

CITY AND COUNTY OF SWANSEA

NOTICE OF MEETING

You are invited to attend a Special Meeting of the

AUDIT COMMITTEE

At: Committee Room 5, Guildhall, Swansea

On: Thursday, 21 July 2016

Time: 2.00 pm

Chair: Mr Alan M Thomas

Membership:

Councillors: C Anderson, R A Clay, T J Hennegan, P R Hood-Williams, L James, J W Jones, P M Meara, D Phillips, R V Smith, C Thomas, L V Walton and T M White

AGENDA

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- 1 Apologies for Absence.
- 2 Disclosures of Personal and Prejudicial Interests.
www.swansea.gov.uk/disclosuresofinterests
- 3 Section 106 Planning Obligations - Update. (Verbal)
- 4 Draft Statement of Accounts 2015/16. 1 - 2
- 5 Draft Annual Governance Statement 2015/16. 3 - 26
- 6 Internal Audit Monitoring Report Quarter 4 2015/16. 27 - 38
- 7 Audit Committee Action Tracker. 39 - 44
- 8 Audit Committee Work Plan. (For Information) 45 - 47

Next Meeting: Tuesday, 30 August 2016 at 2.00 pm



Huw Evans
Head of Democratic Services
Thursday, 14 July 2016

Contact: Democratic Services: - 636923

Report of the Section 151 Officer

Audit Committee – 21 July 2016

DRAFT STATEMENT OF ACCOUNTS 2015/16

Purpose: The report presents the Draft Statement of Accounts for 2015/16 and is presented to the Audit Committee for Information and Review.

Report Author: Mike Hawes

Finance Officer: Mike Hawes

Legal Officer: Lucy Moore

Access to Services Officer: Sherill Hopkins

FOR INFORMATION

1. Background

1.1 Legislation requires the Council to produce an annual Statement of Accounts in respect of each Financial year as follows:-

- **By 30th June** following the year to which the Accounts relate – Accounts to be drafted and signed by the Section 151 Officer
- **By 30th September** following the year to which the Accounts relate the Accounts are required to be audited and approved by Council

1.2 The Draft Accounts for 2015/16 have been prepared and were signed by the Section 151 Officer on 24th June 2016. A copy is appended at Appendix 'A' to this report

1.3 The Accounts have been formally presented to the Council's auditors – Wales Audit Office – who have commenced the audit of the Accounts.

1.4 As part of the audit process the Accounts will be made available for inspection by the public for a four week period during August/early September 2016.

2. Form and content of the Statement

2.1 The form and content of the report is largely set out in the CIPFA code of practice which forms the basis of best practice in accordance with legislation.

3. Equality and Engagement Implications

- 3.1 There are no equality and engagement issues associated with this report; any relevant items within the budget for the past three years have been subject to the Equality Impact Assessment process and all resulting reports are available at www.swansea.gov.uk/eia.

4. Legal Implications

- 4.1 There are no legal implications.

5. Financial Implications

- 5.1 There are no financial implications.

FOR INFORMATION

Background papers: *Accounts and Audit Regulations*
Cipfa Accounting Code of Practice

Appendices: Appendix 'A' – Draft Statement of Accounts 2015/16.

Report of the Chief Auditor

Special Audit Committee – 21 July 2016

DRAFT ANNUAL GOVERNANCE STATEMENT 2015/16

Purpose:	This report provides the draft Annual Governance Statement 2015/16 and allows the Audit Committee the opportunity to contribute to the annual review of governance
Policy Framework:	None
Reason for Decision:	To allow the Audit Committee to discuss, review and contribute to the Annual Governance Statement 2015/16
Consultation:	Corporate Management Team, Legal, Finance and Access to Services
Recommendation(s):	It is recommended that Committee review and discuss the draft Annual Governance Statement 2015/16.
Report Author:	Paul Beynon
Finance Officer:	Paul Beynon
Legal Officer:	Debbie Smith
Access to Services Officer:	Sherill Hopkins

1. Introduction

- 1.1 The Council is required by the Accounts and Audit (Wales) Regulations 2014 to undertake a review of its governance arrangements, at least annually. The review is intended to show how the Council has complied with its Code of Corporate Governance.
- 1.2 The Audit Committee's role in Corporate Governance is set out in the Local Government (Wales) Measure 2011. Paragraph 9.2 of the statutory guidance relating to the Measure states that one of the functions of the Audit Committee is to

‘Review, scrutinise and issue reports and recommendations on the appropriateness of the authority’s risk management, internal control and corporate governance arrangements’

- 1.3 The review of governance is brought together in the Annual Governance Statement (AGS) which is to accompany the Council’s Annual Statement of Accounts. The AGS is an important document in providing assurance to the Council, stakeholders and public regarding the corporate governance arrangements.
- 1.4 This report provides the opportunity for the Audit Committee to review and contribute to the annual review of governance prior to the AGS being finalised, signed off and published.

2. Code of Corporate Governance

- 2.1 Following a number of high profile cases of failed corporate governance, in both the private and public sectors, the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) published a Framework for Delivering Good Governance in Local Government in 2007.
- 2.2 The Framework says that governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable way.
- 2.3 Governance comprises the systems and processes, and cultures and values, by which the Council is directed and controlled and through which it accounts to, engages with and leads the community.
- 2.4 Good governance leads to effective management, improving performance, stewardship of public money, successful public engagement and ultimately, the desired outcomes for citizens and service users. Sound governance enables the Council to pursue its vision effectively as well as underpinning the internal control mechanisms and the management of risk.
- 2.5 The Governance Framework emphasises the importance of good governance to the wider outcomes of good management, good performance and good public engagement. It puts high standards of conduct and leadership at the heart of good governance, placing responsibility on members and officers to demonstrate leadership by behaving in ways that exemplify high standards of conduct and so set the tone for the rest of the organisation.
- 2.6 The following 6 core principles of good corporate governance were established by CIPFA and SOLACE

- Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
 - Members and officers working together to achieve a common purpose with clearly defined functions and roles
 - Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
 - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
 - Developing the capacity and capability of members and officers to be effective
 - Engaging with local people and other stakeholders to ensure robust public accountability
- 2.7 Council approved its own Code of Corporate Governance based on the 6 principles outlined above on 19th June 2008.
- 2.8 An annual review of compliance with the Code of Corporate Governance has been completed and published each year which is now in the format of the Annual Governance Statement.
- 2.9 CIPFA and SOLACE have recently reviewed its Governance Framework to ensure that it remained fit for purpose. As a result of the review a revised Framework has been published which is effective from 1 April 2016.
- 2.10 The revised Framework includes an updated set of core principles which will need to be reflected in an updated Code of Corporate Governance. The AGS for 2016/17 will be based on the revised Framework and core principles.
- 2.11 The Corporate Governance Review Report produced by the WLGA which was reported to the last meeting of the Audit Committee made the following recommendations regarding the AGS
- Consider broadening contribution to the AGS by convening a representative group from across the organisation to meet quarterly to keep the AGS under review
 - Produce a more succinct document that contains hyperlinks to relevant evidential documents
- 2.12 Action will be taken during 2016/17 to implement the recommendations and it is also intended that the newly convened group will produce a quarterly report for the Audit Committee to allow the Committee to obtain further assurance regarding corporate governance as required by the Local Government (Wales) Measure 2011.

3. Annual Governance Statement

- 3.1 The AGS should report publically on the extent to which the Council has complied with its own code of governance on an annual basis, including how it has monitored and evaluated the effectiveness of the governance arrangements in the year, and on any planned changes in the coming period. The process of preparing the AGS should itself add value to the effectiveness of the corporate governance and internal control framework.
- 3.2 The draft AGS 2015/16 is attached in Appendix 1 and has been subject to consultation with the Corporate Management Team prior to reporting to the Audit Committee
- 3.3 The final version of the AGS will be reported to Cabinet in September for approval before being signed by the Chief Executive and Leader and then published with the audited Statement of Accounts 2015/16.

4. Equality and Engagement Implications

- 4.1 There are no equality and engagement implications associated with this report

5. Financial Implications

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

6. Legal Implications

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

Background Papers: None

Appendices: Appendix 1 Draft Annual Governance Statement 2015/16

DRAFT ANNUAL GOVERNANCE STATEMENT 2015/16

1. Scope of Responsibility

- 1.1 The City and County of Swansea is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government (Wales) Measure 2009 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the City and County of Swansea is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 The City and County of Swansea has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework '*Delivering Good Governance in Local Government*'. A copy of the Code can be obtained by contacting the Chief Auditor on 01792 636463 or e-mailing paul.beynon2@swansea.gov.uk. This statement explains how the Authority has complied with the Code and also meets the requirements of the Accounts and Audit (Wales) Regulations 2014 to review the effectiveness of its internal control systems at least once a year.

2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems and processes, culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively and economically.

