



City and County of Swansea

Notice of Meeting

You are invited to attend a Meeting of the

Audit Committee

At: Committee Room 2 - Civic Centre, Swansea

On: Tuesday, 11 February 2020

Time: 2.00 pm

Chair: Paula O'Connor

Membership:

Councillors: C Anderson, P M Black, D W Helliwell, T J Hennegan, P R Hood-Williams, O G James, P K Jones, J W Jones, E T Kirchner, M B Lewis, S Pritchard, 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 - 7
4	Scrutiny Work Programme 2019-20. (Councillor M H Jones)	8 - 63
5	Presentation - Update on Internal Control Environment Including Risk Management - Director of Place. (Martin Nicholls)	
6	Internal Audit Annual Plan Methodology Report 2020/21. (Simon Cockings)	64 - 90
7	Internal Audit Recommendation Follow-Up Report Quarter 3. (Simon Cockings)	91 - 96
8	Governance Group Update Report. (Verbal) (Adam Hill)	
9	Overview of the Overall Status of Risk - Quarter 3 2019/20. (Richard Rowlands)	97 - 105
10	Trusts & Charities. (Jeff Dong)	106 - 115

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|----|--|------------------|
| 11 | Audit Committee Action Tracker Report. (For Information)
(Jeremy Parkhouse) | 116 - 120 |
| 12 | Audit Committee Work Plan. (For Information) (Jeremy
Parkhouse) | 121 - 130 |

Next Meeting: Tuesday, 10 March 2020 at 2.00 pm

Huw Evans

**Huw Evans
Head of Democratic Services
Tuesday, 4 February 2020**

Contact: Democratic Services: - 636923

53 Presentation - Update on Internal Control Environment (Including Risk Management) – Director of Social Services.

Dave Howes, Director of Social Services, provided the Audit Committee with a detailed and informative presentation on Governance and Assurance within the Social Services Directorate. Details provided included: -

- Overview;
- Assurance Framework;
- Financial Control;
- Performance Management;
- Scrutiny & Assurance;
- Business and Improvement Planning;
- Evidence of What's Working.

The Committee asked a number of questions of the Director, which were responded to accordingly. The following were discussed: -

- Staff costs, including care and support staff not directly managed by the Council;
- The most cost effective way of managing staff;
- Inflationary pressures, particularly in the last few years which were at approximately 5%;
- Social care inflation, e.g. cost of the living wage and the bulk of Social Services staff being at the bottom of the pay scale;
- Recovery savings plan to counter any projected overspends and balancing the Social Services budget at the end of the financial year;
- Main areas of risk within the department, including the recruitment / retention of staff;
- Work of the internal Community Hub Team in obtaining grant funding / organising the department to comply with Welsh Assembly Government (WAG) requirements;
- System of WAG funding, the potential impact of Brexit and the need to have the money up front instead of via grant funding;
- Essential link between NHS and Social Services;
- The provision of recovery plans by the Director to the Section 151 Officer and confirmation that the officers continued working together to balance the Social Services budget.

The Chair thanked the Director of Social Services for his presentation and stated that it had provided the Committee with a thorough understanding of procedures within the Social Services Directorate. She added that the presentation had also provided assurance in relation to management controls that are operating within Social Services and the risks around financial pressures that were being worked through, in conjunction with the Section 151 Officer.

Resolved that the content of the presentation be noted.

54 Fundamental Audits 2018/19 - Recommendation Tracker.

Simon Cockings, Chief Auditor presented a report which provided a summary of the recommendations made following the fundamental audits in 2018/19 and identified whether the agreed recommendations had been implemented.

Appendix 1 showed, for each fundamental audit, the number of recommendations made following the 2018/19 audits and whether they had been implemented, partly implemented, not implemented or were not yet due. A summary of the latest position on the 46 recommendations made was provided and the percentage of recommendations implemented by 30 September 2019 was 76%.

An analysis of the 11 recommendations, which had been partly or not implemented over the classification of audit recommendations used by the Internal Audit Section, was provided at Appendix 2. The Appendix showed that of the five recommendations that had been partly implemented, one was classed as high risk, two were medium risk, one was low risk and one was a good practice recommendation and were in relation to the Accounts Receivable audit. The Accounts Receivable audit continued to be completed on an annual basis and as a result, the implementation of the outstanding recommendations would be reviewed as part of the 2019/20 audit. The remaining six recommendations that had not been implemented were classed either low risk or good practice and were in relation to the Accounts Payable audit. The recommendations which had been partly or not implemented were provided at Appendix 3.

The Accounts Receivable Audit was issued with a moderate level of assurance in March 2019, with a summary of the key issues that resulted in the assurance rating being reported to Audit Committee in June 2019 as part of the Internal Audit Quarterly Monitoring Report.

The Audit Committee also received an update report from the Service Centre Manager and Cash Management & Accounts Receivable Manager, which detailed the progress that had been made in implementing the recommendations made as at May 2019. The Chair of the Audit Committee queried whether the 'decentralisation' of debt recovery was prolonging the recovery process and assurances were sought in relation to the effectiveness of the debt recovery process via the follow up exercise.

The results of the follow up exercise revealed that the actual recovery of debt had not been 'decentralised' as such, as the Accounts Receivable (AR) Team, in collaboration with the Legal Department, still retained overarching responsibility for the debt recovery process. This process and the associated time limits, had not changed. However, it was confirmed that the Accounts Receivable Team relied on Service Department (SD) involvement at various stages during the process. The steps involved in the invoicing and debt recovery process were summarised at Appendix 4.

The Committee were updated on the progress made. It was noted that that due to Oracle Cloud testing that commenced in November 2019, three of the six existing AR staff had been seconded to this project for a year. It was envisaged that the

three vacancies in the AR team would be filled and the remaining staff would be required to provide training. This would have a further immediate impact on the department's capacity to undertake recovery activities.

Sian Williams, Service Centre Manager and Michelle Davies, Cash Management & Accounts Receivable Manager informed the Committee regarding the positive progress made.

The Committee discussed the following: -

- Procedure for dealing with disputed invoices and how they were the responsibility of the Service Department;
- Debt recovery procedure involving Accounts Receivable / Legal;
- Reasons why staff were transferred to assist with Oracle Cloud testing;
- Timelines of the debt recovery process;
- Complexities of Social Services debt;
- Reliance of AR upon Service Department;
- Responsibility of Heads of Service' regarding outstanding disputes;
- Debt write off procedure;
- Escalating issues to Corporate Management Team;
- Reduction in resources of AR Team and the impact upon the service.

The Chair expressed concern over staffing in the AR Team and the risks associated with the further delays in debt collection processes.

It was concluded that overall the results of the Recommendations Tracker exercise to the end of September 2019 were positive with 35 (75%) of agreed recommendations due for implementation being implemented. A small number of recommendations still required work to implement or were due for implementation prior to the end of the financial year. Progress on the implementation of these recommendations would be reviewed during the fundamental audits for 2018/19.

Resolved that: -

- 1) The contents of the report be noted;
- 2) Lists of disputes of over 60 days old be forwarded to Corporate Management Team;
- 3) The Service Centre Manager provides details of written off debt from the last 3 years to the Committee.

55 Wales Audit Office Proposals for Improvement: Six-month Status Update - December 2018 to June 2019.

Richard Rowlands, Strategic Delivery & Performance Manager presented a 'for information' report on the overview of the status of Swansea Council's response to earlier proposals for improvement made by Wales Audit Office, to provide assurance to the Committee on progress.

He added that a further update would be reported to the Committee early in the New Year.

The Chair expressed concern with the timeliness in completing actions as several remained outstanding / incomplete.

56 Overview of the Overall Status of Risk - Quarter 2 2019/20.

Strategic Delivery & Performance Manager presented a 'for information' report which presented an overview of the status of risk in the Council during Quarter 2, 2019/20 to provide assurance to the Committee on the operation of the risk management policy and framework within the Council.

Appendix A provided the Quarter 2, 2019/20 period and compared an overview of the position to Quarter 1, 2019/20. The Corporate Risk Register was provided at Appendix B and the Directorate Risk Register at Appendix C.

The Committee discussed the following: -

- CR 88 – Health and safety / CR101 – Regional working being the responsibility of the officer with responsibility for the risk and how many Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) cases were reported to Health & Safety Executive in 2018 and 2019;
- CR 90 / 102 – Decision to leave the European Union (Brexit) – uncertainty regarding the Shared Prosperity Fund and work of the Brexit Steering Group which had looked at new controls required – particularly the uncertainty surrounding the shared prosperity fund;
- CR89 – New legislative and statutory requirements – Section 6 of the Environment Act 2016;
- CR101 – Regional working – particularly partnership governance;
- PE85 – Workforce planning – what systems failures had occurred;
- PE98 – availability of domiciliary care – what systems failures had occurred;
- Summary – Changes to Risk Registers – changes not being recorded / risks not being reviewed / procedures not being adhered to / providing feedback to risk owners / lack of resources to follow-up effectively;
- Risk owners being asked to explain to the Committee why they had not complied with procedures;
- New risk app requiring further development in order to produce reports that can provide the committee with assurance on the management of risks;
- All risks being the responsibility of risk owners, particularly high-level risks and being provided with assurances regarding those risks.

The Wales Audit Office representative offered advice on exception reporting and would liaise with officers going forward.

The Chair stated that the risks should be closely monitored to ensure progress is made. She also expressed ongoing concern with the format and content of the Risk Report but noted the efforts of the Strategic Delivery & Performance Manager to develop a report that would enable the Committee to fulfil its terms of reference.

57 Treasury Management - Interim Year Review Report 2019/20.

The Section 151 Officer provided 'for information' the Treasury Management – Interim Year Review Report that was presented to Council on 27 November 2019.

He confirmed that no additional borrowing had been undertaken in 2019/20 and that the total external debt is £554m at an average interest rate of 4.22%.

Reference was also made to the decision of HM Treasury to make Public Works Loans Board (PWLB) loans subject to an additional 1% premium over and above existing margins above prevailing Gilt yields. It was added that representations were being made via Welsh Local Government Association (WLGA) and Welsh Government about the negative impact this change will have upon capital programmes in progress throughout local authorities in Wales.

58 Revenue and Capital Budget Monitoring - 2nd Quarter 2019/20.

The Section 151 Officer, supported by the Cabinet Member for Economy & Strategy provided 'for information' the Revenue and Capital Budget Monitoring Report that was presented to Cabinet on 21 November 2019.

The forecast overspend was highlighted and it was noted that it was less than in previous years. Savings of £45m in respect of interest charges were also noted. The Cabinet Member emphasised that robust savings plans were in place and he was confident that the targets would be achieved.

The Committee discussed the following: -

- Comments of Directors, the little appetite for exploring new ways of working and challenging their positions;
- Directors looking deeper into services which were under pressure;
- Obligation of Directors to end the financial year with balanced budgets;
- Transfer and review of the Welsh Translation Unit, including cost and charges;
- Staff resource and how this would affect front-line services if reductions were made;
- How the settlement received from Welsh Government would ultimately influence the position of the Authority;
- Directorates not achieving their identified savings in previous years.

Resolved that: -

- 1) The contents of the report be noted;
- 2) Figures regarding the Welsh Translation Service be circulated to the Committee.

59 Review of Revenue Reserves.

The Section 151 Officer presented the Review of Revenue Reserves report 'for information'.

60 Appointment of Additional Lay Member to Audit Committee.

The Chief Auditor presented a report, which requested the Committee to consider the appointment of an additional Lay Member to the Audit Committee.

It was added that the Local Government (Wales) Measure 2011 required that each council should appoint an Audit Committee in line with the recommendation made by CIPFA in 2005. The Welsh Government had provided statutory guidance covering the functions and membership of the Audit Committee and a copy of the guidance was provided at Appendix 1.

Furthermore, following the completion of a benchmarking exercise comparing the number of Lay Members appointed to other Local Authority Audit Committees across Wales, it was proposed that the Council appointed one additional Lay Member to the City and County of Swansea's Audit Committee. Members were advised that adding an additional lay member would help ensure the Committee was better equipped to meet possible proposed legislative changes to the committee structure by Welsh Government that were currently out for consultation, which initially suggested that the Committee would require a third of its members to be lay members.

Resolved that the appointment be deferred subject to the proposed legislative changes being finalised.

61 Audit Committee Action Tracker Report.

The Audit Committee Tracker Report was provided 'for information'.

It was noted that substantial progress had been made in respect of the Young People's Service Moderate Rating Follow-up update. Progress would be provided in the Quarter 3 Monitoring Report.

62 Audit Committee Work Plan.

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

It was noted that the Mid-Term Budget Statement 2019/20 would be deleted from the Plan, as it would not be reported to Council.

The meeting ended at 4.05 pm

Chair

Agenda Item 4



Report of the Chair of the Scrutiny Programme Committee

Audit Committee – 11 February 2020

For Information: Scrutiny Work Programme 2019-20

Purpose:	<p>This report supports the developing relationship between scrutiny and the Audit Committee and sharing of information. It explains the background and purpose of the scrutiny work programme, which is developed, managed and monitored by the Scrutiny Programme Committee.</p> <p>The report shows:</p> <ul style="list-style-type: none">• the overall agreed Scrutiny Work Programme, including work being carried out through various Scrutiny Panels and Working Groups established by the Committee;• the work plan of the Scrutiny Programme Committee itself;• the work plan of the Service Improvement & Finance Scrutiny Performance Panel and• the Scrutiny Annual Report for 2018-19 which was reported to Council on 24 October 2019.
Policy Framework:	Council Constitution
Consultation:	Legal, Finance and Access to Services
Recommendation:	The Committee is invited to make comments as necessary in support of the relationship between scrutiny and the Audit Committee.
Lead Councillor:	Councillor Mary Jones, Chair of the Scrutiny Programme Committee
Report Author:	Brij Madahar, Scrutiny Team Leader Tel: 01792 637257 E-mail: brij.madahar@swansea.gov.uk
Legal Officer:	Debbie Smith
Finance Officer:	Simon Cockings
Access to Services Officer:	Catherine Window

1. Developing the Relationship between Scrutiny and the Audit Committee.

- 1.1 It has been previously identified and 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
- 1.2 In support of this the following actions were agreed in 2015-16:
- i) Chair of Scrutiny Programme Committee / Convener of Service Improvement & Finance Scrutiny Performance Panel copied into Audit Committee agenda and vice versa
 - ii) Scrutiny Work Programme / Service Improvement & Finance Panel Work Plan published in Audit Committee agenda for information and vice versa
 - iii) At least once a year chair of Scrutiny Programme Committee appears at Audit Committee to share work plan and for a 'health-check' and vice-versa
 - iv) Audit Committee chair invited to Annual Scrutiny Work Planning Conference
 - v) Chairs raise any issues re. coordination / duplication on ongoing basis
 - vi) Where matters to be referred from Audit Committee chair writes letter to chair of Scrutiny Programme Committee
- 1.3. In terms of strengthening links between scrutiny and audit / inspectors / regulators, the Scrutiny Programme Committee and/or relevant Scrutiny Performance Panels routinely consider any such external reports published (e.g. from Wales Audit Office; Estyn; Care Inspectorate Wales) and the Council's response to recommendations and action plans, with follow up as necessary. Recommendations will be tracked and monitored by scrutiny, and the degree of involvement will of course depend on the level of concern and importance around the issues raised by external audit / inspectors / regulators, given limited time and resources.

2. The Scrutiny Work Programme

- 2.1 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.

2.2 The broad aim of the scrutiny function is:

To carry out a significant and constructive programme of activities that will:

- help improve services;
- provide an effective challenge to the executive;
- engage members in the development of policies, strategies and plans; and
- engage the public.

2.3 At the same time the committee must ensure that the work of scrutiny is:

- manageable, realistic and achievable given resources available
- relevant to corporate priorities
- adding value and having maximum impact
- coordinated and avoids duplication

2.4 The Scrutiny Work Programme is guided by the overriding principle that the work of scrutiny should be strategic and significant, focussed on issues of concern, and represent a good use of scrutiny time and resources. A Work Planning Conference takes place each year, at which all non-executive councillors are invited, to guide the focus of the scrutiny work programme, and is taken into account by the Scrutiny Programme Committee in agreeing the work programme.

3. **Methods of Working**

3.1 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:

- a) **Formal committee meetings** – as well as developing and managing the overall work programme and keeping an oversight on all scrutiny activities, the committee will focus on holding Cabinet Members to account by holding formal questioning sessions, and provide challenge on a broad range of policy and service issues over the course of the year. Matters considered at committee meetings will typically be ‘one-off’ opportunities for questions, which will result in the committee communicating findings, views and recommendations for improvement through chairs letters to Cabinet Members, and where appropriate by producing reports.
- **Informal panels** – Scrutiny panels are established, with conveners and members appointed by the committee, to carry out in-depth inquiries or undertake in-depth monitoring of particular services. The use of panels helps to ensure that scrutiny can be flexible and responsive to issues of concern:

i) Inquiry Panels: to undertake discrete in-depth inquiries into specific and significant areas of concern on a task and finish basis. These would be significant topics where scrutiny can make a real difference. Inquiry panels are expected to take no longer than six months to complete and will produce a final report at the end of the inquiry with conclusions and recommendations for Cabinet (and other decision-makers), informed by the evidence gathered.

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

ii) Performance Panels: to provide in-depth monitoring and challenge for clearly defined service areas. Performance panels are expected to have on-going correspondence with relevant cabinet members in order to share views and recommendations, arising from monitoring activities, about services.

b) ***Informal working groups*** – although the majority of scrutiny work is carried out through the Committee and Panels, the Committee can also establish informal Working Groups of councillors. This supports flexible working and this method of working is intended to be light-touch – effectively a one-off meeting to consider a specific report or information, resulting in a letter to relevant Cabinet Member(s) with views and recommendations, or report to Cabinet as deemed necessary.

3.2 These arrangements help to achieve more focused scrutiny activity and provide flexibility to deal with things in different ways, depending on the issue, and improve impact.

3.3 Non executive councillors who are not members of the committee have the opportunity to participate in panels and other informal task and finish groups. New panel / working group topics, once agreed, are advertised to all non executive councillors and expressions of interest sought. The membership of panels and working groups is then determined by the committee. More than one political group should be represented on each panel / working groups. These bodies also need to be of a manageable size in terms of team working and effective questioning. A minimum of 3 members should be present at all meetings.

3.4 Although much of the work of scrutiny is carried out by informal Panels and Working Groups these meetings are accessible to the public. Agendas, reports, letters relating to all such scrutiny activities will be published, in the same manner as the committee, on the Council's modern.gov online platform:

<https://democracy.swansea.gov.uk/ieDocHome.aspx?bcr=1&LLL=0>

3.5 The following information is appended:

- the overall agreed Scrutiny Work Programme, including work being carried out through various Scrutiny Panels and Working Groups established by the Committee (**Appendix 1**)
- the work plan of the Scrutiny Programme Committee itself (**Appendix 2**)
- the work plan of the Service Improvement & Finance Scrutiny Performance Panel (**Appendix 3**)
- Scrutiny Annual Report 2018-19 (**Appendix 4**)

4. Monitoring the Work Programme

4.1 The Scrutiny Programme Committee maintain an overview of all scrutiny activities to ensure that the work programme is co-ordinated and effective. In particular the committee monitors progress of work undertaken by the informal Panels and Working Groups and findings to ensure that this work is effective and has the required visibility. Performance Panel conveners provide regular updates on their work which enables discussion on key activities and impact.

5. Scrutiny Annual Report 2018-19

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

5.2 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

5.3 The Annual Report looking back at 2018-19 was presented to Council on 24 October 2019 for discussion. This report can be found as **Appendix 4**

5.4 The report takes a 'results based' approach, to show:

- How much scrutiny we did
- How well we did
- How much scrutiny affected the business of the Council
- The outcomes of scrutiny

6. Financial Implications

6.1 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.

