



City and County of Swansea

Notice of Meeting

You are invited to attend a Meeting of the

Audit Committee

At: Committee Room 5, Guildhall, Swansea
On: Thursday, 9 November 2017
Time: 10.00 am
Chair: Mr Alan M Thomas

Membership:

Councillors: C Anderson, T J Hennegan, P R Hood-Williams, B Hopkins, O G James, L James, P Jones, J W Jones, M B Lewis, S Pritchard, W G Thomas, L V Walton and T M White

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 - 5
4	Scrutiny Annual Report - Chair of Scrutiny Programme Committee - Councillor Mary Jones.	6 - 31
5	Counter Fraud Training.	
6	Status Update - Wales Audit Office Proposals for Improvement.	32 - 37
7	Overview of the Status of Corporate Risks.	38 - 41
8	Wales Audit Office Update Report.	42 - 45
9	Audit Committee Performance Review Action Plan 2016/17 - Update.	46 - 49
10	Audit Committee Action Tracker Report. (For Information)	50 - 58

Next Meeting: Tuesday, 12 December 2017 at 2.00 pm

Huw Evans

Huw Evans

Head of Democratic Services

Thursday, 2 November 2017

Contact: Democratic Services: - 636923



City and County of Swansea

Minutes of the **Audit Committee**

Committee Room 5, Guildhall, Swansea

Tuesday, 26 September 2017 at 2.00 pm

Present: Mr A M Thomas (Chair) Presided

Councillor(s)

C Anderson
O G James
M B Lewis
L V Walton

Councillor(s)

T J Hennegan
L James
S Pritchard
T M White

Councillor(s)

P R Hood-Williams
P Jones
W G Thomas

Officer(s)

Nick Davies	Principal Auditor
Jeremy Parkhouse	Democratic Services Officer
Sandie Richards	Principal Lawyer
Kelly Small	Head of Funding and Information Unit
Ben Smith	Section 151 Officer
Nick Williams	Chief Education Officer

Apologies for Absence

Councillor(s): B Hopkins and J W Jones

31 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: -

Councillor T J Hennegan – Minute No.'s 36 – Annual Report of School Audits 2016/17 and 37 – Chief Education Officer Response to Annual Report of School Audits – School Governor at Clwyd Community School – personal.

Councillor P R Hood-Williams – Minute No.'s 36 – Annual Report of School Audits 2016/17 and 37 – Chief Education Officer Response to Annual Report of School Audits – LEA Governor of Crwys and Cila Primary Schools – personal.

Councillor M B Lewis – Minute No.35 – Wales Audit Office ISA 260 Report 2016/17 – Pension Fund – Member of the City & County of Swansea Pension Fund and Pension Fund Committee – personal.

Councillor W G Thomas - Minute No.35 – Wales Audit Office ISA 260 Report 2016/17 – Pension Fund - Member of the City & County of Swansea Pension Fund and Pension Fund Committee – personal.

Councillor T M White – Minute No.'s 35 – Wales Audit Office ISA 260 Report 2016/17 – Pension Fund - Benefactor of the City & County of Swansea Pension Fund and Local Pension Board Member, 36 - Annual Report of School Audits 2016/17, 37 – Chief Education Officer Response to Annual Report of School Audits – School Governor – personal.

32 Minutes.

Resolved that the Minutes of the previous meeting of the Audit Committee were approved as a correct record, subject to the following amendments: -

Add Councillor P Jones to the list of apologies.

Minute No.28 – Second paragraph – Delete 'the' for the sentence to read – 'It was noted that Letters of Representation would be reported to Audit Committee earlier in future.'

33 External Audit Training - Wales Audit Office.

Geraint Norman and David Williams, Wales Audit Office provided a detailed and informative training presentation regarding the role of the Wales Audit Office and the Audit Committee.

Details provided in the presentation included: -

- Introduction – Who are we?
- The Wales Audit Office – the work of the WAO and its role
- The financial audit
- WAO outputs
- Our relationship with Internal Audit
- Performance Audit (Local Government Measure)
- External Audit and the Audit Committee

The Chair thanked the Wales Audit Office representatives for providing the training and stated that the challenge was to build upon what had been achieved during the last few years.

34 Wales Audit Office ISA 260 Report 2016/17 - City and County of Swansea.

Geraint Norman, Wales Audit Office presented Wales Audit Office ISA 260 report 2016/17 – City and County of Swansea. The report set out for consideration, matters arising from the audit of the 2016-17 financial statements for the Council that required reporting under ISA 260.

It was added that the auditors had received the draft financial statements for the year ended 31 March 2017 on 14 June 2017, before the deadline of 30 June 2017 and had now substantially completed their audit work. The Wales Audit Office were reporting the more significant issues arising from the audit, which they believed must be considered prior to approval of the financial statements. These issues had already been discussed with the Section 151 Officer.

It was the Auditor General's intention to issue an unqualified audit report on the 2016-17 financial statements. The final letter of representation was contained at Appendix 1, the proposed audit report was provided Appendix 2, the corrected mis-statements were provided at Appendix 3 and the key recommendations arising from the financial audit work was set out in Appendix 4.

The Committee asked questions in relation to the following which were responded to by the Wales Audit Office Representative / Section 151 Officer: -

- The challenge to bring forward the report deadlines by the end of May in 2021 and the need to introduce more estimates / assumptions in the process;
- Increased risk and pressure upon resources due to the deadlines being brought forward and the challenge for management;
- The process of ratifying the accounts;
- Accounting for capital, particularly building and land valuations.

Resolved that the contents of the report be noted.

35 Wales Audit Office ISA 260 Report 2016/17 - Pension Fund.

David Williams, Wales Audit Office presented a report that set out for consideration the matters arising from the audit of the financial statements of the Pension Fund for 2016/17 which required reporting under ISA 260.

The gross assets controlled by the Pension Fund amounted to £1.8 billion. The quantitative levels at which misstatements were judged to be material for the Pension Fund is £18.6 million. The report provided the matters arising from the audit of the financial statements of the Pension Fund for 2016-17.

The draft financial statements for the year ended 31 March 2017 were received on 6 June 2017, prior to the 30 June 2017 deadline. The Wales Audit Office were reporting the more significant issues arising from the audit, which they believed must be considered prior to approval of the financial statements. These issues had already been discussed with the Section 151 Officer.

It was the Auditor General's intention to issue an unqualified audit report on the financial statements once the Authority had provided a Letter of Representation based on that set out in Appendix 1.

The proposed audit report was set out in Appendix 2. The Pension Fund was included within the Council's main financial statements and therefore the opinion shown was that proposed for the Council's main financial statements incorporating the Pension Fund.

It was outlined that there were no misstatements identified in the financial statements which remained uncorrected. There were a number of misstatements which had been corrected by management but which the auditors felt should be highlighted due to their relevance to the responsibilities of the Authority over the financial reporting process. These were set out with explanations in Appendix 3. These amendments

had no impact on the Fund Account but the value of investments in the Net Assets Statement was increased by £2.3 million. There were also a number of other presentational amendments made to the draft financial statements arising from the audit. Other significant issues arising from the audit were also reported.

The key recommendations arising from the financial audit work were set out in Appendix 4. Management had responded to them and progress would be checked during next year's audit. Where any actions were outstanding, the auditors would continue to monitor progress and include it in the report next year.

The Committee asked questions relating to the following, which were responded to by the Wales Audit Office Representative / Section 151 Officer: -

- Private equity estimates;
- Information received from permitted bodies in an accurate and timely manner;
- Increase in membership of the Pension Fund.

Resolved that the contents of the report be noted.

36 Annual Report of School Audits 2016/17 and Chief Education Officer Response to Annual Report of School Audits 2016/17.

The Principal Auditor presenting the report provided a summary of the school audits undertaken by the Internal Audit Section during 2016/17 and identified some common issues found during the audits.

It was outlined that an audit of each primary, secondary and special school in Swansea was undertaken every 3 years. A standard audit programme existed for each school sector.

For a number of years, a report summarising the school audits undertaken each year had been prepared for the Chief Education Officer and Audit Committee. The report also identified the common themes which had been found during the audits.

The School Audits Annual Report 2016/17 was attached at Appendix 1.

The Committee asked a number of questions of the Principal Auditor, Chief Education Officer and Head of Funding and Information Unit, who responded accordingly. Discussions centred around the following: -

- Audit procedures following recommendations being provided to Head Teachers and ensuring that the Chair of Governors, Governing Bodies and Chief Education Officer received the final report;
- Ensuring that the process in place was robust enough to deal with and finalise any outstanding matters;
- Submission of Governing Body minutes to the School Support Unit in a timely manner;
- The importance of recognising that the majority of schools were providing a good service and moderate audit opinions were very few;

- Follow up visits to schools receiving a moderate assurance ratings;
- Greater overview in relation to Unofficial Funds which included parental donations to schools;
- Encouraging progress made in respect of School Self-Assessment Questionnaires, the successful introduction of a new audit approach being rolled out to Primary and Special Schools and the positive feedback received from schools regarding the new approach;
- Ensuring that the new approach was working as effectively as the previous method and evidence this in the report next year;
- Scrutiny of schools provided by visits of the Challenge Advisors to schools;
- Deadline dates being introduced on forms to ensure they comply and return their questionnaires in a timely manner;
- School payments in respect of the Procurement Service Level Agreement (SLA) and the number of schools that had opted out of the SLA;
- Procurement issues, particularly highlighting risks and procedures to be followed;
- Providing additional procurement training to Head Teachers / admin staff and the proposal to make the training compulsory;
- Effective use of the dedicated Schools Procurement Officer within the Authority.
- The difference between schools and the normal Council budget / procedures in relation to access to the approved list of suppliers and having access to Council contractors for services, e.g. window cleaning services;
- The need to overcome the procurement problems in schools and keep on top of matters;
- Excessive amounts of money in the bank accounts of a small number of schools;
- Ensuring that all entitled children were claiming free school meals and the new entitlement system introduced through benefits;
- The implementation of an online payments system for school meals from September 2017 (sQuid) that should greatly reduce minor discrepancies found at audit.

The Chief Education Officer stated that he would present the report to the School Budget Forum for discussion.

Resolved that the contents of the report be noted.

37 Audit Committee Action Tracker Report. (For Information)

The Audit Committee Action Tracker Report was provided for information.

38 Audit Committee Work Plan. (For Information)

The Audit Committee Work Plan was reported for information.

The meeting ended at 4.10 pm

Chair

Agenda Item 4



Report of the Chair of the Scrutiny Programme Committee

Audit Committee – 9 November 2017

Scrutiny Annual Report 2016-17 & Work Programme 2017/18

Purpose	To provide a report on the work of scrutiny for the municipal year 2016-17, and highlight scrutiny activities planned for 2017/18.
Report Author:	Councillor Mary Jones, Chair of Scrutiny Programme Committee / Brij Madahar, Scrutiny Team Leader
Finance Officer	Simon Cockings
Legal Officer	Debbie Smith
Access to Services Officer:	Sherill Hopkins
For Information	

1. Introduction

1.1 This report is provided in order to share information that will help develop the relationship between scrutiny and the Audit Committee.

1.2 It has been agreed that there is a need for:

- Mutual awareness and understanding of the work of scrutiny and audit committee
- Respective work plans to be coordinated and avoid duplication / gaps
- Clear mechanism for referral of issues, if necessary

1.3 In support of this it has been agreed that at least once a year the chair of Scrutiny Programme Committee will appear at Audit Committee, and vice-versa, for a discussion on this. It is also now standard practice for the Audit Committee chair to be invited to the Annual Scrutiny Work Planning Conference. It is also expected that Chairs will raise any issues re. co-ordination / duplication on ongoing basis. Where matters

are to be referred between Audit and Scrutiny Committee this should be conveyed via letter.

1.4 To aid discussion this report appends:

- the latest Scrutiny Annual Report 2016/17
- the agreed Scrutiny Work Programme for 2017/18

2. Scrutiny Annual Report 2016/17

2.1 Every year Council requires that an annual report is produced for the work of scrutiny for the previous municipal year. The report for 2016/17, which was formally presented to Council in July 2017, is **appended**.

2.2 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

2.3 For the sixth year the report is being produced as a simple scorecard. This approach is intended to highlight a small number of key indicators that illustrate four performance questions. These questions, which are intended to reflect a 'results based' approach, are:

- How much scrutiny did we do?
- How well did we do it?
- How much did scrutiny affect the business of the Council?
- What was the impact of scrutiny?

2.4 Charts have been added that show comparative data with previous years where available. Arrows on the main scorecard have also been added to indicate the direction of change for each measure.

2.5 Any comment made by the Audit Committee will help to inform future annual reports.

3. Scrutiny Work Programme 2017/18

3.1 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. A summary of the agreed work programme for 2017/18 and specific activities is also **appended** for the Audit Committee's awareness.

3.2 The 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 scrutiny time and resources.

- 3.3 The work of scrutiny is undertaken primarily in three ways – through the committee itself and by establishing informal panels (for in-depth activities) or one-off working groups. The outcomes from scrutiny activities are captured either in a report to cabinet (e.g. following in-depth scrutiny inquiries) or letter to individual cabinet members with views and recommendations.

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 The Council Constitution requires that an overview and scrutiny annual report is produced each year although the style and content of the annual report is not prescribed.

6. Equality and Engagement Implications

- 6.1 There are no equality and engagement implications associated with the report.