2.3 The governance framework has been in place at the City and County of Swansea throughout the year ended 31 March 2016 and up to the date of approval of the Statement of Accounts

3. The Governance Framework

3.1 The CIPFA/SOLACE governance framework identifies the following 6 fundamental principles of corporate governance

- Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
- Members and officers working together to achieve a common purpose with clearly defined functions and roles
- Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- Developing the capacity and capability of members and officers to be effective
- Engaging with local people and other stakeholders to ensure robust public accountability

3.2 Council approved its Code of Corporate Governance on 19 June 2008 based on the 6 principles outlined above.

3.3 The key elements of the policies, systems and procedures that comprise the governance framework in the Council are shown below and linked to the 6 fundamental principles

3.4 **Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area**

- The **Council** is made up of 72 councillors who are democratically accountable to residents and have an overriding duty to the whole community. Council decides overall policies and sets the annual budget as well as receiving reports from Scrutiny, Cabinet Members and Officers.
- The Council is required, under the Local Government (Wales) Measure 2011, to put in place a system to publish individual **Councillors Annual Reports** in relation to their activities. A template report has been agreed by the Democratic Services Committee and all reports submitted by Councillors are published on the Council's website.
- A forward looking **Corporate Plan** is produced under the Local Government (Wales) Measure 2009 and the 'Wellbeing Objectives' under the Wellbeing of Future Generations (Wales) Act 2015. The Corporate Plan sets out the Council's vision, priorities, values, principles and delivery. For each priority the Corporate Plan identifies

- Why it is a priority?
- What needs improving?
- What the Council is going to do?
- What outcomes the Council is seeking to achieve?
- The Wales Audit Office completes an annual **Corporate Plan Audit** to ensure that the Plan has been produced in accordance with the Local Government (Wales) Measure 2009. A **Certificate of Compliance** is issued if the Wales Audit Office believes that the Council has discharged its duties under the Measure.
- An **Annual Performance Review** is undertaken by the Council which provides a review of the progress made in meeting the priorities, actions and targets as set out in the Corporate Plan. The review is reported to Council.
- The Wales Audit Office undertakes a **Corporate Assessment** of the Council on a 4 yearly basis as well as an annual programme of improvement studies and an audit of the Council's approach to improvement planning and reporting.
- The Council publishes a **Single Integrated Plan** which is developed by the Local Service Board following a needs assessment to provide the evidence base for the Plan, a review of relevant consultation and an Integrated Impact Assessment undertaken by an expert panel.
- A **Code of Corporate Governance** based on the CIPFA/SOLACE governance framework was adopted by the Council in June 2008. However the Code has not been reviewed since then and is now considerably out of date.
- Each Head of Service must complete a **Service Plan** which sets out the key priorities and objectives of the service and how they will be delivered and measured. The Service Plan also identifies the contribution that the service makes to the priorities and objectives of the Directorate and the whole Council. A Toolkit and Supplementary Guidance exists to assist in the production of the Service Plan.
- A **Medium Term Financial Plan** is approved by Council each year which details the major funding assumptions for the period and proposes a strategy to maintain a balanced budget.

3.5 Members and officers working together to achieve a common purpose with clearly defined functions and roles

- A **Council Constitution** exists which sets out the framework and rules governing the Council's business described in 16 Articles. The Constitution also includes a Scheme of Delegation and a number of Rules of Procedure, Codes and Protocols as well as the Councillors' Allowances Scheme.
- In response to the recommendations of the Peer Review in September 2014, an updated **Scheme of Delegation** was approved by Council on 27/08/15. The updated scheme is intended to speed up decision making within the Council by delegating authority to individual Cabinet Members, formally recognising the role of

Executive Support Members and providing clearer guidance in relation to limitations on delegation.

- A **Constitution Working Group** exists to review all aspects of the Council Constitution and to make appropriate recommendations for change. The Group also administers the election of the Lord Mayor and Deputy Lord Mayor as outlined in the Council Constitution.
- Separate **Codes of Conduct** exist in the Council Constitution for **Members and Officers** which describe the high standard of conduct expected of them. There is also a **Member/Officer Protocol** which guides the relationship between them to ensure the smooth running of the Council. A new Members Code of Conduct was adopted by Council on 19/05/16, the new Code reflects the Local Authorities (Model Code of Conduct) (Wales) Order 2016 issued by the Welsh Government.
- The **Chief Executive**, as Head of the Paid Service, leads the Council's officers and chairs the Corporate Management Team.
- A new **Senior Management Structure** was approved by Council on 07/04/16. The following key themes were identified in the approach to the re-structuring
 - The need to maintain stability given the imminent departures of key officers
 - The need to ensure that the Sustainable Swansea Programme is delivered
 - The need to make savings in management costs
 - The need to retain the focus on delivering services and priorities

The new structure includes radical proposals for the delivery of Business Support as a result of the Central Services Commissioning Review. There are potential governance risks to the new Business Support model but there is a commitment that the transition will be managed effectively and any changes will have due regard to governance, corporate grip and control.

- The Head of Finance and Delivery was the Council's designated **S151 Officer** throughout 2015/16 and was responsible for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts and for maintaining an effective system of internal financial control. The Senior Management Structure report approved by Council on 07/04/16 placed the S151 Officer responsibility with the Corporate Director (Resources)
- The Council's financial management arrangements during 2015/16 complied with the governance requirements of the **CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)** and will continue to do so under the new Senior Management structure agreed by Council on 07/04/16.
- An **Audit Committee** exists to review and scrutinise the Council's financial affairs, review and assess the risk management, internal control and corporate governance arrangements, oversee the internal and external audit arrangements and review the financial statements. The Audit Committee Annual Report to Council identifies the

assurance the Committee has gained over control, risk management and governance

- The Head of Legal and Democratic Services is designated as the Council's **Monitoring Officer** and is responsible for investigating and reporting on any allegations of contraventions to any laws, policies, procedures, regulations or maladministration and breaches of the Council's Constitution. Under the Senior Management Structure report approved by Council on 07/04/16, the Monitoring Officer function remains with the Head of Legal and Democratic Services pending the implementation of the Business Support Review.
- The Council is the Administering Authority for the **City and County of Swansea Pension Fund** and is responsible for all issues relating to the governance of the Pension Fund. This role is exercised by the **Pension Fund Committee**.
- A **Local Pension Board** exists in line with the Local Government Pension Scheme (Amendment) (Governance) Regulations 2015. The role of the Board is to assist the Administering Authority in its role of scheme manager.

3.6 Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

- The Council has defined its **Values** as People Focused, Working Together and Innovation. A description of each value and what it means is available on the Council's website.
- The **Standards Committee** made up of 5 independent members, 3 City and County of Swansea Councillors and 1 Community/Town Councillor promotes and maintains high standards of conduct by Councillors, assists Councillors to observe their Code of Conduct, monitors the operation of the Code and deals with any reports from the Monitoring Officer. The Committee also undertakes roles for ethical audit purposes, including an overview of the Whistleblowing Policy and an overview of complaints handling and Public Services Ombudsman for Wales investigations
- The **Anti-Fraud and Corruption Policy** applies to all councillors and employees. It outlines the Council's commitment to preventing, discouraging, detecting and investigating fraud and corruption whether attempted on the Council or from within the Council. The Policy is available on the Council's internal and external websites. Fraud pages have been published on the websites which defines fraud and outlines how to report suspicions of fraud by telephone, e-mail and via an online form.
- A **Corporate Complaints Policy** based on the Welsh Government Model for complaints handling is in place and can be accessed through the Council's website. The policy governs the investigation of complaints from members of the public including complaints about service provision. A Corporate Complaints Annual Report is presented to Cabinet each year.

- A **Whistle Blowing Policy** exists which encourages and enables employees to raise serious concerns without fear of harassment or victimisation. The Policy is available to all staff in the online Employee Handbook.
- The **Internal Audit Section** operates in accordance with the Public Sector Internal Audit Standards and is an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It helps the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. A Corporate Fraud Team was established with effect from 01/06/15 for an initial 2 year period. The Team is responsible for investigating all suspected cases of fraud, corruption and bribery across the Council and promoting a zero tolerance approach to fraud.
- **Information Management** is a key part of service delivery and a great deal of work has been accomplished to strengthen and improve the security of the Council's systems that hold data. The Council recognises that there are risks associated with staff accessing and handling data so online training is available together with key policies and a strategy that have helped embed an information security culture. Any suspected or actual information security breaches are reported and managed via an established breach panel and key relationships have been developed with the Information Commissioners Office to ensure the Council operates in accordance with the Data Protection Act. Corporate Management Team receives 6 monthly reports highlighting key success factors. Each Directorate has an Information Management representative who meet bi-monthly and have helped with communication, awareness and new ways of working.
- The success of implementing **Information Management** relies on having effective **Governance** arrangements in place and having a clear understanding and acceptance of responsibilities. A Senior Information Risk Officer (SIRO) is in place to provide board-level accountability and assurance. The SIRO chairs an Information Management and Technology Board that provide direction on all aspects of information and risk ensuring compliance with regulatory, statutory and organisational policies and standards.
- Information is used throughout the Council to help provide better and more efficient services to the public. The **Sharing of Information** is key to the Council's goal of delivering better, more efficient public services that are coordinated around the needs of the individual. It is essential to enable early intervention and preventative work, for safeguarding and promoting welfare and for wider public protection. As areas move towards partnership working and integrated services, professional and confident sharing of information is becoming more important to delivering the benefits of the new arrangements.