7. Legal Implications

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

8. Equality & Engagement Implications

8.1 There are no specific equality and engagement implications raised by this report.

Background papers: None

Appendices:

Appendix 1: Agreed Scrutiny Work Programme 2019-20

Appendix 2: The Committee Work Plan 2019-20

Appendix 3: Service Improvement & Finance Panel Work Plan 2019-20

Appendix 4: Scrutiny Annual Report 2018-19

Agreed Scrutiny Work Programme 2019/20

New Inquiry Panel (time-limited in-depth scrutiny – six months)	New Working Groups (light-touch scrutiny / one-off meetings)	Performance Panels (ongoing in-depth performance / financial monitoring & challenge)	Issues for Scrutiny Programme Committee (Overall work programme management; Cabinet Member Q & As; discussion of broad range of policy and service issues)
<p>1. Procurement (Terms of Reference to be agreed by Panel but may look at effectiveness of process & Strategy; value for money / social value; benefits to local economy; impact of local procurement on regeneration / jobs; financial savings to Council; collaboration etc)</p> <p>Follow Up of Previous Inquiries:</p> <p>1. Regional Working 2. Equalities</p>	<p>1. Brexit (Council preparedness and resilience; how is this being discussed; what plans / contingencies are being put in place given possible impact, relationship with Wales / UK Government)</p> <p>2. Employee Health & Wellbeing (how the Council supports members of staff; issues around staff sickness; pressures)</p> <p>3. Road Safety (hot spots; work to improve safety; preventative measures; speed controls; safety of cycling routes; partnership working)</p> <p>4. Digital Inclusion (follow up on previous -Mar 2017- discussion around digital transformation, the Council's digital inclusion strategy, and how well prepared both the Council and the public is to use and communicate / engage via digital technology to avoid exclusion / poor access)</p>	<p>1. Service Improvement & Finance (monthly)</p> <p>2. Education (monthly)</p> <p>3. Adult Services (monthly)</p> <p>4. Child & Family Services (every two months)</p> <p>5. Development & Regeneration (every two months)</p> <p>6. Natural Environment (quarterly)</p> <p>7. Public Services Board (twice yearly)</p> <p>Specific issues to pick up:</p> <ul style="list-style-type: none"> • Service Improvement & Finance: <ul style="list-style-type: none"> - Budget (spend / sustainability) - Waste & Recycling (incl. issues around plastic waste, civic amenity site provision; influence on commercial organisations) - Embedding Welsh Language Measures - Archives Service (concern about accommodation issues and their effect on current/future service) - Co-production (Council's approach to improving involvement and engagement, embedding Well-being of Future Generations Act) • Education: <ul style="list-style-type: none"> - Additional Learning Needs (impact of new legislation) - Performance of Children on Free School Meals • Adult Services: <ul style="list-style-type: none"> - Commissioning of Residential Care (quality of service / contracts; financial stability) 	<ul style="list-style-type: none"> • Specific discussions: <ul style="list-style-type: none"> - Corporate Safeguarding - Housing Commissioning Review • Cabinet Member Q & A Sessions (issues to pick up): <ul style="list-style-type: none"> - Policy Commitments - Poverty Reduction - Regional Working - 5G Roll-out & Health Concerns (local impact; council involvement re. testing and response) - Fires on Kilvey Hill - Beach / Cliff Incidents - Youth Work - Homelessness Strategy & Action Plan Progress - Council Housebuilding - Rural Economy • Crime & Disorder Scrutiny: <ul style="list-style-type: none"> - Child Sexual Exploitation / County Lines (size / scope of problem & efforts to tackle) - Community Cohesion / Hate Crime • Follow Up on Previous Working Groups: <ul style="list-style-type: none"> - Welfare Reform - Environmental Enforcement - Anti-Social Behaviour

Agreed Scrutiny Work Programme 2019/20

	<p>Reserve List:</p> <ul style="list-style-type: none"> • Active Travel (are we meeting obligations of Welsh Government Active Travel Act; encouragement of cycling / walking) • Leisure Facilities (assessment of the leisure offer to residents and visitors; discussion around issues; gaps; work to cater for the young e.g. skateboard parks) • Services for the Disabled and their Carers (Council's overall approach to inclusion / access to information, advice, and services, improving quality of life, progress with Carers Strategy; compliance with legislation) 	<ul style="list-style-type: none"> - Quality of Needs Assessments / Care Plans - Charging - Availability of Specialised Dementia Beds in Care Homes - Waiting Lists for Care in the Community • Child & Family Services: <ul style="list-style-type: none"> - Youth Offending Service (effectiveness of new local arrangements following critical regional inspection) • Development & Regeneration: <ul style="list-style-type: none"> - Inward Investment (concern about retail collapse in city centres; advice/support to SMEs) - City Deal & Wider Regeneration - Management of Gower AONB - Regeneration Projects in Deprived Communities - Seafront Proposals - Student Accommodation Developments (managing impact) • Natural Environment: <ul style="list-style-type: none"> - Follow up on Inquiry Recommendations - Local Flood Risk Management - Pollution Control - Use of Glyphosate for Weed Spraying - Council action on Climate Change 	<ul style="list-style-type: none"> - Tourism
<p>Regional Scrutiny</p> <ul style="list-style-type: none"> • ERW (Education through Regional Working) • City Deal (Swansea Bay City Region Joint Scrutiny Committee) 			

Scrutiny Programme Committee – Work Plan 2019/20

Standing / Recurring Agenda Items:

Role of the Committee	<ul style="list-style-type: none"> To ensure understanding about the role of the Scrutiny Programme Committee, and discuss effective working
Scrutiny Work Programme	<ul style="list-style-type: none"> To consider feedback from Annual Scrutiny Work Planning Conference and proposals for the work programme, including work plan for future committee meetings To maintain overview on scrutiny work, monitor progress, and coordinate as necessary To receive progress reports from Conveners of Performance Panels on headlines from the Panel's work and achievements To plan for future committee meetings including key expectations e.g. key questions to explore, witnesses / information required To review future cabinet business and consider opportunities for pre-decision scrutiny To consider any councillor / public requests for scrutiny and/or Councillor Calls for Action (CCfA)
Membership of Scrutiny Panels and Working Groups	<ul style="list-style-type: none"> To agree membership of Scrutiny Panels and Working Groups (including appointment of conveners) and subsequent changes
Scrutiny Letters	<ul style="list-style-type: none"> To review scrutiny letters and Cabinet Member responses arising from scrutiny activities
Scrutiny Dispatches (Quarterly)	<ul style="list-style-type: none"> To approve content of Dispatches prior to reporting to Council, ensuring visibility and awareness of headlines from scrutiny activities, achievements and impact
Scrutiny Annual Report	<ul style="list-style-type: none"> To agree the annual report of the work of overview & scrutiny for the previous municipal year, as required by the Council Constitution
Final Scrutiny Inquiry Reports	<ul style="list-style-type: none"> To receive final reports (including conclusions and recommendations) of Inquiry Panel prior to submission to Cabinet for decision
Scrutiny Events	<ul style="list-style-type: none"> Information about upcoming and feedback from recent scrutiny events (e.g. relevant regional / national scrutiny development & improvement Issues; WLGA / CfPS network meetings)
Annual Work Plan Review	<ul style="list-style-type: none"> To reflect on the year's work, achievements, experiences, issues, ideas for future scrutiny

Page 51

ACTIVITY	8 July 2019	1 August 2019*	12 August 2019	9 September 2019	14 October 2019	11 November 2019
Scrutiny Work Programme	<ul style="list-style-type: none"> • Role of the Committee • Draft Work Programme for Agreement • Scrutiny / Audit Committee Coordination 					
Cabinet Member Question & Answer Sessions			Business Transformation & Performance (Deputy Leader)	Homes & Energy	Education Improvement, Learning & Skills	Children Services (Early Years and Young People)
Other Cabinet Member / Officer Reports		Housing Commissioning Review			Annual Corporate Safeguarding Report	
Scrutiny Performance Panel Progress Reports			Service Improvement & Finance	Adult Services	Education	Child & Family Services
Pre-decision Scrutiny				Enterprise Resource Planning (ERP) System		
Final Scrutiny Inquiry Reports	Equalities					
Scrutiny Reports to Council					Scrutiny Annual Report 2018/19	Scrutiny Dispatches Impact Report

ACTIVITY	18 November 2019*	8 January 2020*	13 January 2020	10 February 2020	9 March 2020	20 April 2020
Scrutiny Work Programme						
Cabinet Member Question & Answer Sessions			Economy & Strategy (Leader)	<ul style="list-style-type: none"> Environment & Infrastructure Management Care, Health & Ageing Well 	Investment, Regeneration & Tourism	Better Communities (People and Place)
Other Cabinet Member / Officer Reports					<ul style="list-style-type: none"> Sustainable Swansea Programme – Commissioning Reviews: Service Areas – Post Implementation Updates Children & Young People’s Rights Scheme Annual Progress Report 2019 	
Scrutiny Performance Panel Progress Reports			<ul style="list-style-type: none"> Service Improvement & Finance Development & Regeneration 	Adult Services	Education	Natural Environment
Pre-decision Scrutiny	Housing Commissioning Review Option Appraisal Report	Foreshore Sites - Public Consultation and Procurement Responses Summary and Next Steps.				
Final Scrutiny Inquiry Reports						

Scrutiny Reports to Council				Scrutiny Dispatches Impact Report		
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ACTIVITY	11 May 2020					
Scrutiny Work Programme	<ul style="list-style-type: none"> Annual Work Programme Review Progress on Scrutiny Improvement Objectives 					
Cabinet Member Question & Answer Sessions	Delivery					
Other Cabinet Member / Officer Reports						
Scrutiny Performance Panel Progress Reports	Public Services Board					
Pre-decision Scrutiny						
Final Scrutiny Inquiry Reports						
Scrutiny Reports to Council	Scrutiny Dispatches Impact Report					

* denotes extra meeting

To Be Arranged:

Scrutiny / Audit Committee Coordination	<ul style="list-style-type: none"> • Chair of Audit Committee to attend to share work plan of Audit Committee / Annual Report. Discussion to ensure: <ul style="list-style-type: none"> - mutual awareness and understanding of respective work plans and co-ordination - issues relating to work programmes can be discussed
Wales Audit Office Reports	<ul style="list-style-type: none"> • Corporate Safeguarding
Final Scrutiny Inquiry Report(s)	<ul style="list-style-type: none"> • tbc

Specific Recurring Reports to Committee:

Annual Corporate Safeguarding Report	<ul style="list-style-type: none"> • To consider report of the Council's Corporate Safeguarding Group. The report is cross cutting (i.e. covers safeguarding of adults and children) and is not a report on social services performance but on how the Council as whole is meeting its safeguarding responsibilities.
Children & Young People's Rights Scheme – Annual Progress Report	<ul style="list-style-type: none"> • To discuss annual progress report on implementation of Children & Young People's Rights Scheme, and consider impact (scheme was agreed by Cabinet in October 2014).
Sustainable Swansea Programme – Commissioning Reviews: Service Areas – Post Implementation Updates	<ul style="list-style-type: none"> • Regular update on progress in implementation of service changes following Commissioning Reviews / outcomes.
Crime & Disorder Scrutiny – Safer Swansea Partnership	<ul style="list-style-type: none"> • Joint Chairs of Safer Swansea Partnership to attend to provide information and take questions on the performance of the Partnership to enable committee to explore plans / objectives, achievements, impact, challenges etc

Service Improvement and Finance Work Plan 2019-20

<p>Meeting 1 24th June 2019</p>	<ol style="list-style-type: none"> 1. Re-election of Convener <ul style="list-style-type: none"> • Bethan Hopkins – Scrutiny Officer 2. Terms of Reference <ul style="list-style-type: none"> • Panel Convener 3. WAO Report – Local Government Data Use <ul style="list-style-type: none"> • Cllr Clive Lloyd – Cabinet Member for Business Transformation & Performance • Sarah Caulkin – Chief Transformation Officer 4. End of Year Review <ul style="list-style-type: none"> • Panel Convener 5. Work Plan 2019/20
<p>Meeting 2 22nd July 2019</p>	Cancelled
<p>Meeting 3 19th August 2019</p>	<ol style="list-style-type: none"> 1. End of Year 2018/19 Performance Monitoring Report <ul style="list-style-type: none"> • Richard Rowlands – Corporate Performance Manager • Cllr Clive Lloyd – Cabinet Member for Business Transformation and Performance 2. Q1 Revenue and Capital Budget Monitoring 2019/20 <ul style="list-style-type: none"> • Ben Smith – Head of Financial Services and Service Centre 3. Revenue Outturn and Savings Tracker 2018/19 <ul style="list-style-type: none"> • Ben Smith – Head of Financial Services and Service Centre 4. Revenue Outturn 2018/19 (HRA) <ul style="list-style-type: none"> • Ben Smith – Head of Financial Services and Service Centre 5. Capital Outturn and Financing 2018/19 <ul style="list-style-type: none"> • Ben Smith – Head of Financial Services and Service Centre
<p>Meeting 4 16th September 2019</p>	<ol style="list-style-type: none"> 1. Archives <ul style="list-style-type: none"> • Tracey McNulty – Head of Cultural Services • Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration and Tourism 2. Charges Item <ul style="list-style-type: none"> • Chris Williams – Head of Commercial Services • Cllr Clive Lloyd – Cabinet Member for Business Transformation and Performance
<p>Meeting 5 21st October 2019</p>	<ol style="list-style-type: none"> 1. Reserve Update <ul style="list-style-type: none"> • Jeff Dong – Deputy Chief Finance and Deputy 151 Officer 2. Recycling and Landfill - Annual Performance Monitoring 2018/19 <ul style="list-style-type: none"> • Chris Howell – Head of Waste Management and Parks • Cllr Mark Thomas – Cabinet Member for Environment and Infrastructure Management 3. Q1 Performance Monitoring Report 2019/20 <ul style="list-style-type: none"> • Richard Rowlands – Corporate Performance Manager • Cllr Clive Lloyd – Cabinet Member for Business Transformation and Performance

<p>Meeting 7 9th December 2019</p>	<p>1. Mid-Year Budget Statement 2019/20</p> <ul style="list-style-type: none"> Ben Smith – Head of Financial Services and Service Centre <p>2. Q2 Budget Monitoring 2019/20</p> <ul style="list-style-type: none"> Ben Smith – Head of Financial Services and Service Centre <p>3. Planning Annual Performance Report 2018/19 and Response to WAO Report</p> <ul style="list-style-type: none"> Ryan Thomas - Development Conservation and Design Manager Cllr David Hopkins – Cabinet Member for Delivery
<p>Meeting 8 20th January 2020</p>	<p>1. Q2 Performance Monitoring Report 2019/20</p> <ul style="list-style-type: none"> Richard Rowlands – Corporate Performance Manager Cllr Clive Lloyd – Cabinet Member for Business Transformation and Performance <p>2. Budget Proposals</p> <ul style="list-style-type: none"> Ben Smith – Head of Financial Services and Centre
<p>Budget Meeting 9 19th February 2020 (tentative)</p>	<p>1. Sustainable Swansea - Fit for the Future: Budget Proposals 2020/21 – 2023/24 – pre-decision</p> <ul style="list-style-type: none"> Ben Smith – Head of Financial Services Service Centre Cllr Rob Stewart – Cabinet Member for Economy and Strategy
<p>Meeting 10 2nd March 2020</p>	<p>1. Corporate Complaints Annual Report 2018/19</p> <ul style="list-style-type: none"> Julie Nicholas Humphreys - Customer Services Manager Cllr David Hopkins – Cabinet Member for Delivery and Performance <p>2. Q3 Budget Monitoring 2019/20</p> <p>Ben Smith – Head of Financial Services and Service Centre Cllr Rob Stewart – Cabinet Member for Economy and Strategy</p> <p>3. Wales Audit Office Report on Local Government Use of Data</p> <p>Steve King – Information, Research & GIS Team Leader Cllr Clive Lloyd – Resilience and Strategic Collaboration</p>
<p>Meeting 11 30th March 2020</p>	<p>1. Welsh Public Library Standards Annual Report 2018/19</p> <ul style="list-style-type: none"> Karen Gibbins - Principal Librarian for Information & Learning Cllr Robert Francis Davies – Cabinet Member Investment, Regeneration and Tourism <p>2. Q3 Performance Monitoring Report 2019/20</p> <ul style="list-style-type: none"> Richard Rowlands – Corporate Performance Manager Cllr David Hopkins – Cabinet Member for Delivery and Performance
<p>Meeting 12 11th May 2020</p>	<p>1. Annual Review of Well-being Objectives and Corporate Plan 2018/22</p> <ul style="list-style-type: none"> Richard Rowlands – Corporate Performance Manager Cllr Rob Stewart – Cabinet Member Economy and Strategy

- Also WAO Reports, Pre-Decision Items and Data Unit Wales – Local Government Performance Bulletin

Scrutiny Annual Report 2018/19



Contents

1.	Chair’s Foreword	1
2.	Swansea Scrutiny Results Scorecard 2018-19	2
3.	About the Indicators	3
3.a	How much scrutiny did we do?	3
3.b	How well did we do?	7
3.c	How much did scrutiny affect the business of the Council?	10
3.d	What were the outcomes of scrutiny?	16
4.	Impact	18
4.1	How Scrutiny Councillors have made a difference	18
5.	Feedback and Improvement	20
5.1	Improving scrutiny	20
5.2	Scrutiny Improvement Objectives	21
5.3	Feedback from Scrutiny Performance Panels	24
	For further information	27
	Appendix:	
	1 - Scrutiny Dispatches Impact Report - November 2018	
	2 - Scrutiny Dispatches Impact Report - February 2019	
	3 - Scrutiny Dispatches Impact Report - May 2019	

1. Chair's Foreword

Councillor Mary Jones, Chair of the Scrutiny Programme Committee



I am proud to present our second annual report of this Council term, as Chair of the Scrutiny Programme Committee.

Scrutiny is a vital part of local democracy and good governance. This report reflects on the range of different activities carried out by scrutiny councillors over the past year to make sure the work of the Council is accountable and transparent, effective and efficient, and helps the Council to achieve its objectives and drive improvement, by questioning and providing challenge to decision-makers.

Our report focuses on how scrutiny has made a difference for a better Swansea, and our efforts to support the continuous improvement of scrutiny practice here, building on the positive review of our scrutiny arrangements last year by the Wales Audit Office.

Measuring the performance of scrutiny in a meaningful way is not particularly easy, however we have tried to take a 'results based' approach to tell you about:

- How much scrutiny we did
- How well we did it
- How much scrutiny affected the business of the Council
- What the outcomes of scrutiny were

We hope that this report provides you with assurance and confidence that councillors involved in scrutiny are contributing to better services, policies and decisions, and a better Swansea.

Finally, I must give my thanks to all of the councillors who have led or participated in scrutiny over the past year. I look forward to reporting again on achievements in 12 months!

A handwritten signature in black ink that reads "Mary Jones".

2. Swansea Scrutiny Results Scorecard 2018-19

Scrutiny Practice	A. How much scrutiny did we do?	B. How well did we do?
	<ol style="list-style-type: none"> 1. Number of Committee meetings = 14 ↑ (13) 2. Number of Panel & Working Group meetings = 95 ↑ (69) 3. Number of in-depth inquiries completed = 1 ↔ (1) 4. Number of Working Group topics completed = 8 ↑ (7) 	<ol style="list-style-type: none"> 5. Average councillor attendance at scrutiny meetings = 69% ↑ (68%) 6. Backbench councillors actively involved in scrutiny = 71% ↓ (80%) 7. Meetings with public observers = 49% ↑ (20%) 8. Meetings with public input = 27% ↑ (11%) 9. Meetings attracting media coverage = 32% ↑ (7%)
Scrutiny Outcomes	C. How much did scrutiny affect the business of the Council?	D. What were the outcomes of scrutiny?
	<ol style="list-style-type: none"> 10. Number of chairs letters sent to cabinet members = 64 ↑ (63) 11. Average time for Cabinet Member response letter = 20 days ↑ (19) 12. Letters responded to within 21 day target = 63% ↓ (71%) 13. Number of scrutiny reports to Cabinet = 2 ↑ (1) 14. Cabinet Action plans agreed = 1 ↓ (2) 15. Follow ups undertaken = 2 ↓ (4) 16. Number of Cabinet reports subject to pre decision scrutiny = 8 ↓ (12) 17. Number of Cabinet reports subject to Call-in = 1 18. Cabinet members who attended at least one question and answer session at the Scrutiny Programme Committee = 100% ↔ (100%) 	<ol style="list-style-type: none"> 19. Scrutiny recommendations accepted or partly accepted by Cabinet = 100% ↑ (92%) 20. Recommendations signed off by scrutiny as completed = 56% ↓ (74%)

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

3. About the Indicators

In the past few years, we have reported on key results from our annual councillor and stakeholder survey. We did not carry out this survey during 2018-2019 due to resources. The survey includes asking whether people feel that:

- they have a good understanding of the work of scrutiny
- scrutiny arrangements are working well
- the scrutiny work programme balances community concerns against issues of strategic risk and importance
- scrutiny activities are well-planned
- non-executive members have good opportunities to participate in scrutiny
- scrutiny provides regular challenge to decision-makers
- scrutiny has a positive impact on the business of the Council; and,
- the level of support provided by the Scrutiny Team is either excellent or very good.

Last year's results were very positive and we hope that we will be able to carry out the survey during 2019/20 for the next annual report, to reflect on these important questions. However, we think that the evidence in this annual report reflects well on these aims.

A number of new measures have been included this year, which we feel improves the suite of indicators and provides a better picture of scrutiny work, achievements and impact. This includes showing the response from Cabinet Members to the various scrutiny letters, and the level of press and public engagement.

A. How much scrutiny did we do?

3.1 Number of Committee meetings = 14

The Council has a single overarching Scrutiny Committee, called the Scrutiny Programme Committee, which met 14 times during the 2018-19 municipal year.

The Committee is responsible for developing and managing the overall Scrutiny Work Programme. Overarching priorities were shaped by the annual work planning conference, which took place in June 2018 (open to all non-executive councillors), that heard a

range of perspectives on what should be included. All councillors can suggest particular topics of concern for possible scrutiny. The councillor-led Scrutiny Work Programme is guided by the overriding principle that the work of scrutiny should be strategic and significant, focussed on issues of concern, and represent a good use of scrutiny time and resources.

Specific scrutiny activities included in the work programme are carried out either by the Committee or by establishing informal Panels and Working Groups. All meetings are held in public.

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

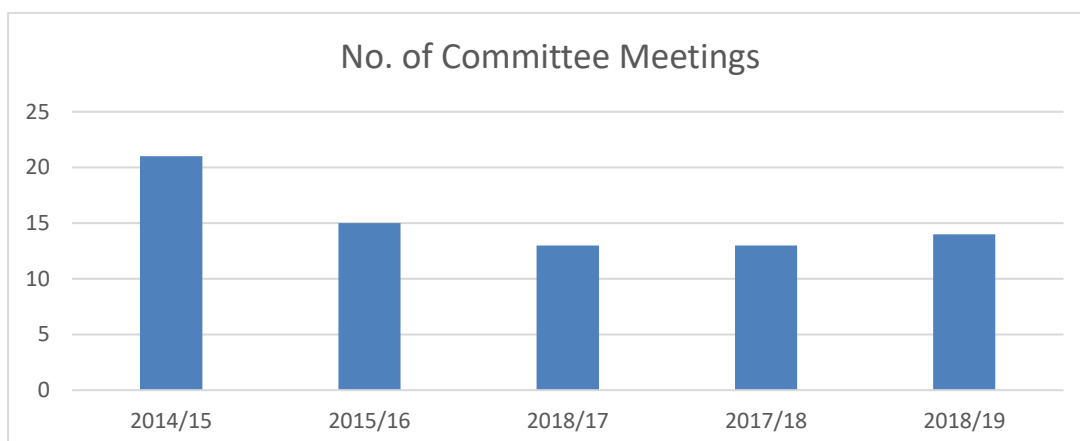
This included holding structured Question & Answer sessions with cabinet members to explore their work, looking at priorities, actions, achievements and impact.

The following topics were also examined by the Committee:

- Scrutiny Improvement & Development Objectives
- Swansea Bay City Deal Joint Scrutiny Committee
- Wales Audit Office Report – Overview & Scrutiny: Fit for the Future?
- Consultation on Draft Homelessness Strategy and Action Plan 2018-2022
- Annual Corporate Safeguarding Report
- Children & Young People’s Rights Scheme – Compliance & Progress
- Wales Audit Office Reports to Scrutiny
- Sustainable Swansea Programme - Commissioning Reviews: Service Areas Post Implementation Updates
- Scrutiny Improvement Action Plan (Wales Audit Office Report – Overview & Scrutiny: Fit for the Future? & Improvement Objectives)

The Committee is also the Council’s designated committee for Crime & Disorder Scrutiny and a meeting to discuss the performance of the local Community Safety Partnership, the Safer Swansea Partnership, took place in April 2019.

Comparison with previous years:



3.2 Number of Panel & Working Group meetings = 95

It is important that the Scrutiny Work Programme strikes a balance between community concerns and strategic issues. The Committee will consider what specific topics should feature in the programme so that it focusses on the right things.

Most of the work of scrutiny is delegated to informal topic based Panels and Working Groups. Scrutiny Panels and Working Groups are established by the Scrutiny Programme Committee, with an appointed convener (chair), to carry out specific scrutiny activities. There are two types of panels:

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

Topics examined during 2018-19:	Convener
<ul style="list-style-type: none"> Natural Environment Key Question: What should Swansea Council be doing to maintain, enhance and promote its natural environment and biodiversity, and in doing so promote the resilience of eco-systems? 	Cllr. Peter Jones
<ul style="list-style-type: none"> Equalities Key Question: How effectively is the Council meeting and embedding the requirements under the Equality Act 2010 (Public Sector Duty for Wales)? 	Cllr Louise Gibbard

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

Performance Panels 2018-19:	Convener
<ul style="list-style-type: none"> • Service Improvement & Finance (monthly) • Adult Services (monthly) • Schools* (monthly) • Child & Family Services (every two months) • Development & Regeneration (every two months) • Public Services Board (quarterly) 	Cllr. Chris Holley Cllr. Peter Black Cllr. Mo Sykes Cllr. Paxton Hood-Williams Cllr. Jeff Jones Cllr. Mary Jones

* since May 2019 the Panel is now known as the Education Performance Panel and Cllr Lyndon Jones is the new convener after Cllr Mo Sykes stood down

Working Groups are one-off meetings established to enable a 'light-touch' approach to specific topics of concern.