Background Papers: None

Appendices:

- A. Scrutiny Annual Report 2016-17
- B. Scrutiny Work Programme 2017-18

Scrutiny Annual Report 2016/17



Contents

1.	Chair's Foreword	1
2.	Swansea Scrutiny Results Scorecard 2016-17	2
3.	About the Indicators	3
3.1	Number of formal committee meetings = 13	3
3.2	Number of panel meetings/working groups = 91	3
3.3	Number of in-depth inquiries completed = 4	4
3.4	Councillors who say they have a good understanding of the work of scrutiny = 97%.....	5
3.5	Staff who say they have a good understanding of the work of scrutiny = 45%	5
3.6	Average councillor attendance at scrutiny meetings = 67%	6
3.7	Backbench councillors actively involved in scrutiny = 76%	6
3.8	Councillors who have used the service who agree that the level of support provided by the Scrutiny Team is either excellent or very good = 88%	7
3.9	Staff who agree that the level of support provided by the Scrutiny Team is either excellent or very good = 63%.....	8
3.10	Councillors who agree that the scrutiny arrangements are working well = 89%	8
3.11	Staff who agree that the scrutiny arrangements are working well = 39%	9
3.12	Number of chairs letters written to cabinet members = 77	10
3.13	In-depth inquiries / reviews reported to Cabinet = 4	10
3.14	Action plans agreed = 4	11
3.15	Follow ups undertaken = 3	11
3.16	Number of Cabinet reports subject to pre decision scrutiny = 9	12
3.17	Cabinet members who attended at least one question and answer session at the Scrutiny Programme Committee – 100%.....	13
3.18	Scrutiny recommendations accepted or partly accepted by Cabinet = 81%	14
3.19	Recommendations signed off by scrutiny as completed = 77%	14
3.20	Councillors who agree that scrutiny has a positive impact on the business of the Council = 69%	15
3.21	Staff who agree that scrutiny has a positive impact on the business of the Council = 41%	15
3.22	Councillors who agree that the Scrutiny Work Programme balances community concerns against issues of strategic risk and importance = 77%	16
3.23	Staff who agree that the Scrutiny Work Programme balances community concerns against issues of strategic risk and importance = 34%	17
4.	Feedback and Improvement	18
4.1	Improving Scrutiny.....	18
4.2	Things that have worked well	18
4.3	Things that could be improved.....	19

1. Chair's Foreword

Councillor Mary Jones, Chair of the Scrutiny Programme Committee



Every year that I have been chair of the scrutiny programme committee I have been proud of the work that scrutiny has done and last year was no exception.

Despite the fact that this was the last year of a five year council, and a local election year, we continued to keep activity levels high and continued to make the difference that our citizens expect. I want to give my thanks to all of the councillors who have contributed this year but particularly to those who have been able to get involved in a number of activities.

Several in-depth reports on key topics were completed over the last 12 months on school readiness, poverty, supporting communities to run services and child and adolescent mental health services. I was convener for the last of these and was really pleased that we were able to raise the concerns that we heard from many parents through this work.

I have also been pleased about the increased use of pre-decision scrutiny and how this has helped us to engage with the commissioning review process. Another area that I am pleased about is the increased coverage that scrutiny work has had in the media and I hope this will continue.

Once again we have maintained our record of holding each of the Council's 10 Cabinet Members to account in a formal question and answer session with the Committee. I am grateful to our Cabinet Members for taking the time to provide us with information and for being so constructive in their sessions with us.

As we are at the start of a new municipal year and a new council I want to end by looking forward. I am looking forward to working with all of the backbench councillors as we continue to make a difference through the work we do. I hope the returning councillors will bring their knowledge and experience and I hope that the councillors will bring new ideas and fresh enthusiasm. Scrutiny is a challenging and ever evolving area of work and I look forward to seeing how we can make scrutiny even better than before.

A handwritten signature in cursive script that reads "Mary Jones".

2. Swansea Scrutiny Results Scorecard 2016-17

	A. How much scrutiny did we do?	B. How well did we do it?
Scrutiny Practice	1. Number of committee meetings = 13 ↓ (15) 2. Number of panel meetings/working groups = 91 ↓ (105) 3. Number of in-depth inquiries completed = 4 ↔	4. Councillors who say they have a good understanding of the work of scrutiny = 97% ↑ (93%) 5. Staff who say they have a good understanding of the work of scrutiny = 45% ↓ (96%) 6. Average councillor attendance at scrutiny meetings = 67% ↓ (68%) 7. Backbench councillors actively involved in scrutiny = 76% ↓ (79%) 8. Councillors who agree that the level of support provided by the Scrutiny Team is either excellent or very good = 88% ↑ (81%) 9. Staff who agree that the level of support provided by the Scrutiny Team is either excellent or very good = 63% ↓ (71%) 10. Councillors who agree that the scrutiny arrangements are working well = 89% ↑ (83%) 11. Staff who agree that the scrutiny arrangements are working well = 39% ↓ (75%)
	C. How much did scrutiny affect the business of the Council?	D. What were the outcomes of scrutiny?
Scrutiny Outcomes	12. Number of chairs letters written to cabinet members = 77 ↑ (71) 13. In depth inquiries reported to Cabinet = 4 ↔ 14. Action plans agreed = 4 ↑ (3) 15. Follow ups undertaken = 3 ↓ (5) 16. Number of Cabinet reports subject to pre decision scrutiny = 9 ↑ (6) 17. Cabinet members who attended at least one question and answer session at the Scrutiny Programme Committee = 100% ↔	18. Scrutiny recommendations accepted or partly accepted by Cabinet=81% ↓ (97%) 19. Recommendations signed off by scrutiny as completed = 93% ↑ (77%) 20. Councillors who agree that scrutiny has a positive impact on the business of the Council = 69% ↓ (76%) 21. Staff who agree that scrutiny has a positive impact on the business of the Council = 41% ↓(55%) 22. Councillors who agree that the Scrutiny Work Programme balances community concerns against issues of strategic risk and importance = 77% ↑ (74%) 23. Staff who agree that the Scrutiny Work Programme balances community concerns against issues of strategic risk and importance = 34% ↓ (60%)

↓↑ = significant change, ↓↑ = small change, ↔ no change

3. About the Indicators

A. How much scrutiny did we do?

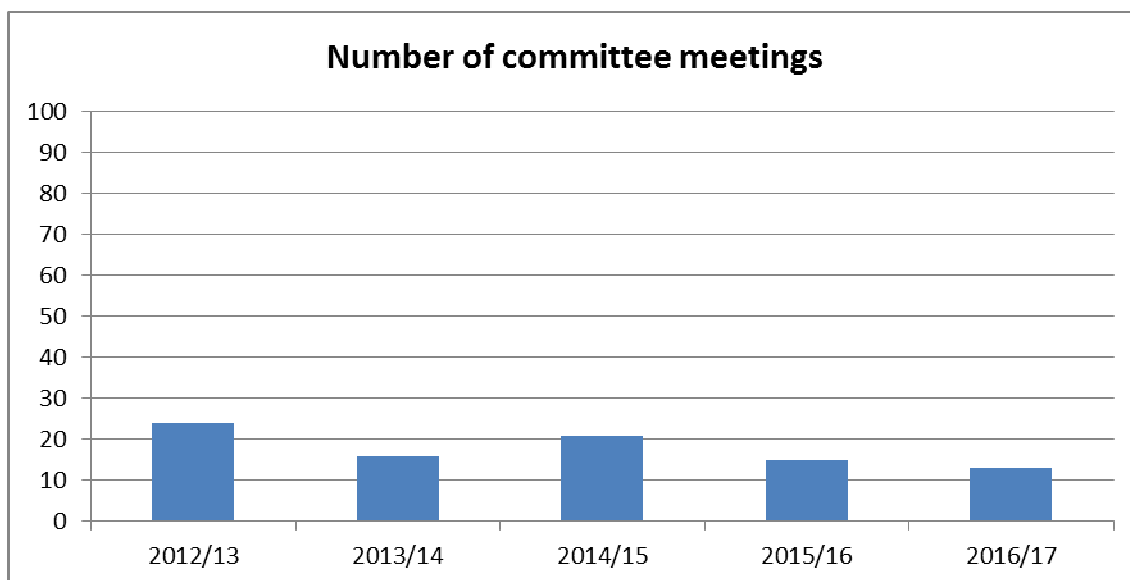
3.1 Number of formal committee meetings = 13

Formal committee meetings for scrutiny are held in public and give councillors the opportunity to hold cabinet members to account and provide challenge on a range of policy and service issues.

The committee meetings for 2016-17 were as follows:

- Scrutiny Programme Committee (12 meetings)
- Special Scrutiny Programme Committee – Crime and Disorder Scrutiny (1 meeting)

Comparison with previous years:



(Note: During 2012/13 before the Scrutiny Programme Committee was established three Scrutiny Boards were operating)

3.2 Number of panel meetings/working groups = 91

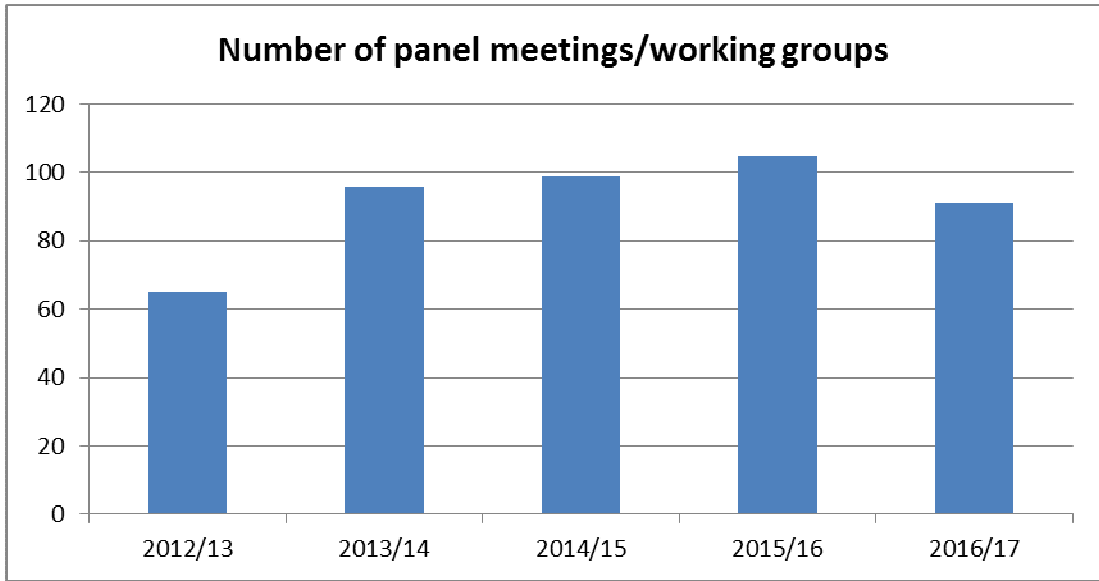
Panel meetings and working groups are established by the Scrutiny Programme Committee with an appointed convener. There are two types of panels:

Inquiry panels - these undertake in-depth inquiries into specific and significant areas of concern on a task and finish basis.

Performance panels - these provide in-depth monitoring and challenge for clearly defined service areas.

Working groups are one-off meetings established when a matter should be carried out outside of the committee but does not need a panel to be set up.

Comparison with previous years:

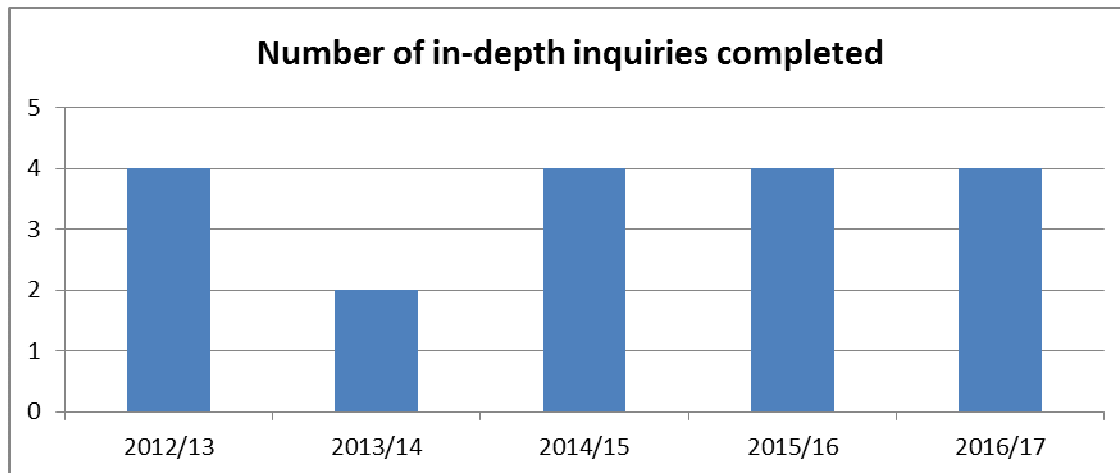


3.3 Number of in-depth inquiries completed = 4

Work on the following in-depth inquiries was completed during 2016-17:

Inquiry	Panel
School Readiness: <i>How can school readiness be improved in Swansea?</i>	School Readiness Inquiry Panel
Action, partnership, participation: <i>How can the Council's Tackling Poverty Strategy be improved?</i>	Tackling Poverty Inquiry Panel
Child and Adolescent Mental Health Services: <i>How can the Council work with health and other partners to reduce demand for child and adolescent mental health services?</i>	Child and Adolescent Mental Health Services Inquiry Panel
Community Action: <i>How can the Council best support residents to run services in their own communities?</i>	Building Sustainable Communities Inquiry Panel

Comparison with previous years:

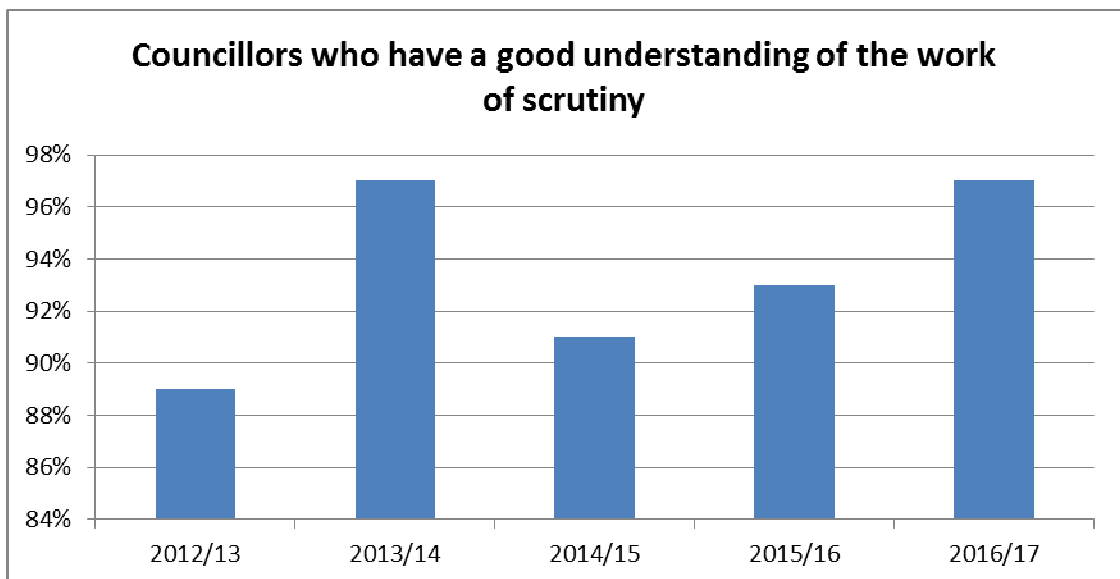


B. How well did we do it?

3.4 Councillors who say they have a good understanding of the work of scrutiny = 97%

Awareness and understanding of scrutiny is an important aspect of effectiveness. This data is collected via an annual survey of Councillors. The numbers of councillors who responded to the survey was 35 (49% of all councillors).

