inspection / Regulatory Reports (2023/24)

The Chair of the Governance & Audit Committee and Chair of the Scrutiny Programme Committee decide between them the route that specific reports should take, i.e., whether reported to and monitored by G & A Committee or SPC, as deemed appropriate.

External reports that are relevant for Scrutiny are allocated either to the Scrutiny Programme Committee or referred to relevant Scrutiny Performance Panels and scheduled for discussion, as appropriate.

When a report has been issued to the Council and is available for Scrutiny, the relevant Scrutiny Chair / Convener is made aware, and it can be highlighted to Committee / Panel members within the next available meeting agenda.

Reporting to Scrutiny will typically require relevant Cabinet Members / Officers to attend meetings to discuss implications and present action plans along with statements about progress. Scrutiny Officers will engage with relevant Cabinet Members / Officers to forward plan the scheduling of Committee / Panel discussion at the right time, e.g., with a response / action plan (showing any progress to date), making the best use of time given pressure on scrutiny work plans / workloads.

The Committee / Panel can then receive assurance from Council leads about their response to any external reports and provide challenge to ensure improvement, making observations, and arranging further monitoring as necessary.

Depending on content, every report may not require the same level of involvement and consideration (given degree of importance or interest) therefore it will be up to relevant scrutiny lead member(s) to determine best approach in dealing with relevant reports. In certain cases, the Committee / Panel may take an exceptional approach to reports, e.g., being provided with information outside of meetings and only scheduling for discussion at a meeting with relevant Cabinet Member / Officer where there are specific issues, concerns about action / progress. Flexible approaches will relieve pressure on workloads and ensure best use of time and resources.

The Governance & Audit Committee is provided with a log of reports being dealt with by Scrutiny so that it can maintain an oversight of monitoring and be assured that reports are being effectively followed up.

Appendix 4

| Report Title | Type of Report | Lead Cabinet Portfolio | Scrutiny Committee / Performance Panel | Report(s) to Scrutiny | Monitoring by Scrutiny Complete (YES / NO?) |
|---|------------------------|--|--|--|--|
| <u>A report on education services in City and County of Swansea</u> (September 2022) | Estyn | Education & Learning | Education Panel | <u>27 October 2022</u> <u>15 December 2022</u> <u>15 June 2023</u> | NO Further monitoring scheduled for 14 Dec 2023 |
| <u>'Time for Change' – Poverty in Wales</u> (November 2022) | Audit Wales (National) | Economy, Finance & Strategy AND Well-being | Scrutiny Programme Committee | <u>17 January 2023</u> | NO Tackling Poverty is an annual item at Committee – actions arising from Audit to be followed up in Dec 2023 |
| <u>'A missed opportunity' – Social Enterprises</u> (November 2022) | Audit Wales (National) | Care Services | Adult Services Panel | <u>5 September 2023</u> | NO Discussion on Action Plan / progress to be arranged – likely Mar 2024 |
| <u>'Together We Can' – Community Resilience and Self-Reliance</u> (January 2023) | Audit Wales (National) | Community (Support) | Adult Services Panel | <u>7 August 2023</u> | YES |
| <u>Rose Cross Residential Care Home Inspection</u> (May 2023) | CIW | Care Services | Adult Services Panel | <u>28 June 2023</u> | YES |

Appendix 4

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|--|------------------------|----------------------------------|---|------------------------------|-----|
| Ty Waunarwydd Home For The Elderly Inspection (June 2023) | CIW | Care Services | Adult Services Panel | 28 June 2023 | YES |
| Setting of Wellbeing Objectives (August 2023) | Audit Wales (National) | Corporate Services & Performance | Service Improvement, Regeneration and Finance | 17 October 2023 | |

NOTE:

Estyn: All individual School Estyn Inspection outcome summaries and links to full reports are included in Education Scrutiny Performance Panel agendas for information / awareness. The Panel will follow up on any where there are concerns and some when good practice has been highlighted.