Working Groups 2018-19:	Convener
<ul style="list-style-type: none"> • Homelessness (carried over from 2017/18) • Community Cohesion & Hate Crime (carried over from 2017/18) • Air & Noise Pollution • Welfare Reform • Environmental Enforcement • Local Flood Risk Management (meets annually) • Anti-Social Behaviour • Tourism 	Cllr Peter Black Cllr Louise Gibbard Cllr Joe Hale Cllr Louise Gibbard Cllr Jeff Jones Cllr Peter Jones Cllr Terry Hennegan Cllr Peter Jones

3.3 Number of in-depth inquiries completed = 1

Work on the following in-depth inquiry was completed during 2018-19:

- Natural Environment: *What should Swansea Council be doing to maintain, enhance and promote its natural environment and biodiversity, and in doing so promote the resilience of eco-systems?*

3.4 Number of Working Group topics completed = 8

Work on the following topics was completed during 2018-19 through meetings of Working Groups:

- Homelessness (carried over from 2017/18)
- Community Cohesion & Hate Crime (carried over from 2017/18)
- Air & Noise Pollution
- Welfare Reform
- Environmental Enforcement
- Local Flood Risk Management (meets annually)
- Anti-Social Behaviour
- Tourism

B. How well did we do?

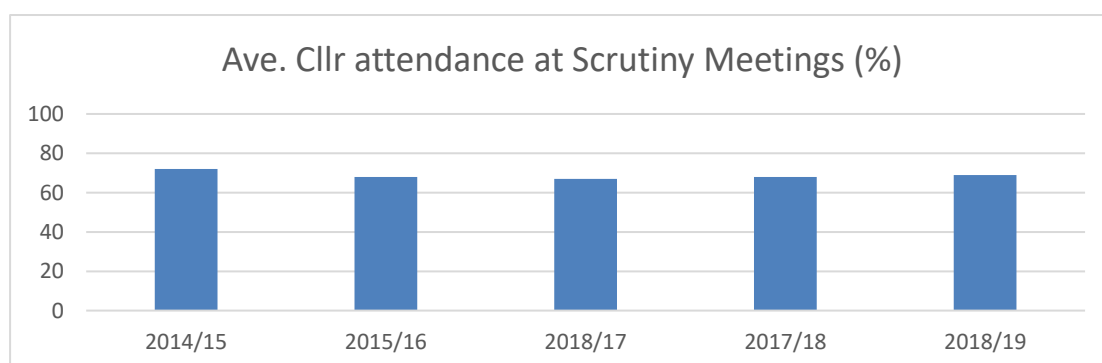
3.5 Average councillor attendance at scrutiny meetings = 69%

The rate of councillor attendance measures an important aspect of effectiveness as it reflects the engagement of councillors in the scrutiny process.

The membership of the Scrutiny Programme Committee is determined by Council. However, membership of the various informal Panels and Working Groups is based on interest shown by councillors in the topics under scrutiny. Based on expressions of interest the membership of panels and working groups is determined by the Committee.

Attendance figures for councillors are collected by the Council's Democratic Services Team and published on the Council's website. 2018/19's figure is an overall attendance figure that includes the Scrutiny Programme Committee, Panel meetings and the Working Groups.

Comparison with previous years:

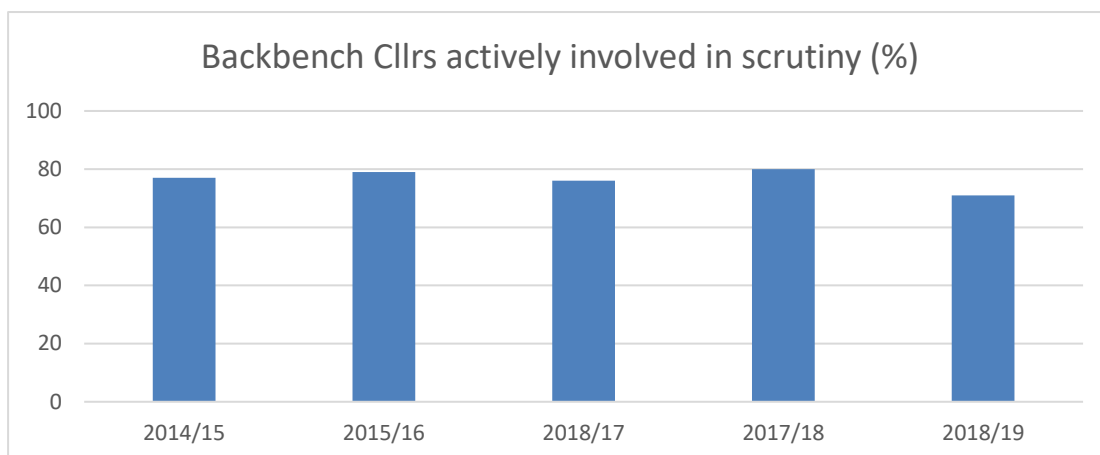


3.6 Backbench councillors actively involved in scrutiny = 71%

All backbench councillors have the opportunity to participate in scrutiny work regardless of committee membership. New scrutiny topics, once agreed, were advertised to all non-executive councillors and expressions of interest sought to lead and/or participate in these activities. It enables councillors to participate based on interest, and enables them to build up specialist expertise.

The large majority of backbench councillors were involved in scrutiny either through the Scrutiny Programme Committee, Panels or Working Groups.

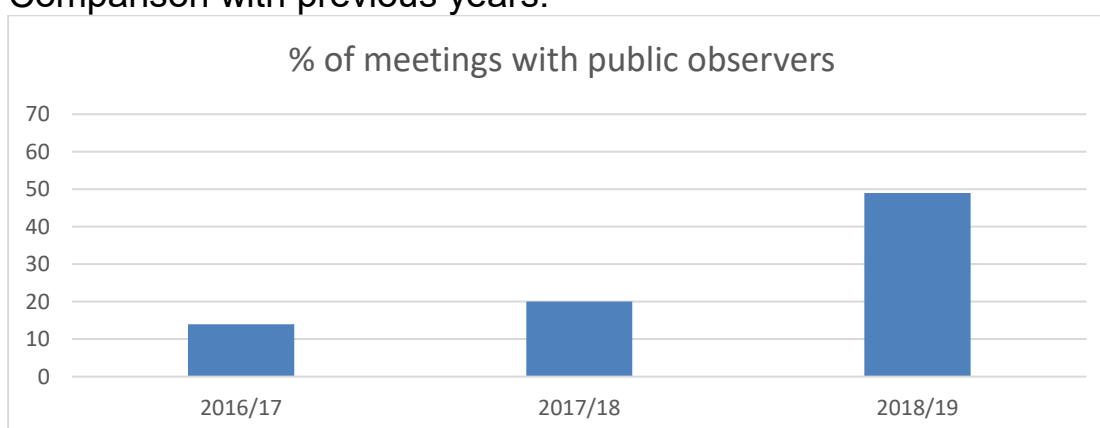
Comparison with previous years:



3.7 Meetings with public observers = 49%

Scrutiny is important as a mechanism for community engagement. All scrutiny meetings, whether the Committee or Panels and Working Group, are conducted in public, subject to specific item of business which contain exempt information. Of the 109 scrutiny meetings held during 2018/9, almost half of these were observed by persons in the public gallery, which indicates there is a significant focus of scrutiny on matters of public interest. Amongst those with the highest percentage of meetings observed were the Equalities Inquiry, Adult Services Performance Panel, Public Services Board Performance Panel, Natural Environment Inquiry, and Development & Regeneration Performance Panel.

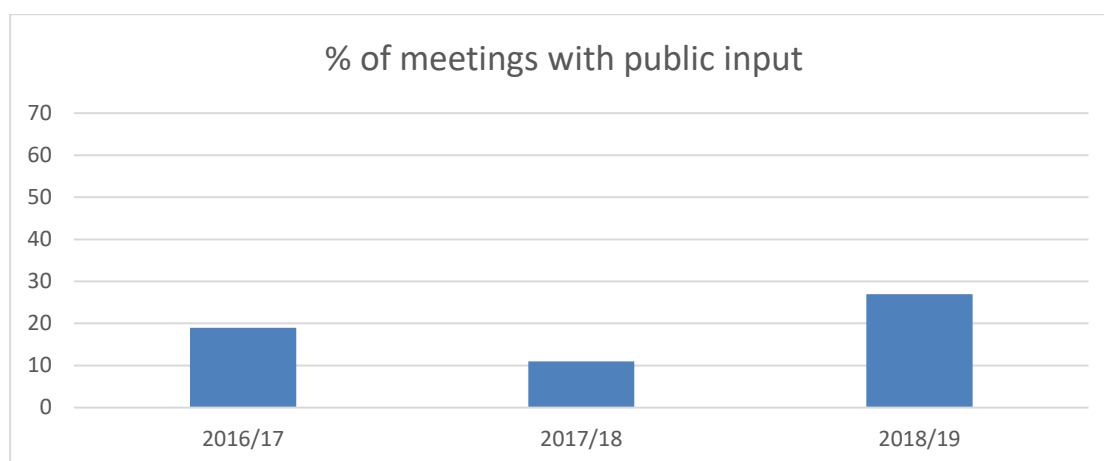
Comparison with previous years:



3.8 Meetings with public input = 27%

As well as attracting interest and observers to listen to what is being discussed, councillors are keen to increase active public involvement in the work of scrutiny. 27% of all scrutiny meetings had some form of such engagement and public input. This input can take various forms, including submission of questions for scrutiny sessions with cabinet members, making suggestions for the scrutiny work programme, contributing evidence to specific items under scrutiny - whether in person or reflected in the meeting agenda. The Equalities Inquiry benefitted from a high level of engagement with a range of groups / networks who represent people with protected characteristics. Other meetings which saw good levels of public input include the Scrutiny Programme Committee, Schools Performance Panel, and Adult Services Panel.

Comparison with previous years:

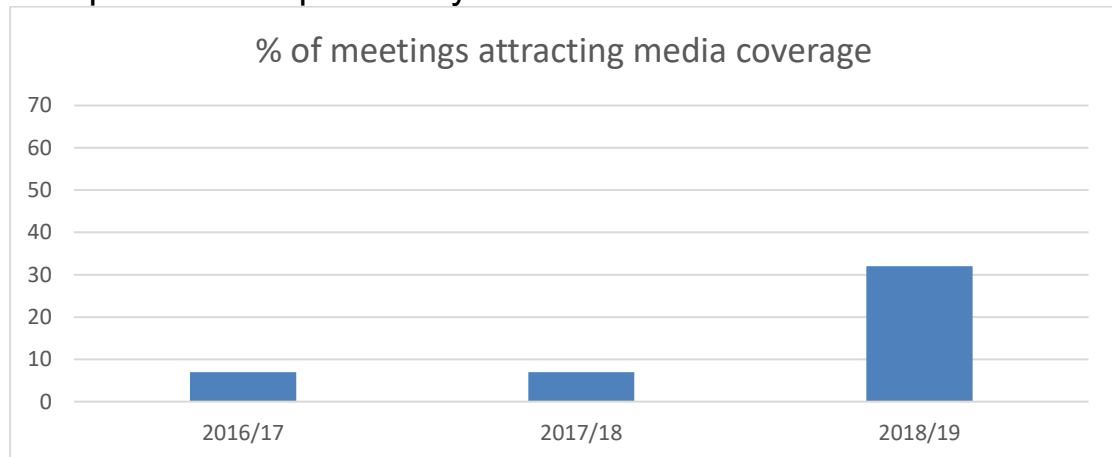


3.9 Meetings attracting media coverage = 31%

As well as attracting interest from individuals and getting members of the public to engage directly, a measure of whether scrutiny is focussed on the right things and is making an impact is the amount of media coverage that scrutiny is attracting. We found that 32% of scrutiny meetings made the news. The work of the Adult Services Performance Panel, Scrutiny Programme Committee, Natural Environment Inquiry Panel, and Development & Regeneration Performance attracted the most media interest. Across all activities there were at least 35 scrutiny discussions reported in the local press (print and on-line). Issues, which generated coverage, included: the Natural Environment, Council Housing & Housebuilding, Future of Leisure Services, Charges for Council

Services, Homelessness, Green Energy & Transport, Costs of Adult Social Care, Waste Disposal & Recycling, Care Homes, School Funding, City Centre Regeneration, Adoption, School Closures, HMOs / Student Accommodation, Fly Tipping, Community Safety, and Care Homes for Looked After Children.

Comparison with previous years:

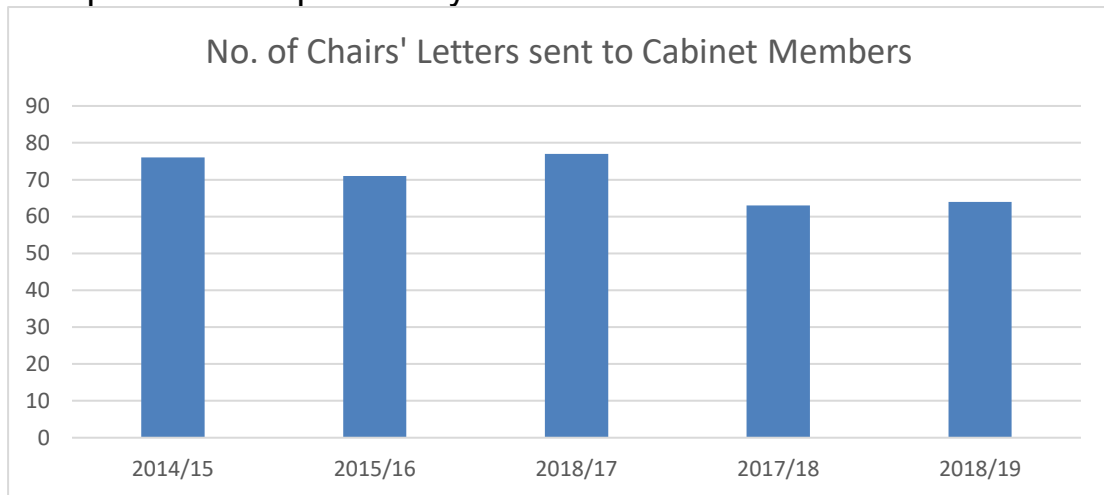


C. How much did scrutiny affect the business of the Council?

3.10 Number of chairs letters sent to cabinet members = 64

Chairs letters are an established part of the scrutiny process in Swansea. They allow the Committee and Panel meetings / Working Groups to communicate quickly and efficiently directly with relevant cabinet members. They will send letters to raise concerns, recognise good practice, ask for further information and make recommendations for improvement, reflecting the discussion at Committee / Panel / Working Group meetings. Letters are effectively 'mini-reports' with conclusions and proposals from scrutiny – and where necessary require a response. 64 letters were sent to Cabinet Members during 2018-19.

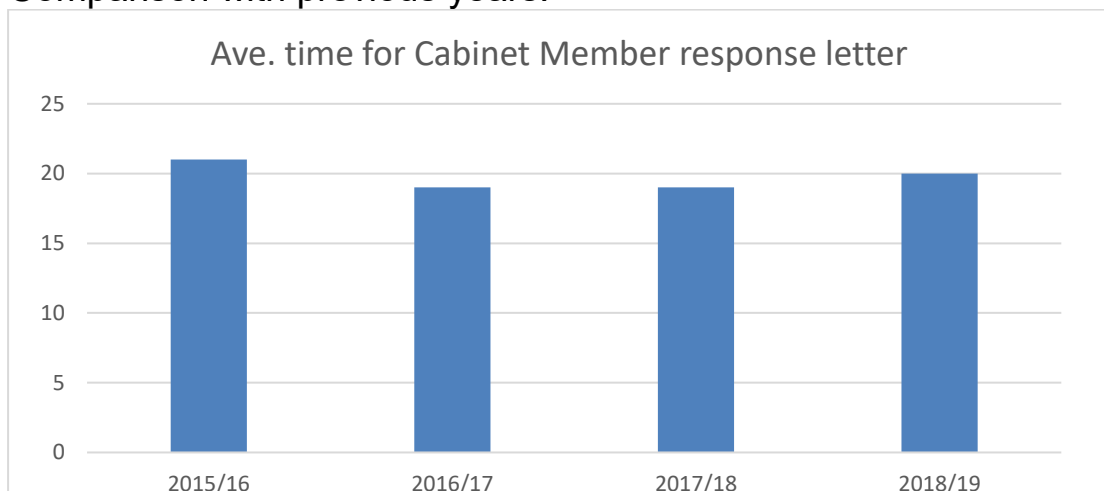
Comparison with previous years:



3.11 Average time for Cabinet Member response letter = 20 days

When scrutiny letters are sent to Cabinet Members and require a response Cabinet Members are required to respond within 21 calendar days. The average response time for letters sent during 2018-19 was 20 days, which indicates that scrutiny is generally getting a timely response to views, concerns, and any suggested action for Cabinet Members.

Comparison with previous years:



3.12 Letters responded to within 21 day target = 63%

Whilst the response to scrutiny letters was on average 20 days, some letters did take longer. The number of letters responded to within the 21 day target was 63% (22 out of 35 letters).

Comparison with previous years:

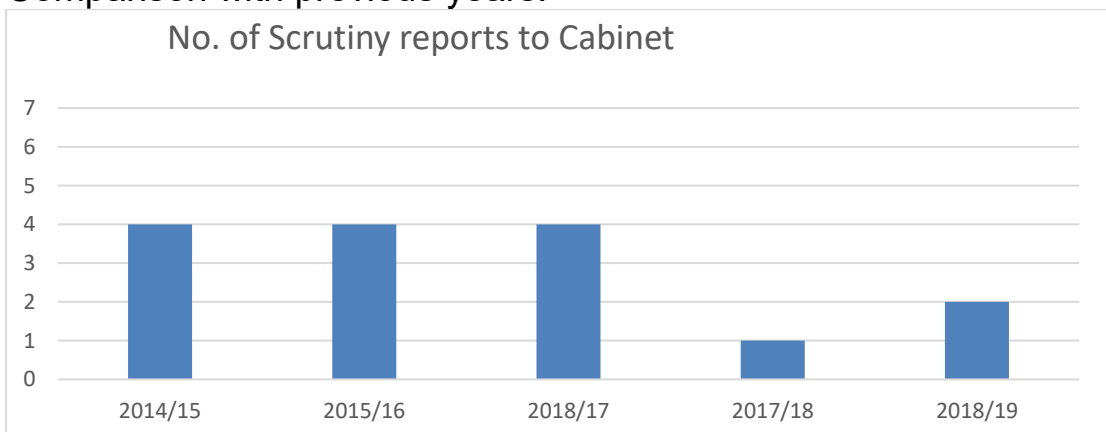


3.13 Number of Scrutiny reports to Cabinet = 2

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:

Inquiry	Convener	Report to Cabinet	No. of Recommendations
Regional Working	Cllr Lyndon Jones	June 2018	11
Natural Environment	Cllr Peter Jones	March 2019	20

Comparison with previous years:

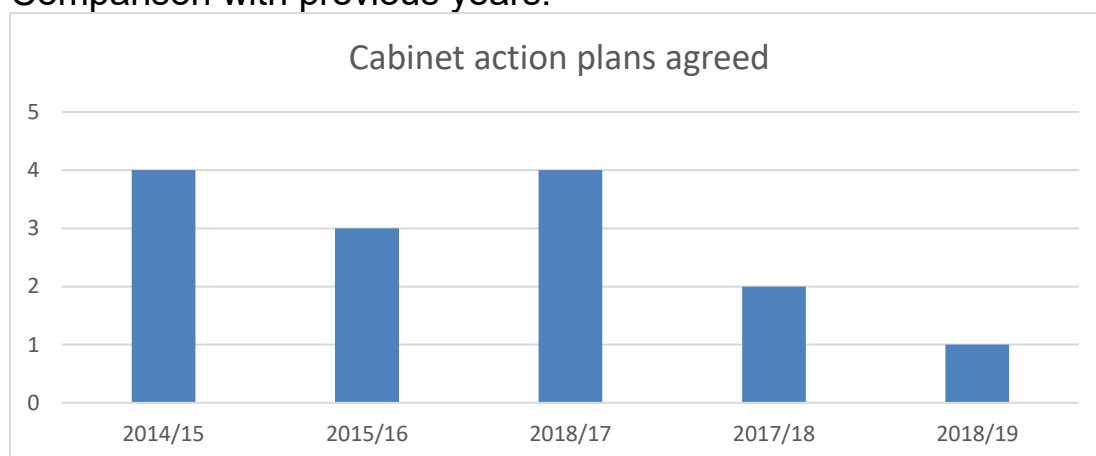


3.14 Cabinet action plans agreed = 1

Once recommendations and an action plan have been agreed by cabinet, scrutiny will follow up on progress with implementation and impact. The following action plans were agreed following in-depth inquiries that were originally carried out during 2017-18:

- Regional Working (Cabinet meeting August 2018) – all 11 recommendations were accepted.