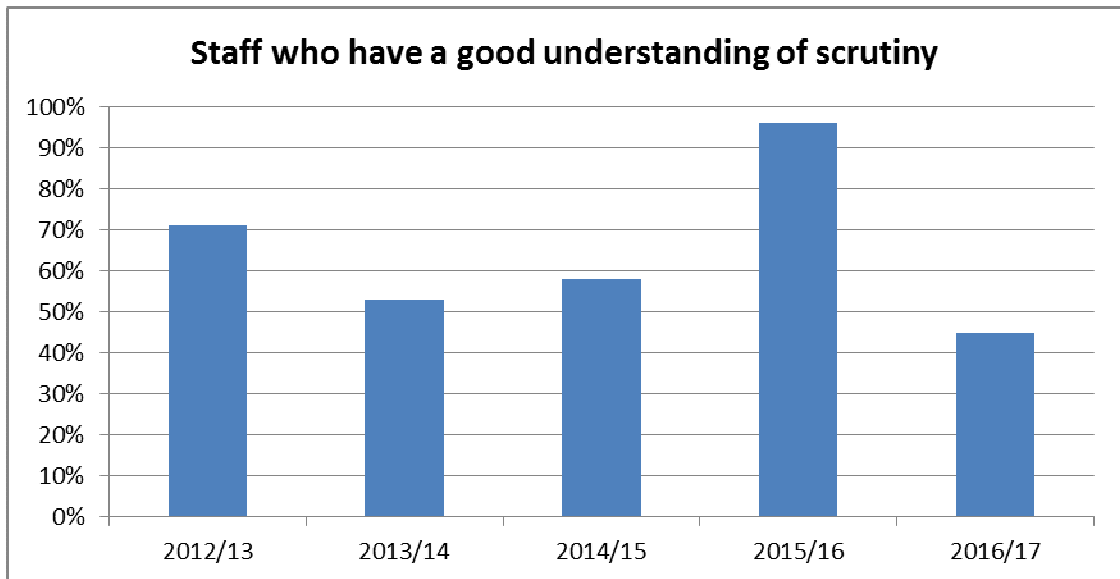
Comparison with previous years:



3.5 Staff who say they have a good understanding of the work of scrutiny = 45%

Awareness and understanding of scrutiny is an important aspect of effectiveness. This data is collected via an annual survey of staff and partners. The number of people answering this question was 67 which is a low number from which to draw meaningful conclusions.

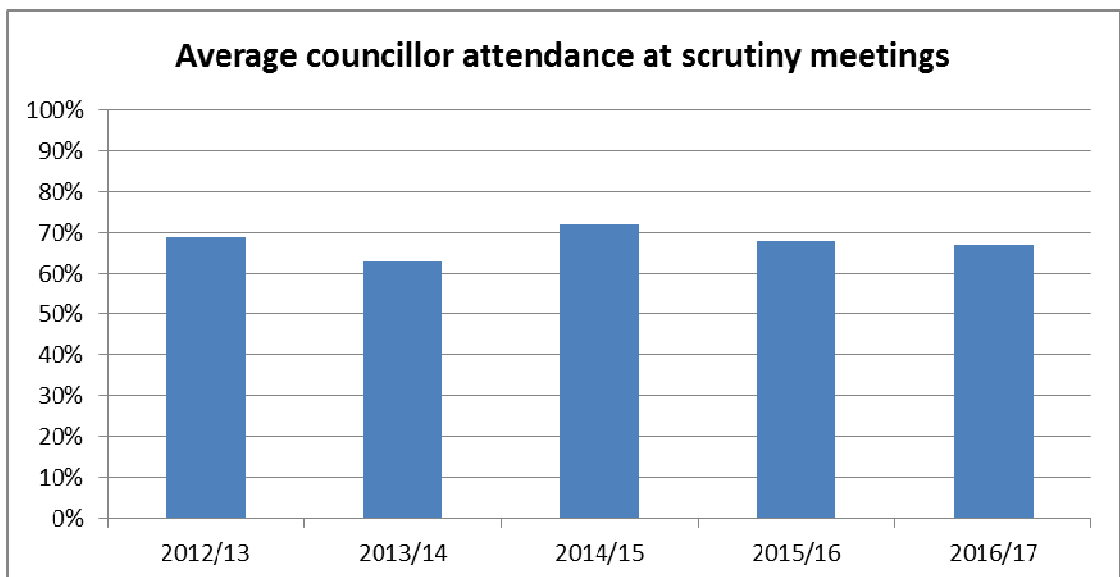
Comparison with previous years:



3.6 Average councillor attendance at scrutiny meetings = 67%

The rate of councillor attendance measures an important aspect of effectiveness as it reflects the engagement of councillors in the scrutiny process. Attendance figures for councillors attending formal meetings are collected by the Members Support Team and published on the Council's website. 2016/17's figure is an overall attendance figure that includes the Scrutiny Programme Committee, panel meetings and the working groups.

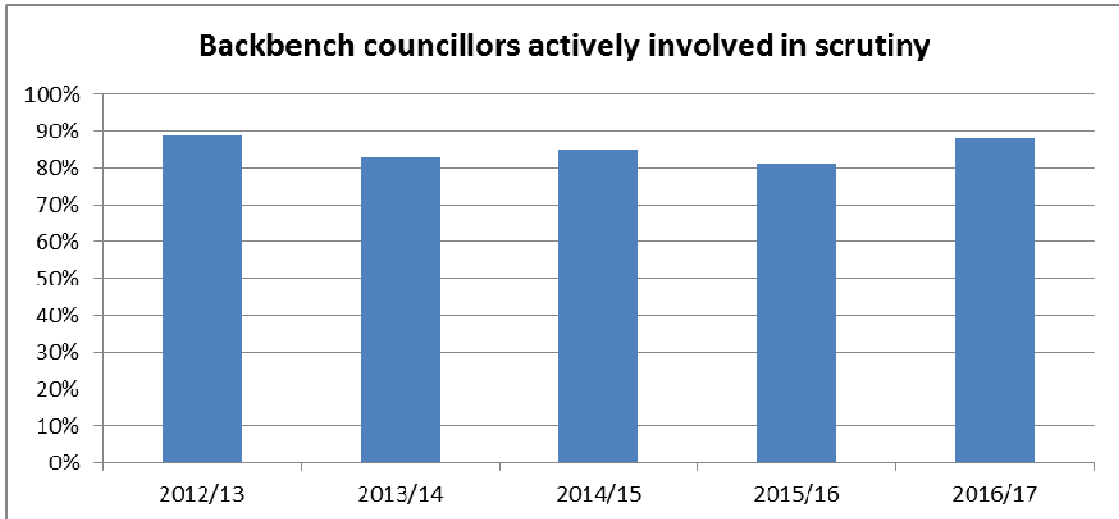
Comparison with previous years:



3.7 Backbench councillors actively involved in scrutiny = 76%

The large majority of backbench councillors were involved in scrutiny either through the Scrutiny Programme Committee, panels or working groups.

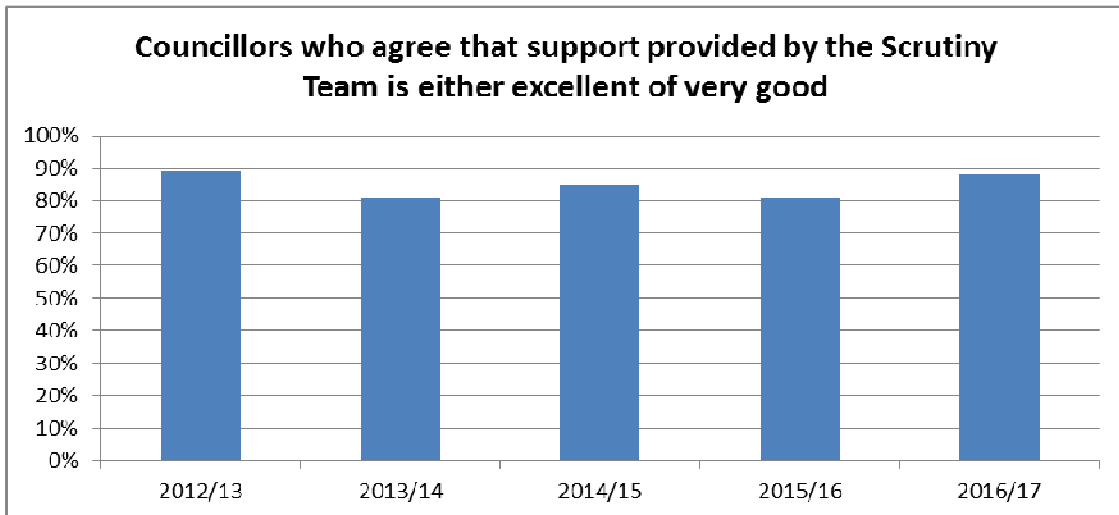
Comparison with previous years:



3.8 Councillors who have used the service who agree that the level of support provided by the Scrutiny Team is either excellent or very good = 88%

The Scrutiny Team provides capacity for the committee and the panel meetings/working groups to undertake their work by undertaking, for example, project management, research, report writing and liaison with cabinet and witnesses. This data is collected via an annual survey of councillors. The number of councillors answering this question was 35.

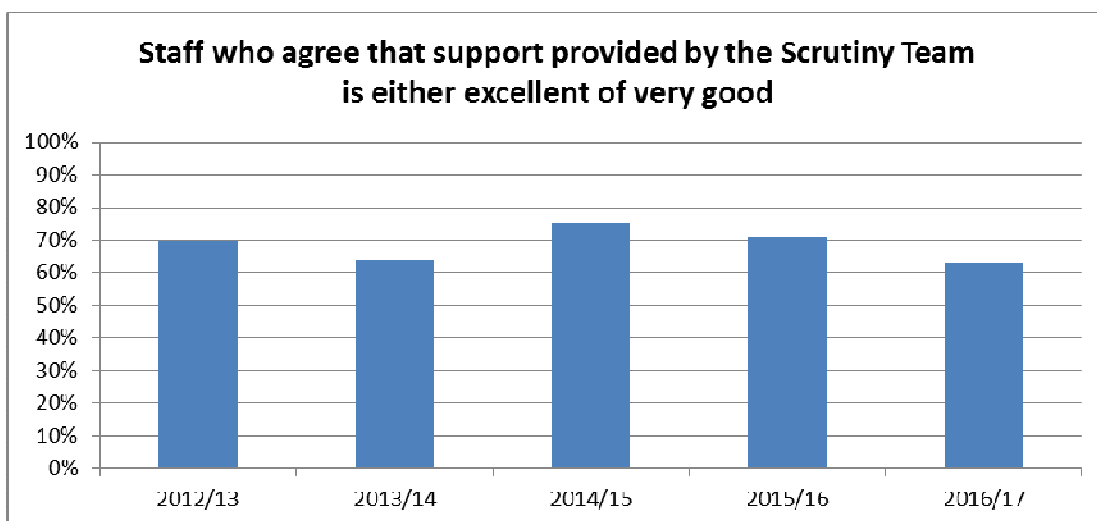
Comparison with previous years:



3.9 Staff who agree that the level of support provided by the Scrutiny Team is either excellent or very good = 63%

The Scrutiny Team provides capacity for the committee and the panel meetings/working groups to undertake their work by undertaking, for example, project management, research, report writing and liaison with cabinet and witnesses. This data is collected via an annual survey of staff and partners. Only those who have used the service are asked this question. The number of people answering this question was 19.

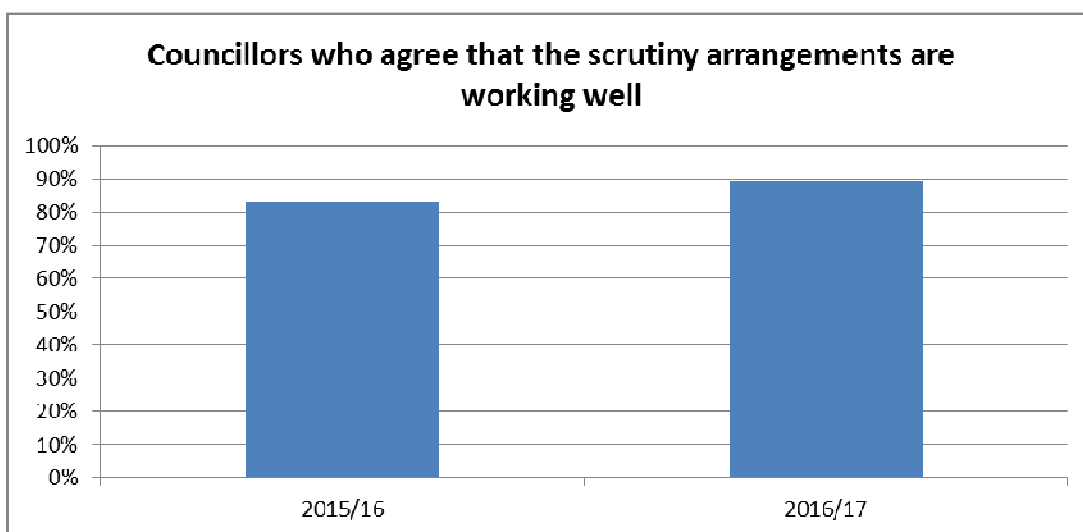
Comparison with previous years:



3.10 Councillors who agree that the scrutiny arrangements are working well = 89%

As part of an annual survey, councillors are asked whether they feel the scrutiny arrangements are working well. The number of councillors answering this question was 35. This was a new indicator added in 2015/16.