3.7 Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

- The **Decision Making** process is clearly set out in the Constitution along with the scheme of delegation and the terms of reference of Cabinet, Committees, Scrutiny Boards, Panels, Forums and Groups.
- The **Cabinet** (as Executive) is responsible for most day to day decisions and acts in line with the Council's overall policies and budget.
- A **Challenge Panel** consisting of 12 members consider any Cabinet decisions which have been 'called in' if the Presiding Member of the Council accepts that the call in is valid. The criteria used by the Presiding Member to decide on validity are tightly set and the Presiding Member receives appropriate advice from officers. The Challenge Panel will consider whether the decision is a well-founded and appropriate decision of Cabinet.
- All reports to Council and Cabinet must include paragraphs detailing the **Financial, Legal and Equality and Engagement Implications** of the report.
- The **Scrutiny Programme Committee** is responsible for developing the Council's Scrutiny Work Programme via a single workplan, holding Cabinet Members to account and providing challenge on specific themes. The Committee will set up informal **Scrutiny Panels and Working Groups** to undertake the detailed work of scrutiny and will appoint **Scrutiny Conveners** to chair the various Scrutiny Panels.
- The role of Scrutiny is to improve the performance of services, to provide an effective challenge to the Executive and to engage non-executive members in the development of policies, strategies and plans. A **Scrutiny Work Planning Conference** is held each year to choose topics for review.
- Quarterly **Scrutiny Dispatches** impact reports are presented to Council as well as a **Scrutiny Annual Report**. The Annual Report is used to highlight the work carried out by scrutiny, show how scrutiny has made a difference and support continuous improvement for the scrutiny function.
- A **Corporate Risk Policy** is in place which describes how risk management is implemented in the Council to support the realisation of strategic objectives. A **Risk Management Framework** also exists which aims to help managers and members at all levels to apply risk management principles consistently across their areas of responsibility.
- Corporate, Directorate and Service **Risk Registers** are in place to capture and monitor risks that could affect the Council's business. Risk Management is subject to regular review by the Audit Committee.

3.8 Develop the capacity and capability of members and officers to be effective

- A series of **Mandatory Staff e-Learning Courses** has been developed for all new employees covering corporate induction, safeguarding, fire safety, health and safety, display screen equipment and equalities. A wide range of training is also available to staff via the Learning Pool and directly delivered courses.
- A review of the **Councillors Training Programme 2014/15** was presented to the Democratic Services Committee where it was resolved that a new Training Needs Assessment be circulated to Councillors. The Assessment was reported back to the Democratic Services Committee where it was resolved that for 2016/17, 14 courses would be deemed to be mandatory with regular reports on attendance being passed to Political Group Leaders/Political Whips to encourage increased attendance. It was also resolved that the increased use of e-Learning for Councillors Training be developed.
- Regular **Cabinet and Corporate Management Team Away Days** are held where thematic issues are discussed such as Sustainable Swansea – fit for the future, One Swansea Plan, Commissioning Reviews, budget and poverty and prevention.
- An **Employee Performance Management Policy** exists and is available to all staff in the online Employee Handbook. The policy establishes a process which contributes to the effective management of individuals and teams in order to achieve high levels of organisational performance. Evidence from the Staff Survey 2015 indicated that the completion of annual appraisals by managers was sporadic across the Council. The Executive Board requested an audit of appraisals in January 2016 which supported the findings of the staff survey. A further audit will be undertaken in January 2017.
- Monthly **One to One meetings** are held involving the Leader, Cabinet Members, Chief Executive, Corporate Directors, Chief Officers, Heads of Service and 3rd tier staff as part of the performance management process.
- Each Corporate Director holds a monthly **Performance and Financial Monitoring** meeting where Chief Officers and Heads of Service report on progress in terms of continuous improvement and budgets. A meeting template exists covering budget, performance, workforce, customers and risk issues.
- The Council Constitution includes detailed **Financial Procedure Rules** which govern the financial management of the Council.
- Financial Procedure Rules are supplemented by detailed **Accounting Instructions** which aid sound financial administration by setting out the principal controls and procedures to be followed by all departments for a range of functions. From time to time the Accounting Instructions are reviewed and ad hoc instructions may also be issued such as the current spending restrictions. The Accounting Instructions have not been reviewed for some time and need to be updated to reflect changes in systems and procedures in particular the increasing use of digital solutions.

- The Council Constitution includes **Contract Procedure Rules** which govern the purchasing of goods and services and the letting of contracts with the aim of obtaining the best use of resources and value for money.

3.9 Engaging with local people and other stakeholders to ensure robust public accountability

- A **Consultation and Engagement Strategy** exists to ensure effective consultation and engagement with residents and partner organisations.
- A series of **Residents Telephone Surveys** of 200 residents take place every 2 months and cover topics such as the Council's reputation and performance in key areas. Consultation also takes place on the annual budget and *Sustainable Swansea – Fit for the Future* as well as service specific consultation run directly by services. The Council will also be carrying out consultation on the Commissioning Reviews being undertaken across services to engage staff, service users and other stakeholders. There is also a ward representative role for each councillor.
- The **Swansea Leader** newspaper is published every 2 months and delivered to every household in the area informing people about the Council's work and the progress it is making. An electronic version of the Swansea Leader is available on the Council's website.
- A wealth of **Information for Stakeholders** is available on the Council website including agendas, which are published in advance of meetings and minutes of all Council, Cabinet, Committee and Scrutiny Board meetings. Members of the public can attend meetings of the Council, Cabinet, Committees and Scrutiny Boards except where confidential or exempt information is likely to be disclosed and the meeting is therefore held in private. The Council website was re-launched in 2014/15 with the aim of being task orientated, easier to navigate and more concise. Following the re-launch of the website, it received a 3 star rating from Socitm up from the previous 2 star rating.
- Members of the public also have the right to ask questions and time is set aside at each Council and Cabinet meeting for **Public Questions**.
- **Financial Monitoring Reports** which monitor the revenue and capital budgets are produced on a quarterly basis and reported to Cabinet.
- **Performance Monitoring Reports** are produced for Cabinet on a quarterly basis and an **Annual Performance Monitoring Report** is also presented which allows performance to be reviewed and to inform executive decisions on resource allocation. The annual report also identifies any corrective action required to manage and improve performance and efficiency in delivering national and local priorities.

3.10 The Council's Annual Statement of Accounts identify that the Council has an interest in the companies shown below. The Annual General Meeting

of the Council appoints councillors to sit on the Boards of the companies. The number of councillors appointed is shown against each company

- Swansea City Waste Disposal Co. Ltd (1 councillor)
- Wales National Pool Swansea Ltd (3 councillors)
- National Waterfront Museum Swansea Ltd (3 councillors)
- Swansea Stadium Management Co. Ltd (2 councillors)
- Bay Leisure Ltd (2 councillors)

3.11 A number of methods are in place to monitor the activities and performance of the companies including councillor/officer steering groups, strategic and operational meetings and management groups.

3.12 A Business and Partnership Unit exists in Cultural Services to monitor the activities of externally funded partner providers and an Annual Report on Leisure Partnerships is presented to Council each year.

4. Review of Effectiveness

4.1 The City and County of Swansea has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Authority who have responsibility for the development and maintenance of the governance environment, the Chief Auditor's annual report and also by comments made by the external auditors and other review agencies and inspectorates.

4.2 The processes for maintaining and reviewing the effectiveness of the governance framework within the Council include the following broad headings.

4.3 Internal Control Self-Assessment

- Each Head of Service has provided a signed **Senior Management Assurance Statement** for 2015/16 which provides assurance over the internal control, risk management and governance framework for their area of responsibility.
- The **Senior Management Assurance Statement** contains 10 questions covering governance issues and requires a 'Yes', 'No' or 'Partly' answer. Most answers provided by Heads of Service were 'Yes' with a small number of 'Partly', there were no 'No' assurance answers. The main areas where 'Partly' answers were given related to concerns over the risks and impact on the control environment resulting from savings proposals and the risks, control and governance relating to partnerships. However, in each case assurance was provided that sufficient monitoring was in place so as not to pose a risk to governance.

4.4 Internal Sources of Assurance

The following provide assurance based on reports covering 2014/15 as the reports for 2015/16 are not yet available. The 2015/16 reports will be reflected in the next Annual Governance Statement.

- The **Annual Performance Review 2014/15** was approved by Cabinet on 15/10/15 in accordance with the publishing requirements of the Local Government (Wales) Measure 2009. The report showed the results of each performance measure for the 9 Improvement Objectives set out in the '*Standing up for a Better Swansea*' Corporate Improvement Plan 2013/17. The results showed that the Council was 'fully successful' in achieving the performance measures for one of the Improvement Objectives and 'mainly successful' in the other 8 Improvement Objectives.
- The **Standards Committee** met on 7 occasions during 2015/16 and the **Standards Committee Annual Report 2014/15** was presented to Council on 24/09/15. The report described the work of the Committee during 2014/15 including investigations into breaches of the Member's Code of Conduct, annual discussions with Political Group Leaders, Committee Chairs and the Chief Executive, the Swansea Councillor Charter and Councillor Pledge and the merger of the Community/Town Council Sub Committee with the Standards Committee.
- The **Corporate Complaints Policy** was in place throughout 2015/16 and the **Corporate Complaints Annual Report 2014/15** was presented to Cabinet on 15/10/15. The Annual Report identified a 4.5% increase in the number of complaints and requests for service in the year. The report also highlighted a number of service improvements which had been introduced as a result of compliant investigations.
- The **Internal Audit Annual Report 2014/15** was reported to the Audit Committee on 18/08/15 and included the Chief Auditor's opinion that based on the audit reviews undertaken in 2014/15, Internal Audit can give reasonable assurance that the systems of internal control were operating adequately and effectively and that no significant weaknesses were identified.
- The **Audit Committee Annual Report 2014/15** was presented to Council on 27/08/15 and outlined the assurance the Committee had gained over control, risk management and governance from various sources over the course of 2014/15.
- The **Scrutiny Programme Committee and Panels** met throughout 2015/16 and were supported by the Scrutiny Support Unit. The **Scrutiny Annual Report 2014/15** was presented to Council on 23/07/15. The report highlighted the work carried out by Scrutiny, showed how Scrutiny had made a difference and supported continuous improvement for the Scrutiny function. The report also identified 6 improvement outcomes to be addressed in 2015/16.
- The **Annual Performance Monitoring Report 2014/15** was approved by Cabinet on 16/07/15 which presented the detailed performance

results for 2014/15. The report showed that of the 57 Corporate Performance Indicators 29 had met the target set for the year while 28 had missed the target. The results of the review are used to inform executive decisions on resource allocation and to take corrective action to improve performance and efficiency.