Comparison with previous years:



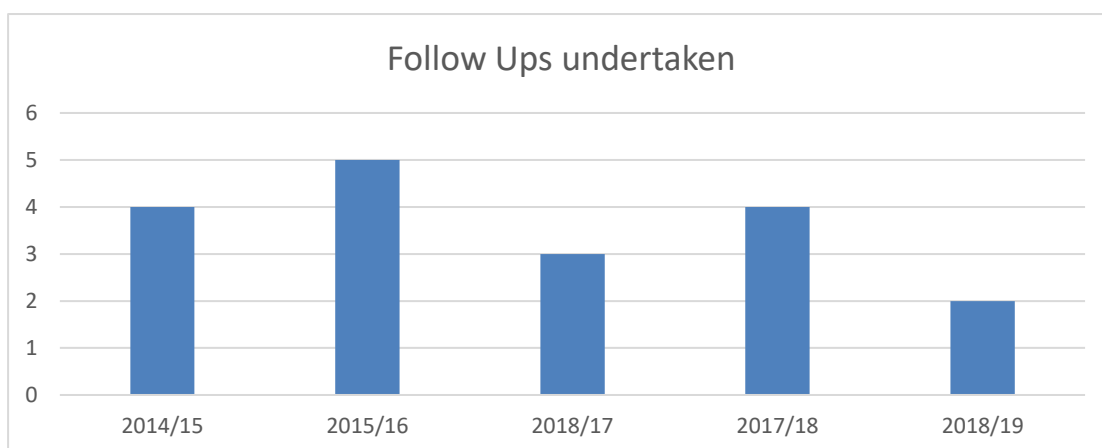
3.15 Follow ups undertaken = 2

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

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. Both previous scrutiny inquiries that required a follow up during 2018-19 were followed up:

Inquiry	Convener	Monitoring Status
Child & Adolescent Mental Health Services	Cllr. Mary Jones	Complete
Tackling Poverty	Cllr Sybil Crouch	Complete

Comparison with previous years:



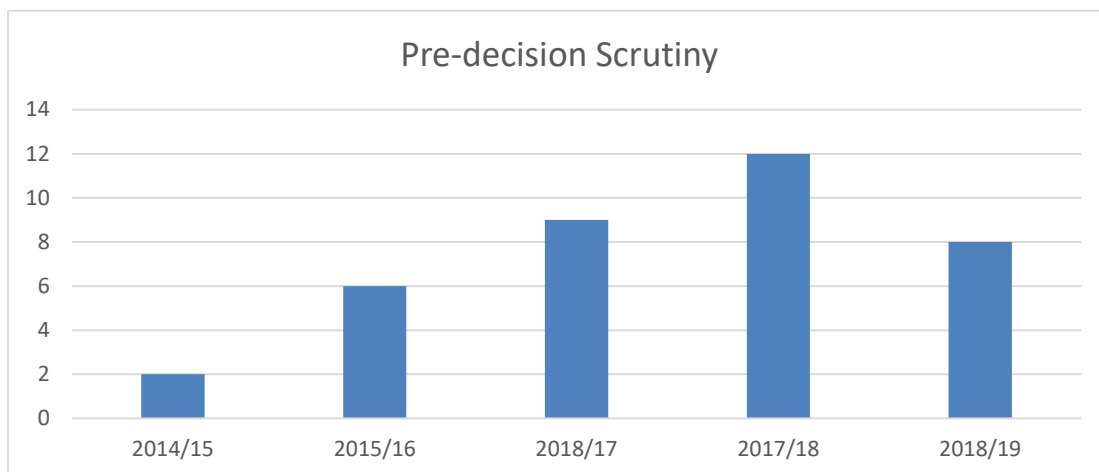
3.16 Number of Cabinet reports subject to pre-decision scrutiny = 8

Pre-decision scrutiny involves scrutiny councillors considering cabinet reports before cabinet makes a final decision. Taking into account strategic impact, public interest, and financial implications, the following 8 cabinet reports were subject to pre-decision scrutiny (carried out by the Committee or relevant Performance Panels), with views reported to Cabinet before decisions were taken:

Report	Cabinet Member	Cabinet Meeting	Undertaken by
More Homes Parc Yr Helyg Site Options Appraisal	Homes & Energy	21 Jun 2018	Committee
Cultural Services Commissioning Review	Investment, Regeneration & Tourism	21 Jun 2018	Service Improvement & Finance Panel
The Future Structure and Delivery of the Ethnic Minority Achievement Unit	Education Improvement, Learning & Skills	19 Jul 2018	Schools Panel
Outcome of Residential Care & Day Services for Older People Consultation	Care, Health & Ageing Well	20 Sep 2018	Adult Services Panel
Homelessness Strategy and Action Plan 2018-2022	Homes & Energy	15 Nov 2018	Committee
Swansea Central Phase 1 Project Update and FPR7	Economy & Strategy (Leader)	29 Nov 2018	Service Improvement & Finance Panel
Small School Review & School Organisation Linked to the Welsh Education Strategic Plan	Education Improvement, Learning & Skills	20 Dec 2018	Schools Panel

Budget	Economy & Strategy (Leader)	14 Feb 2019	Service Improvement & Finance Panel
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Comparison with previous years:



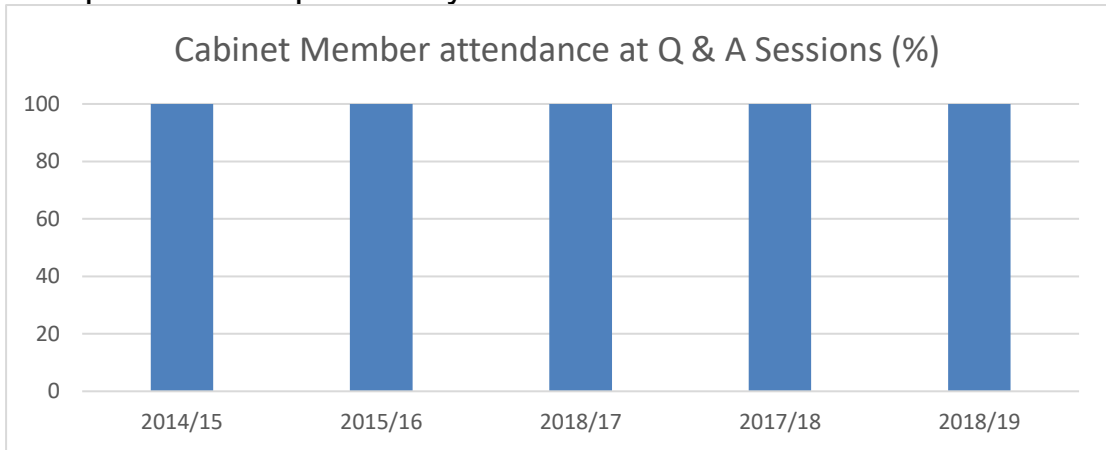
3.17 Number of Cabinet reports subject to Call-in = 1

During 2018-19 the Council agreed new call-in arrangements with scrutiny at the centre of the process. Any valid call-in of cabinet decisions leads to the calling of a special meeting of the Scrutiny Programme Committee. A call-in can be made by the Chair or Vice-Chair of the Scrutiny Programme Committee or by any four councillors by giving notice in writing to the Head of Democratic Services within a specific call-in period. With the increase in pre-decision scrutiny seen over the last few years a large number of call-ins are not anticipated. However, one cabinet report was subject to call-in over the past year, concerning cabinet decision on 21st Century Schools Programme - New Build For Gorseinon Primary School.

3.18 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 2018/19 every Cabinet Member attended at least one question and answer session at the Scrutiny Programme Committee, enabling the committee to explore their work, looking at priorities, actions, achievements and impact. It ensures that scrutiny provides regular challenge to decision-makers.

Comparison with previous years:

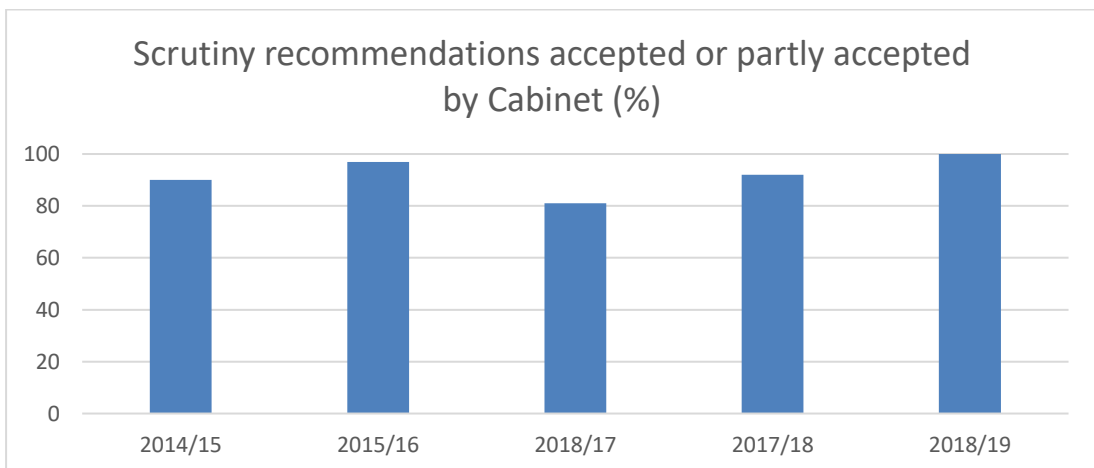


D. What were the outcomes of scrutiny?

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

The rate that cabinet accept scrutiny recommendations is a good indicator of whether scrutiny is making strong recommendations based on robust evidence. Cabinet responded to 11 scrutiny inquiry recommendations in 2018-19 which were all accepted.

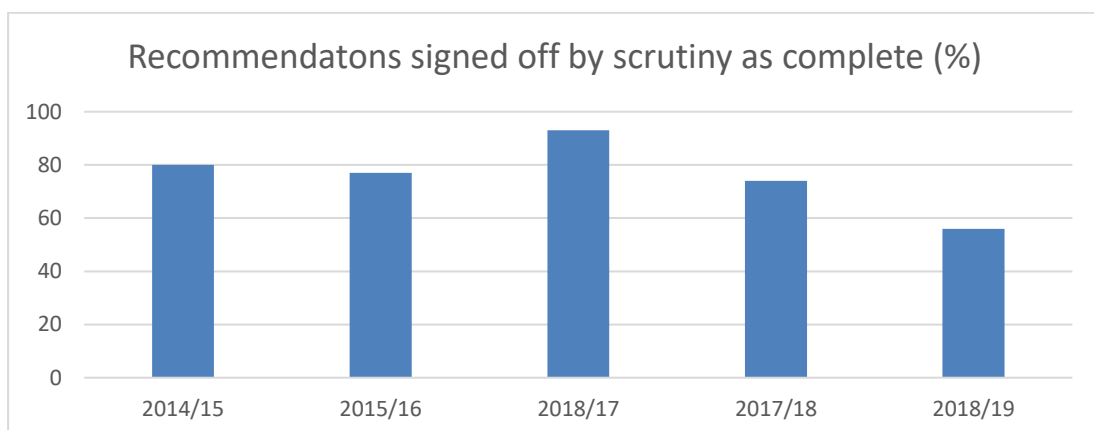
Comparison with previous years:



3.20 Recommendations signed off by scrutiny as completed = 56%

When follow up reports are presented to scrutiny (usually within 12 months following original cabinet decision) they detail which of the recommendations from the in depth inquiry (or other scrutiny report) have been completed in line with the cabinet member's action plan and which have not. In the case of in-depth inquiries scrutiny councillors consider whether they agree with the assessment about implementation of recommendations, taking into account the evidence they are presented with about the changes that have happened following scrutiny and its impact. This indicator represents the percentage of recommendations accepted by scrutiny as being completed for the year, and relates to the follow up of recommendation made by the Tackling Poverty Inquiry and Child & Adolescent Mental Health Services Inquiry (27 recommendations were considered of which 15 were considered as complete). In respect of the Child & Adolescent Mental Health Services although pleased with progress the Panel recognised that there is some way to go to implement all of the recommendations and achieving significant improvement. The Panel agreed to conclude formal monitoring however it was agreed that the Child & Family Services Scrutiny Performance Panel was best placed for continued monitoring of CAMHS.

Comparison with previous years:



4. Impact

4.1 How Scrutiny Councillors have made a difference

4.1.1 Scrutiny Councillors make a difference by:

- Ensuring that Cabinet Members (and other decision-makers) are held to account through public question and answer sessions
- Making evidence based proposals on topics of concern through task and finish Scrutiny Inquiry Panels that report to Cabinet
- Monitoring and challenging service performance and improvement through standing Scrutiny Performance Panels
- Addressing issues of concern through one off working groups
- Acting as a 'check' on the key decisions through pre-decision scrutiny and call-in
- Communicating concerns and proposals for improvement through regular publication of scrutiny letters and reports

4.1.2 The Scrutiny Programme Committee produced a quarterly summary of the headlines from the work of scrutiny for council and the public, which focussed on impact and how scrutiny is making a difference. The Chair of the Scrutiny Programme Committee reports the summary, known as Scrutiny Dispatches, to Council.

4.1.3 It is important to know that the work and the efforts of scrutiny councillors are having a positive impact and are delivering effective scrutiny. We make sure that the recommendations we make, in whatever scrutiny forum, are followed up to check on implementation and assess the impact of this work.

4.1.4 The difference made and impact of the overall work of scrutiny is also communicated via:

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

4.1.5 A selection of stories from the past year of scrutiny from Scrutiny Dispatches, which demonstrate the impact made, are **appended**. This includes reference to:

- **Developing Regional Working** (*Regional Working Inquiry*)
- **Promoting Community Cohesion** (*Community Cohesion Working Group*)
- **Tackling Poverty** (*Tackling Poverty Inquiry*)
- **Improving Scrutiny** (*Scrutiny Programme Committee*)
- **Helping to shape the Council's new Homelessness Strategy** (*Homelessness Working Group / Scrutiny Programme Committee*)
- **Reducing Air & Noise Pollution** (*Air & Noise Pollution Working Group*)
- **Improving Child & Adolescent Mental Health Services** (*Child & Adolescent Mental Health Services Inquiry*)
- **Maintaining & Enhancing Our Natural Environment** (*Natural Environment Scrutiny Inquiry*)
- **Improving Community Safety** (*Scrutiny Programme Committee*)
- **Dealing with Welfare Reform** (*Welfare Reform Working Group*)
- **Managing Environmental Enforcement** (*Environmental Enforcement Working Group*)

5. Feedback and Improvement

5.1 Improving Scrutiny

5.1.1 It is good practice for those involved in the scrutiny function to undertake regular self-evaluation of this work. Taking into account characteristics of effective scrutiny and experiences it is important for the continuous improvement of the function that any issues identified about current scrutiny practice are discussed and addressed. Annual review discussions are held within the Scrutiny Programme Committee and Scrutiny Performance Panels.

5.1.2 The Scrutiny Programme Committee attended an 'Improvement & Development' workshop in May 2018 as part of the process to identify improvement objectives for scrutiny for the year ahead. They reviewed findings from the Scrutiny Annual Survey carried out in early 2018 and in particular shared views on where things could be better, as well as reflecting on their own experience, and other feedback received throughout the year.

5.1.3 Members reflected positively on:

- Inquiry Panels – felt to be well supported and work well, allowing a lot of ground to be covered, with a high level of external / public engagement (leading to more vibrant scrutiny), and produces results
- Performance Panels – recognised as the bedrock of the scrutiny work programme, allowing time and space to explore performance in some detail
- The support provided by officers in the Scrutiny Team.

The Committee also agreed:

- Adjustment to the work programme to improve alignment with Council priorities / Corporate Plan and enable monitoring of the delivery of the Council's commitments around natural environment & biodiversity
- The Committee's Cabinet Member Q & A Sessions could be improved by focussing on a small number of key issues, rather than an overall look at portfolio responsibilities.

- Standing Performance Panels should be asked to appoint the convener, rather than be determined by the Scrutiny Programme Committee.
- Budget scrutiny remains an area for development

5.1.4 From the self-evaluation and reflection emerged a clear sense about what priorities for improving scrutiny should be. This related to: Councillor involvement in scrutiny; reports to cabinet and reporting arrangements, Cabinet engagement in scrutiny / tracking their response to scrutiny, visibility of impact, and public engagement.

5.2 Scrutiny Improvement Objectives

5.2.1 The following Improvement Objectives were subsequently agreed by the Scrutiny Programme Committee:

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

5.2.2 In order to address both Wales Audit Office Proposals for Improvement (issued in July 2018 following their review of our scrutiny arrangements), and specific issues identified by the scrutiny councillors, the Scrutiny Programme Committee reflected on priorities and agreed an action plan in January 2019 to help deliver the clear set of Scrutiny Improvement Objectives. This means having a co-ordinated and comprehensive single improvement plan for scrutiny, for the issues that matter most.

5.2.3 This has already resulted in improvements to the scrutiny process and its effectiveness, and efforts are being made in a number of areas to support councillors, take practice forward and improve the quality of scrutiny, for example:

1. *Councillor Participation*

Whilst there is a healthy level of engagement we want to ensure all scrutiny councillors have opportunity to participate so we are trying to understand whether there are any barriers to councillor participation in scrutiny and see what can be done to facilitate the engagement of those not actively involved. We recognise that councillors have a range of demands on their time and it may not be possible for all to be actively engaged, but it is important to remove any barriers that might exist.

2. *Training & Development*

We are considering what needs doing to develop scrutiny councillors in their role. We have already asked councillors to identify the areas where skills could be improved. The following areas could be usefully explored: Chairing Skills; Questioning Skills; Public Participation; Ad-hoc briefings to improve knowledge of Council services / working, as well as refresher session(s) on the Scrutiny Process. There may be other areas that need to be developed, such as understanding around the Well-being of Future Generations Act and how scrutiny can support its impact on local services, policies and decision-making. We will look at how best to develop and deliver a training & development programme for scrutiny councillors and it is work in progress for 2019/20.

3. *Reporting to Cabinet*

There are now more opportunities for scrutiny councillors to report their findings and recommendations directly to Cabinet. Whilst we have a well-established practice of writing letters to Cabinet Members, sometimes this work may merit formal reporting to Cabinet because of the issues that have been raised following scrutiny and / or implications across cabinet portfolios. This means that Scrutiny Working Groups and Scrutiny Performance Panels can consider whether reporting to Cabinet is necessary, for formal response.

4. *Pre-decision Scrutiny*

We have been calling for more time to consider proposed cabinet reports to enable the more meaningful involvement of scrutiny members in the decision-making process, as a 'critical friend'. Early sight to such reports will also enable more time for Cabinet to think about any issues and concerns that may be flagged up by scrutiny. When it sees each Cabinet Member, the Scrutiny Programme Committee encourages them to share information about future key

decisions that the Committee may want to discuss to challenge and inform decision-making. Cabinet Members are also encouraged to build in time for a 'scrutiny stage' as a sounding board for significant decisions at an early stage in the process. Scrutiny engagement with the Council's new Homelessness Strategy was a good example of early influence.

5. *Scrutiny Impact*

We have been increasing visibility of the impact of scrutiny through regular stories published via our Scrutiny Blog, Newsletter, and Dispatches, as well as in reports to the Scrutiny Programme Committee. We have also improved the Scrutiny Annual Report to reflect more about scrutiny activity and impact. Scrutiny Working Group recommendations are being monitored by the Scrutiny Programme Committee to assess impact / outcomes, with input from respective conveners, who themselves can act as rapporteurs and liaise informally with cabinet members and relevant officers to keep abreast of progress. However, we will try to do more to strengthen the evaluation of impact and outcomes of scrutiny activity. We will identify performance indicators and measureable outcomes relevant to topics for scrutiny that could help evidence change / difference following scrutiny. We will also develop mechanisms for feedback from Cabinet Members, Officers, and other stakeholders about impact e.g. post-meeting evaluation; via Annual Survey etc.

6. *Roles & Responsibilities*

We are mindful to ensure there are no issues of duplication between scrutiny and Policy Development Committee activity or negative impact on the role and work of scrutiny. There were no issues of overlap or adverse effect on scrutiny, and should any issues arise in the future these will be addressed through dialogue between the Chair of the Scrutiny Programme Committee and relevant Policy Development Committee Chair(s). We have made sure that the Chair of Scrutiny Programme Committee and Scrutiny Performance Panel Conveners are aware of Policy Development Committee agendas and work plans. The Committee already has a well-established relationship with the Audit Committee to ensure respective work plans are coordinated to avoid duplication or gaps.

7. Public Engagement

We are working more closely with the Council's Communications Team to identify opportunities to raise awareness and promote public engagement in scrutiny, and generate more media coverage of scrutiny activities. There is now more dialogue between teams about the work programme and upcoming meetings. Communications staff are signposted to scrutiny agendas / information to facilitate more about scrutiny being reported in the media and increase awareness / public engagement. Media coverage of scrutiny has increased significantly over the past year due to active local government press reporting, leading to stories in print and on-line media (South Wales Evening Post, Wales Online, and Western Mail). The Scrutiny Team continue to develop a social media presence including Swansea Scrutiny blog, Twitter, and there are plans to develop a Facebook page which may provide an effective way to promoting the role, activities, impact of scrutiny and enable interaction.

5.2.4 We will reflect on the delivery of the action plan and achievements against agreed improvement issues and objectives in next year's annual report.

5.3 Feedback from Scrutiny Performance Panels

5.3.1 Performance Panels each reflected on the year and amongst notable observations were the following:

a) Schools:

- Panel's work means being able to keep abreast of changes and challenges in relation to education matters.
- Pleased with scrutiny of individual schools and visiting some schools to see the work happening on the ground and speaking to headteachers, staff, governors and pupils.
- Officers have told us that performance scrutiny has been challenging but constructive, especially the searching questions that have been asked around vulnerable learners, and it benefits the education department. Topics discussed have helped develop these services, particularly work in relation to Education Other Than at School and the Small Schools Review.
- Some learning points identified:
 - Co-ordination around planning for future school visits and timing

- More context around some subjects being discussed would be helpful.

b) Adult Services

- Good level of quality in the debate and commitment from Panel Members. The Panel has been persistent and brought things out into the open.
- Good level of support from staff.
- There has been real challenge to Cabinet Members and officers from the Council and Local Health Board. The engagement of health officials with the Panel has managed to unblock some of the issues.
- There has been some progress in respect of changing thinking on budget
- Panel is developing a better understanding of performance data, which is now more focused and detailed.
- Some learning points identified:
 - Visiting social services establishments and engaging directly with service users / user groups about their experience will provide Panel with a better perspective on performance.
 - Need to review how best to examine performance of the West Glamorgan Regional Partnership Health & Social Care Programme.

c) Child & Family Services

- Good level of detail in performance reports.
- Panel is able to drill down into the detail and the officer contribution is very informative. Relationship with service officers good and very open.
- Debate has been good and happy with response Panel is getting from officers
- Pleased with officer support.

d) Development & Regeneration

- Pleased at the range of projects looked at by the Panel – will continue to have this variation in the coming year.
- The detail behind some projects is still opaque – Panel will continue to explore more throughout the coming year
- Some learning points identified:
 - More focus on the 'health' of the City Centre.

e) **Service Improvement & Finance**

- Panel happy with the mix of work this year, annual reports and one-off topics, with performance & financial monitoring the major role.
- Planning process is a topic of interest for the coming year

f) **Public Services Board**

- Good meetings particularly meeting with Future Generations Commissioner. Interactions with Future Generations Commissioner going very well.
- Some learning points identified:
 - More focus on direction of travel from each of the PSB objective areas needed, actions plans / delivery and clarity about outcomes

For further information:

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‘How scrutiny councillors are making a difference’

Developing regional working

(Lead: Councillor Lyndon Jones)

Work carried out by scrutiny councillors will help develop and improve the way the Council and partners work with each other across the region for the benefit of citizens.

An in-depth Scrutiny Inquiry into Regional Working published findings that were presented to Council in June. The report includes a view on the current picture, the national reform agenda, challenges to collaborative working, and arrangements for the accountability of regional working. Scrutiny Councillors held a number of evidence gathering sessions including discussion with different council departments and partners to discuss the experience of regional working activities that are taking place.

All 11 recommendations made by the cross-party Scrutiny Panel were agreed by Cabinet in August. This means action on the following:

- A review of governance arrangements of the three main regional partnerships (Education, through Regional Working, Western Bay Health & Social Care Programme; and Swansea Bay City Region) to ensure they are fit for purpose.
- The authority undertaking a lessons learnt exercise across the three main regional collaborations and develop an action plan/s with resource implications to address any specific and remaining barriers.
- An assessment of the value to the Council from being involved in existing or new partnerships, including an analysis of costs and benefits.
- Greater use of technology e.g. on-line meetings, amongst partners to reduce travelling and Councillor / officer time and further encourage participation in partnership working.
- More engagement of the third sector in existing partnerships.
- Pressure on Welsh Government for a more streamlined grant process to support regional working
- An annual report to Council on the progress made across main regional collaborations.

The Panel had particular concerns about the accountability to local councillors of some regional collaborations. They stressed the need for the big three partnerships to have clear accountability and scrutiny process built into their governance arrangements.