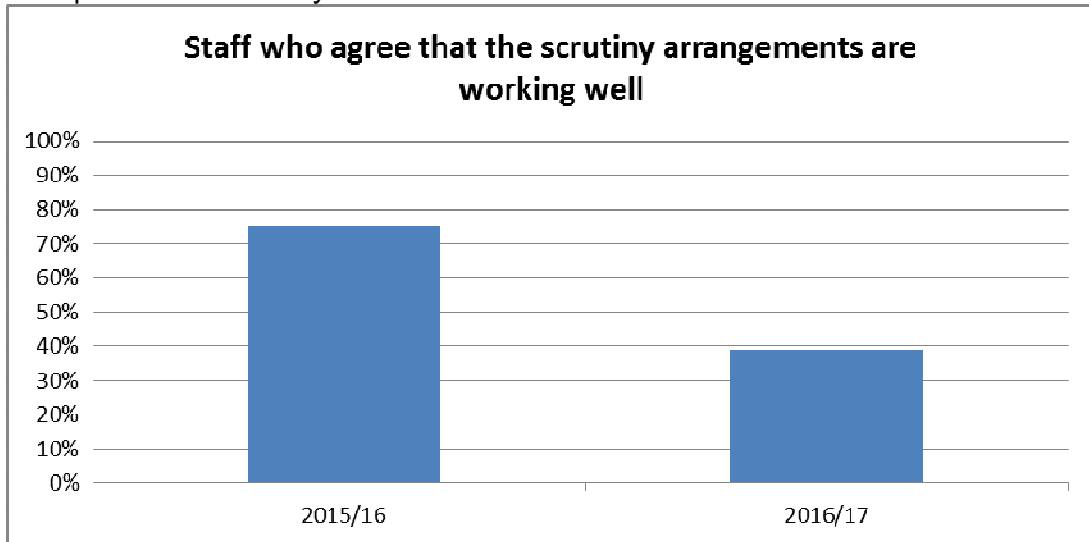
Comparison with last year:



3.11 Staff who agree that the scrutiny arrangements are working well = 39%

As part of an annual survey, staff and partners are asked whether they feel the scrutiny arrangements are working well. The number of people answering this question was 67 which is a low number from which to draw meaningful conclusions. This was a new indicator added in 2015/16.

Comparison with last year:

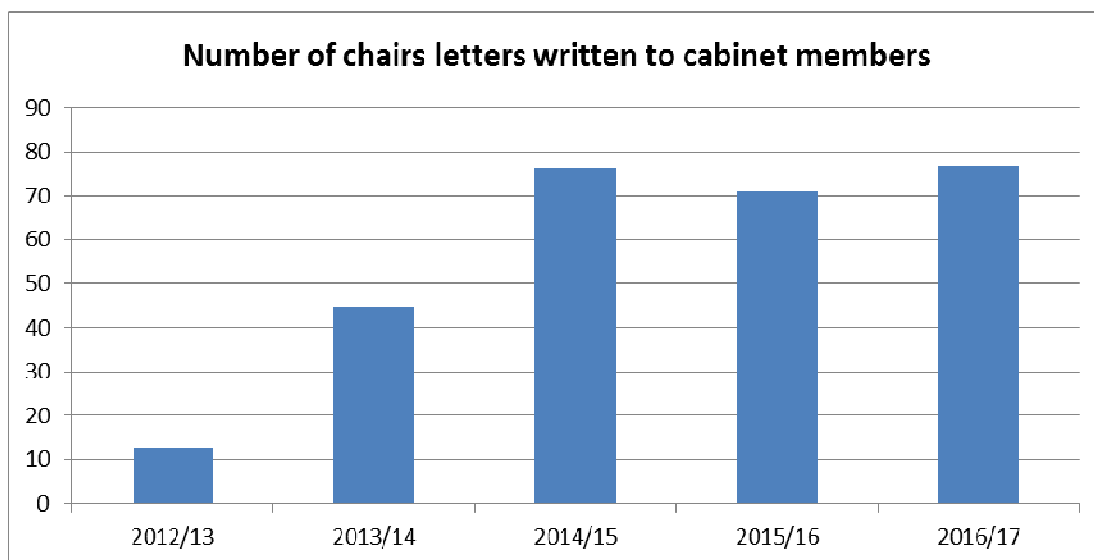


C. How much did scrutiny affect the business of the Council?

3.12 Number of chairs letters written to cabinet members = 77

Chairs letters allow the committee and panel meetings/working groups to communicate quickly and efficiently with the relevant cabinet members. They use these letters to raise concerns, highlight good practice, ask for further information and make recommendations.

Comparison with previous years:

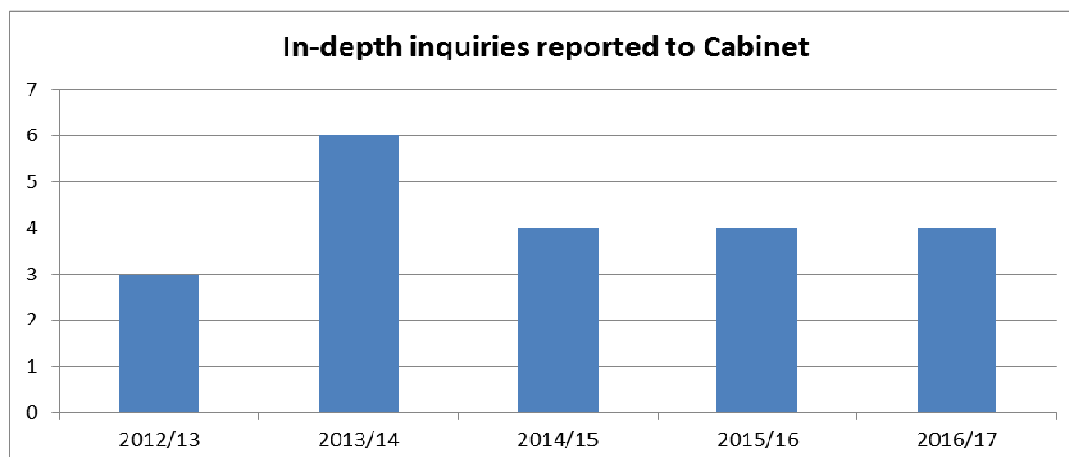


3.13 In-depth inquiries / reviews reported to Cabinet = 4

In depth inquiries are reported to Cabinet for a response to the recommendations agreed by scrutiny and action plan on how the recommendations will be implemented. The following in-depth reviews were reported to Cabinet from scrutiny with the number of recommendations from each shown in brackets:

- Readiness for School (9)
- Tackling Poverty (15)
- Child and Adolescent Mental Health Services (15)
- Building Sustainable Communities (10)

Comparison with previous years:

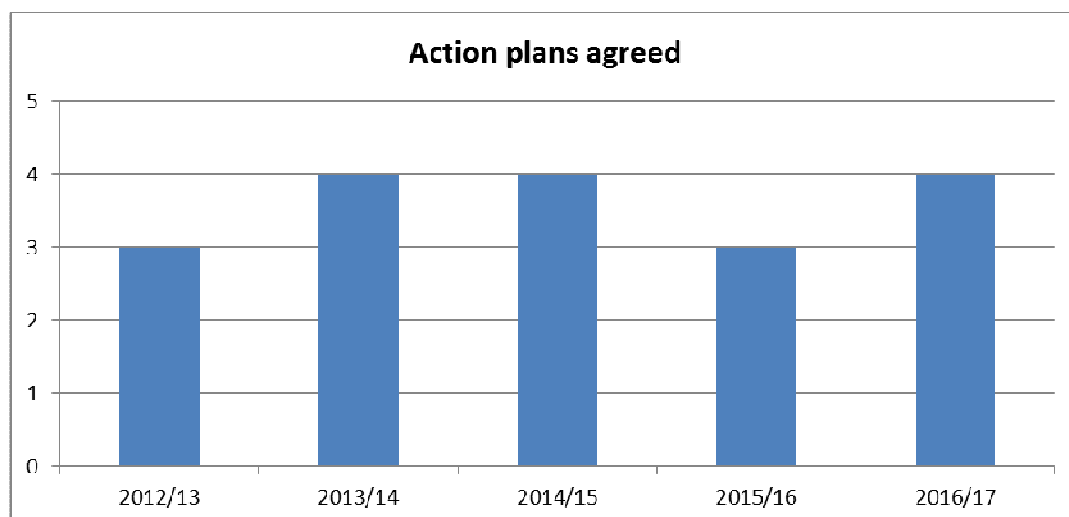


3.14 Action plans agreed = 4

Once recommendations and an action plan have been agreed by cabinet, scrutiny will follow up on progress with implementation and impact. The following action plans were agreed following in-depth inquiries during 2015-16:

- School Governance
- Gypsy Traveller Site Search Process
- Child and Adolescent Mental Health Services
- Building Sustainable Communities

Comparison with previous years:



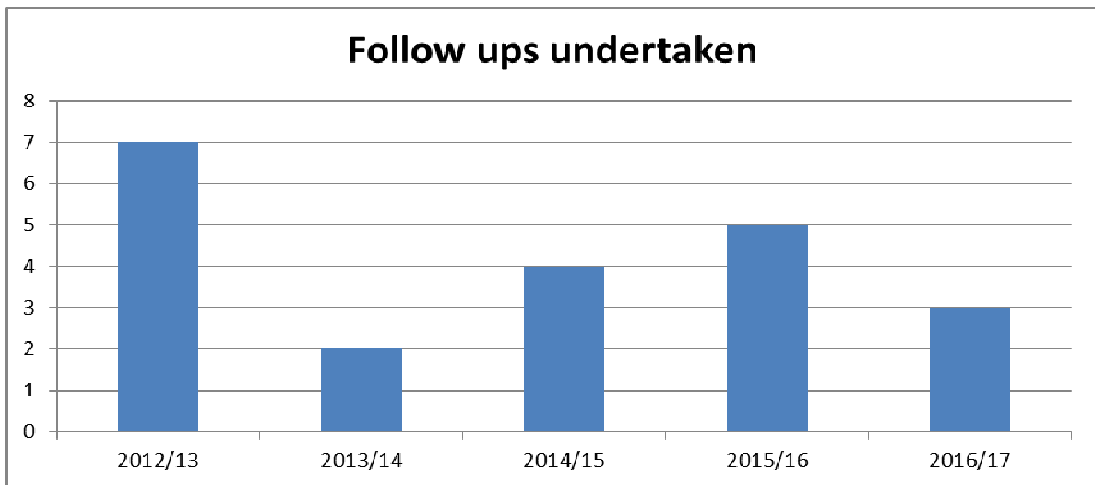
3.15 Follow ups undertaken = 3

In order 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 for that inquiry. The following follow ups were considered in 2015-16:

- Corporate Culture

- Social Care at Home
- Education Inclusion

Comparison with previous years:

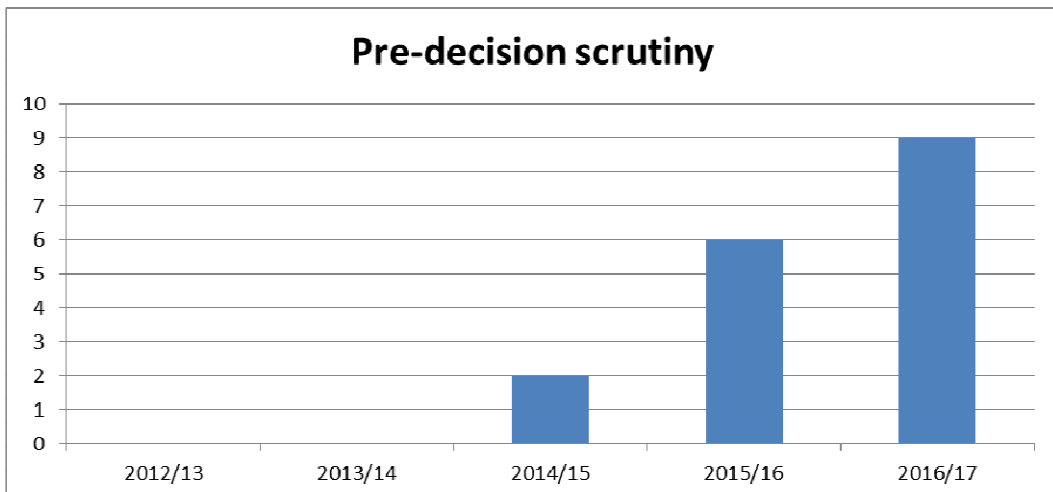


3.16 Number of Cabinet reports subject to pre decision scrutiny = 9

Pre decision scrutiny involves scrutiny councillors considering cabinet reports before cabinet makes a final decision. In 2016/17 9 cabinet reports were subject to pre decision scrutiny, these were:

- Waste Management Commissioning Review
- Castle Square – Development & Public Realm Opportunity
- Corporate Building & Property Services Commissioning Review
- Parks & Cleansing Commissioning Review
- Budget
- Domestic Abuse Commissioning Review
- Family Support (Under 11s and Over 11s Cluster)
- Castle Square Development & Public Realm Opportunities
- Swansea City Centre Regeneration – Funding & Delivery Strategy