The following provides assurance based on reports covering 2015/16

- The **Corporate Plan 2016-17** '*Delivering for Swansea 2016/17*' produced in accordance with the Local Government (Wales) Measure 2009 and the 'Wellbeing Objectives' under the Wellbeing of Future Generations (Wales) Act 2015 was approved by Cabinet on 17/03/16. The Plan describes the Council's vision for Swansea, the 5 key Council priorities and the organisation values and principles that will underpin the delivery of the priorities and the overall strategy.
- The One Swansea Plan and Delivery Framework 2015 '*Place, People, Challenges and Change*' were endorsed by the Local Service Board on 15/09/15 as the **Single Integrated Plan**. The purpose of the Plan is to improve the wellbeing of people in Swansea by ensuring that professionals and the public work together. The Plan is developed by the Local Service Board which includes the main public service agencies for the area and representatives of the voluntary and business sector. The Plan identified Domestic Abuse (with a focus on safeguarding) and Older People's Independence as the priorities for 2015/16.
- The adoption of the **Council Constitution** was reaffirmed at the Annual Meeting of the Council on 19/05/15. Various reports have been approved by Council throughout 2015/16 making changes to the Constitution.
- The **Audit Committee** met on 9 occasions during 2015/16 and followed a structured workplan which covered all areas of the Committee's responsibilities with the aim of obtaining assurance over the areas included in its terms of reference. The Committee includes a lay member as required by the Local Government (Wales) Measure 2011. The lay member is also the Chair of the Committee.
- The **Scrutiny Programme Committee** met on 14 occasions in 2015/16 and had overall responsibility for the scrutiny function.
- The annual **Scrutiny Work Planning Conference 2015/16** was held on 08/06/15 and a report on the **Scrutiny Work Programme 2015/16** was agreed by the Scrutiny Programme Committee on 13/07/15.
- The **Constitution Working Group** met on a number of occasions during 2015/16 to discuss amendments to the Constitution including a review of filming, recording and photography at Council meetings, the Model Council Constitution and Council Procedure Rule 26 – Public Presentations and Question Time. The Group also met to agree the nomination of the prospective Lord Mayor and Deputy Lord Mayor.
- The **Medium Term Financial Plan 2017/18 – 2019/20** was approved by Council on 25/02/16. The Plan outlined the significant shortfall in funding faced by the Council over the period and the strategy to be

adopted to address the shortfall as well as the inherent risks to the success of the adopted strategy.

- The **Corporate Risk Management Policy and Framework** operated throughout 2015/16 and the Head of Finance and Delivery presented update reports on Risk Management to the Audit Committee on 15/12/15 and 16/02/16.
- Each Corporate Director held monthly **Performance and Financial Monitoring** meetings where Chief Officers and Heads of Service reported on progress in terms of continuous improvement and budgets.
- Quarterly **Performance Monitoring Reports** were presented to Cabinet during 2015/16 which provided detailed performance tables and identified the Council's performance outturn for the indicators which had been selected for their suitability to measure performance against the Council's 5 key priorities.
- Quarterly **Financial Monitoring Reports** were presented to Cabinet throughout 2015/16. The reports identified a potential revenue budget overspend at year end based on available information and stressed the need for expenditure to be contained within the budget set by Council. The reports identified an urgent need for significant additional budget savings across all Council service.
- A **Mid Term Budget Statement 2015/16** was presented to Cabinet on 15/10/15 which provided a strategic and focussed assessment of the current year's financial performance and an update on strategic planning assumptions over the next 3 financial years. The conclusion of the Statement was that the Council would struggle to deliver within the overall resources identified to support the budget in 2015/16. The likely projected outturn was dependent upon the willingness and ability of the Council to reduce and restrict ongoing expenditure across all areas. The Statement also identified the need for the Council to significantly accelerate its efforts in terms of scale and pace in the implementation of the *Sustainable Swansea* delivery programme in 2016/17 and beyond.
- All reports presented to Cabinet and Council during 2015/16 had been reviewed by Finance, Legal and Access to Services staff and included the appropriate paragraphs detailing the **Financial, Legal and Equality and Engagement Implications** of the report.
- The **Pension Fund Committee** met on 4 occasions during 2015/16 and dealt with all issues relating to the governance of the Pension Fund.

4.5 External Sources of Assurance

- The Wales Audit Office undertook a **Corporate Assessment** of the Council in November 2014. The assessment sought to answer the question *'is the Council capable of delivering its priorities and improved outcome for citizens?'* The **Annual Improvement Report 2014/15** which incorporated the Corporate Assessment report was presented to Council on 23/07/15 and concluded that *'the Council can*

demonstrate improvement across a range of key services and has developed a clear framework for managing future challenges'. The report made the following proposals for improvement which will be addressed by the Council.

- Implement planned changes to the reporting arrangements for the key corporate priorities and identify a smaller number of outcomes intended to ensure delivery of the Council's new priorities.
- Ensure records of delegated decisions made by officers are accurately recorded.
- Increase the pace of implementation of improvements to performance reporting arrangements to provide a balanced range of readily accessible information that assists decision making.
- Ensure service business plans consistently incorporate workforce and asset management requirements as expected in corporate guidance.
- The Wales Audit Office is undertaking a **Corporate Assessment follow up** exercise to review progress against the proposals for improvement. The exercise is due to be completed by June 2016.
- The Council invited the WLGA to facilitate a **Peer Review** in September 2014. The Peer Review had 3 key areas of focus i.e. Delivery, Change and Governance which were felt to be critical to organisational development and delivery in challenging times. The Peer Review identified both areas of strength and areas for improvement and made 20 recommendations in its report. The Council prepared an action plan to address the recommendations which was approved by Cabinet on 14/04/15. The Director of Corporate Services provided a **Peer Review Progress Update** to the Audit Committee on 19/04/16 which, for each of the 3 key areas of focus, identified what had been achieved and what was still to do. It was recognised that substantial progress had been made although there was still work to do and that going forward it was important to evaluate the impact of the actions taken.
- One of the results of the Corporate Assessment and Peer Review was that the Head of Legal and Democratic Services was tasked with undertaking a review of the Council's governance arrangements. To provide external assurance, the WLGA were asked to complete a **Corporate Governance Review**. The final report will be presented to the Audit Committee on 28/06/16 with the overall conclusion that there were no significant flaws in the governance arrangements but there were improvements that could be made. The findings from the WLGA report have been added to the Peer Review/Corporate Assessment Action Plan and will be addressed during 2016/17.
- The Appointed Auditor's **Annual Audit Letter 2014/15** was issued on 17/11/15 and presented to the Audit Committee on 15/12/15. The letter stated that *'The Authority complied with its responsibilities relating to financial reporting and use of resources'*. The letter also stated that an unqualified audit opinion had been issued on the accounting statements confirming that they present a true and fair

view of the Authority's and the Pension Fund's financial position and transactions. The letter also stated that *'The Auditor General for Wales is satisfied that the Authority has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources'*.

- The Auditor General for Wales **Report of Deficiencies in Internal Controls 2014/15** was presented to the Audit Committee on 17/11/15. The report stated that *'No significant deficiencies in internal control have been identified, however recommendations have been raised for the Authority in order to further improve its control environment' and 'The Authority has made progress in enhancing its control environment and implementing recommendations raised last year'*. A total of 10 new recommendations were made regarding deficiencies identified in the report and a further 8 recommendations in respect on 2013/14 had not been fully implemented.
- PwC on behalf of the Auditor General for Wales presented the **Audit of Financial Statements Report 2014/15** to Cabinet on 17/09/15. The report highlighted any significant issues to those charged with governance that needed to be considered prior to the approval of the financial statements. The report concluded that provided PwC were able to satisfactorily complete the outstanding work then it was the intention to issue an unqualified audit report on the financial statements. At the request of the Chair, the Audit of Financial Statements Report 2014/15 was reported to a special meeting of the Audit Committee on 21/09/15.
- The Wales Audit Office has issued a **Certificate of Compliance** following its audit of the Corporate Plan 2016/17
- The Council is subject to **Statutory External Inspections** by various bodies including Wales Audit Office, ESTYN and CSSIW. ESTYN inspected 16 educational establishments during 2015/16 with inspection reports being provided to the Governing Body in each case. Work continued in 2015/16 to implement the 5 recommendations arising from ESTYN's Education Services for Children and Young People Inspection Report 2013/14. Progress reports were made to Cabinet throughout the year with the most recent report on 17/03/16 reporting that 1 recommendation had a Red status (remains a concern), 1 had an Amber status (limited progress) and 3 had a Yellow status (good progress). The CSSIW Performance Evaluation Report 2014/15 for Swansea was presented to Council on 17/12/15. The report was very positive about Child and Family Services and recognised the efforts made in the last few years are now delivering benefits in terms of quality of care and cost of services. The report was also positive about Adult Services and highlighted that the need to provide preventative and well-being services is an enormous challenge.