Councillor Lyndon Jones, convener of the Panel said:

‘We felt it was important to look at this issue because there was some concern about the transparency of current regional working and the extent to which the public understood such activities. We found regional working in Wales to be a complex and confusing picture. Regional working must have a real benefit for the people of Swansea and therefore needs to add value and not be seen as another layer of bureaucracy, and be accountable. We hope that this piece of scrutiny will go some way in helping Swansea map the way forward for its regional working activities.’

The Inquiry Panel will reconvene during 2019 in order to follow up on the implementation of recommendations and assess the impact of their work.

Promoting Community Cohesion

(Lead: Councillor Louise Gibbard)

Scrutiny has been myth busting whilst looking at what the Council is doing to support and promote community cohesion.

Having already looked at efforts to tackle hate crime in the area last year a Scrutiny Working Group met in June to focus on this issue, and spoke with representatives from the Councils Poverty and Prevention Team, South Wales Police and the Regional Community Cohesion Coordinator.

The Working Group considered progress and wrote to the Cabinet Member for Better Communities (People), Councillor Mary Sherwood, highlighting a number of issues and suggested areas for improvement. One of these was around myth busting. Councillors found that there is good [myth busting information](#) available but felt that it needed to be shared/used more widely.

Having now received a response from the Cabinet Member this piece of scrutiny is leading to action on:

- Developing a stronger role for Councillors and Local Area Co-ordinators in mainstreaming community cohesion.
- Myth busting information being made available online and shared via social media.
- Better links with and information to Governing Bodies, so they can have a direct impact on community cohesion in Swansea schools.
- Making more use of local media including using corporate communications to get more good news stories and myth busting out into local community.

Tackling Poverty

(Lead: Councillor Sybil Crouch)

Scrutiny heard about the impact it has made in tackling poverty, following an in-depth inquiry carried out in 2017.

The Panel of Councillors which carried out the scrutiny met in October to follow up on the implementation of inquiry recommendations and assess the difference made. The inquiry had focused on ways in which the Council could improve its Tackling Poverty Strategy. Their main conclusion was that, when developing and delivering a strategy it is vital that those people experiencing poverty were not only involved, but involved in a powerful and meaningful way.

The Panel recently heard that the inquiry and its recommendations:

- has supported raising the profile of the tackling poverty agenda as everyone's business, and improved understanding and awareness
- has provided the role of a critical friend, supporting and reaffirming the direction of travel that the development of the revised Tackling Poverty Strategy took
- engaged a number of partners and organisations including The Bevan Foundation, Joseph Rowntree Foundation and Leeds Truth Commission, whose input has proved useful in the development of the revised plan

The Panel Convener, Councillor Sybil Crouch, said about the original inquiry that: 'Tackling Poverty is key to delivering the health and well-being of our citizens and of our city. We heard powerful testimony from people experiencing poverty and I am especially grateful to them for taking time to tell us what they face on a daily basis. I was moved by their testimony and by their courage in the face of complex problems. The Tackling Poverty Strategy lays considerable emphasis on the need to involve people experiencing poverty, without whom there is no delivery'.

Scrutiny – fit for the future?

(Lead: Councillor Mary Jones)

Our scrutiny arrangements have received positive feedback from Wales Audit Office (WAO).

Following an external audit to assess whether scrutiny was fit for the future the review praised a number of aspects of scrutiny practice in Swansea. The WAO report recognised that scrutiny is well-placed to respond to future challenges, regularly challenges decision-makers, and has arrangements to review its own effectiveness. Whilst there is much to be pleased about the report also makes a number of proposals for improvement to develop scrutiny further. This challenges us to think about development needs for scrutiny councillors, the relationship between scrutiny and the Council's Policy Development Committees, and how we can better demonstrate the impact and outcomes of scrutiny.

Councillor Mary Jones, Chair of the Scrutiny Programme Committee said: 'We welcome the auditor's assessment of scrutiny in Swansea. Overall it is a positive report and this is down to the hard work everyone in Swansea has put into developing scrutiny over many years. But it is also a reminder that we must keep on pushing and continue to develop. We will be preparing an action plan to address the proposal for improvement.'

The Wales Audit Office published its findings having conducted a review of scrutiny in all Welsh Councils, looking at the environment scrutiny is operating in, practice, and its effectiveness. As well as desktop research, the WAO held a number of focus groups with Councillors here, interviewed key officers, and observed meetings.

Chair's Roundup:

This is my first quarterly roundup of the work of scrutiny for 2018/19, as Chair of the Scrutiny Programme Committee.

Priorities for 2018/19

The Scrutiny Work Programme was agreed by the Committee in July, following a Work Planning Conference in June. Every year we invite all scrutiny councillors to participate in an informal discussion on priorities for scrutiny, and invite suggestions. The Conference reflected on last year's programme, and heard about council priorities and challenges, and views gathered from surveys, including issues raised by the public. The Work Programme contains a varied selection of topics that show the focus for scrutiny over the coming year. It represents strategic issues balanced with community concerns to ensure that scrutiny is always looking at the right things, and making good use of limited time and resources. A significant feature of the Work Programme is regular in-depth monitoring and challenge of performance in key areas, including Education and Social Services, through a number of Performance Panels. However we also identify topics either for in-depth Inquiry or light-touch Working Groups. The first inquiry will look at Equality issues and a 'call for evidence' has just been issued by the Inquiry Panel. This invites interested people to submit views that will help the Panel to explore how effectively the Council is meeting and embedding requirements under the law. This inquiry will go on until March 2019. The already in progress inquiry on the Natural Environment is coming to a conclusion and will report before the end of 2018. In terms of one-off Working Groups, this will include a look at Air & Noise Pollution, Residents Parking, Welfare Reform, Environmental Enforcement, Tourism, Anti-Social Behaviour, Digital Inclusion and the Archive Service.

Annual Report published

Looking back at 2017/18 the Scrutiny Annual Report was presented to Council (Oct). It highlights the work carried out, shows how scrutiny has made a difference, and supports continuous improvement for the scrutiny function. It gives examples of specific activities to demonstrate impact, and show our contribution to better services, policies and decisions. I think it gives good indication about the 'health' of scrutiny – using facts and opinions – and there is much to be pleased about.

Improving scrutiny

One of the hallmarks of an effective scrutiny function is one that reflects on and learns from experience. Following a process of self-evaluation the Committee has identified five scrutiny improvement objectives. This was informed by annual councillor, staff, and public scrutiny survey findings as well as Committee members' reflection on scrutiny process and practice, taking into account characteristics of effective scrutiny. An action to plan to address the WAO proposals and deliver the Committee's own improvement objectives is being developed.

Questioning Cabinet Members

The Committee continues to focus on holding cabinet members to account, through monthly Q & A sessions to discuss their work. As I write we are due to meet with the Cabinet Member for Care, Health & Ageing Well in December. Acting as a 'critical friend' we question and challenge them on their priorities, actions, achievements and impact. We invite the public and all scrutiny councillors to contribute ideas to ensure the Committee asks the right questions. A summary of each session and views of the Committee are published in a letter to relevant Cabinet Members. We have recently put questions to the Cabinet Members for Children Services, Education Improvement, Learning & Skills, Business Transformation & Performance, and Homes & Energy.

Challenging proposed decisions

Pre-decision scrutiny enables us to question Cabinet Members on proposals and present views and any concerns to Cabinet ahead of decisions. Since May scrutiny has looked at reports on: More Homes Parc Yr Helyg Site Options Appraisal (Jun); The Future Structure and Delivery of the Ethnic Minority Achievement Unit (Jul); and the future of Residential Care & Day Services for Older People (Sep). The Committee has also given views on the draft Homelessness Strategy 2018-2022 ahead of formal pre-decision scrutiny that will take place in November.

Calling-in decisions

Scrutiny has the power to call-in Cabinet decisions following the agreement of new arrangements by Council in July. Any valid call-in of cabinet decisions will now lead to the calling of a special meeting of the Scrutiny Programme Committee. A call-in can be made by the Chair or Vice-Chair of the Scrutiny Programme or by any four councillors by giving notice in writing to the Head of Democratic Services within a specific call-in period.

Scrutinizing the City Deal

A new Joint Scrutiny Committee has been established to provide accountability and challenge to the agreed Swansea Bay City Deal. Swansea councillors will work with councillors from Pembrokeshire, Carmarthenshire and Neath Port Talbot Councils, also involved in the City Deal, who together will scrutinise the work and decisions of the Joint Committee responsible for delivering the regional City Deal Programme. Scrutiny of local City Deal projects remain a matter for each authority so our Development & Regeneration Performance Panel will be keeping a close eye on work happening in Swansea.

Making the work of scrutiny transparent and accessible

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Councillor Mary Jones

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‘How scrutiny councillors are making a difference’

Helping to Shape the Council’s new Homelessness Strategy

(Lead: Councillors Peter Black / Mary Jones)

Scrutiny Councillors have contributed to the Council’s new Homelessness Strategy.

Homelessness has been a topic of significant interest and concern over the last year for scrutiny. Scrutiny councillors were able to influence the Homelessness Strategy and Action Plan for 2018-2022 through a series of meetings to discuss the issues, challenges, and plans. The Strategy, approved by Cabinet in November, took on board issues and suggestions made by scrutiny councillors. Scrutiny contributed initially through a cross-party Working Group, chaired by Councillor Peter Black, mid-2018 to look at the Council’s activities to manage homelessness, the current position, performance of relevant services and the challenges faced. This work benefitted from the involvement of a number of interested parties including: Swansea Homeless Sanctuary, Shelter Cymru, Crisis, Wallich Dinas Fechan, Caer Las, Zac’s Place, Matthew’s House, Abertawe Bro Morgannwg University Health Board and the relevant Cabinet Member and officers from Swansea Council. This led to a number of issues being raised with Councillor Andrea Lewis, Cabinet Member for Homes & Energy.

The Scrutiny Programme Committee, chaired by Councillor Mary Jones, which oversees the Scrutiny Work Programme, then met early October to review a consultation draft of the Strategy and Action Plan to ensure that its views can be fully considered in drawing up the final document. This led to a detailed consultation response being submitted to the Cabinet Member including views including around:

- Service user involvement and co-production
- The development of pre-eviction protocols
- Use of the private rented sector / loss of rented accommodation
- Working with Registered Social Landlords to alleviate homelessness
- Barriers to accessing temporary accommodation
- Proposals / timescales for increased support for people with mental health / complex needs
- Plans for a holistic “solutions centre” for services for rough sleepers
- Support to children affected by parental homelessness
- Monitoring, evaluation and review of success / impact of the Strategy

The Committee also carried out ‘pre-decision scrutiny’ in November which enabled it to review the contents of the final Strategy and Action Plan ahead of Cabinet decision. Councillor Mary Jones said ‘I am pleased to see our impact on the final document, and shows the value of the early engagement of scrutiny in such important decisions. We particularly welcomed:

- Recognition of the United Nations Convention on the Rights of the Child and children’s voice, and plan to develop a separate Homelessness Charter for children and young people
- The revision of timescales for the development of a holistic ‘solutions centre’ and clarity about what will be achieved e.g. the feasibility study will be carried out within a period of six months
- That there will be an annual progress report on the delivery of the Strategy and Action Plan.’

The contribution made by scrutiny to improve the Strategy and Action Plan, which saw amendments being made to the consultation draft, was praised by the Cabinet Member for Homes & Energy, ahead of its approval by Cabinet on 15 November.

Reducing Air & Noise Pollution

(Lead: Councillor Joe Hale)

Scrutiny councillors have had their say about air and noise pollution in Swansea.

A Working Group has looked at the situation in Swansea and the effects, how pollution is measured and monitored, and efforts to tackle problems and reduce pollution. As a result of their views and issues raised with Councillor Mark Thomas, Cabinet Member for Environment and Infrastructure Management, action will include:

- Working with academic and health colleagues to complete specific air quality research projects aimed at engaging members of the public and achieving compliance with objective concentrations and reducing exposure to pollutants.
- Continued assessment of The Out of Hours Noise Control Service to seek efficiencies during times of austerity to enable continued delivery of this service.
- Looking at ways to reinvigorate the presentation of data on the Council's air pollution webpages and working with ICT service to redesign the site in order to engage the public in its content, including integrating the Nowcaster System within the site.
- The Air Quality Action Plan investigating pollution around schools and behaviour of parents when bringing their children to school to enable behavioural change and the reduction in pollutant concentrations.
- Working with colleagues in the School of Management and Life Science in Swansea University to investigate several themes around air quality and public health.

The views of the Working Group, which met in November 2018, and Cabinet Member response can be read in full here:

<https://democracy.swansea.gov.uk/ieListDocuments.aspx?CId=647&MId=8323&Ver=4&LLL=0>

Improving Child & Adolescent Mental Health Services

(Lead: Councillor Mary Jones)

Scrutiny councillors have made a positive impact in efforts to improve Child & Adolescent Mental Health Services (CAMHS).

Following an in-depth inquiry carried out in 2017, councillors involved in this work met in November 2018 to follow up on the implementation of inquiry recommendations and assess the difference made. The Inquiry Panel was pleased to hear about a greater focus on prevention, better joint working between local authorities and the ABMU Health Board and improved response to urgent cases. They also welcomed changes to some of ABMU's commissioning arrangements, simplified processes to access the service, and the greater involvement of parents and Third Sector representatives.

A number of people addressed the Panel on progress, including the Cabinet Member for Children Services (Early Years), Director of Social Services, Head of Child & Family Services, and representatives from the Local Health Board.

The Cabinet Member for Early Years has recognised the contribution made by the scrutiny inquiry in highlighting the issues and in the progress made to improve services.

Although pleased with progress the Panel recognised that there is a long way to go to implement all of the recommendations and achieving significant improvement. The Panel agreed that the Child & Family Services Scrutiny Performance Panel was best placed for continued monitoring of CAMHS. Read more here:

<https://democracy.swansea.gov.uk/ieListDocuments.aspx?CId=598&MId=8389&Ver=4&LLL=0>

Supporting the Natural Environment & Biodiversity

(Lead: Councillor Peter Jones)

The call from scrutiny councillors for the Council to give priority to the Natural Environment & Biodiversity has been answered.

The Council has recently adopted a sixth, and new, priority: Maintaining and enhancing Swansea's natural resources and biodiversity - so that we maintain and enhance biodiversity, reduce our carbon footprint, improve our knowledge and understanding of our natural environment and benefit health and well-being. Over the past year a Scrutiny Inquiry has been looking at what the Council should be doing to maintain, enhance and promote its natural environment and biodiversity, and in doing so promote the resilience of eco-systems. The Inquiry Panel will be publishing its final report shortly - more on that in the next edition. Both before and during this piece of in-depth scrutiny, which has shone a light on this topic, repeated calls (in different forums) were made for the Council to recognise the growing importance of the natural environment and biodiversity on well-being and future generations, something already recognised by the Public Services Board in its Well-being Plan and 'Working with Nature' objective. Councillor Peter Jones, convener of the Natural Environment Inquiry Panel, said: 'This is a scrutiny success - something we raised over a year ago. The decision by the Council is not only welcome but overdue, and supports our findings. Indeed the action taken pre-empts one of the recommendations that the Panel would certainly have made. I look forward to presenting the Panel's final report to Cabinet in the knowledge that the natural environment and biodiversity is now looked upon as a key priority, and our scrutiny report will offer our thoughts about how this priority can be delivered.'

Chair's Roundup:

This is my second roundup of the work of [scrutiny](#) for 2018/19, as Chair of the Scrutiny Programme Committee.

Progressing our priorities for 2018/19

We have made good progress over the year so far. The work programme is dominated by our six Performance Panels, which meet on an ongoing and regular basis. This has ensured continued focus on in-depth monitoring performance and challenge concerning Adult Services, Child & Family Services, Schools, the Public Services Board, and Development & Regeneration. The Service Improvement & Finance Panel keeps an eye on performance & spending across the Council. We have two in-depth inquiries in progress. Our examination of the Natural Environment is almost complete and a final report, with conclusions and recommendations for Cabinet, will be presented soon. The inquiry into Equalities is currently evidence gathering, looking at how effectively the Council is meeting and embedding requirements under the law. Both of these inquiries have generated public interest, and it is pleasing that a number of people have responded to the 'call for evidence' and taken the opportunity to submit their views. Each Panel has also been proactive in seeking evidence from a wide range of sources, including people and groups involved or affected. We have arrangements in place to check on implementation of previous inquiry recommendations and assess the impact of our work. Because of good progress Councillors were able to conclude monitoring of the inquiries on Tackling Poverty and Child & Adolescent Mental Health Services. We also arrange Working Groups for a 'light-touch' look at issues and this has enabled scrutiny to look at, and make improvement recommendations, on the following: Hate Crime, Homelessness, Local Flood Risk Management, Air & Noise Pollution, Welfare Reform, and Environmental Enforcement.

Getting praise from inspectors

Recent reports by the Care Inspectorate Wales (CIW) have praised the work of scrutiny. The Council's Child & Family Services and Foster Swansea Service were the subject of external inspections, which have identified good practice with positive outcomes for children and young people. As well as positive findings about the service provided, the inspectors commented that there are robust scrutiny arrangements in place for accountability and challenge in these areas.

Improving scrutiny

I wrote previously about the process of improvement and development, with challenge provided by the Wales Audit Office (WAO) and the Committee identifying five scrutiny improvement objectives. I am happy to say that we have now agreed a Scrutiny Improvement Action Plan to address the WAO proposals for improvement and deliver our own objectives. This means action on: meeting development needs for scrutiny councillors; the relationship between scrutiny and the Council's Policy Development Committees; and better demonstrating the impact and outcomes of scrutiny. It also means a focus on getting more of our work formally reported to cabinet, earlier involvement in cabinet decision-making, improving councillor participation in scrutiny, strengthening the follow-up of recommendations, and getting more of our work in the media to raise awareness and public engagement in scrutiny. The Committee has previously identified the need to develop closer links with regulators and inspectors so that we can provide a more coordinated and effective challenge. The Scrutiny Work Programme will also now include consideration of relevant WAO reports. Scrutiny will expect assurance from Council leads about their response to WAO reports and provide challenge to monitor and ensure improvement.

Questioning Cabinet Members

The Committee continues to focus on holding cabinet members to account, through monthly Q & A sessions to discuss their work. Acting as a 'critical friend' we question and challenge them on their priorities, actions, achievements and impact. As I write we are due to meet with the Cabinet Member for Investment, Regeneration & Tourism in March. We invite the public and all scrutiny councillors to contribute ideas to ensure the Committee asks the right questions. A summary of each session and views of the Committee are published in a letter to relevant Cabinet Members. We have recently put questions to the Cabinet Members for Care, Health & Ageing Well, Economy & Strategy (Leader), and Environment & Infrastructure Management.

Challenging proposed decisions

Pre-decision scrutiny enables us to question Cabinet Members on proposals and present views and any concerns to Cabinet ahead of decisions. Since September scrutiny has looked at reports on: Homelessness Strategy & Action Plan 2018-2022 (Nov); Swansea Central Phase 1 (Nov); proposed closure of Craigcefnparc School - report on Small School Review (Dec); and YGG Felindre - report on School Organisation Linked to the Welsh Education Strategic Plan (Dec).

Developing regional scrutiny

The regional Scrutiny Councillor Group continues to meet to consider progress with school improvement across the ERW (Education Through Regional Working) region. In January the Group met with the Chair of the ERW Joint Committee, Lead Chief Executive, and Lead Officer for ERW concerning the ERW Review and Reform Programme. Also, the new Joint Scrutiny Committee looking at the Swansea Bay City Deal Programme met for the first time on 20 November. The Chair and Vice-Chair of the Committee were confirmed as: Councillor Arwyn Woolcock (Neath Port Talbot) and Councillor Rob James (Carmarthenshire) respectively, for a two year period. The Committee held an extra meeting on 31 January for update on internal and external reviews of the City Deal Programme, and recent developments.

Making the work of scrutiny transparent and accessible

Scrutiny agenda packs are available on the Council's ['agenda and minutes' webpage](#). There you can also find scrutiny letters sent to cabinet members following meetings and responses. Our meetings are open to the public and anyone living or working in Swansea can [suggest a topic for scrutiny](#). There are also opportunities to suggest questions, and submit views. To keep an eye on what's going see the links below, subscribe to our newsletter, or even follow us on Twitter.

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‘How scrutiny councillors are making a difference’

Maintaining & Enhancing Our Natural Environment

(Lead: Councillor Peter Jones)

Scrutiny councillors have told the Council what it should be doing to maintain, enhance and promote its natural environment and biodiversity, and in doing so promote the resilience of eco-systems.

An in-depth Scrutiny Inquiry into the Natural Environment published findings in a report that was presented to the Cabinet meeting on 21 March. The Inquiry Panel, led by Councillor Peter Jones, spent much of the last year looking at this topic. It took in a range of perspectives, from both within the Council, from partners and the public, and the report makes twenty recommendations for Cabinet to respond to, on an issue that is now a matter of priority for the Council.

The report includes a view on how this priority can be delivered effectively. It recognises that the Council is one of the leading public authorities in Wales in thinking through and exploring how best to deliver on the Welsh Government environmental and sustainability legislation. However, the task is to meet expectations and to deliver on and embed requirements, and the inquiry report serves as a contribution to that effort.

Some of the recommendations have been identified by the cross-party Inquiry Panel as ‘quick wins’, other as more medium and long-term actions, touching upon all areas of the Council’s work. This includes calling for action on:

- Raising the profile of the Natural Environment and Biodiversity internally and externally.
- Maintaining and increasing the specialist and high quality work currently delivered by the Council.
- Recognising the benefits of ‘nature based’ prevention projects, such as to limit air pollution and for flood risk management etc.
- Cost sharing across the Council in providing additional resources to maintain and enhance the natural environment, and more cross-departmental working
- The authority working co-productively with external partners, including voluntary groups, Community Councils and the public in maintaining and enhancing the Council’s green spaces.
- Making a commitment to natural environment education in schools.

Councillor Peter Jones, convener of the Panel said:

‘This work has been an extensive undertaking. We found that a lot of positive action was evident but it is clear that there was much to be done. This report concentrates on biodiversity loss and how we, as a Council, can and must set about halting and reversing this process, not least to meet the 2020 target set by the Welsh Government which aims to halt the loss of biodiversity and take steps toward recovery. However, the Panel is clear that delivery will be difficult without financial support to meet, in particular, additional staffing requirements.’

The final report can be found here.

A decision on the inquiry recommendations is expected within the next two months – more on that in the next edition.

Improving Community Safety

(Lead: Councillor Mary Jones)

Scrutiny councillors have shone a light on the community safety issues facing Swansea and actions to tackle these.

The performance of the local Community Safety Partnership is looked at each year as part of the scrutiny work programme – in Swansea this is known as the Safer Swansea Partnership. In April, the Scrutiny Programme Committee met with representative(s) from South Wales Police and the Council who are involved in the joint-chairing arrangement for the Safer Swansea Partnership Steering Group.