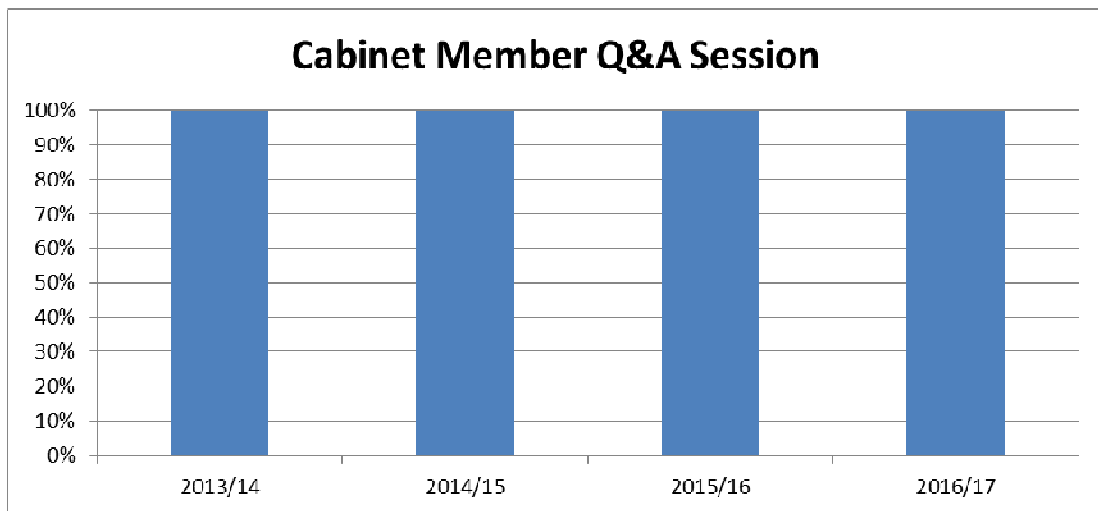
Comparison with previous years:



3.17 Cabinet members who attended at least one question and answer session at the Scrutiny Programme Committee – 100%

Cabinet members attend scrutiny meetings to answer questions and provide information. Cabinet attendance at scrutiny meetings is a good indicator that the ‘holding to account’ role of scrutiny is functioning well. In 2016/17 every Cabinet member attended at least one question and answer session at the Scrutiny Programme Committee. This indicator was added in 2013/14.

Comparison with previous years:

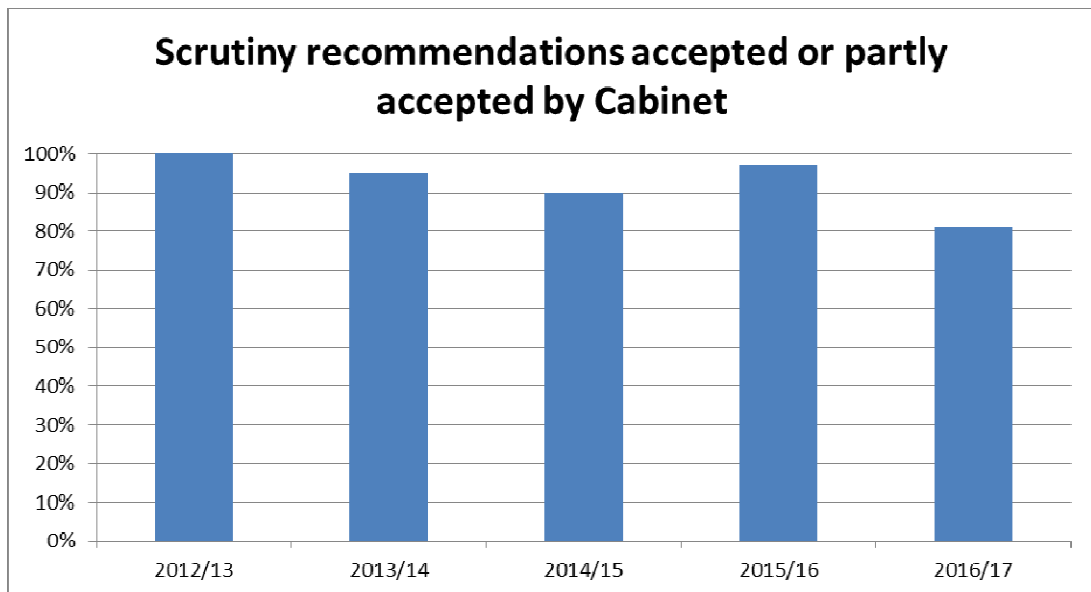


D. What were the outcomes of scrutiny?

3.18 Scrutiny recommendations accepted or partly accepted by Cabinet = 81%

The rate that cabinet accept scrutiny recommendations is a good indicator of whether scrutiny is making strong recommendations based on robust evidence. Cabinet responded to 46 scrutiny recommendations in 2016-17 of which 34 were accepted and 3 were partly accepted. 5 were rejected.

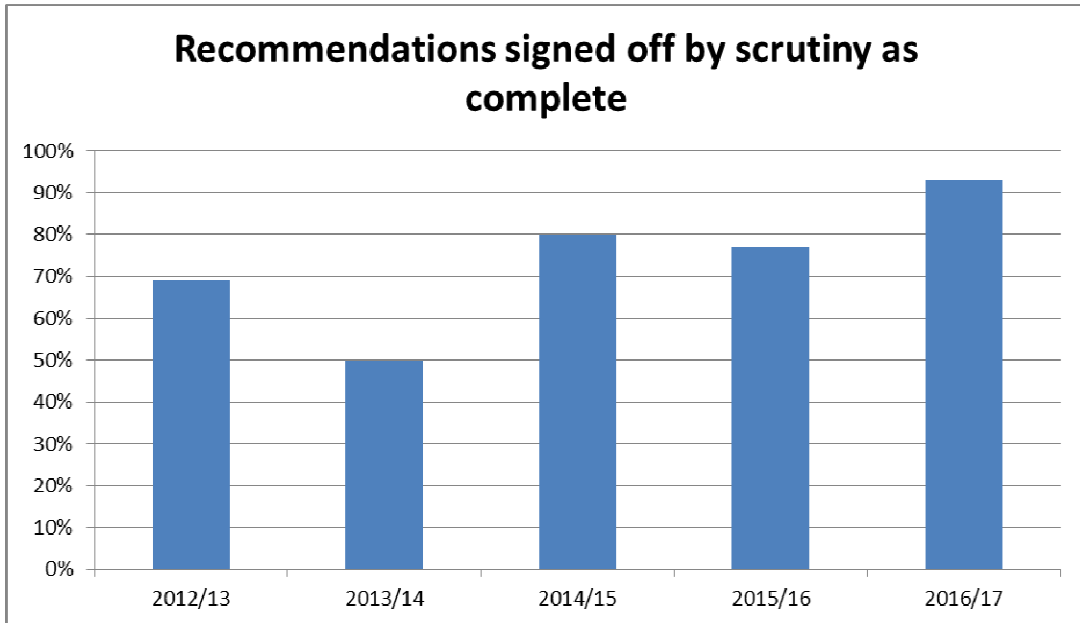
Comparison with previous years:



3.19 Recommendations signed off by scrutiny as completed = 77%

When follow up reports are presented to scrutiny they detail which of the recommendations from the in depth inquiry have been completed in line with the cabinet member's action plan and which have not. Scrutiny councillors then consider whether they agree with the assessment taking into account the evidence they are presented with. This indicator represents the percentage of recommendations accepted by scrutiny as being completed for the year (60 recommendations were considered of which 56 were signed off as complete).

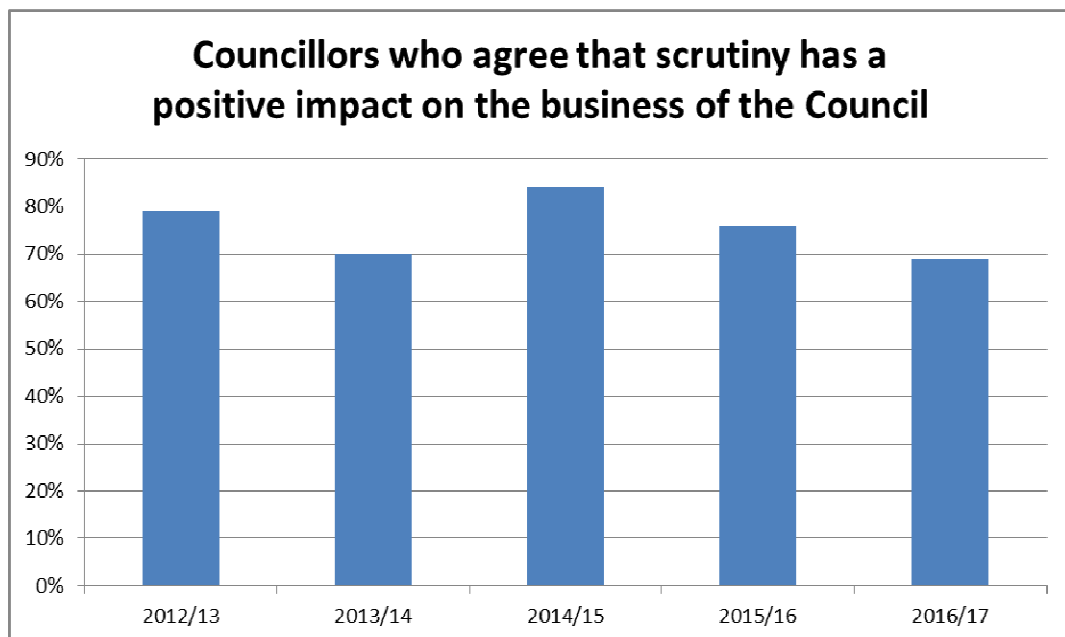
Comparison with previous years:



3.20 Councillors who agree that scrutiny has a positive impact on the business of the Council = 69%

As part of an annual survey, councillors are asked whether they believe that scrutiny has made a difference. The numbers of councillors who responded to the survey was 35 (49% of all councillors).

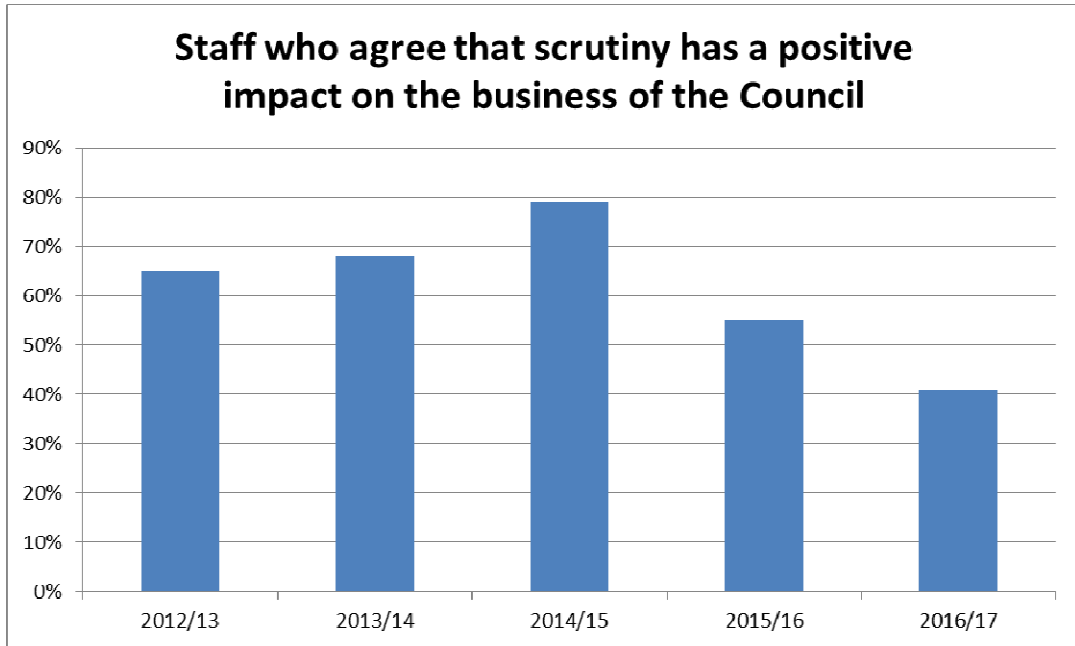
Comparison with previous years:



3.21 Staff who agree that scrutiny has a positive impact on the business of the Council = 41%

As part of an annual survey, staff and partners are asked whether they believe that scrutiny has made a difference. The number of people answering this question was 67.