4.6 The Annual General Meeting of the Council held on 19/05/15 appointed the required number of Councillors to sit on the Boards of the companies included in the Council's Statement of Accounts. A change was made to the representatives on the National Waterfront Museum Swansea Board

at Council on 25/06/15 and to the representatives on Bay Leisure Ltd Board at Council on 28/04/16.

4.7 The Leisure Partnerships Annual Report 2014/15 was presented to Council on 28/04/16 which was considerably after the end of 2014/15. The report reviewed the performance of the Wales National Pool Swansea, National Waterfront Museum Swansea, Liberty Stadium and the LC in detail and provided information on the monitoring arrangements in place.

4.8 For the first time, the Leisure Partnerships Annual Report 2014/15 included details of the following partnerships where there is no Council representation on the Board and the Council's financial contribution is nil or limited.

- 360 Beach and Watersports Centre
- Swansea Indoor Bowls Centre
- Swansea Tennis 365

4.9 The review of the governance arrangements which operated for 2015/16 in the City and County of Swansea has shown that in general they provide a sound system and there are no suggestions that major issues exist. This view was supported by the Peer Review, Corporate Assessment and the recent WLGA Corporate Governance Review

4.10 The evidence gathered as part of the governance review for 2015/16 i.e. the Internal Control Self-Assessment and the review of internal and external sources of assurance supports the view that the governance arrangements continue to be fit for purpose although a small number of issues were identified where improvements can be made which are highlighted in Section 5 below.

4.11 We have been advised on the implications of the result of the review of the effectiveness of the governance framework and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are outlined below.

5 Significant Governance Issues

5.1 The following table shows the significant governance issues which were identified during the review of effectiveness undertaken when preparing the Annual Governance Statement 2014/15 and the action taken during the year to address the issues

Issue	Proposed Action	Action Taken
<p>WLGA Peer Review Governance Issues – Corporate Governance Review</p> <p>1. Formal briefing of Cabinet members with emphasis on proactively engaging them in decisions rather than briefing them too late in the decision making process.</p> <p>2. Clarify the role of Cabinet Advisory Committees in the Constitution.</p> <p>3. Ensure that scrutiny is closely orientated towards the Council's top priorities.</p>	<p>The Head of Legal and Democratic Services is to undertake a 'whole system' review of how we make decisions, to include</p> <ul style="list-style-type: none"> • Member decision making, including Cabinet Member delegation, briefings, role of CACs and impact of scrutiny • Officer decision making, including the requirement to consult • Legal, EIA, audit, HR etc. considerations • Programme management, including boards <p>The review is focussed on the options available to allow the Council to move to a more agile, business like and quicker approach to governance both at Member and Officer level.</p> <p>There are many aspects of the processes that reinforce an old, risk averse approach. A set of principles need to be agreed that underpin future decision making processes</p> <p>This review will pick up a wide range of</p>	<p>The comments below are taken from WLGA's final Governance Review report</p> <p>1. Regular formalised meetings now take place but more work is required on the early engagement of Cabinet Members in decision making. It was considered that this recommendation was partly met.</p> <p>2. A report to Council on 27/08/15 established a clear structure and reporting lines for Cabinet Advisory Committees. The report included Terms of Reference for the Committees which have been included in the Constitution. This recommendation was felt to be largely met.</p> <p>3. One of the improvement outcomes for 2015/16 in the Scrutiny Annual Report 2014/15 was the need to align the work of scrutiny more closely with the Council's 5 Corporate Priorities. As a result, the Scrutiny Work Programme demonstrates a closer orientation to Council Priorities therefore it was felt that this recommendation was largely met.</p>

<p>4. Consider reducing the time that Cabinet has to respond to scrutiny recommendations</p>	<p>specific actions, as well as current actions to clarify roles and responsibilities. Further work is likely to pick up wider aspects of corporate governance.</p>	<p>4. It was agreed at Council on 25/06/15 that the cabinet response time be reduced to 2 months. It was stated that this recommendation had been fully met.</p>
<p>WLGA Peer Review Governance Issues – Local Service Board</p> <p>1. LSB could develop a small number of priorities which partners commit resources to and tackle on a task and finish or rolling basis.</p> <p>2. Communicate the role, purpose and activities of LSB to members looking to involve them in the work of the LSB including ward projects and local</p>	<p>‘Reinvent’ the Local Service Board or a ‘city partnership’ with:</p> <ul style="list-style-type: none"> • A smaller number of delivery focused priorities • A more radical approach to joint working and pooling of staff and resources • Greater engagement of Members in local projects <p>The Single Swansea Plan (SSP) has agreed priorities but there is a need to refocus efforts on delivery. The SSP is currently being reviewed.</p> <p>The opportunities around community budgets are significant, but will be subject to a willingness by all partners to give up some sovereignty and to work differently to achieve better outcomes.</p>	<p>1. In line with the requirements of the Well-being of Future Generations (Wales) Act 2015, the LSB has been replaced with the Swansea Public Service Board which first met in May 2016. The Act requires that a small number of Well-being Objectives are agreed and delivered by partners and this will be done following the introduction of a Well-being Assessment in 2017. For 2016/17, the PSB has agreed to pursue a small number of issues as ‘year one priorities’. These priorities, along with proposals for the workstreams that will deliver them, will be agreed at the PSB’s July 2016 meeting.</p> <p>2. Information about PSB meetings and the work to deliver PSB priorities is communicated directly to all members by e-mail. Workstreams are open to members to participate in and a guide for members has been agreed by the</p>

engagement or consultation.		PSB and will be published on the PSB website
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5.2 The following table identifies issues which have been raised during the review of effectiveness and the proposed action to be taken during 2016/17 to address the issues

Issue	Proposed Action
1. The Council's Code of Corporate Governance should be updated to ensure compliance with the core and sub principles contained in the revised CIPFA/SOLACE Delivering Good Governance in Local Government Framework	The Code of Corporate Governance is to be reviewed in line with the CIPFA/SOLACE Guidance Notes for Welsh Authorities due to be published in September 2016.
2. There are potential governance issues as a result of the proposals for the new Business Support model across the Council arising from the Corporate Services Commissioning Review.	The transition to the new Business Support model will be carefully managed to ensure it is managed effectively and any changes will have due regard to governance, corporate grip and control.
3. A system should be developed to record relevant delegated decisions made by officers.	<p>An appropriate system will be developed to record delegated officer decisions which could include the use of financial thresholds to ensure consistency across the Council and agreement between Cabinet Members and relevant officers on which delegated decisions should be recorded.</p> <p>The agreed system will be implemented by publishing relevant decisions on the Council website.</p>
4. The process for producing the Annual Governance Statement should be reviewed to broaden the officer contribution to the process and to ensure that it is a live process throughout the year rather than a retrospective year-end process	<p>A representative group from across the Council will be set up to meet regularly to review the Annual Governance Statement.</p> <p>The group will review the current Annual Governance Statement to identify where the format can be improved to promote a wider understanding and ownership of the Statement.</p>

5.3 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review

Signed Chief Executive
Date

Signed..... Leader
Date

Report of the Chief Auditor

Special Audit Committee – 21 July 2016

INTERNAL AUDIT ANNUAL PLAN 2015/16 MONITORING REPORT FOR THE PERIOD 1 JANUARY 2016 TO 31 MARCH 2016

Purpose:	This report shows the audits finalised and any other work undertaken by the Internal Audit Section during the period 1 January 2016 to 31 March 2016.
Policy Framework:	None
Reason for Decision:	To allow the Audit Committee to discuss and monitor progress against the Internal Audit Annual Plan 2015/16
Consultation:	Legal, Finance, Access to Services.
Recommendation(s):	It is recommended that Committee review and discuss the work of the Internal Audit Section and note the contents of the report
Report Author:	Paul Beynon
Finance Officer:	Paul Beynon
Legal Officer:	Debbie Smith
Access to Services Officer:	Sherill Hopkins

1. Introduction

- 1.1 The Internal Audit Annual Plan 2015/16 was approved by the Audit Committee on 9 April 2015 and quarterly monitoring reports have been presented throughout the year to allow Committee to review and comment upon the progress of the Internal Audit Section in achieving the Annual Plan.
- 1.2 This report shows the audits which were finalised in the period 1 January 2016 to 31 March 2016.