Governance & Audit Committee – Terms of Reference

Statement of Purpose

The Governance and Audit Committee is a key component of the City and County of Swansea's corporate governance. It provides an independent and high level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the Governance and Audit Committee is to provide independent assurance of the adequacy of the risk management framework, the internal control environment and the performance assessment of the Council. It provides an independent review of the governance, performance assessment, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

Membership

The Local Government (Wales) Measure 2011 provides that two thirds of the members of the Committee are to be members of the council and one third must be lay members. Only one member of the Cabinet or Assistant to the Cabinet may sit on the Committee, and that person must not be the Leader. The Chair must be a lay member and the vice chair must not be a member of the Cabinet or an Assistant to the Cabinet.

Governance, Performance, Risk and Control

- a) To review the Council's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.
- b) To review the Council's draft annual Self-Assessment Report, and make any appropriate recommendations for changes to the conclusions or actions the Council intends to make.
- c) To review the Council's draft response to the Panel Performance Assessment Report, and make any appropriate recommendations for changes.
- d) To review the Council's draft response to any Auditor General's recommendations arising from a special inspection in respect of the Council's performance requirements and to make any appropriate recommendations for changes.
- e) To review and assess the authority's ability to handle complaints effectively and to make any associated reports and

recommendations in relation to the authority's ability to handle complaints effectively.

- f) To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances.
- g) To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- h) To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.
- i) To monitor the effective development and operation of risk management in the Council.
- j) To monitor progress in addressing risk related issues reported to the Committee.
- k) To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- l) To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.
- m) To monitor the counter fraud strategy, actions and resources.
- n) To review any proposals in relation to the appointment of external providers of internal audit services and to make recommendations.
- o) To review the governance and assurance arrangements for significant partnerships or collaborations.

Internal Audit

- p) To approve the internal audit charter and resources.
- q) To approve the risk-based internal audit plan, containing internal audit's resource requirements, the approach to using other sources of assurances and any work required to place reliance upon those other sources.
- r) To approve significant interim changes to the risk based internal audit plan and resource requirements.

- s) To make appropriate enquiries of both management and the Chief Internal Auditor to determine if there are any inappropriate scope or resource limitations.
- t) To consider the Chief Internal Auditor's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.
- u) To consider the Chief Internal Auditor's annual report.
- v) To consider reports from the Chief Internal Auditor on Internal Audit's performance during the year including the performance of external providers of internal audit services.
- w) To consider a report on the effectiveness of internal audit to support the Annual Governance Statement, where required to do so by the Accounts and Audit Regulations.
- x) To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Chief Internal Auditor. To approve and periodically review safeguards to limit such impairments.
- y) To consider summaries of specific internal audit reports as requested.
- z) To receive reports outlining the action taken where the Chief Internal Auditor has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
- aa) To consider reports dealing with the management and performance of the providers of internal audit services.
- bb) To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.
- cc) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- dd) To contribute to the Quality Assurance and Improvement Programme and in particular the external quality assessment of internal audit that takes place at least once every five years.

- ee) To provide free and unfettered access to the Governance and Audit Committee Chair for the Chief Internal Auditor, including the opportunity for a private meeting with the Committee.

External Audit

- ff) To consider the external auditor's annual letter, relevant reports, and to those charged with governance.
- gg) To consider specific reports as agreed with the external auditor.
- hh) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- ii) To commission work from external audit.
- jj) To advise and recommend on the effectiveness of relationships between external audit and other inspector agencies or relevant bodies

Financial Reporting

- kk) To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
- ll) To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Accountability Arrangements

- mm) To report to full Council on a regular basis on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.
- nn) To report to Council on an annual basis and to publish an annual report on the Committee's work, its performance in relation to the Terms of Reference, and its effectiveness in meeting its purpose.
- oo) To raise the profile of probity generally within the Council and to report on matters of concern to the individual Cabinet Member, relevant Scrutiny Committee, Cabinet or to Council as necessary and appropriate.
- pp) To work in synergy with the Scrutiny Committees of the Council and liaise with other Council Committees as and when appropriate to avoid duplication in work programmes.

- qq) To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the Appendix 1 adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions
- rr) To publish an annual report on the work of the committee.

Training and Development

- ss) To attend relevant training sessions including specialist training tailored for Members of the Governance and Audit Committee.