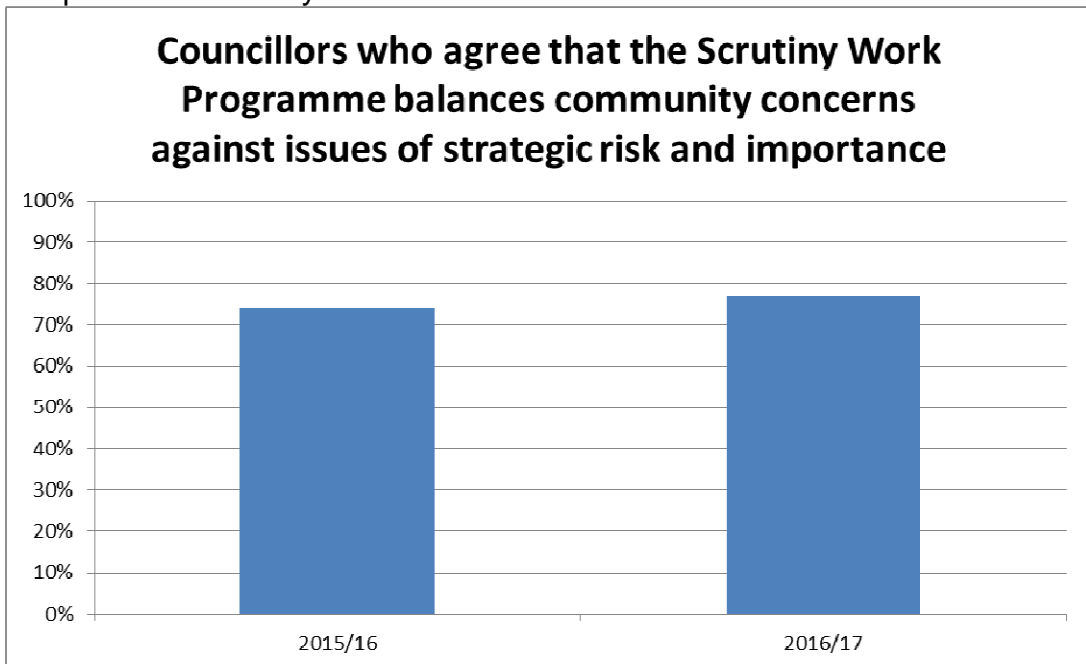
Comparison with previous years:



3.22 Councillors who agree that the Scrutiny Work Programme balances community concerns against issues of strategic risk and importance = 77%

It is important that the Scrutiny Work Programme strikes a balance between community concerns and strategic issues. As part of the annual survey, councillors are asked whether they believe that the Scrutiny Work Programme balances community concerns against issues of strategic risk and importance. This was a new indicator added in 2015/16.

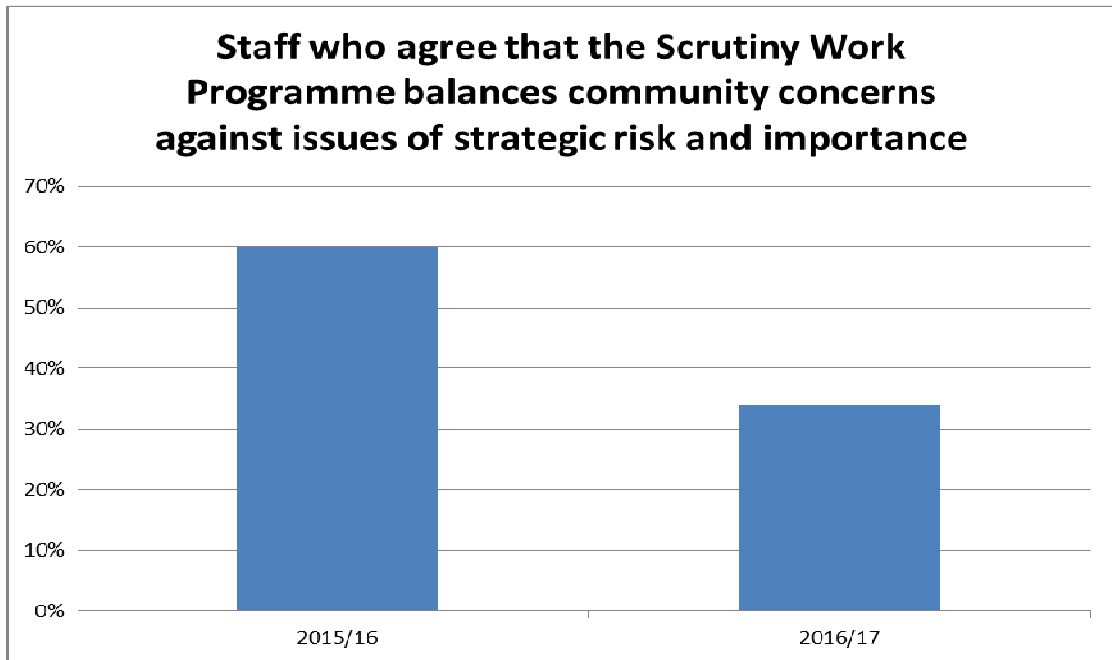
Comparison with last year:



3.23 Staff who agree that the Scrutiny Work Programme balances community concerns against issues of strategic risk and importance = 34%

It is important that the Scrutiny Work Programme strikes a balance between community concerns and strategic issues. As part of the annual survey, staff and partners are asked whether they believe that the Scrutiny Work Programme balances community concerns against issues of strategic risk and importance. Only 67 staff and partners answered this question. This was a new indicator added in 2015/16.

Comparison with last year:



4. Feedback and Improvement

4.1 Improving Scrutiny

This annual report marks the end of a five year Council. While it is important that areas for improvement are discussed and agreed by scrutiny councillors in the new Council, we believe it is helpful to set out what we think has worked well and what has not worked so well. We hope that scrutiny going forward will be able to continue and expand what has been effective and to try new things in those areas where things could be better.

The suggestions about what has worked well and not so well come from the following sources:

- Scrutiny Annual Survey
- User research with scrutiny councillors conducted in December 2016
- Feedback received throughout the year

4.2 Things that have worked well

Overall both councillors and staff report that scrutiny is working well with 69% of councillors agreeing that scrutiny has had a positive impact on the business of the Council. Survey respondents also highlighted the clarity of the well organised scrutiny process that was challenging and constructive with items that were relevant and justified and interested members asking good questions.

Specific things worth noting include:

1. *Pre-decision scrutiny*

The number of times that pre-decision scrutiny was used continued to increase with eight taking place in 2016/17. At the same time those involved feel that the process works well and has had a positive impact for commissioning reviews in particular.

2. *Councillor commitment*

Scrutiny maintained a high level of activity even in an election year with 104 meetings being held. Councillor attendance also remained high. A core group of councillors have been able to offer a high level of commitment and the system has been able to benefit from this.

3. *Cabinet Member Q&A Sessions*

Cabinet Member Q&As continue to be an important aspect of the Council's scrutiny work and are well regarded by scrutiny councillors. Cabinet Members also feel that Q&As provide a robust test for and that the committee acts respectfully and fairly. Once again every Cabinet member attended a Q&A at least once during the course of the year.

4. Flexible working

The opportunity to do detailed work in some areas, such as child and family services, and quick, light touch work in other areas, is seen as a strength of the system by those involved.

5. In-depth inquiries

From councillors we know that they value the opportunity to explore and question topics in detail and to develop a real sense of team working with fellow councillors. We also had a positive mention for a previous inquiry into corporate culture on the Good Practice Exchange blog [here](#).

6. Media coverage and communications

There has been a good level of media coverage for scrutiny work over the last 12 months. From our survey we also know that councillors feel that there has been good communication to them throughout the scrutiny process and that the scrutiny webpages are seen as 'first class'. The scrutiny bulletin board also had a positive mention on a popular national blog [here](#).

7. Support for scrutiny

We know that councillors value the support that they receive from the scrutiny team and this year 88% rated that support as either excellent or very good. At their last meeting the Scrutiny programme Committee commended the Scrutiny Team for their work, advice and support

8. Regional scrutiny – work with ERW

Regional work will become an increasingly important feature of scrutiny over the next few years so it is good that Swansea's provision of support for scrutiny of ERW (regional education service) has worked well and been well received. The Managing Director said that: "Many thanks for this work. It is coordinated well and the feedback is good"

4.3 Things that could be improved

While overall feedback was positive there were nevertheless a number of general improvement issues raised such as the need to better at focussing on the good as well as the bad, monitoring outcomes, providing opportunities for all councillors to express their views and avoiding 'over scrutiny' of some topics. Respect for the right to speak welsh was also raised as an issue through the survey.

Some of the issues that stood out included:

1. Greater recognition for scrutiny work

Some scrutiny councillors felt that their work was not getting sufficient recognition from Cabinet and Council.

2. Greater staff awareness of scrutiny

Levels of staff awareness of scrutiny continue to be low. Only 45% of those surveyed said they had a good understanding of scrutiny.

3. *Better timings for meetings*

Some councillors have been unable to attend meetings due to the time they have been arranged or because they have been arranged at short notice. Lower levels of attendance can have an impact on the quality of meetings.

4. *Better use of data*

The use of data was raised in the survey suggesting that councillors could use data more effectively and use more than one source where possible.

5. *Less duplication with Cabinet Advisory Committees*

This issue was raised several times in our survey by staff and councillors. While the Cabinet Advisory Committees have now been replaced by Policy Development and Delivery Committees, the issue still needs consideration.

6. *Excluding party politics*

Our survey suggests that, while scrutiny is generally non-partisan, there is a perception that party politics can occasionally be a factor.

7. *More engaged Cabinet responses*

The Scrutiny Programme Committee highlighted that, there had been occasions when the recommendations from in depth reports were not fully understood and given due consideration from the perspective of the scrutiny councillors involved.

8. *Expand the group of the most active councillors*

The Scrutiny Programme Committee were keen to see more councillors getting more active in the work so that the bulk of the work did not just fall to a small group. The need to see a wider range of councillors more actively involved was also highlighted in the survey.

9. *Greater strategic focus*

The need to ensure that future scrutiny work focuses on strategic topics to have maximum impact, and spend less time on very specific and smaller, nonetheless interesting, topics, was highlighted by the Scrutiny Programme Committee.

10. *More time to scrutinise commissioning review reports*

The Scrutiny Programme Committee highlighted that, while the scrutiny of Commissioning Reviews had been a positive step forward, this would be further improved by having more time to scrutinise such important cabinet reports.

APPENDIX B – Agreed Scrutiny Work Programme 2017/2018



Inquiry Panels:
(time-limited in-depth inquiries)

1. Regional Working
e.g.

- what does regional working look like at moment?
- how well is it understood (internally and publically)?
- issues of accountability?
- arrangements for scrutiny?
- what needs to be done to improve partnerships / collaboration to achieve WBFGA outcomes?

2. Natural Environment
e.g.

- how well are we caring for and managing our natural environment?
- green spaces?
- are we maximising the value and benefits?
- how can we meet new statutory responsibilities / requirements?
- role of the council / partners in tackling the issues?
- link with planning / other areas of Council?
- impact of budget reductions across services?

Inquiry Follow Ups:

- School Governance
- Building Sustainable Communities
- Child & Adolescent Mental Health Services
- Tackling Poverty
- School Readiness

Performance Panels:
(on-going in-depth monitoring)

- 1. Service Improvement & Finance (monthly)**
- 2. Schools (monthly)**
- 3. Adult Services (monthly)**
- 4. Child & Family Services (4-6 meetings max)**
- 5. Public Services Board (6 meetings)**
- 6. Development & Regeneration (quarterly)**

Regional Scrutiny:

- **ERW** (*Education through Regional Working*)

Working Groups:
(one-off meetings)

- In priority order:
- 1. Emergency Planning & Resilience**
 - 2. Community Cohesion & Hate Crime**
 - 3. Homelessness**
 - 4. Car Park Charges**
 - 5. Roads / Footway Maintenance**
 - 6. Renewable Energy**
 - 7. Digital Inclusion**
 - 8. Bus Services**
 - 9. Public Conveniences**
- NB - an annual meeting on **Local Flood Risk Management** is a standing item in the work programme

Agenda Item 6



Report of the Head of Financial Services & Service Centre

Audit Committee – 9th November 2016

Status Update - WAO Proposals for Improvement

Purpose: The report presents an overview of the status of Swansea Council's response to proposals for improvement made by WAO to provide assurance to the Committee on progress.

Report Author: Richard Rowlands

Finance Officer: Paul Roach

Legal Officer: Debbie Smith

Access to Services Officer: Sherill Hopkins

For Information

1. Background

1.1 The Audit Committee requested on the 11th July a regular overview on the status of the Council's response to WAO proposals for improvement.

2. Overview of progress

2.1 This is the first report, which reviews progress and describes next steps to meet the proposals for improvement made by WAO in reports concerning Swansea Council.

3. Equality and Engagement Implications

3.1 There are no direct equality and engagement implications from this report.

4. Legal Implications

4.1 There are no direct legal implications.

5. Financial Implications

5.1 There are no direct financial implications.

Background papers: *None*

Appendices: Appendix A - WAO Proposals for Improvement: Status update report

Appendix A

Audit Committee 9th November 17

WAO Proposals for Improvement – Status update report

Swansea Council is tracking proposals for improvement made by the WAO since 2014/15.

Some of these proposals are very similar to each other and are grouped together where appropriate.

The following is a summary of progress and next steps.