2. Audits Finalised 1 January 2016 to 31 March 2016

- 2.1 The only vacant post currently within the Internal Audit Section is 0.5 of an Auditor post which was highlighted in the Annual Plan report and was initially being kept vacant until 30th September 2015 but will now continue for the rest of the year.
- 2.2 The Internal Audit Section has continued to experience unusually high levels of sickness with a total of 102 days sick leave being recorded in the 4th Quarter. This gives a total of 221 days sick leave for the year against an annual budget of 49 days. Further details comparing sick leave in 2015/16 to previous years is provided later in this report.
- 2.3 A total of 25 audits were finalised during Quarter 4. The audits finalised are listed in Appendix 1 which also shows the level of assurance given at the end of the audit and the number of recommendations made and agreed.
- 2.4 An analysis of the audits finalised during the 4th Quarter is shown in the following table

Assurance Level	High	Substantial	Moderate	Limited
Number	8	13	4	0

- 2.5 A total of 212 audit recommendations were made and management agreed to implement 206 recommendations i.e. 97.2% against a target of 98%. The recommendations which were not agreed were either low risk or good practice and it was shown by management that compensating controls were in place.
- 2.6 All recommendations made are classified as high risk, medium risk, low risk or good practice. An analysis of the recommendations agreed during Quarter 4 is shown in the following table

High Risk	Medium Risk	Low Risk	Good Practice	Total
1	39	102	64	206

- 2.7 To allow the Audit Committee to more closely monitor the progress being made during the year by the Internal Audit Section to achieve its Annual Plan, Appendix 2 shows each audit included in the Plan approved by Committee in April and identifies the position as at 31 March 2016 for each audit. The audits highlighted in bold in Appendix 2 have been brought forward from 2016/17 to replace a number of planned audits which could not go ahead mainly due to service pressures in departments.
- 2.8 Appendix 3 shows brief details of the significant issues which led to the 4 audits finalised in Quarter 4 being considered to be moderate.

There were other less significant findings also included in the final audit reports issued to management

- 2.9 A Management Action Plan which includes a series of recommendations to address the issues arising from each audit receiving a negative level of assurance has been agreed with management. A follow up audit will be arranged within 6 months of the final report being issued to confirm that the agreed recommendations have been implemented.
- 2.10 Any audit which receives a moderate or limited level of assurance is also reported to the relevant Directorate PFM meeting so that the action taken to implement the agreed recommendations can be monitored by the Director and Head of Service in advance of the follow up audit.
- 2.11 The Internal Audit Section was also involved in the following work during Quarter 4 which was not included in the Audit Plan for 2015/16
- Continued sample testing of Equal Pay calculations prior to offers being made to staff
 - Continued sample testing of Back Pay calculations prior to payments being made to staff.
 - Review of issues regarding salary payments at the request of the Head of Finance and Delivery
 - A review of the accounts of a road surface re-cycling partnership that the Council is part of in order to verify the income and expenditure charged to the partnership.
- 2.12 The high level of sickness being experienced by the Internal Audit Section in 2015/16 has been mentioned in previous monitoring reports and following the presentation of the Quarter 3 report in February 2016, the Committee requested details of sickness levels in previous years.
- 2.13 The following table shows the level of sickness over the last 5 years

Year	Sickness Days	
	Budget	Actual
2015/16	49	221
2014/15	64	49
2013/14	69	41
2012/13	69	98
2011/12	64	45

- 2.14 The table clearly shows that in previous years the actual level of sickness has mostly been less than the budget provided in the Annual Plan and has been manageable. The increase in 2012/13 was caused by an employee taking 48 days as a result of an operation and other

than this all instances of sickness in previous years have been due to short term absences.

2.15 The high level of sickness in 2015/16 has resulted from 4 members of staff suffering non-work related stress which has accounted for 206 of the 221 days taken. The reasons for the non-work related stress are varied and support has been provided to the staff to help them return to work.

2.16 The impact of the increased sickness in 2015/16 has meant that a number of planned audits have had to be postponed and deferred to 2016/17.

3. Follow Ups Completed 1 January 2016 to 31 March 2016

3.1 The follow up procedures operated by the Internal Audit Section include visits to any non fundamental audits which received a moderate or limited level of assurance to confirm and test that action has been taken by management to address the concerns raised during the original audit.

3.2 The follow up visit is usually within 6 months of the final report being issued and includes testing to ensure that any high or medium risk recommendations have been implemented. Where agreed recommendations have not been implemented, this will be reported to the appropriate Head of Service (or Chair of the Governing Body in the case of schools) and the Head of Finance and Delivery.

3.3 During the 4th Quarter, a follow up visit was made to confirm the implementation of the recommendations arising from the Victoria Park Kiosk audit which had received a moderate level of assurance in July 2015.

3.4 The follow up visit to Victoria Park Kiosk found that all the agreed recommendations had been fully implemented.

4 Equality and Engagement Implications

4.1 There are no equality and engagement implications associated with this report

5. Financial Implications

5.1 There are no financial implications associated with this report.

6. Legal Implications

6.1 There are no legal implications associated with this report.

Background Papers: Internal Audit Plan 2015/16

Appendices: Appendix 1 Internal Audit – Monitoring Report Quarter 4 2015/16
Appendix 2 Internal Audit Plan 2015/16 – Progress to 31/03/16
Appendix 3 Moderate Level of Assurance – Significant Issues

INTERNAL AUDIT - MONITORING REPORT QUARTER 4 2015/16

Head of Service	Audit	Date	Assurance Level	Recommendations		
				Made	Agreed	Not Agreed
Finance & Delivery	Capital Accounting	07/01/2016	High	2	2	0
Finance & Delivery	Treasury Management	02/02/2016	High	3	3	0
Housing & Public Protection	Housing Rents	10/02/2016	High	9	9	0
Legal & Democratic Services	Acceptance of Tenders	23/02/2016	High	5	5	0
Education Planning & Resources	St Helens Primary School	24/02/2016	High	4	4	0
Education Planning & Resources	Trallwn Primary School	24/02/2016	High	1	1	0
Finance & Delivery	Pension Fund Investments	08/03/2016	High	0	0	0
Finance & Delivery	School Bank Reconciliations	22/03/2016	High	1	1	0
Highways & Transportation	Central Transport Unit - Fuel	22/01/2016	Substantial	5	5	0
Education Planning & Resources	Penclawdd Primary School	22/01/2016	Substantial	8	8	0
Highways & Transportation	Clydach Depot - Plant	22/01/2016	Substantial	12	12	0
Education Planning & Resources	Gors Community Primary School	25/01/2016	Substantial	16	16	0
Waste Management	Parks Central Operations	25/01/2016	Substantial	2	2	0
Education Planning & Resources	Knelston Primary School	27/01/2016	Substantial	11	11	0
Education Planning & Resources	YGG Y Login Fach	29/01/2016	Substantial	8	7	1
Education Planning & Resources	YGG Bryniago	03/02/2016	Substantial	3	3	0
Human Resources & Organisational Development	Pensions	15/02/2016	Substantial	7	7	0
Education Planning & Resources	Newton Primary School	23/02/2016	Substantial	7	7	0
Child & Family Services	Taxi Authorisation	02/03/2016	Substantial	12	12	0
Education Planning & Resources	Waun Wen Primary School	09/03/2016	Substantial	5	5	0
Finance & Delivery	Income Tax - Self Employed & Miscellaneous	24/03/2016	Substantial	11	8	3
Education Planning & Resources	Portmead Primary School	03/03/2016	Moderate	25	25	0
Adult Services	Service User Assessment of Care	03/03/2016	Moderate	8	8	0
Cultural Services	Grand Theatre (including Catering)	08/03/2016	Moderate	25	23	2
Human Resources & Organisational Development	Flexicards Machines & Security	11/03/2016	Moderate	22	22	0
Total				212	206	6

INTERNAL AUDIT PLAN 2015/16 - PROGRESS TO 31/03/16

Head of Service	Risk Rating	Progress
Head of Education Planning & Resources		
Bishopston Primary School	Medium	Deferred
Cila Primary School	Medium	Final Issued
Clydach Primary School	Medium	Deferred
Crwys Primary School	Medium	Draft Issued
Cwmglas Primary School	Medium	Draft Issued
Gors Community Primary School	Medium	Final Issued
Gorseinon Primary School	Medium	Deferred
Gwyrosydd Primary School	Medium	Draft Issued
Grange Primary School	Medium	Draft Issued
Hendrefoilan Primary School	Medium	Final Issued
Knelston Primary School	Medium	Final Issued
Newton Primary School	Medium	Final Issued
Pen-y-Fro Primary School	Medium	In Progress
Penyrheol Primary School	Medium	In Progress
Pennard Primary School	Medium	Final Issued
Pontarddulais Primary School	Medium	Draft Issued
Portmead Primary School	Medium	Final Issued
St Helens Primary School	Medium	Final issued
St Josephs Catholic Primary School	Medium	Deferred
Townhill Community Primary School	Medium	Final Issued
Trallwn Primary School	Medium	Final Issued
Waun Wen Primary School	Medium	Final Issued
YGG Y Login Fach	Medium	Final Issued
Primary School Self Assessment	Medium	In Progress
Birchgrove Comprehensive School	Medium	Final Issued
Bishop Gore Comprehensive School	Medium	Final Issued
Bishop Vaughan Catholic Comprehensive School	Medium	In Progress
Dylan Thomas Community School	Medium	Final Issued
Ysgol Penybryn	Medium	Deferred
School Funding & Information	Medium/High	Deferred
Head of Education Improvement		
Support for the Arts	Medium	Final Issued
Head of Education Learner Support		
Access to Learning - Management & Admin	Medium	Deferred
Psychology Service	Medium	Deferred
Recoupment	Medium	Deferred
SEN Statementing & Support	Medium	Deferred
Behaviour and Learning Support	Medium/Low	Final Issued
Education Welfare Service	Medium	Final Issued
School Kitchens	Medium	Deferred
Civic Centre Catering	Medium	Final Issued