The vision of the Safer Swansea Partnership is ‘a place where all members of society can feel safe at all times’, and its key purpose being ‘to create a safe and welcoming environment in which to live, work, visit, trade, study, relax and retire’. A discussion about the performance of the Safer Swansea Partnership, looking at partnership priorities, actions, and impact, highlighted the achievements against objectives and crime and disorder challenges, covering the following:

- Safe, Confident and Resilient Communities
- County Lines and Substance Misuse
- Violence against Women, Domestic Abuse and Sexual Violence
- Hate Crime and Community Tension Monitoring
- Evening and Night Time Economy

The scrutiny session generated much media interest, with a number of stories in the local press, in particular around tackling issues relating to High Street and its regeneration. The session also has contributed to a public conversation about crime recorded in Swansea, with performance and crime statistics from the past two years being revealed – showing challenges around drug trafficking and substance misuse, organised crime, robberies, and sexual offences. Councillors also raised some concerns around the visibility of policing, limited powers of PCSOs, the 101 telephone reporting system, and the effectiveness of existing approaches to community engagement, and the level of engagement and information sharing with local Councillors.

Dealing with Welfare Reform

(Lead: Councillor Louise Gibbard)

Scrutiny councillors have made recommendations to help manage the impact of welfare reform on people in Swansea.

A cross-party Scrutiny Working Group met in January to look at the impacts of Welfare Reform in Swansea and works / measures in place to support citizens and mitigate problems. The one-off focused meeting also received evidence from Citizen’s Advice Swansea Neath Port Talbot, in respect of queries handled by them during the 12 months since the roll out of Universal Credit (UC) in Swansea.

As a result of this scrutiny action is expected, including:

- talking to local Department for Work & Pensions partners about UC processes
- rolling out quick reference resources which councillors could use when supporting someone with money worries
- developing an online benefits awareness course, mandatory for all staff in the Council

Further scrutiny may result from this work, looking into how well welfare rights support and advice, and commitment to tackling poverty is being delivered across the Council e.g. by staff working in Social Services, Housing and by others in direct contact with vulnerable people.

Managing Environmental Enforcement

(Lead: Councillor Jeff Jones)

Scrutiny Councillors have asked questions about what is being done in relation to the enforcement and prevention of a range of environmental issues, concerns about which are regularly raised by the public.

A one-off Working Group took place in February to discuss the work of the Council and issues such as fly tipping, dog fouling, litter, pavement parking, overhanging branches and undergrowth, public footpaths and highways etc. Councillors met with the Cabinet Member for Environment & Infrastructure Management and relevant officers, who provided the Working Group with a briefing on this topic on activities to improve the local environment. It was recognised that this was a challenging area for the Council, with enforcement action being the final step.

Following this scrutiny activity, the Cabinet Member confirms actions will be taken, including around:

- raising public awareness about the cost of fly tipping to the Council, publicising fly tipping prosecutions and highlighting successes
- improving public information about disposal of dog waste
- developing a policy for the enforcement of verge and pavement parking
- providing information around the enforcement contract with 3GS and its focus, for possible review

More details about the discussion, and correspondence between the Working Group and Cabinet Member following the meeting, can be found [here](#).

Chair's Roundup:

This is my third roundup of the work of scrutiny for 2018/19, as Chair of the Scrutiny Programme Committee.

Delivering the priorities for 2018/19

We have approached the end of another year of scrutiny and again delivered a range of scrutiny activities targeted at the things that matter most, through the work of the Committee, in-depth inquiry, ongoing detailed performance and financial monitoring, and one-off Working Groups.

The Natural Environment Inquiry came to an end in March, as reported in the main feature of this paper. With evidence gathering complete, the Inquiry into Equalities is about to conclude. The Inquiry Panel is reflecting on the findings, and will draw conclusions and recommendations. This piece of scrutiny has been looking at how effectively the Council is meeting and embedding equality requirements under the law. It has included councillors undertaking a number of informal evidence gathering activities including engagement with a range of groups / networks who represent people with protected characteristics.

Each of the Performance Panels played a part in scrutinizing the draft Council budget in February. Their examination of service specific proposals and implications supported the work of the Service Improvement & Finance Performance Panel, which plays the lead role in financial monitoring. Feedback was provided to Cabinet ahead of Cabinet decision-making and scrutiny helped to prepare councillors for the budget debate at Council.

Since I wrote to Council previously we have also been able, through Working Groups, to look at, and make improvement recommendations, on the Council's work regarding Local Flood Risk Management, Anti-Social Behaviour, and Tourism.

Questioning Cabinet Members

The Committee continues to focus on holding all cabinet members to account, through monthly Q & A sessions to discuss their work. Acting as a 'critical friend' we question and challenge them on their priorities, actions, achievements and impact. As I write we are due to meet with the Cabinet Members for Delivery, and Investment, Regeneration & Tourism in May. We invite the public and all scrutiny councillors to contribute ideas to ensure the Committee asks the right questions. We have recently put questions to the Cabinet Members for Better Communities, Councillors June Burtonshaw and Mary Sherwood. A summary of each session and views of the Committee are published in a letter to relevant Cabinet Members.

Challenging decisions

Following the agreement of new arrangements by Council the first scrutiny call-in of a Cabinet decision took place in March. Any valid call-in of cabinet decisions leads to the calling of a meeting of the Committee. The Cabinet report on the New Build for Gorseinon Primary School was called in and the Committee was able to question the Cabinet Member for Education Improvement, Learning & Skills and lead officers who responded to satisfy the concerns raised.

Supporting Joint Scrutiny

With scrutiny of the City Region City Deal and regional Education Improvement body (ERW) already in place, and the possible development of further regional scrutiny arrangements, we welcome the launch of a new Joint Scrutiny Handbook in June. I will be attending the national launch that will be led by the Welsh Government Minister for Housing and Local Government, on 17 June in mid-Wales. We look forward to the advice and guidance that the handbook will provide to support and strengthen the development of collaborative scrutiny in Wales.

End of Year Review

At the end of each year it is good practice to look back on the year's work and achievements, and consider its effectiveness. All councillors were invited to give their views and along with feedback from an informal workshop in early May to help members to reflect and discuss issues, the Committee reviewed the year's work at its meeting on 13 May. Alongside this reflection and self-evaluation by scrutiny councillors, Scrutiny Procedure Rules are being reviewed by the Head of Service to ensure they are not only up-to-date, but provide the best reflection of scrutiny practice / process, and take into account any issues raised by councillors.

Developing a new work programme

A Work Planning Conference will take place on 10 June (in place of the scheduled Committee meeting) that will help the Committee to consider and identify priorities for scrutiny for the coming year. All scrutiny councillors will be invited to participate in this. As well as new topics the Committee will need to consider the continuation of current activities in the Work Programme for 2019/20 because of their importance or because work may be incomplete. Following the Work Planning Conference, the Scrutiny Programme Committee will meet on 8 July to reflect on feedback from the Conference, and other relevant considerations, and agree the work programme for 2019/20. We look forward to a new year of scrutiny, and making an even bigger difference!

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Agenda Item 6



Report of the Chief Auditor

Audit Committee – 11 February 2020

Internal Audit Annual Plan Methodology Report 2020/21

Purpose:	This report provides a briefing to the Audit Committee on the methodology used to prepare the Internal Audit Annual Plan in advance of the Annual Plan 2020/21 being reported to the Committee for approval on 14 April 2020.
Policy Framework:	None
Consultation:	Legal, Finance, Access to Services
Recommendation(s):	It is recommended that: 1) the Committee note the methodology for preparing the Internal Audit Annual Plan 2020/21.
Report Author:	Simon Cockings
Finance Officer:	Simon Cockings
Legal Officer:	Debbie Smith
Access to Services Officer:	Rhian Millar

1. Introduction

- 1.1 The Public Sector Internal Audit Standards (PSIAS) provide a framework for the delivery of a professional, independent and objective internal audit service and are mandatory for all internal audit providers in the public sector in the UK.
- 1.2 One of the requirements of the PSIAS is that an annual risk-based Internal Audit Plan must be prepared to determine the priorities of Internal Audit and to ensure they are consistent with the Council's goals. The Plan must allow sufficient audit coverage across the whole Council

for the Chief Auditor to be able to provide an annual opinion to Council via the Section 151 Officer and Audit Committee on the control environment covering corporate governance, risk management and internal control.

- 1.3 The Audit Plan should ensure that resources are targeted at the areas of the Council's work where it can provide most benefit by providing assurance over key risks and controls.
- 1.4 The Standards state that the Internal Audit Annual Plan must be discussed with senior management which in the Internal Audit Charter is defined as the Corporate Management Team before being reported to the Audit Committee for approval.
- 1.5 This report provides a briefing on the methodology used to prepare the Annual Plan in advance of the Plan for 2020/21 being reported to the Committee for approval at the next meeting.

2. Internal Audit Plan Methodology

- 2.1 The requirement to produce an Internal Audit Annual Plan is included in the PSIAS which are mandatory for all internal audit providers in the UK public sector.
- 2.2 An extract of the PSIAS requirements regarding internal audit planning is attached in Appendix 1.
- 2.3 The starting point for a risk-based audit approach is gaining an understanding of the Council's objectives and goals as well as the current key risks faced by the Council as recorded in the Risk Registers.
- 2.4 Information is gathered from a number of sources prior to the preparation of the detailed Audit Plan including:
 - The Corporate Plan, One Swansea Plan and the Well-Being Statement.
 - Risk Registers.
 - Areas of concern or request for audit coverage from management or the Audit Committee.
 - The Assurance Map which details other sources of assurance available both from internal and external sources.
 - Any recent or proposed significant changes to the Council's systems or operations.
 - Previous audit results and Internal Audit's cumulative knowledge of systems and procedures across the Council.
- 2.5 A diagram that illustrates the internal audit annual planning process can be found in Appendix 2.

2.6 Following the gathering of relevant information, an Audit Needs Assessment is completed utilising the risk assessment undertaken for each audit. The risk assessment takes account of a wide range of factors which are grouped into the following categories:

- Materiality e.g. income, expenditure.
- Control Environment/Vulnerability e.g. previous frauds, staff turnover.
- Management Concerns e.g. direct request for help, potential for embarrassment.
- Sensitivity e.g. impact on service, effect on Council's welfare.

2.7 A copy of the Risk Assessment form used is attached in Appendix 3.

2.8 The outcome of the risk assessment is a risk index which is then used to determine the frequency of audit visits as shown in the following table. The frequency of audit visit for medium/low and low risk audits was decreased in 2015/16 as one of the changes reported to the Audit Committee at the time which were designed to free up audit resources which could then be used on higher risk audits and added value work.

Risk Index	Risk Factor	Frequency of Visit
0 – 19	Low	5 years
20 – 25	Medium/Low	4/5 years
26 – 40	Medium	3 years
41 – 49	Medium/High	2/3 years
50 +	High	1/2 years

2.9 In addition to the risk assessment process, a number of systems have traditionally been identified, in consultation with our external auditors as fundamental e.g. Employee Services, Accounts Receivable, Main Accounting, Council Tax. All fundamental systems are audited either annually or every 2 years which recognises the significance of the system to the achievement of the Council's objectives.

2.10 A number of audits are undertaken on an annual basis rather than by the determination of risk e.g. grant certification audits where the work is required under the terms and conditions of the grant, the review of debts written off prior to authorisation, services where significant amounts of cash are handled, etc.

2.11 The use of the risk assessment process provides every audit in the Council's audit universe with a year when the next audit is due which is also considered when developing the Audit Plan.

2.12 Each year, a Consultation Exercise is held with all Heads of Service and the Corporate Management Team, giving them the opportunity to comment on the audit coverage in their areas and to ensure that all risks within their services have been identified. Heads of Service may also request specific reviews or pieces of work by the Internal Audit Section

which will add value to their service. All requests are considered in light of the total Internal Audit resources available.

- 2.13 The Consultation Exercise for the 2020/21 Audit Plan commenced in November 2019.
- 2.14 In order to demonstrate the linkage between the annual plan for 2020/21 and the Council's Corporate Priorities, the Consultation Exercise also included discussions with Heads of Service to determine which of the Corporate Priorities they felt the services in their areas most closely mapped to. Whilst it is acknowledged that some service areas could map to a number of different Corporate Priorities, for simplicity, we have attempted to map each Service Area to the most relevant Corporate Priority.
- 2.15 As requested by Committee, the 2020/21 Audit Plan will reflect this mapping so that Members are able to recognise the clear link between the Plan and the Objectives of the Council. The links between the Corporate Priorities, Service Areas, the Audit Plan, the Governance Framework and the Annual Governance Statement are demonstrated in the illustration in Appendix 4.
- 2.16 Whilst the 2020/21 audit plan is currently being considered, it is envisaged that the planned audits will be grouped in the following broad categories:
- **Council Governance & Control Audits** – cross-cutting reviews.
 - **Fundamental Audits** – aimed at providing Section 151 Officer Assurance.
 - **Service Specific Audits** – aimed at providing other assurance, linked to the Corporate Priorities and as a result of the audit planning and consultation process.
- 2.17 Historically, a review of the Corporate and Directorate Risk Registers has also taken place as part of the audit planning process to ensure that where necessary, Internal Audit resources are targeted at the areas considered to be the highest risk. This has also been the case for the 2020/21 Audit Plan.
- 2.18 In addition to this, it was recommended as part of the PSIAS Peer Review that an Assurance Mapping Exercise should be carried out to inform the audit planning process and identify other sources of assurance. This exercise has been completed, with the Assurance Map being updated in consultation with the Corporate Management Team as the Risk Owners.
- 2.19 The updated Assurance Mapping can be found in Appendix 5, together with a brief narrative explaining the process. The results of this exercise will also be taken into consideration when compiling the 2020/21 Audit Plan.

- 2.20 The ongoing review of the current year's Annual Plan also informs the planning process e.g. by identifying any emerging risks, new systems, developments or special investigations which may have a wider impact.
- 2.21 The Audit Needs Assessment i.e. the risk assessment process, consultation exercise and review of the risk registers will provide the total number of audit days required in the Audit Plan for 2020/21 which then has to be matched against the audit resources available.
- 2.22 The audit resources available in 2020/21 is 9.1 full time equivalents excluding the Chief Auditor.
- 2.23 The audit resources available have to allow for things such as annual leave, public holidays, training, administration, planning, sickness and a contingency to allow for unplanned work. This provides the productive audit days available to deliver the required audit coverage obtained from the Audit Needs Assessment.
- 2.24 Inevitably, the required audit coverage will exceed the available audit resources leading to a further review of the required audit coverage. This review will again be risk based to ensure that the areas of greatest perceived risk are prioritised. The audits which are deferred to reconcile the audit days required to the available audit resources will be low risk or medium/low risk or will have received a high level of assurance at the last audit which indicates good systems and controls are in place.
- 2.25 The Internal Audit Annual Plan is reported to the Corporate Management Team and Audit Committee at the start of each year for approval. However, the Annual Plan must remain a flexible document that reacts to changing risks and priorities over the course of the year.

3 Equality and Engagement Implications

- 3.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- Our Equality Impact Assessment process ensures that we have paid due regard to the above.
- 3.2 There are no equality and engagement implications associated with this report.

4. Financial Implications

4.1 There are no financial implications associated with this report.

5. Legal Implications

5.1 There are no legal implications associated with this report

Background Papers: None

Appendices: Appendix 1 – Extract from Public Sector Internal Audit Standards

Appendix 2 – Internal Audit Annual Planning Process

Appendix 3 – Risk Assessment Sheet

Appendix 4 – Audit Plan Against Corporate Priorities

Appendix 5 – City & County of Swansea Assurance Map

Extract from Public Sector Internal Audit Standards

2010 Planning

The chief audit executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals.

Interpretation:

To develop the risk-based plan, the chief audit executive consults with senior management and the board and obtains an understanding of the organisation's strategies, key business objectives, associated risks and risk management processes. The chief audit executive must review and adjust the plan, as necessary, in response to changes in the organisation's business, risks, operations, programmes, systems, and controls.

Public sector requirement

The risk-based plan must take into account the requirement to produce an annual internal audit opinion and the assurance framework. It must incorporate or be linked to a strategic or high-level statement of how the internal audit service will be delivered and developed in accordance with the internal audit charter and how it links to the organisational objectives and priorities.

2010.A1

The internal audit activity's plan of engagements must be based on a documented risk assessment, undertaken at least annually. The input of senior management and the board must be considered in this process.

2010.A2

The chief audit executive must identify and consider the expectations of senior management, the board and other stakeholders for internal audit opinions and other conclusions.

2010.C1

The chief audit executive should consider accepting proposed consulting engagements based on the engagement's potential to improve management of risks, add value and improve the organisation's operations. Accepted engagements must be included in the plan.

2020 Communication and Approval

The chief audit executive must communicate the internal audit activity's plans and resource requirements, including significant interim changes, to senior management and the board for review and approval. The chief audit executive must also communicate the impact of resource limitations.

2030 Resource Management

The chief audit executive must ensure that internal audit resources are appropriate, sufficient and effectively deployed to achieve the approved plan.

Interpretation:

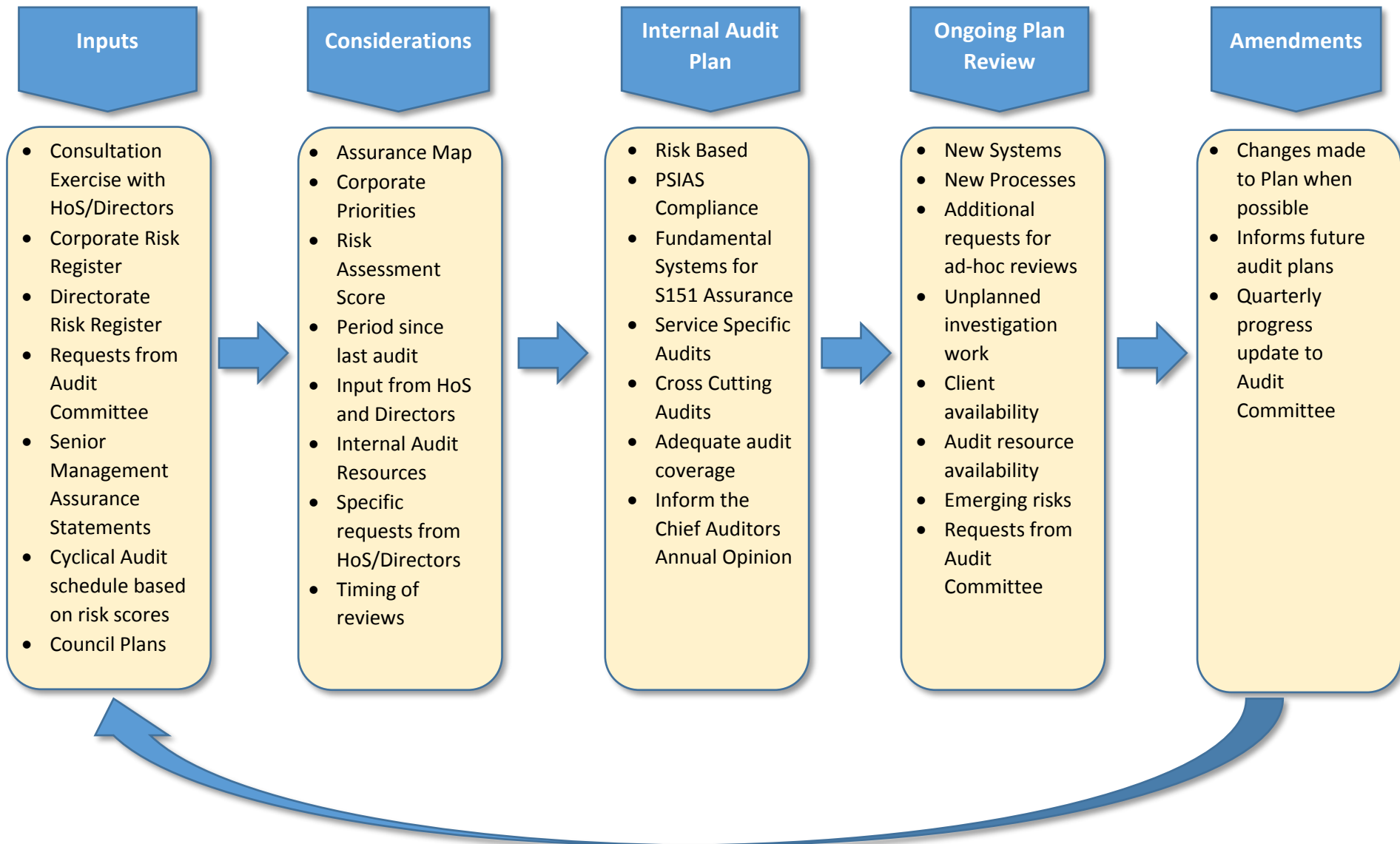
Appropriate refers to the mix of knowledge, skills and other competencies needed to perform the plan. Sufficient refers to the quantity of resources needed to accomplish the plan. Resources are effectively deployed when they are used in a way that optimises the achievement of the approved plan.

Public sector requirement

The risk-based plan must explain how internal audit's resource requirements have been assessed.

Where the chief audit executive believes that the level of agreed resources will impact adversely on the provision of the annual internal audit opinion, the consequences must be brought to the attention of the board.