Proposal	Corporate Assessment 2014/15 P1 Ensure records of delegated decisions made by officers are accurately recorded
Progress	The Head of Legal will do this in the forthcoming year. The work will include a register of delegated decisions made by both officers and Members and will include a financial or other threshold for recording decisions and an understanding rolled out via training as to the approach.
Next Steps	See above.
Responsible Officer	Head of Legal, Democratic Services and Business Intelligence

Proposal	WAO Annual Improvement Report 2015/16 Proposal P1 - Improve the effectiveness of decision making by reviewing the effectiveness and resource implications of all task and finish groups, management committees, and improvement boards; and clarifying responsibilities for elements of performance
Progress	A list of all Outside Bodies, Partnerships, Boards was collated listing both elected Members and officer representation. It also includes where possible terms of reference and decision making/advisory status. Following local government election, the Councillor Induction and Training Programme included external training on what it means to be a Member led authority and respective roles and responsibilities of officers and Members.
Next Steps	Proposal is closed.
Responsible Officer	Head of Legal, Democratic Services and Business Intelligence

Proposal	WAO Annual Improvement Report 2015/16 Proposal P2. Improve external reporting of performance by: <ul style="list-style-type: none">• developing the Council's website; engaging user groups in determining the most effective and efficient ways of reporting performance, and then taking action to improve public reporting;• maximising the impact of performance reports by assessing their readability and comprehension; and
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	<ul style="list-style-type: none"> assessing the costs and benefits of any opportunities to communicate performance information using video, social media, and interactive media.
Progress	The Council's Corporate Plan has been refreshed and a small number of well-being objectives identified following the election and in response to the Well-being of Future Generations Act. The Council's suite of performance indicators are more relevant to corporate priorities following a review. A new ICT system Data, Action & Risk Tool (DART) to gather and report performance data is complete; an extension of the system's functionality will follow as part of a rolling development programme.
Next Steps	Developing the Council's website and transparency of information, joining information and intelligence will be a focus. Issuing communications from the CEO and Director of Resources using video, internally in the first instance and then expanding to externally. Developing the reporting functionality of the DART performance system is underway.
Responsible Officer	Corporate Director (Resources)

Proposal	WAO Annual Improvement Report 2015/16 Proposal P4 Improve performance management by increasing the coverage, positive impact and frequency of formal staff appraisals.
Progress	The Council has sought to improve the capability for workforce reporting and online appraisal in Oracle, which includes encouraging employees to update the system to contain employee qualifications information. The online Appraisal module functionality was implemented in December 16 for early adoption by pilot service areas; supporting e-learning training was implemented early 2017. An Employee Behaviours Framework was completed and trialled in the 2016/17 appraisal process.
Next Steps	Work will continue on the Employee Behaviours framework to embed them into all aspects of the employee life cycle.
Responsible Officer	Head of Human Resources

Proposal	<p>WAO Annual Improvement Report 2015/16 Proposal P5 Ensure timescales for the delivery of specific savings proposals are realistic and act to drive delivery.</p> <p>WAO Annual Improvement Report 2015/16 Proposal P6 Ensure responsibility for delivery of planned savings is assigned to specific managers' services.</p>
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	<p>WAO Savings Planning 2017/18 P1</p> <p>Strengthen financial planning arrangements by:</p> <ul style="list-style-type: none"> • ensuring that savings plans are sufficiently well developed and risk assessed before inclusion in the budget; • assigning responsibility for the delivery of all planned savings to specific managers' services.
Progress	<p>A review of the Council's transformation programme <i>Sustainable Swansea – Fit for the Future</i> is undertaken and modified annually. The 2017/18 budget co-produced with Cabinet set realistic savings targets aligned to transformational change. Phase two commissioning reviews, which are the vehicles for transformational change, are on track to be completed in 2017/18</p> <p>Crosscutting commissioning reviews agreed with Members are Integrated Transportation, Building Sustainable Communities, Outcomes for Citizens and the Capital programme. Each review is prioritised and is sponsored by a Member of CMT.</p>
Next Steps	<p>The 2018/21 budget will be aligned with transformational outcomes / activities and the Council will implement the crosscutting reviews.</p>
Responsible Officer	<p>Corporate Director (Resources)</p>

Proposal	<p>WAO Annual Improvement Report 2015/16 Proposal P3 Improve service business planning by:</p> <ul style="list-style-type: none"> • Further developing the Council's service planning toolkit to include: <ul style="list-style-type: none"> ○ giving greater clarity on operational priorities and to pinpoint budget savings; ○ developing an appropriate set of smaller, more focused, representative and outcome-based local performance indicators for each service; and ○ improving data quality and security by acting on the findings of recent internal data quality reviews, and continue testing data security systems and policies.
Progress	<p>Revisions made to the 2017/18 service planning process and toolkit included helping embed the 5 ways of working set out by the Well-being of Future Generations Act.</p>
Next Steps	<p>Continuing work to embed the 5 ways of working and further improve vertical alignment to the Council's Well-being Objectives set out within the Corporate Plan.</p>
Responsible Officer	<p>Corporate Director (Resources)</p>

Proposal	<p>WAO Good Governance 2016/17 P1 Improve public access to</p>
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	information about the Council's Commissioning Review activity and outcomes by linking together all the website information about the overall programme and signposting its availability
Progress	The corporate communications team have designed a programme specific newsletter for internal use this is to be evolved for public use also, this will link all the elements together so they are easily accessible
Next Steps	Arrange a meeting to discuss improvement to web pages for public access with Web team. Launch newsletter & web pages.
Responsible Officer	Corporate Director (Resources)

Proposal	WAO Good Governance 2016/17 P2 Whilst potential financial savings are consistently identified the Council should ensure that the process for concluding a review consistently identifies the intended impact for service users and the means by which that impact will be evaluated in the future.
Progress	Outcomes and their evaluation and measurement is not currently part of options appraisal reports for each review (build into implementation, templates & toolkit). An initial exercise is underway for all reviews that have been within implementation for 12 months to gather in achievements to date, how they will measure the outcomes including any intended financial outcomes and by when. This is in the process of being aligned to original agreed cabinet reports from 2015/16 to ensure what was agreed has been implemented. Equality Impact Assessments (EIA's) are now standard requirement for Cabinet process.
Next Steps	Update and amend commissioning toolkit. Ongoing monitoring and development of outcomes evaluation process. Develop review programme for the next phase of the programme. Paper to scrutiny – post implementation review.
Responsible Officer	Corporate Director (Resources)

Agenda Item 7



Report of the Head of Financial Services & Service Centre

Audit Committee – 9th November 2016

Overview of the status of Corporate Risks

Purpose: The report presents an overview of the status of Corporate Risks to provide assurance to the Committee on the effectiveness of the risk management policy and framework and its operation within the Council.

Report Author: Richard Rowlands

Finance Officer: Paul Roach

Legal Officer: Debbie Smith

Access to Services Officer: Sherill Hopkins

For Information

1. Background

1.1 The Audit Committee requested on the 11th July an overview every quarter on the status of risk in the Council.

1.2 This is the first report, which compares a snapshot of the Council's Corporate Risk Register taken at 22/05/17 with another snapshot taken on 03/10/17.

2. Review of Risks

2.1 A review of risk and the Council's risk registers is underway following the approval of a new risk policy and framework by Cabinet on 17th August 2017 and the publication of the Corporate Plan 2017/22.

2.2 Because of this, subsequent reports will describe the wider and overall status of risk within the Council; the next report will cover Quarter 3 2017/18 and will appear every quarter thereafter.

4. Equality and Engagement Implications

4.1 There are no direct equality and engagement implications from this report.

5. Legal Implications

5.1 There are no legal implications.

6. Financial Implications

6.1 There are no financial implications.

For Information

Background papers: *None*

Appendices: Appendix A - Summary of the overall status of corporate risk within the Council

Appendix A

Audit Committee – 9th November 17

Summary of the overall status of corporate risk within the Council

The following report summarises the overall status of corporate level risk within Swansea Council.

The report compares a snapshot of the Council's Corporate Risk Register taken at 22/05/17 with another snapshot taken on 03/10/17.

A review of risk and the Council's risk registers is underway following the approval of a new risk policy and framework by Cabinet on 17th August 2017 and the publication of the Corporate Plan 2017/22.

Because of this, subsequent reports will describe the wider and overall status of risk within the Council; the next report will cover Quarter 3 2017/18 and will appear every quarter thereafter.

Overall Risk Status – Corporate Risk Register

The table below illustrates the overall risk status on the Corporate Risk Register as at 03/10/17:

	Low Risk	Medium Risk	High Risk
03/10/17	1	10	3

Summary – changes to the Corporate Risk Register between 22/05/17 and 03/10/17

- 14 out of 14 (100%) risks on the Corporate Risk Register were reviewed.



- No new risks were added to the register.

- 2 risks on the register were closed. 1 out of the 2 risks that were closed had reasons for doing so recorded.

Low Risk	Medium Risk	High Risk
0	2	0

- The overall RAG status of 1 of the 14 risks on the Corporate Risk Register was changed, moving from medium to low risk.

Other observations

- Controls and actions are in place for all risks on the Corporate Risk Register.
- The majority of actions and controls to mitigate risks are current.
- All risks have an allocated owner.

Developments

- The Council approved a new Risk Policy on 17th August 17.
- The new Policy is available on the Council's webpage and on the intranet for staff and Members.
- The implementation of the new Risk Policy has commenced, which will entail:
 - Gap analysis between old and new policy and systems.
 - New procedures and guidance.
 - Revisions to the IT Risk Register.
 - Training and communications.
- A review of the Corporate Risks following the production of the Corporate Plan 2017-22 has commenced.
- A review of Directorate and Service level risks is taking place in line with directorate and service planning.

City & County of Swansea Audit Committee Update – November 2017

Financial audit work 2016-17 – City & County of Swansea Pension Fund

Activity	Scope	Status
Audit Plan	Plan of financial audit work for 2016-17.	Audit Committee March 2017.
Financial Statements/Annual Audit Letter	Audit of the Pension Fund's 2016-17 financial statements and Annual Audit Letter.	Audit Committee September 2017.

Financial audit work 2016-17 – City & County of Swansea

Activity	Scope	Status
Audit Plan	Plan of financial audit work for 2016-17.	Audit Committee March 2017.
Financial Statements 2016-17	Audit of the Council's 2016-17 financial statements.	Audit Committee and Council September 2017.
Certification of Grants and Returns 2016-17	Summary of grants and returns certification work 2016-17.	Planned Audit Committee January 2018.
Annual Audit Letter	Report summarising our 2016-17 financial audit work.	Planned Audit Committee January 2018.

Performance Audit work - City & County of Swansea

2016-17 Improvement Assessment	Scope	Status
Governance	This review will provide councils with a baseline from which to plan improvements to governance following the introduction of CIPFA's revised framework and the requirement for councils to adopt the sustainable development principle from April 2016	Completed June 2017
Annual Improvement Report (AIR)	Annual report summarising the audit work undertaken in the last year which also includes a summary of the key findings from reports issued by 'relevant regulators'	Completed August 2017.
2017-18 Improvement Assessment	Scope	Status
Corporate Improvement Plan Audit	Checks Council compliance with Local Government Measure (Wales) 2009 requirement to set improvement objectives.	Certificate Published September 2017
Improvement Plan Audit	Checks Council compliance with Local Government Measure (Wales) 2009 requirement to publish a self-assessment of performance in the previous year by 31 October.	Planning
Annual Improvement Report (AIR)	Annual report summarising the audit work undertaken in the last year which also includes a summary of the key findings from reports issued by 'relevant regulators'	Planning
WFG Year one commentary	Year one commentary on WFG/Baseline Gather evidence on how the 44 bodies are beginning to respond to the requirements of the WFG Act and identify examples of notable emerging practice. There is no local report it is intended the baseline will inform a commentary to be published summer 2018.	Underway
Overview and Scrutiny – Fit for the Future	This review will examine the impact of the WFG Act on the work of scrutiny committees including PSB scrutiny, facilitating improvement and sharing of good practice.	Planning

2017-18 Improvement Assessment	Scope	Status
Service User Review	To gather evidence and insight into the extent to which services respond to the needs and expectations of service users both in their design and delivery.	Planning
Aligning Levers of change	<p>The purpose of this review is to support the development of local action that will promote positive practice and help identify barriers to be addressed. The review will assist councils to:</p> <ul style="list-style-type: none"> refine current arrangements in Councils by promoting what is working well, identifying any barriers and developing local improvement opportunities; and facilitate sharing of practice between Councils. 	Planning
Housing/WHQS Local Project	To determine whether the Council has effective arrangements in place to enable it to engage with residents in meeting the WHQS by 2022.	Planning
Digital Risk	Diagnostic.	Planning
2016-17 Local Government Studies	Scope	Status
Improving wellbeing through housing adaptations	We will review how adaptations prevent access to and speed up discharge from hospitals. The work will look at how health use adaptations to underpin their activity as well as how efficient and effective organisations are at procuring and delivering adaptations work.	In progress Swansea has not been selected to take part in the detailed fieldwork of this study.
Strategic commissioning of learning disability services by local authorities	Fieldwork will focus on both the corporate approach to strategic commissioning but also use findings from the tracer area to understand how effective operational arrangements are. We are working with CSSIW and SSIA and will be building on recent national inspection and support work on learning disabilities.	In progress. Swansea has not been selected to take part in the detailed fieldwork of this study.
How local government manages demand - Homelessness services	The study will focus on homelessness in local authorities using the recent prevention duties placed on local authorities to judge how demand for services is managed.	In progress. Swansea has been selected to take part in the detailed fieldwork which took

[Redacted] [Redacted] place in January 2017.

National Studies	Update and link to report
Welsh Government oversight of further education finances and delivery	Published Feb 2017 Welsh Government oversight of further education finances and delivery
Public Procurement	In progress
Savings Planning in Councils in Wales	Link to Published Report
Governance Review National Report	Planned publication 10 th October 2017

Agenda Item 9



Report of the Chief Auditor

Audit Committee – 9 November 2017

Audit Committee - Performance Review 2016/17 Update

Purpose:	This report provides an update following the Audit Committee Performance Review 2016/17.
Policy Framework:	None
Consultation:	Legal, Finance and Access to Services.
Recommendation(s):	It is recommended that Committee discuss the proposals noted in the report to formulate any agreed actions to take forward.
Report Author:	Simon Cockings
Finance Officer:	Simon Cockings
Legal Officer:	Sandie Richards
Access to Services Officer:	Sherill Hopkins

1. Introduction

- 1.1 The Audit Committee's annual performance review for 2016/17 was facilitated by the Wales Audit Office in February 2017.
- 1.2 Overall, the outcome of the Performance Review was that the Audit Committee felt that it is performing well against the Core Principles. However, some areas for improvement were noted in relation to Committee involvement and awareness of Risk Management. It was also felt that there were a number of issues which could be addressed during the year which would allow the Committee to provide a greater level of assurance to the Council.
- 1.3 A summary of the key findings that came out of the performance review can be found in Appendix 1.

2. Progress to Date

- 2.1 Risk Management – in order to provide more information to Committee, periodic updates from the Business Performance Manager have been added to the Committee Workplan. Committee has also received Risk Management Training as well as an overview of the updated Risk Management Policy and Framework.
- 2.2 Work of other regulators and tracking of recommendations – it is envisaged that the periodic updates from the Business Performance Manager will also include information covering these areas.