INTERNAL AUDIT PLAN 2015/16 - PROGRESS TO 31/03/16

Head of Service	Risk Rating	Progress
Education - Other		
Community Focused Childcare Grant	N/A	Not Required
School Uniform Grant	N/A	Final Issued
Foundation Phase Grant	N/A	Not Required
Schools Annual Report	N/A	Final Issued
Head of Child and Family Services		
Youth Offending Service	Medium/High	Deferred
Use of Taxis - Authorisation	Medium	Final Issued
Safeguarding	New	In Progress
Head of Adult Services		
Service User Assessment of Care	Medium	Final Issued
Taxi Framework Contract	Medium/High	Final Issued
Supporting People Grant	N/A	Final Issued
Victoria Park Kiosk	Medium/Low	Final Issued
Adult Family Placements	New	Deferred
Establishments - Self Assessment Checklist	Medium/High	Draft Issued
Directorate Services		
No audits planned		
Head of Poverty & Prevention		
Partnerships, Performance & Commissioning	New	In Progress
Young Peoples Service	Medium	Final Issued
Community Food Growing Team	Medium	Not Required
Info-Nation	New	Draft Issued
Swansea Children's Centre/Mayhill Family Centre	Medium	Final Issued
Community Safety and CCTV	Medium	In Progress
Welsh Government Youth Strategy Grant	N/A	Not Required
Head of Corporate Building & Property Services		
Heol y Gors - Estimating	Medium	Deferred
Heol y Gors - Plant	Medium	Deferred
Day to Day Repairs - Maintenance Section	Medium/High	Deferred
Facilities Management	Medium/Low	Final Issued
Mail Room	New	Not Required
Head of Waste Management		
Domestic Refuse collection	Medium	Draft Issued
Waste Enforcement	New	Deferred
Parks Central Operations	Low	Final Issued

INTERNAL AUDIT PLAN 2015/16 - PROGRESS TO 31/03/16

Head of Service	Risk Rating	Progress
Head of Highways & Transportation		
Concessionary Bus Fares	N/A	In Progress
Car Parks	Medium/High	Final Issued
Taxi Framework Contract	Medium	Final Issued
Clydach Depot - Stores	Medium	Deferred
Clydach Depot - Plant	Medium	Deferred
Streetworks	Medium	Final Issued
Central Transport Unit - Fleet Maintenance	Medium/High	Deferred
Central Transport Unit - Fleet/Spot Hire	Medium	Final Issued
Central Transport Unit - Fuel	Medium	Final Issued
Highways Trading Account	New	In Progress
Head of Housing & Public Protection		
Eastside District Housing Office	Medium	Final Issued
Gorseinon District Housing Office	Medium	Final Issued
West Cross District Housing Office	Medium	Final Issued
Leasehold Properties	Medium	Final Issued
Asylum Seekers	Medium/High	Not Required
Housing Improvement Team	Medium	Final Issued
National Home Improvement Loan Scheme	New	Deferred
Sheltered Housing Service	New	Final Issued
Burials and Cremations	Medium	Final Issued
Trading Standards Division	Medium	Final Issued
Trading Standards NTSB Grant	N/A	Not Required
Rechargeable Works	Medium	Draft Issued
Rent and Arrears Team	Medium	In Progress
Head of Cultural Services		
Bishopston Sports Centre	Medium/Low	Final Issued
Pentrehafod Sports Centre	Medium/Low	Final Issued
Spot Checks	N/A	Final Issued
Grand Theatre	Medium/High	Final Issued
Branch Libraries	Medium/Low	Deferred
Swansea Museum	Medium	In Progress
Plantasia	Medium	Draft Issued
Head of Economic Regeneration and Planning		
European Unit	Medium	Not Required
Rights of Way	New	Draft Issued
Rural Development Plan	High	Final Issued
Planning and Enforcement	New	Deferred
Planning - AONB	New	Deferred

INTERNAL AUDIT PLAN 2015/16 - PROGRESS TO 31/03/16

Head of Service	Risk Rating	Progress
Head of Communications & Consultation		
Executive Board Support	Medium	Final Issued
Web Development	New	Deferred
DesignPrint	Medium	Draft Issued
Head of Legal & Democratic Services		
Coroners Service	Medium/High	In Progress
Election Expenses	N/A	Final Issued
Electoral Services	Medium	In Progress
Head of Human Resources		
Flexicard Machines & Security	Medium/High	Final Issued
HR Policies	New	In Progress
Employment of Agency Staff	New	In Progress
Head of Information & Business Change		
Project Management Methodology	New	Deferred
Information Management	New	In Progress
ICT Contract Transfer	New	In Progress
Head of Finance & Delivery		
Cashiers Office	Medium/High	Final Issued
Write-off Requests by Departments	N/A	In Progress
Cashiers Write Offs	N/A	Not Required
Bank Reconciliation	High	Final Issued
Petty Cash Accounts	Medium	Final Issued
Insurance	Medium	In Progress
Grants Receivable	Medium/High	Draft Issued
Leasing	Medium	Final Issued
Taxation - VAT	Medium	Final Issued
Income Tax - Self Employed	Medium	Final Issued
Pension Fund Other	New	Deferred
Trusts and Charities	New	In Progress
Budget Strategy & Setting Process	New	Deferred
NPT DEAR Grant	N/A	Final Issued
Private Residential Care Charges	Medium/High	Deferred
Social Services Debt Recovery	High	Deferred
Short Term Care	Medium	Deferred
School Bank Reconciliation	Medium	Final Issued
Head of Commercial Services		
P Cards	Medium	In Progress

INTERNAL AUDIT PLAN 2015/16 - PROGRESS TO 31/03/16

Head of Service	Risk Rating	Progress
Fundamental Systems		
Payroll	High	In Progress
Pensions Administration	High	Final Issued
Teachers Pensions	Medium	Final Issued
Accounts Receivable	High	In Progress
Business Rates	Medium	In Progress
Pension Fund Investments	High	Final Issued
Housing Rents	Medium	Final Issued
Accounts Payable	Medium	In Progress
Housing and Council Tax Benefit	Medium	In Progress
Capital Accounting	Medium	Final Issued
Main Accounting	Medium	Final Issued
Contract Audits - Systems		
Legal		
Acceptance of Tenders	Medium	Final Issued
Liquidations	Medium/High	Deferred
Procurement		
Contract Register	Medium	Final Issued
Highways & Transportation		
Business Case, Tendering & Evaluation	Medium	Deferred
Control of Contracts	Medium	Deferred
Corporate Building Services		
Tendering	Medium	Deferred
Finance/Legal		
Insurance Cover & Performance Bonds	New	Deferred
Computer Audits		
ICT Data Storage	Medium	Deferred
ICT Assets	Medium	Deferred
Firewall Controls - Corporate	Medium	Deferred
Firewall Controls - Education	Medium	Deferred
Virtual Server Environment	New	Deferred
Payment Card Industry - Data Security Standard	Medium	Deferred
Disaster Recovery & Business Continuity	Medium/High	In Progress
GCSX and Encryption	New	Deferred
Change Control ISiS	High	Deferred
Projects and Special Investigations		
P Card Review of Purchases	N/A	In Progress
Departmental Gifts & Hospitality Registers	New	Draft Issued
Review of Corporate Risks	New	In Progress
Added Value Work	New	Deferred

Moderate Level of Assurance - Significant Issues

Audit	Rating	Reasons
Portmead Primary School	Moderate	<ul style="list-style-type: none"> • Bank signature list not updated to remove former Head and Clerk • Errors identified in school meal records and no review by Head • High levels of school meal income arrears • Orders not raised for all purchases • School Fund auditors not independent • School Fund not audited annually • No audit of staff savings account • School not registered with Information Commissioner's Office
Service User Assessment of Care	Moderate	<ul style="list-style-type: none"> • Not all service users had received the required annual assessment • Service provided to 2 users prior to completion of assessment • Name of officer completing assessment not always recorded • Assessments not always authorised by senior officer
Grand Theatre	Moderate	<ul style="list-style-type: none"> • Evidence not provided to support 2 P Card transactions • P Cards used where correct method of purchase was ISiS Purchase to Pay system • No explanations provided for corrections or adjustments to catering till reports • Unexplained deficit and excessive wastages figures in catering stock • Proof of insurance not provide by 1 production company
Flexicard Machines and Security	Moderate	<ul style="list-style-type: none"> • No clear process to re-cover Flexicards from leavers • No system for recording Flexicards returned, destroyed or re-issued • No review of staff with restricted access within Civic Centre • One card still active despite employee leaving in 2013 • List of temporary cards held by Contact Centre out of date

Report of the Chief Auditor

Special Audit Committee – 21 July 2016

AUDIT COMMITTEE – ACTION TRACKER

Purpose:	This report details the actions recorded by the Audit Committee and response to the actions.
Report Author:	Paul Beynon
Finance Officer:	Paul Beynon
Legal Officer:	Debbie Smith
Access to Services Officer:	Sherill Hopkins

FOR INFORMATION

1. Introduction

- 1.1 During the course of Audit Committee meetings various actions may be decided which are recorded on the minutes of the meetings.
- 1.2 Until now, the Committee has had no transparency over the outcomes of the actions minuted by the Committee.
- 1.3 Therefore, an Action Tracker has been created which records the decisions taken by the Audit Committee and provides an outcome for each action.
- 1.4 The Action Tracker for the 2015/16 and 2016/17 municipal years are attached in Appendix 1 and 2.
- 1.5 The Action Tracker will be regularly updated and any completed actions will be marked 'CLOSED' and coloured in grey.
- 1.6 The Action Tracker will be reported to each Audit Committee meeting for information.