Internal Audit Annual Planning Process



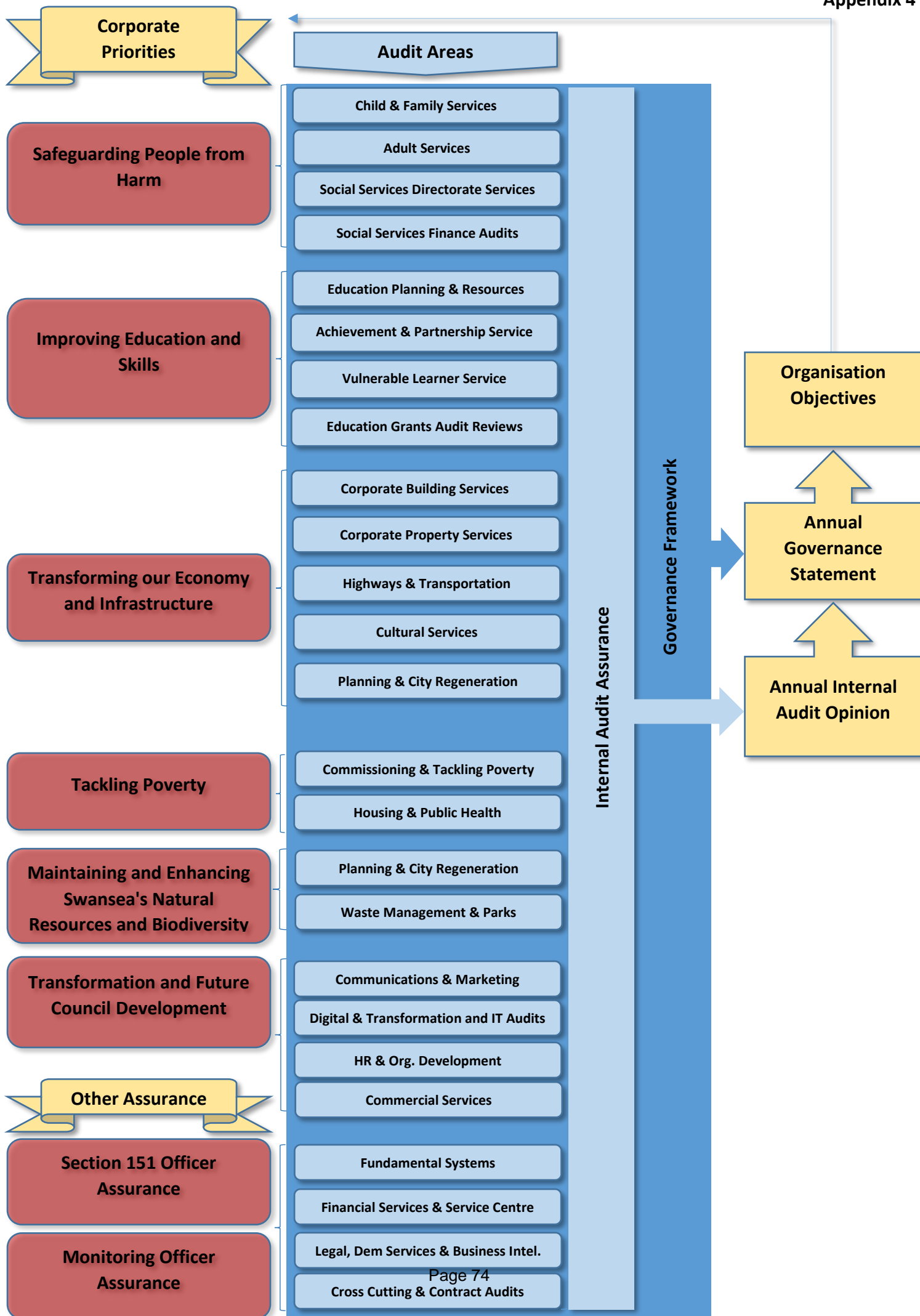
City and County of Swansea - Risk Assessment Sheet - Internal Audit Section

Estab./Site/System: _____ File Ref: _____

Completed By: _____ Date: _____ Approved By: _____ Date: _____

Tick each factor that applies and score 1 point (except A) - maximum 5 points per category

A. Materiality		B. Control Environment / Vulnerability	C. Management Concerns	D Sensitivity
Value of funds that pass through the system and/or direct expenditure <u>plus</u> income = £ _____		<ul style="list-style-type: none"> • Previous frauds if < 5 years • Current opinion rating less than 'Substantial' • Last audit review > 3 years ago (date _____) • High staff turnover • New system(s) operating • High degree of devolution • Complex system(s) operating • Critical reports from outside bodies etc. 	<ul style="list-style-type: none"> • Direct requests for help • Potential for embarrassment • Specific problem areas • Control weaknesses • Assets at risk • Significant cash income (eg: > £10K p.a.) 	<ul style="list-style-type: none"> • Political sensitivity of activity • Large no. of sub-systems, interlinked or dependent systems • Effect on Authority's welfare • Unwelcome disclosure • Impact on service • Impact on other depts.
Annual Value (£)	Score			
<ul style="list-style-type: none"> • < 1,000 • 1,000 - 10,000 • 10,001 - 100,000 • 100,001 - 1m • 1m - 5m • > 5m 	<ul style="list-style-type: none"> 0 1 2 3 4 5 			
Total Score (max 5)				
Weighting		5	8	4
Weighted Scores				
Total WS =risk index		Low=0-19;Med./Low=20to 25;Med. Low – 4 yrs, Med/Low – 3 to 4 yrs,	=26 to 40; Med./High=41to 49 Med –3yrs, Med/High – 2 to 3 yrs,	High=50 and above High 1 to 2 yrs



City & County of Swansea Assurance Map

Business Risk	Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area	
					Level 1	Level 2			Level 3					
					Management Assurance	Other <i>Internal</i> Assurance			Other <i>Independent</i> Assurance					
Council/Cabinet	Scrutiny	Other	Internal Audit	Other Bodies		External Audit								
Corporate Risk Register														
Financial Control and MTFP aspects of Sustainable Swansea (CR80) Category: Corporate Finance Page 75	If we fail to deliver Sustainable Swansea and maintain sufficient financial control, and in particular do not ensure we contain service overspending, then we will not be able to respond appropriately to continuing austerity, demographic pressures, increasing demand and changing public expectations.	Very High	Very High	Red	Ben Smith	>Corporate level monitoring. >Agreed budget. >Clear governance and reporting in place. >Prevention Strategy. >Monitoring at monthly P&FM's. >FSTG reporting and monitoring. MTFP. >Tracker in place from June 2018 to capture and warn of delivery risks.	>Collaborative Officer/ Member budget setting process in place. >Overspend and under delivery of savings openly and transparently escalated and reported to Cabinet and Council by S151 Officer.	>Dedicated Scrutiny Service Improvement and Finance Performance Panel consider and scrutinise the budget on a quarterly basis.	>Monthly P&FM Meetings. Transform & Future Council PDC. >Budget holders required to monitor and report any budget variances to monthly P&FM for review. >Reshaping Board launched to challenge delivery/ non-delivery and accelerate timescales. >Cabinet & Audit Committee resolved that Directors must produce credible plans immediately to rebalance budget. Outstanding (04.11.19)	>Audit Committee provide challenge, oversight and assurance >Periodic budget monitoring reports go to Audit Committee >Budget reports included in the 2020/21 workplan for Audit Committee	>External audit likely to comment imminently on overall financial standing as part of an all Wales commentary - will inevitably draw attention to low level of reserves and repeated under achievement of savings and over spending - all of which have been very publicly documented by the S151 officer. >WAO review currently underway in relation to the MTFP aspects of Sustainable Swansea.	>Audit of the MTFP aspects of Sust Swansea included on the 19/20 audit plan. Awaiting results of the external WAO review of this. Other strands of the prog. may be reviewed in year review. (non-MTFP) pending outcome of WAO review.	>Budget setting and management audit inc. in 2019/20 audit plan. >Sust. Swansea audit included in the plan for 20/21, scope pending based on coverage of WAO MTFP aspects of Sust. Swansea and proposed changes to the overall project.	Service Specific / Fundamental Audits - Section 151 Officer Assurance

Business Risk	Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area		
					Level 1	Level 2			Level 3						
					Management Assurance	Other <u>Internal</u> Assurance			Other <u>Independent</u> Assurance						
						Council/Cabinet	Scrutiny	Other	Internal Audit	Other Bodies				External Audit	
Corporate Risk Register															
City Centre (CR81) Category: Corporate Plan Priorities	If we are unable to attract sufficient external investment and financial support and do not regenerate the city centre, then there will be a detrimental impact on the Swansea economy and reputational damage for the Council.	High	Medium	Amber	Martin Nicholls	>City Deal agreement in place. >City Centre Strategic Framework and resources for delivery. >Political mandate, leadership and support. >Positive comms attracting inward investment. >Corporate priority. >Developer confidence taking schemes forward. >BID and buy-in from city centre businesses. >Financial control of revenue budget providing headroom for capital schemes. >Financial commitment through Capital and Revenue Programme and EU/WG funding streams. >Revised City Region Governance agreed 28/05/19 Joint Committee. >New Programme Director due to be appointed by programme board.	>Funding approved by Cabinet via FPR 7 on 21/11/19.	>Regular scrutiny programme reviews of progress and pre decision scrutiny of cabinet reports. >Scrutiny undertaken on FPR Report November 2019.	>Monthly member steering group. >City Deal Governance Structure now agreed and private sector board appointed (Sep 2018) >City Deal Joint Committee constituted. >Development Advisory Group in place. >Programme board to agree amended joint working agreement and governance changes on 11/07/19, inc. appt. of new Programme Director. City Deal Sign off planned 15/07/19.	>Internal review of Swansea Bay City Deal completed 18/19 by Pembs CC involving all four LA's. >Rec's made included in action tracker presented to Joint Scrutiny Board to monitor progress. Last update June 2019.	>A Joint Scrutiny Committee has been set up to scrutinise City Deal across all partners. >Prog. Board in place with new Prog. Director appointed.	>Independent completed of Swansea Bay City Deal in Q4 2018/19 jointly by Local and Central Government >Status of implementation being reported to Joint Scrutiny Committee – last update June 2019. >Some recommendations made will be followed up in 2019/20 and ongoing review in 2020/21. >Follow up review of City Deal due to be completed by Pembs Q4 19/20.	>Some work required to follow up on review findings / monitor progress as reported to Joint Scrutiny Committee via external/ internal review action log.	>Time has been allocated in 2020/21 Audit Plan to allow for possible work required to follow up on Internal and WG review outcomes. >Review of ongoing Swansea Central Phase 1 included in the 2020/21 audit plan.	n/a

Business Risk	Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area		
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						Council/Cabinet	Scrutiny	Other	Internal Audit	Other Bodies				External Audit	
Corporate Risk Register															
Safeguarding (CR82) Category: Corporate Plan Priorities	If our safeguarding arrangements are not sufficiently robust, then we will not be doing everything we possibly can to prevent the death, injury or neglect of a child or vulnerable adult and consequential reputational damage.	Medium	Very High	Red	David Howes	>Sufficient numbers of trained adult/children service staff. >Corporate Safeguarding Policy/Group. >Strong performance monitoring/reporting. >Commitment to invest in social care strong. >Regional and multi-agency safeguarding partnerships. >New and revised safeguarding policy in place following PDC review. >Frontline supported care planning teams restructure completed in Children Services. >Adult Services staff training almost complete. >Multi-agency monitoring of referrals now in place at front door of Adult Services. >Regular audit of safeguarding cases established in Adult Services to mirror Child Services. >Regular safeguarding audits of schools.	>Positive engagement and support from Cabinet and Council.	>Two dedicated scrutiny panels in place to monitor social services work and performance. >People PDC in place.	>Corporate safeguarding training in place for staff and members. Safeguarding leads identified across all Council services. Separate safeguarding arrangements in place in schools. >Corporate safeguarding board. >Chief Exec public protection board.	>Safeguarding Audit included on the Audit Plan.	CIW	WAO	Currently included as part of standard rolling audit schedule, repeated based on audit risk score.	Safeguarding audit completed in 2019/20. Periodic audit.	Service Specific – Safeguarding People from Harm

Business Risk		Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area	
						Level 1	Level 2			Level 3					
						Management Assurance	Other <i>Internal</i> Assurance			Other <i>Independent</i> Assurance					
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Corporate Risk Register															
Pupil attainment and achievement (CR83) Category: Corporate Plan Priorities	If we cannot get schools to improve pupil attainment and achievement at a time of reduced resources and increasing demand, then pupils will not get the qualifications and skills they need to succeed in life and there will be a detrimental impact on the future Swansea economy.	Medium	Medium	Amber	Nick Williams	>Commitment to invest in Education. >Corporate Priority. >Good school-to-school support. >Effective partnership working and engagement with stakeholders through School Budget Forum and Headteacher meetings. >School Improvement Strategy and Partnership. >EOTAS Strategy & Programme. >Attendance Strategy. >Strong school building programme. >Strong leadership commitment to influence ERW agenda. >Commissioning review on ALN.	>Positive engagement and support from Cabinet and Council.	>Dedicated Scrutiny Panel to scrutinise education work and performance.	>Child Protection Board. Commission review on ALN. Improving Education & Skills PDC. >Education Skills Co-ordinator appointed. >PSO's/ Accountancy provide support and oversight of school finance.	>Various Edu. Audits in the Audit Plan. >ESTYN reports review during school audits for finance / mgt. control.	>ESTYN prog. of external school inspect's..	>WAO & CIW.	>Range of Education audits in the plan to be completed as part of the rolling audit schedule.	>School and other Education audits due in 2020/21	Service Specific – Improving Education and Skills

Business Risk		Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area	
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Corporate Risk Register															
Tackling poverty (CR84) Category: Corporate Plan Priorities	If we do not have a sufficient strategy in place to tackle poverty, then there will continue to be negative consequences for current and future generations, high demand for Council services and a continuing detrimental impact on the Swansea economy.	Medium	Medium	Amber	David Howes	>Updated Tackling Poverty Strategy agreed by Cabinet. >Cross Council delivery plan in place and performance framework being introduced. >Council Poverty Forum renewed, chaired by Chief Exec. Tackling Poverty a corporate priority. >Poverty forum refreshed with leadership via Deputy Chief Exec.		>Scrutiny Inquiry undertaken 2016 and report recommendations largely accepted.	>Tackling Poverty PDC in place with appropriate agendas and involvement.	>Various audits in Audit Plan for Poverty & Prev.	>Poverty Truth Commission start-up in place with rep. from Cabinet agreed.	>Range of Poverty & Prevention audits in the plan to be completed as part of the rolling audit schedule.	>Poverty & Prevention audits due in 2020/21 as per rolling prog of scheduled audits.	Poverty & Prevention Audits – Tackling Poverty	

<p>Workforce Strategy (CR85) Category: Corporate Governance</p>	<p>If we do not have a robust workforce strategy in place, then we will not have staff with sufficient capacity and the right knowledge and skills to manage change, deliver transformed services and ensure statutory compliance.</p>	<p>Medium</p>	<p>Medium</p>	<p>Amber</p>	<p>Sarah Lackenby</p> <ul style="list-style-type: none"> >Workforce planning. Corporate Plan – Sustainable Development principles embedded in the objectives. >Workforce planning forms part of Service Planning. >Gender Pay Gap analysis and action plan also feeds into this risk. >OD Strategy and implementation plan. Tracking and monitoring of OD plan and delivery. >New reporting via revised CMT/Cabinet governance and Leadership Team. >Service planning template being co-produced with HoS to incorporate workforce planning. >PSED return made to WG. >OD Strategy & workforce development incorporated into Future Council strand of SS. >Leadership Hub sessions underway. >Mgt training & development underway. >Mandatory training review/updated. >HR Policy Review underway. >Gender Pay Gap analysis / plan part of PDC work plan. >Completed service plans informed by workforce analysis by each service. 		<ul style="list-style-type: none"> >Forms part of the overall annual Scrutiny review of Sustainable Swansea transformation programme. 	<ul style="list-style-type: none"> >Finance & Service Transformation (FSTG) receive progress updates around the OD strategy and workforce planning. >The Transformation & Future Council Policy Development Committee (PDC) has undertaken a strand of work around the gender pay gap. 				<ul style="list-style-type: none"> >An audit of the OD strategy, implementation plan, workforce planning as part of service planning and the gender pay gap action plan would be helpful in 2020 	<ul style="list-style-type: none"> >Workforce Planning audit included in 2019/20 audit plan, deferred pending Oracle Cloud implementation per SL BS. To be reviewed in 2020/21. 	<p>Cross Cutting Audits – Other Assurance</p>
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<p>Digital, data and cyber security (CR86)</p> <p>Category: Corporate Governance</p>	<p>If we do not have robust digital, data and information security measures and systems in place, then we will be vulnerable to cyber threats, disruption to service delivery, possible loss of information including confidential information and associated fines and reputational damage.</p>	<p>Low</p>	<p>High</p>	<p>Amber</p>	<p>Sarah Lackenby</p>	<ul style="list-style-type: none"> >Communications and awareness raising to staff and Councillors monthly on good practice. >SIRO identified. >DPO in place. >Information Governance Unit established. >Created register of processing activities to identify personal data controlled/processed. GDPR project delivered. >Data breach process updated in line with GDPR. >GDPR Compliant privacy notice placed on public website. >Data Protection Impact Assessment completed to measure impact of individual right to privacy. >DPO appointed. >GDPR information for schools published on Staffnet. >Revised security policy, Cyber Security Policy and Information governance framework agreed by CMT. >DPO largely independent and annual report to be presented to Cabinet & Scrutiny. >Regional multi-agency cyber cell meetings taking place. 	<ul style="list-style-type: none"> >Information Management Annual Report to be presented to Cabinet from 2018/19. >GDPR compliance monitoring and reporting through PFM and new CMT/ Cabinet governance. 	<ul style="list-style-type: none"> >Information Management Annual Report to be presented to Scrutiny from 2018/19. >More use of secure cloud storage. 	<ul style="list-style-type: none"> >Mandatory data protection training for staff / Councillors. >GDPR Compliance monitoring/ reporting through P&FM's, CMT, Cabinet governance. >External email filter preventing viruses. >Firewall/filter software. Software patches for updates/ security Mobile device encryption. >Up to date anti-virus software. >ICT policies remind staff of responsibilities Restricted access to social media / networking. >Council data back-up off site. >Agile ICT as secure as office network. Increased use of secure cloud storage. >Member of Wales WARP & CISP sharing knowledge of threats. 	<ul style="list-style-type: none"> >Various IT / System audits in Audit Plan. >GDPR audit added 18/19. 	<ul style="list-style-type: none"> >Public Services Network (PSN) compliance certificate – tested annually. >Achieved IASME Cyber Essentials certification, working towards Cyber Essentials Plus by March 2019 	<ul style="list-style-type: none"> >WAO review undertake an IT audit each year as part of reviewing financial accounts 	<ul style="list-style-type: none"> >Range of IT audits in the plan to be completed as part of the rolling audit schedule. 	<ul style="list-style-type: none"> >IT audits due in 2020/21 >New cross cutting Info. Governance audit is completed in 2019/20 added to rolling prog of audits. 	<p>Service Specific – Digital & Transformation and IT Audits – Transformation and Future Council Development</p>
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Business Risk	Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area	
					Level 1	Level 2			Level 3					
					Management Assurance	Other <i>Internal</i> Assurance			Other <i>Independent</i> Assurance					
						Council/Cabinet	Scrutiny	Other	Internal Audit	Other Bodies				External Audit
Corporate Risk Register														
Emergency Planning, Resilience and Business Continuity (CR87) Category: Corporate Governance	<p>If we do not have sufficient emergency planning, resilience and business continuity arrangements in place, then we will not be able to respond effectively in an emergency, provide the necessary civic leadership or continue to run vital services and ensure compliance with the legal requirements of the Civic Contingencies Act 2004 as a Category 1 Responder.</p>	Low	Very High	Amber	Adam Hill	<p>>Various plans in place including: Major Incident Plan; Flood Management Plan; Mass Fatality Plan; Temporary mortuary arrangements; Crisis Media Plan; Rest Centre Plan and Arrangements; Recovery Plan; Offsite COMAH Plan and Exercising; Risk Profiling; Project Griffin Training; Vehicle Mitigation & Protective Security Advice; Multi Agency Exercising & Training; Call Out & Activation Protocols; Continual review of Plans & Protocols; Service and Corporate Business Impact Assessments & Business Continuity Plans; RAG alert system across H&S and emergency management.</p> <p>>Training for Senior Officers at Gold level undertaken to increase capacity at strategic level.</p>				<p>>Emerg. Mgt audit in Audit Plan for CBS.</p> <p>>H&S, Emerg. Planning / Civil Cont. and Business Continuity in Audit Plan for HR&OD.</p>		<p>>Standard audits in the plan already cover this area.</p>	<p>>Audits in the plan to be completed when due as part of the standard rolling schedule.</p>	Cross Cutting Audits – Other Assurance

Business Risk	Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area	
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					Management Assurance	Other <i>Internal</i> Assurance			Other <i>Independent</i> Assurance					
						Council/Cabinet	Scrutiny	Other	Internal Audit	Other Bodies				External Audit
Corporate Risk Register														
Health & Safety (CR88) Category: Corporate Governance	If we fail to have robust Health & Safety policies and arrangements in place, then there could be a health and safety breach identified as a corporate failing with associated legal, financial and reputational consequences.	Low	High	Amber	Adam Hill	>H&S Policies H&S Toolkits RIDDOR procedures for reportable incidents to HSE. >H&S audit plan. >Well Being Policies. >Membership of BACP. >SEQOSH accreditation by Faculty of Occupational Medicine. >Noise, Dust, Lighting, Humidity & Vibration Sampling. >Directors H&S Committees & Sub Safety Groups. >RAG alert system across H&S, emergency management and well-being. >Regular update on corporate H&S introduced at Resources DMT. >H&S mandatory training updated now corporate mandatory. >H&S reviewed on weekly basis via CMT.				>H&S Audit in Audit Plan for HR&OD.		>Standard audits in the plan already cover this area.	>Audits in the plan to be completed when due as part of the standard rolling schedule.	Cross Cutting Audits – Other Assurance

Business Risk	Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area	
					Level 1	Level 2			Level 3					
					Management Assurance	Other <u>Internal</u> Assurance			Other <u>Independent</u> Assurance					
						Council/Cabinet	Scrutiny	Other	Internal Audit	Other Bodies				External Audit
Corporate Risk Register														
New legislative and statutory requirements (CR89) Category: Corporate Governance Page 84	If the council cannot respond adequately to new legislative and regulatory requirements due to reduced resources, then it will be open to external challenge and may suffer reputational damage and fines.	Low	Medium	Amber	Tracey Meredith	>Corporate Plan: captures major change/duties under the WFGA to set well-being objectives and steps to meet them. Service Planning use of the SWOT/PESTLE process to capture external legislative changes/threats, etc. and embed the WFGA. >Directors/Heads of Service duty to horizon scan and present papers on new changes and to resource accordingly and in accordance with the Sustainable Development Principle of the WFGA. >Regular policy briefings and foresighting policy. Monitoring of new legislation by Legal and Dem. Services. >Lawyers in Local Government Update circulated by Head of Legal to CMT. >Legal implications inserted into decision making reports. >WFGA internal guidance webpage up to date. CMT advised of legislative changes/consultation in WG from LLG by Tracey Meredith.	>All reports for Cabinet/ Council have legal implications paragraph and report authors are supported by legal officers when considering legislative requirements in decision making process.	>Appraisals and identification of training needs. > The Data Protection Officer provides an annual report on compliance with data protection legislation.	>Consult with CMT / HoS each year as part of annual consult'n exercise to inform the Audit Plan and inform forward work plan for the following year. >Audits added to plan as they arise prioritised by risk.	>Audits to be added to the plan via as per annual consult with HoS/ Directors.	>New audits to be added as requested by HoS/ Directors via consult exercise. >New Local Gov & Elections (Wales) Bill audit added to 2020/21 audit plan.	Service Specific – Across Corporate Priorities / Monitoring Officer Assurance		

Business Risk		Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area	
						Level 1	Level 2			Level 3					
						Management Assurance	Other <i>Internal</i> Assurance			Other <i>Independent</i> Assurance					
							Council/Cabinet	Scrutiny	Other	Internal Audit	Other Bodies				External Audit
Corporate Risk Register															
Decision to leave the European Union (BREXIT) (CR90) Category: Corporate Finance	If there continuing uncertainty from the decision to exit the European Union (BREXIT), then there may be a risk to investment in the region due to the loss of grants and decisions affecting strategic inward investment.	Very High	Medium	Red	Adam Hill	>A risk outside directly of Council control/ influence. >Maximise existing grant take ups/explore alternative sources of grant/investment >Event horizon scanning of all media, parliamentary decisions, negotiations. >Lobbying through WLGA, professional associations for UK/WG government grant/other decisions to attract inward investment via alternative means e.g. City Deal, Tidal Lagoon (despite UK government rejection of financial support re latter)		>Brexit Scrutiny Working Group set up, met 23/09/19 to review Council preparedness for Brexit.	>Corporate work with WLGA and WG to ensure collective and consistent approach. >Leader of Council leads for WLGA on Europe-WLGA response to Brexit aids identifying risks. >Civil Contingency Plan Reviewed. >Duty rotas in place for strategic/ tactical Officers.	Internal Audit completed re preparedness for BREXIT in 2019/20. High Assurance given.	>Grant Thornton commissioned by WLGA to undertake independent review to assist Councils prepare for Brexit. Staff interview on 20/09/19, report presented to WLGA 02/10/19.	>Welsh Audit Office call for Evidence was used to gather information on work undertaken to date to prepare and identify issues in relation Brexit. This information will be used to develop a more robust response through the Brexit Steering group.	>Unknown at present what audit work may be required in 2020/21	>Some time included in 2020/21 should issues arise following EU exit requiring audit input.	n/a