3. Proposals for Discussion

- 3.1 The Key Findings from the performance review also suggested a number of additional actions that may be taken, primarily in relation to identifying best practice in Audit Committees of other bodies and to encourage the further development of the Committee.
- 3.2 Some suggestions to address these findings are detailed below:
 - i) Identifying Committee Members to lead on particular areas, such as Finance, Education, Performance & Risk, Audit, Fraud and Improvement.
 - ii) Committee Member attendance at other bodies Audit Committee Meetings to identify any best practices that may be adopted.
 - iii) Inviting contacts from other bodies Audit Committees to attend meetings to provide feedback.
 - iv) Wales Audit Office to suggest any best practice identified from work with other Audit Committees.
- 3.3 It is recommended that Committee consider the suggestions noted above in order to decide if any of them are feasible so that we can look to implement these over the coming months.

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

Appendix 1 – Performance Review 2016/17 – Key Findings

PERFORMANCE REVIEW 2016/17 - KEY FINDINGS

Key Finding
1. Risk Management - provide more detailed information (Risk Register) to Audit Committee
2. Risk Management – develop ‘what if’ scenarios
3. Other regulators – see the work of other regulators at the Council (CSSIW, Estyn, PSoW)
4. Tracking of recommendations – central place for all recommendations
5. Tracking of recommendations – look at timescales – is 12 months too long?
6. Meeting with the Audit Committee in private – should all members of Audit Committee meet with WAO rather than just the Chair?
7. Good Practice – look at other bodies e.g. Police, NHS
8. Good Practice – WAO to signpost good examples
9. Development of Audit Committee – look at other Audit Committee’s to benchmark and for good practice
10. Development of Audit Committee – train with members of other Audit Committee’s
11. Attendance – improve attendance from Members and Officers

Agenda Item 10



Report of the Chief Auditor

Audit Committee – 9 November 2017

Audit Committee – Action Tracker

Purpose:	This report details the actions recorded by the Audit Committee and response to the actions.
Report Author:	Simon Cockings
Finance Officer:	Simon Cockings
Legal Officer:	Sandie Richards
Access to Services Officer:	Ann Williams

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 In the past, the Committee has had no transparency over the outcomes of the actions minuted by the Committee. As a result, an Action Tracker process was put in place in 2016/17.
- 1.3 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, 2016/17 and 2017/18 municipal years are attached in Appendix 1, 2 and 3.
- 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 2017/18

Appendix 2 – Action Tracker 2016/17

Appendix 3 – Action Tracker 2015/16

AUDIT COMMITTEE ACTION TRACKER 2017/18	
Action	Outcome
26/09/17 – Procurement in Schools	
A meeting to be arranged with Procurement and Education representatives do discuss procurement issues at schools as identified in the Annual Report of School Audits. An update from Procurement is to be provided in the February meeting.	
11/07/17 – Performance Review Development of the Audit Committee	
In relation to the Audit Committee Performance Review findings, the Chair of the Audit Committee is to investigate the possibility of reinstating regional working groups for Chairs/Audit Committee Members to consider joint training and benchmarking possibilities.	
11/07/17 Min 16 – Draft Statement of Accounts	
The Section 151 Officer be requested to provide Committee with an update regarding the funding of reserves and overall good financial management.	Section 151 Officer is due to attend the December meeting to provide an update on the review of reserves and overall budget monitoring/control. - CLOSED
20/06/17 Min 5 – Work Programme	
A description to accompany items within the Work Programme be provided in future.	Standard agenda items have been highlighted in bold in the workplan. CLOSED

AUDIT COMMITTEE ACTION TRACKER 2016/17	
Action	Outcome
28/03/17 Min 77 – Chair of Scrutiny Committee	
The Chair of the Scrutiny Programme Committee be invited to a future meeting of the Committee in order to provide an update report.	The Chair of the Scrutiny Programme Committee is due to attend Audit Committee on the 10/10/17 - CLOSED
28/03/17 Min 78 – Procurement Processes	
Procurement procedures being linked to risk.	
14/02/17 Min 63 – Audit Committee – Action Tracker	
The outcome relating to Councillor access to the Section 106 database be reopened due to insufficient information being available.	The action has been reopened pending further information being received from Planning. See Min 41 of meeting on 25/10/16 below - CLOSED
03/01/17 Min 55 – Wales Audit Office Annual Audit Letter 2015/16	
The Wales Audit Office report regarding the key principles to a strategic approach to setting, increasing or introducing charges for local authority services be circulated to the Committee	The report was circulated on 04/01/17 - CLOSED
13/12/16 Min 45 – Training Presentation Risk Management	
An update on the progress of Risk Management be provided in March	Due to the number of items on the agendas for the meetings in March 2017, the Risk Management update has been included on the agenda for the June 2017 meeting - CLOSED
13/12/16 Min 45 – Training Presentation Risk Management	
The presentation be circulated to the Committee	The presentation was circulated on 21/12/16 - CLOSED
13/12/16 Min 46 – Training Presentation Counter Fraud	
The presentation be circulated to the Committee	The presentation was circulated on 21/12/16 - CLOSED
13/12/16 Min 47 – Commercialism Strategy	
Members of the Committee be invited to attend the forthcoming Headteacher Workshops	An e-mail was sent to the Head of Commercial Services on 11/01/17 to register the interest of members of the Committee in the Headteacher Workshops. When the Workshop date has been agreed, details will be circulated to the Committee. Reminder e-mail sent to CW 26/07/17.
13/12/16 Min 47 – Commercialism Strategy	
The presentation be circulated to the Committee	The presentation was circulated on 21/12/16 - CLOSED

13/12/16 Min 51 – Corporate Fraud Team Investigation Report	
The Chair writes to the Head of Waste Management to seek assurance that the lessons learned from this investigation have been adopted by the service,	A letter was sent to the Head of Waste Management on 13/01/17 - CLOSED
25/10/16 Min 39 – Annual Report of School Audits 2015/16	
The Head of Commercial Services be invited to the next scheduled meeting to discuss the Service Level Agreement	The Head of Commercial Services attended the meeting on 13/12/16 - CLOSED
25/10/16 Min 39 – Annual Report of School Audits 2015/16	
The Chief Education Officer be invited to the next scheduled meeting to discuss the influence the centre can exercise over compliance with procedures by schools	The Chief Education Officer attended the Audit Committee on 14/03/17 - CLOSED
25/10/16 Min 41 – Chair / Wales Audit Office Liaison Meeting	
Confirmation be provided regarding Member access to the Section 106 database	Feedback was provided by the Chief Auditor to the meeting on 03/01/17 and a note circulated to all members. A further request has been made to Planning identifying information members would like to receive regarding Section 106 agreements. The Chair will meet the Head of Planning and City Regeneration to discuss. - CLOSED
30/08/16 Min 25 – Internal Audit Monitoring Report Quarter 1 2016/17	
Self-assessment forms for schools be added to school governing body meeting agendas	Self-assessment questionnaire to be added to agenda of governing body clerks forum meeting to be held in January 2017. A reminder will also be circulated to all schools - CLOSED
30/08/16 Min 26 – Corporate Fraud Team Plan 2016/17	
An update be provided to the Committee in 6 months	Update included on agenda for Committee meeting on 28/03/17 - CLOSED
21/07/16 Min 18 – Internal Audit Monitoring Report Quarter 4 2015/16	
In future, any delays in receiving a response from a service to a draft internal audit report be reported to the Committee.	Any delay in receiving a response to a draft internal audit report will be included in the quarterly Internal Audit Monitoring Report - CLOSED
21/07/16 Min 18 – Internal Audit Monitoring Report Quarter 4 2015/16	
The Chief Auditor contacts the Head of Human Resources and Organisational Development in order to discuss the procedure regarding de-activating flexi-cards when an employee ends employment with the Authority	When an employee leaves, the line manager is required to complete an exit interview checklist. One of the items on the checklist is to re-cover the employee's flexi card and return it to HR for cancellation – CLOSED

21/07/16 Min 18 – Internal Audit Monitoring Report Quarter 4 2015/16	
The Chair writes to the Head of Service where an audit has received a moderate level of assurance for a second audit to express the Committee’s concern that there has been no improvement in the controls in operation.	Letters sent 05/08/16 and copies reported to Audit Committee on 30/08/16 for information - CLOSED
28/06/16 Min 8 – Corporate Governance Review Report	
The recommendations contained within the report be regularly monitored and where appropriate feedback be provided by the Deputy Head of Legal and Democratic Services	The recommendations included in the Corporate Governance report as well as those arising from the WAO’s Corporate Assessment and the Peer Review are being monitored on a regular basis by the Corporate Management Team. Work is progressing to implement the recommendations and will continue to be monitored by the Head of Legal Democratic Services & Business Intelligence. Update to be provided at the November meeting.
28/06/16 Min 9 - Certification of Grants and Returns 2013/14 and 2014/15	
All Responsible Officers be advised and reminded of the external auditors findings and the obligation to maintain at all times adequate and complete records to support future grant certification claims	E-mail sent to all Heads of Service by Chief Finance and Deputy Section 151 Officer on 30/06/16. The e-mail; highlighted the relevant issues and the external auditor’s grants report was attached - CLOSED
28/06/16 Min 9 - Certification of Grants and Returns 2013/14 and 2014/15	
A letter be circulated to schools highlighting the need to retain relevant paperwork in relation to grants claimed in order to prove if the funding was used appropriately.	The Chair wrote to Chief Education Officer on 05/08/16 asking for the issues to be brought to the attention of schools and an e-mail was sent to all schools on 09/11/16 - CLOSED
28/06/16 Min 11 – YGG Lon Las Draft Response to Cabinet	
Additional comments be forwarded to the Chair/Chief Auditor	No further comments were received - CLOSED
28/06/16 Min 11 – YGG Lon Las Draft Response to Cabinet	
The updated report be forwarded to Cabinet	Report was presented to Cabinet on 19/01/17 - CLOSED
28/06/16 Min 12 – Final Audit Committee Annual Report 2015/16	
The Audit Committee Annual Report 2015/16 be approved and be presented to Council in July/August 2016	Report was presented to Council on 22/09/16 - CLOSED
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	Training presentations delivered at meeting on 13 December 2016 - CLOSED

AUDIT COMMITTEE ACTION TRACKER 2015/16	
Action	Outcome
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
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
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	Corporate Director (Resources) to prepare report on Councillor access to risk register for consideration by Corporate Management Team as part of the current review of the Risk Management Policy and Framework
16/02/16 Min 64 – Recommendations Tracker Report 2014/15	
An update report on the level of write offs be added to the Workplan	Update provided to Audit Committee on 25/10/16 - CLOSED
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
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 provided to the Audit Committee meeting on 03/01/17 - CLOSED

Action	Outcome
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	The Chair of the Scrutiny Programme Committee is attending the meeting on 28/03/17 – CLOSED
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
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 was presented to Audit Committee on 30/08/16 - CLOSED
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
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
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	The review was reported to the Audit Committee on 25/10/16 - CLOSED

Action	Outcome
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
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 was presented to Audit Committee on 30/08/16 - CLOSED
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
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



Report of the Chief Auditor

Audit Committee – 9 November 2017

Audit Committee – Workplan

Purpose:	This report details the Audit Committee Workplan to May 2018
Report Author:	Simon Cockings
Finance Officer:	Simon Cockings
Legal Officer:	Sandie Richards
Access to Services Officer:	Ann Williams

FOR INFORMATION

1. Introduction

1.1 The Audit Committee's Workplan to May 2018 is attached in Appendix 1 for information

1.2 The dates included for the meetings in 2017/18 are subject to approval by Council.

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 2017/18

AUDIT COMMITTEE WORKPLAN 2017/18

Date of Meeting	Reports
20 June 2017	Election of Chair and Vice Chair Audit Committee Initial Training Audit Committee Training Programme Wales Audit Office Update Report WAO Financial Resilience Final Report Internal Audit Monitoring Report Quarter 4 2016/17 Final Audit Committee Annual Report 2016/17 Audit Committee Performance Review 2016/17 - Action Plan Audit Committee Action Tracker Report
11 July 2017 – Special	Financial Management & Accounting Training Draft Statement of Accounts 2016/17 Draft Annual Governance Statement 2016/17 Risk Management Policy and Framework - Update Audit Committee Action Tracker Report
8 August 2017	Internal Audit Training Governance Training Wales Audit Office Update Report Internal Audit Annual Report 2016/17 Corporate Fraud Annual Report 2016/17 Internal Audit Monitoring Report Quarter 1 2017/18 Audit Committee Action Tracker Report
26 September 2017 - Special	External Audit Training Wales Audit Office ISA 260 Report 2016/17 – City and County of Swansea Wales Audit Office ISA 260 Report 2016/17 – Pension Fund Annual Report of School Audits 2016/17 Chief Education Officer Response to Annual Report of School Audits 2016/17 Audit Committee Action Tracker Report
9 November 2017 <i>(note changed from 10 October 2017)</i>	Counter Fraud Training Chair of Scrutiny Programme Committee Corporate Governance Review - Progress Update Risk Management Half-Yearly Review 2017/18 Risk/Performance/Governance Update Wales Audit Office Update Report Audit Committee Performance Review Action Plan 2016/17 - Update Audit Committee Action Tracker Report

Date of Meeting	Reports
12 December 2017	Wales Audit Office – Annual Audit Letter 2016/17 Wales Audit Office Update Report Internal Audit Monitoring Report Quarter 2 2017/18 Recommendations Tracker Report 2016/17 Review of Reserves Report Treasury Management & Budgetary Control Update Audit Committee Action Tracker Report
13 February 2018	Wales Audit Office Update Report Wales Audit Office Grants Report 2016/17 Internal Audit Monitoring Report Quarter 3 2016/17 Internal Audit Annual Plan Methodology 2018/19 Audit Committee Performance Review 2016/17 Action Plan - Update Audit Committee Review of Performance 2017/18 Risk/Performance/Governance Update Procurement Update Audit Committee Action Tracker Report
10 April 2018	Wales Audit Office Annual Plan 2018 Wales Audit Office Update Report Internal Audit Charter 2018/19 Internal Audit Annual Plan 2018/19 Corporate Fraud Annual Plan 2018/19 Draft Audit Committee Annual Report 2017/18 Audit Committee Action Tracker Report

*Note: Agenda items in **Bold** are standard agenda items that occur at set times throughout the financial year.*