2. Equality and Engagement Implications

- 2.1 There are no equality and engagement 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

Appendix 1 – Action Tracker 2016/17

Appendix 2 – Action Tracker 2015/16

AUDIT COMMITTEE ACTION TRACKER 2016/17	
Action	Outcome
14/06/16 Min 5 – Audit Committee Training	
The training presentations regarding risk management and counter fraud be deferred to a future Audit Committee meeting	On Workplan for special meeting to be held in December 2016

AUDIT COMMITTEE ACTION TRACKER 2015/16	
Action	Outcome
16/06/15 Min 9 - Internal Audit Monitoring Report Quarter 4 2014/15	
An update report regarding Section 106 Agreements be provided at the next scheduled meeting	Head of Economic Regeneration and Planning provided a report on 18/08/15 – CLOSED
18/08/15 Min 17 - Presentation Corporate Fraud Team	
The Corporate Fraud Team Manager provides a future update report to the Committee	Corporate Fraud Team Annual report 2015/16 on Workplan for meeting on 30/08/16
18/08/15 Min 20 - WAO Audit of Financial Statements Progress Report	
A Special Audit Committee be scheduled between 17 and 24 September 2015 in order to discuss the Final Audit Report	Special meeting held on 21/09/15 - CLOSED
20/10/15 Min 37 – Chair of Scrutiny Programme Committee	
The Chair of the Scrutiny Programme Committee be invited to the Audit Committee meeting scheduled for 15 December 2015	The Chair of the Scrutiny Programme Committee attended the Audit Committee meeting on 15 December 2015 - CLOSED
20/10/15 Min 38 – Corporate Governance Review – Update	
Rod Alcott be invited to attend the Special Audit Committee on 17 November 2015 in order to present the draft report	Report presented to Committee on 28/06/16 - CLOSED
20/10/15 Min 39 – Annual Report of School Audits 2014/15	
A review be undertaken to ensure that school audit reports are placed upon school governor meeting agendas	To be included in Annual Report of School Audits 2015/16 to be presented to the meeting on 30/08/16
20/10/15 Min 40 – Audit Committee Annual Report 2014/15 Follow Up	
The Chief Auditor circulates the Audit Committee Knowledge and Skills Framework questionnaire to the Committee.	Framework circulated 19/11/15 - CLOSED
17/11/15 Min 47 – Housing Benefit Investigation Team Annual Report 2014/15	
An interim report be provided in 6 months	Corporate Fraud Team Annual Report on Workplan for 30/08/16
17/11/15 Min 48 – Internal Audit Monitoring Report Quarter 2 2015/16	
The Chair writes to the Chief Social Services Officer regarding the 4 moderate audit ratings in Adult Services	Letter sent 30/11/15 and Chair met Head of Adult Services on 16/12/15 - CLOSED

Action	Outcome
17/11/15 Min 48 – Internal Audit Monitoring Report Quarter 2 2015/16	
The Chair writes to the Head of Transportation and Highways regarding the Streetworks audit which received a moderate level of assurance	Letter sent 30/11/15 and Chair met Head of transportation and highways on 22/12/15 - CLOSED
17/11/15 Min 48 – Internal Audit Monitoring Report Quarter 2 2015/16	
The Chief Auditor circulates the details of the Section 106 Agreements follow up audit to the Committee	Details circulated 19/11/15 - CLOSED
17/11/15 Min 48 – Internal Audit Monitoring Report Quarter 2 2015/16	
The Chief Auditor circulates the link to the Section 106 Agreements database to the Committee	Link circulated 22/12/15 - CLOSED
15/12/15 Min 52 – Briefing Cabinet Advisory Committee	
The Leader be invited to a future meeting in order to provide an update report	Update scheduled for special meeting of Committee in September 2016
15/12/15 Min 53 – Chair Scrutiny Programme Committee	
The Chair of the Scrutiny Programme Committee be invited to a future meeting in order to provide an update report	Included in Workplan for meeting on 25/10/16
15/12/15 Min 56 – Risk Management Update	
A more detailed report be presented to a future meeting	The Head of Finance and Delivery provided a more detailed report to the meeting on 16/02/16 - CLOSED
15/12/15 Min 56 – Risk Management Update	
The Chief Auditor circulates the link to access the risk procedure details on the Council website	See 16/02/16 Min 63 Risk Management Update below - CLOSED
16/02/16 Min 63 - Risk Management Update	
The Chair and Head of Finance and Delivery draft a response to the Welsh Government regarding the late announcement of funding	Not pursued as the impact of the late announcement had been strongly made to the Welsh Government by the WLGA - CLOSED
16/02/16 Min 63 - Risk Management Update	
The Head of Legal and Democratic Services be requested to consider Councillor access to the risk register in the forthcoming Governance Review Report	
16/02/16 Min 64 – Recommendations Tracker Report 2014/15	
An update report on the level of write offs be added to the Workplan	Included in Workplan for meeting on 25/10/16

Action	Outcome
16/02/16 Min 65 – Internal Audit Monitoring Report Quarter 3 2015/16	
The impact of high sickness levels for Internal Audit compared to previous years be provided to the Committee	Included in Quarter 4 Monitoring Report to meeting on 21/07/06 - CLOSED
16/02/16 Min 67 – Audit Committee Self-Assessment of Good Practice Questionnaire	
The completed Questionnaire be used as the basis for the Audit Committee Annual Report 2015/16	Questionnaire was used for Annual Report 2015/16 presented to Committee on 28/06/16 - CLOSED
16/02/16 Min 70 – YGG Lon Las Lessons Learned – Referral from Cabinet	
Item be deferred to a Special Meeting of the Audit Committee	Report presented to Special Meeting held on 22 March 2016 - CLOSED
22/03/16 Min 72 – New Build for YGG Lon Las – Referral from Cabinet	
The Chair/Chief Auditor draft a report summarising the key lessons to be learned for consideration by the Audit Committee prior to being submitted to Cabinet	Draft report presented to Committee on 28/06/16 - CLOSED
19/04/16 Min 79 – Internal Audit Charter 2016/17	
The Chief Auditor investigates the success of Housing Benefit prosecutions since the service was transferred to the DWP	Response provided to Committee on 14/06/16 - CLOSED

Report of the Head of Finance & Delivery

Special Audit Committee – 21 July 2016

AUDIT COMMITTEE – WORKPLAN

Purpose:	This report details the Audit Committee Workplan to May 2017.
Report Author:	Paul Beynon
Finance Officer:	Paul Beynon
Legal Officer:	Debbie Smith
Access to Services Officer:	Sherill Hopkins

FOR INFORMATION

1. Introduction

- 1.1 The Audit Committee's Workplan to May 2017 is attached in Appendix 1 for information

2. Equality and Engagement Implications

- 2.1 There are no equality and engagement 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

Appendix 1 – Audit Committee Workplan 2016/17

Appendix 1

AUDIT COMMITTEE WORKPLAN 2016/17

Date of Meeting	Reports
21 July 2016 – Special Meeting	Section 106 Planning Obligations – Update Internal Audit Monitoring Report Q4 2015/16 Draft Statement of Accounts 2015/16 Draft Annual Governance Statement 2015/16 Audit Committee Action Tracker Report
30 August 2016	Wales Audit Office Update Report Risk Management Annual Review 2015/16 Internal Audit Annual Report 2015/16 Corporate Fraud Team Annual Report 2015/16 Corporate Fraud Team Plan 2016/17 Internal Audit Monitoring Report Q1 2016/17 Audit Committee Action Tracker Report
September 2016 – Special Meeting	Cabinet Advisory Committees – Update Report Audited Statement of Accounts 2015/16 WAO ISA 260 Report 2015/16 – City & County of Swansea WAO ISA 260 Report 2015/16 – Pension Fund Annual Report of School Audits 2015/16 Audit Committee Action Tracker Report
25 October 2016	Chair of Scrutiny Programme Committee Head of Commercial Services – Commercialism Strategy Wales Audit Office Update Report Bad Debt Write Offs – Update Audit Committee Action Tracker Report
December 2016 – Special Meeting	Audit Committee Training – Risk Management and Counter Fraud Risk Management Half Yearly Review 2016/17 Wales Audit Office Update Report
3 January 2017	Wales Audit Office Financial Statements Report 2015/16 Wales Audit Office Annual Audit Letter 2015/16 Wales Audit Office Update Report Internal Audit Monitoring Report Q2 2016/17 Recommendations Tracker Report 2014/15 Audit Committee Action Tracker Report
14 March 2017	Wales Audit Office Grants Report 2015/16 Wales Audit Office Update Report Internal Audit Monitoring Report Q3 2016/17 Internal Audit Plan 2017/18 - Methodology Audit Committee Review of Performance 2016/17 Audit Committee Action Tracker Report

Date of Meeting	Reports
April 2017 – Special Meeting	Wales Audit Office Annual Plan 2017 Wales Audit Office Update Report Internal Audit Charter 2017/18 Internal Audit Annual Plan 2017/18 Draft Audit Committee Annual Report 2016/17 Audit Committee Action Tracker Report