Business Risk		Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area	
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							Council/Cabinet	Scrutiny	Other	Internal Audit	Other Bodies				External Audit
Corporate Risk Register															
Tax evasion (CR91) Category: Corporate Finance	If the Council fails to prevent those who act for or on its behalf from knowingly or unknowingly facilitating (including failing to prevent) tax evasion, then the Council will be criminally liable and will face an investigation by HMRC with potential prosecution and unlimited financial liability.	Low	Medium	Amber	Ben Smith	>VAT Manual, Guidance Notes and Accounting Instructions. >VAT advice available via Principal Finance Partner and external VAT advisors. >Financial Procedure Rules (FPRs) and Contract Procedure Rules (CPRs). >IR35 guidance and procedure notes available. >Procurement rules and procedures. >Segregation of duties.				>VAT Audit in the Audit Plan. >Cover aspects of VAT, CPR's, FPR's and seg. of duties as part of standard audit tests across all audits. >VAT audit completed 19/20 – High Assurance	>HMRC compliance team has visited and “signed off” our tax arrangements.	>VAT arrangements considered as part of wider financial audit	>None – elements are already covered in the audit plan.	>Planned audits to be completed as per the standard rolling schedule.	Section 151/Monitoring Officer Assurance–Other Assurance

Business Risk	Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area	
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						Council/Cabinet	Scrutiny	Other	Internal Audit	Other Bodies				External Audit
Corporate Risk Register														
Regional Working (CR101) Category: Corporate Governance	If the Council, along with its partners and Welsh Government, does not develop and improve regional working, then it will divert the Council and its resources from key priorities and will not benefit Swansea and its residents.	Medium	Medium	Amber	Phil Roberts	>Senior management restructure on 21/06/18 strengthens management capacity. >Mapping exercise undertaken identifying key local, regional and national partnerships. >The Council has a clear rationale in place when collaborating and it is clear on the anticipated benefits and costs. >The Council is playing a leading and proactive role in major regional collaborations. >Ministerial discussions have been productive. >Chief Exec and Leader attendance at Regional Scrutiny update on 15/10/19. >Chief Exec preparing a report for the four SW Wales Councils in advance of ministerial meeting early 2020.	>Council is playing a leading and proactive role in major regional collaborations. >Leader of the Council is the City Region Joint Committee Chair. >Council meets up regionally with 5 other local authorities to discuss collaboration projects. >Annual Report on Regional Working presented to Council.	>Scrutiny inquiry findings documented as required actions on the Risks Register. >Annual Report on Regional Working is produced by Scrutiny providing overview of three key collaborations inc. ERW, West Glam. Regional Partnership (prev. Western Bay), and Swansea Bay City Deal.	>Chief Executive takes the lead role for ERW and Western Bay as well as being an executive member of the City Deal Joint Committee. ERW has fully formed Governance Arrangements. >City Deal has Joint Committee Agreement and joint scrutiny arrangements agreed by Council. >Western Bay has a Joint Committee and scrutiny arrangements in place.	>City Deal has a Joint Working Agreeem't in place, which was approved at Council on 26th July 2018. >Review of progress by IPC on the Western Bay Health & Social Care collab'n.	None	n/a	n/a	

<p>Decision to leave the European Union (BREXIT) supplement to CR90 (CR102)</p> <p>Category: Corporate Governance</p>	<p>If there is continuing uncertainty from the decision to exit the European Union (BREXIT), then the Council will not be able to prepare as effectively as it would in order to ensure service continuity and to safeguard the financial / economic, social, environmental and cultural well-being of citizens and resident EU nationals.</p>	<p>Very High</p>	<p>Medium</p>	<p>Red</p>	<p>Adam Hill</p>	<p>In addition to details in CR 90:</p> <ul style="list-style-type: none"> >Ensured organisations supplying agency workers to the Council are complying with Government advice, guidance, rules concerning employment and status of EU nationals. >Draft communication plan and portal for BREXIT related internal and external communication and information, inc. Welsh and UK Government advice developed. >Deputy CX attends WG and UK Gov briefings, sits on SWLRF and re-introduced Brexit Working Group. Meet every 2 weeks. >All services completed assurance assessment and RAG rating on preparedness. >Deputy CX met with range of companies and organisations inc. SBPHA to check preparedness. >Brexit steering group meets 2-weekly Brexit workshop for S.Wales held on 4th Oct. 				<p>>Internal Audit completion of Internal Review on preparedness – High Assurance</p>					
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Business Risk	Current Likelihood	Current Impact	Overall RAG Status	Risk Owner	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area		
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Corporate Risk Register															
Sustainable Swansea Transformation Programme Delivery (CR103) Category: Corporate Plan Priorities Page 89	If the Sustainable Swansea Transformation Programme does not deliver radical cross-cutting change, then the Council and its workforce are at risk of being unsustainable in the longer term.	Medium	High	Amber	Sarah Lackenby	>MTFP. Programme Plan. Robust programme governance and reporting. >Monitoring and reporting via CMT away days and Reshaping Board. >Robust programme management for risks, issues, changes. >Links with Corporate Governance risk around reporting major projects, >Annual programme review reflecting lessons learned into revised programme. Annual Report to Scrutiny, Governance reshaping board established. Online trackers developed for revenue and capital. >New tracker monitored by CMT away days monthly.		>Scrutiny received annual report update on progress.	>Reshaping board in place			>Sustainable Swansea review being completed by WAO, likely to be focused on MTFP Savings Plans and progress to date.	>Work needed to cover non MTFP Savings that is not covered by WAO review. Project currently pending changes following review to be discussed and reviewed in 2020/21.	>Internal audit work to be completed in 19/20 covering non MTFP Savings elements of the SS Prog deferred pending results of WAO external review and recs. >Time allocated to 2020/21 audit plan to cover above and proposed changes to the project following review.	

Updated: 31/01/20

Source & Level of Assurance - Three Lines of Defence

Assurance can come from many sources within an organisation. A concept for helping to identify and understand the different contributions the various sources can provide is the Three Lines of Defence model. By defining the sources of assurance in three broad categories, it helps to understand how each contributes to the overall level of assurance provided and how best they can be integrated and mutually supportive. For example, management assurances could be harnessed to provide coverage of routine operations, with internal audit activity targeted at riskier or more complex areas.

First Line of Defence – Level 1 – Management Assurance

Within the 'front-line' or business operational areas, there will be many arrangements established that can be used to derive assurance on how well objectives are being met and risks managed; for example, good policy and performance data, monitoring statistics, risk registers, reports on the routine system controls and other management information.

Nature of assurance: This comes direct from those responsible for delivering specific objectives or operation; it provides assurance that performance is monitored, risks are identified and addressed and objectives are being achieved. This type of assurance may lack independence and objectivity, but its value is that it comes from those who know the business, culture and day-to-day challenges.

Second Line of Defence – Level 2 – Other Internal Assurance

This work is associated with oversight of management activity. It is separate from those responsible for delivery, but not independent of the organisation's management chain. This could typically include compliance assessments or reviews carried out to determine that policy or quality arrangements are being met in line with expectations for specific areas of risk across the organisation.

Nature of assurance: The assurance provides valuable management insight into how well work is being carried out in line with set expectations and policy or regulatory considerations. It will be distinct from and more objective than first line assurance.

Third Line of Defence – Level 3 – Other Independent Assurance & External Assurance

This relates to independent and more objective assurance and focuses on the role of internal audit, which carries out a programme of work specifically designed to provide the Section 151 Officer with an independent and objective opinion on the framework of governance, risk management and control. Internal audit will place reliance upon assurance mechanisms in the first and second lines of defence, where possible, to enable it to direct its resources most effectively, on areas of highest risk or where there are gaps or weaknesses in other assurance arrangements. It may also take assurance from other independent assurance providers operating in the third line, such as those provided by independent regulators, for example.

As an additional line of assurance, sitting outside of the internal assurance framework and the Three Lines of Defence model, are external auditors, who are external to the organisation with a statutory responsibility for certification audit of the financial statements.

Nature of assurance: Independent of the first and second lines of defence. Internal audit operates to professional and ethical standards in carrying out its work, independent of the management line and associated responsibilities. External audit operates similarly.

Agenda Item 7



Report of the Chief Auditor

Audit Committee – 11 February 2020

Internal Audit Recommendation Follow-Up Report Q3 2019/20

Purpose:	This report provides committee with the status of the recommendations made in those audits where the follow-up's has been undertaken in Q3 2019/20, to allow the Audit Committee to monitor the implementation of recommendations made by Internal Audit.
Policy Framework:	None.
Consultation:	Legal, Finance and Access to Services.
Recommendation(s):	It is recommended that the report to be noted.
Report Author:	Simon Cockings
Finance Officer:	Simon Cockings
Legal Officer:	Debbie Smith
Access to Services Officer:	Rhian Millar

1. Introduction

- 1.1 The Audit Committee's Performance Review for 2017/18 was completed in June 2018. One of the recommendations arising from the review was in relation to the tracking of the recommendations made by Internal and External Audit.
- 1.2 This report provides an overview of how recommendations made by Internal and External Audit are tracked and followed-up.

2. Standard Follow-up Procedures

- 2.1 An amended internal audit follow-up procedure was introduced in 2014 as a result of concerns being raised over the failure of management to implement audit recommendations.
- 2.2 The current procedures identify two methods of following-up on the implementation of recommendations made as a result of internal audit reviews for the fundamental audits and non-fundamental audits.

3. Fundamental Audits

- 3.1 These audits are undertaken on a yearly or two-yearly cycle. All fundamental audits are subject to a Recommendation Tracker Exercise each year, which is normally completed as at the end of September.
- 3.2 The exercise involves discussion with the client department to go through the agreed Action Plan together with a limited amount of testing to confirm whether the recommendations have been implemented.
- 3.3 The results of the Recommendation Tracker Exercise is reported to Audit Committee in a separate Recommendation Tracker report.

4. Non-fundamental Audits

- 4.1 All other audits that have been given a 'limited' or 'moderate' level of assurance are reported to Audit Committee as part of the Quarterly Monitoring Reports. All such audits are subject to a detailed follow-up visit within 6 months of the issue of the final report.
- 4.2 The follow-up visit concentrates on 'high risk' and 'medium risk' recommendations, and will include discussion with the client department and limited testing to confirm implementation.
- 4.3 The results of the follow-up visit are reported to Audit Committee as part of the Quarterly Monitoring Reports.
- 4.4 Where an audit has been given a 'high' or 'substantial' level of assurance, client departments are asked to confirm the implementation of the recommendations via e-mail.
- 4.5 The results of all follow-up's undertaken are logged and recorded on the Audit Management System (Galileo) to ensure completion is monitored appropriately.

5. Chief Auditors Group PI's

- 5.1 Following discussions at the Welsh Chief Auditors Group Meeting in October 2018, it was decided that a new Performance Indicator (PI) should be introduced to record the number of recommendations that

have been implemented as a percentage of those recommendations made. Note that this has not been introduced for 2018/19. It is envisaged that the new process that we have introduced from April 2019 will allow these details to be recorded.

6. External Audit Recommendation Tracking

- 6.1 Whilst it is not practicable to track every external audit recommendation without additional resources and a suitable ICT solution, Scrutiny Programme Committee will receive WAO audit reports and action plans to address recommendations and proposals and will review progress against recommendations within 12 months of the receipt of the report and action plan as their work plan allows. Audit Committee will also receive reports and action plans for information and it may decide that it wants to prioritise and track specific proposals / recommendations in addition to the oversight undertaken by Scrutiny. This does not include those WAO reports that would be intended specifically for Audit Committee.

7. Status of Implementation Update to Committee

- 7.1 The purpose of this report is to allow committee to monitor the implementation status for those audits that have been subject to a follow-up review in the quarter. This will include all follow-ups completed, except for the fundamental audits as the outcome of these follow-up reviews are reported to committee separately.

8. Equality and Engagement Implications

- 8.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

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

9. Financial Implications

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

10. Legal Implications

10.1 There are no legal implications associated with this report

Background Papers: None

Appendix 1 – Summary - Recommendations accepted and implemented.

Appendix 2 – Details of recommendations not implemented.

RECOMMENDATION TRACKING REPORT Q3 2019/20

Audit Title	Date Final Issued	Date Follow up Completed	Assurance Rating	Recommendations								Total Recs Acc'd	Total Recs Imp'd	Total Rec Not Imp'd*	Comments
				HR		MR		LR		GP					
				A	I	A	I	A	I	A	I				
Adult prosperity & Welbeing Service	11/06/19	03/10/19	High Assurance	0	0	0	0	3	3	1	1	4	4	0	
St. Joseph's Catholic School	17/05/19	03/10/19	High Assurance	0	0	0	0	6	6	1	1	7	7	0	
School Support Unit	11/06/19	03/10/19	Substantial Assurance	0	0	1	1	0	0	1	1	2	2	0	
Estates Management & Quadrant Rents	27/06/19	03/10/19	High Assurance	0	0	0	0	1	1	1	1	2	2	0	
Curriculum Support Unit	12/06/19	03/09/19	Substantial Assurance	0	0	1	1	9	9	1	1	11	11	0	
Suppliers Contract Reviews	28/03/19	08/10/19	Substantial Assurance	1	1	1	1	0	0	1	1	3	3	0	
Adult Family Placemenst	13/03/19	04/10/19	High Assurance	0	0	0	0	0	0	1	1	1	1	0	
Payment Card Industry - Data Security Standard	24/01/19	04/11/19	High Assurance	0	0	0	0	3	2	2	2	5	4	1	Rec's remainig (LR) relates to the two factors verification which cannot be implemented.
Insurance	05/07/19	11/11/19	High Assurance	1	1	0	0	2	2	0	0	3	3	0	
Coroner's Service	17/06/19	05/11/19	High Assurance	0	0	0	0	1	1	0	0	1	1	0	
Crwys Primary	08/07/19	18/11/19	Substantial Assurance	0	0	0	0	12	12	0	0	12	12	0	
Traffic Orders	29/03/19	25/11/19	Substantial Assurance	0	0	1	1	2	2	4	4	7	7	0	
Lifelong Larning Service	21/06/19	16/01/20	High Assurance	0	0	0	0	6	6	5	5	11	11	0	
Y.G.G. Pontybrenin	04/07/19	17/01/20	Substantial Assurance	0	0	1	1	10	10	2	2	13	13	0	
GDPR	23/11/18	17/01/20	Substantial Assurance	0	0	5	5	9	9	3	3	17	17	0	
											99	98	1	99.0%	

*Further details on the recommendations that have not been implemented are reported in Appendix 2.

Key

HR - High Risk. **MR** - Medium Risk. **LR** - Low Risk. **GP** - Good Practice.

A - Accepted. **I** - Implemented

RECOMMENDATION TRACKING REPORT Q3 2019/20 - REC'S NOT IMPLEMENTED

Audit Title	Date Final Issued	Date of Follow up Completed	Assurance Rating	Recommendations Not Implemented				
				Report Ref	Risk Rating	Agreed Imp. Date	Recommendation	Reason / Comments
Payment Card Industry - Data Security Standard	24/01/19	04/11/19	High Assurance	2.1.2	LR	May-19	All service areas using systems which do not require "2-factor authentication" should contact their third party supplier to request that this be introduced as soon as possible.	Rec's remaing (LR) relates to the two factor verification which cannot be implemented.

Agenda Item 9



Report of the Head of Communications & Marketing

Audit Committee – 11 February 2020

Risk Overview - Quarter 3 2019/20

Purpose: The report presents an overview of the status of risk in the Council during Quarter 3 2019/20 to provide assurance to the Committee on the operation of the risk management policy and framework within the Council.

Report Author: Richard Rowlands

Finance Officer: Paul Roach

Legal Officer: Debbie Smith

Access to Services Officer: Rhian Millar

For Information

1. Background

1.1 Audit Committee requested on the 11th July 2017 an overview each quarter on the overall status of risk in the Council to give assurance that the risk management process is being followed.

1.2 This report at Appendix A covers the Quarter 3 2019/20 period and compares an overview of the position to Quarter 2 2019/20.

2. Corporate & Directorate Risk Registers

2.1 The Corporate & Directorate Risk Registers (dated 23/01/19) are attached at Appendix B.

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 legal implications.

5. Financial Implications

5.1 There are no financial implications.

Background papers: None.

Appendices:

Appendix A - Summary of the overall status of risk within the Council Quarter 3 2019/20.

Appendix B – Corporate & Directorate Risk Registers dated 23/01/20

Audit Committee

Summary of the overall status of risk within the Council – Quarter 3 2019/20

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

Overall Risk Status – Quarter 3 2019/20

The table below contrasts the overall risk status* as at Quarter 2 with Quarter 3 2019/20.

	Low Risk	Medium Risk	High Risk
Quarter 2 19/20	19	132	28
Quarter 3 19/20	9	122	43
+ - change	-10	-10	+15**

*One risk (# 91 - School Cloud Oracle Access) on the new Risk Register has not yet been allocated a RAG status.

** Correct application of the corporate risk framework has resulted in an increase in the risk level for a number of risks.

Summary – Risk Register Migration

- Place, Education, Social Services and parts of Resources have been migrated onto the new Register (**total 145 risks**). Migration of the **remaining 18 risks** in Resources will be complete by 31st January 2020.
- Access to the old Risk Register for Updaters will be terminated on the same date.
- All officers attending training have been informed that **all risks must be fully reviewed and appropriate Control Measures** added by 31st March 2020.

Changes to the Risk Registers

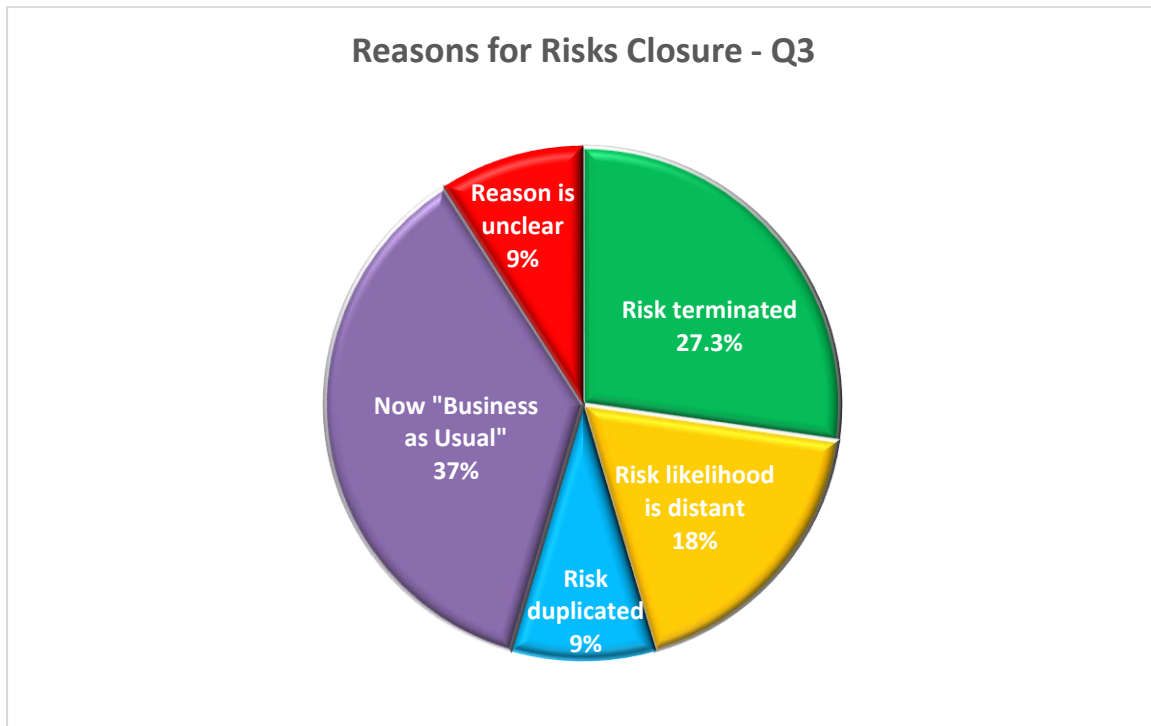
- 100%** of the risks that were in place as at Quarter 2 2019/20 were recorded as having been reviewed in Quarter 3. However, many of these reviews were for the purpose of migration on to the new Risk Register.
- This is an improvement from the position at Quarter 2 2019/20 where 97.2% of risks had been reviewed since Quarter 1.
- 7 new risks were added to the registers.

Low Risk	Medium Risk	High Risk	No RAG Allocated
0	3	3	1

- 11 risks were closed.

Low Risk	Medium Risk	High Risk
3	6	2

- **11** out of the **11** risks (**100%**) that were closed had reasons/comments for doing so recorded, compared to **50%** in Quarter 2 2018/19. Reasons for closure displayed in the chart below:



- **No** risk was escalated in Q3 whereas **1** risk was escalated in Quarter 2.
- The overall RAG status of **27** risks were changed.
- Of these **3** showed a reduction in risk level and **24** showed an increase.

Other observations

- Controls and actions are in place for all risks on the registers.
- CMT are reviewing the Corporate Risks each month.
- Roll out of the new risk register application and training / reference resources is nearing completion and work will now shift to embedding and maturing the use and implementation of the new application. ICT are currently working on the reporting capability of the new risk application.

Corporate & Directorate Risk Registers

- The Corporate Risk Register and Directorate Risk Registers dated 23/01/20 are attached at **Appendix B**.

Appendix B - Corporate Risks @ 23.01.2020

Risk ID ↑	Risk Title	Risk Level	Risk Category	Risk Description	Directorate	Service Area	Project Name	Responsible Officer	Updater	2 Months Overall RAG	Prev Overall RAG	Current Overall RAG	Last Updated	Active
49	City Centre (CR81)	Corporate	Strategic	If we are unable to attract sufficient investment and development and do not regenerate the city centre, THEN there will be a detrimental impact on the Swansea economy and reputational damage for the Council	-	-	-	Martin.Nicholls	Martin.Nicholls	Amber	Amber	Amber	07-JAN-20	Yes
91	School Cloud Oracle Access	Corporate	Finance	If the Oracle Cloud Project does not include school access at development stage then there are likely to be higher financial costs to include their needs at a later time. There is already a corporate project underway to move schools on to Oracle with a view to making efficiencies for both schools and corporate.	-	-	-	Nick.Williams	Kelly.Small	-	-	-	18-NOV-19	Yes
94	Pupil attainment and achievement	Corporate	Operational	If we cannot get schools to improve pupil attainment and achievement at a time of reduced resources and increasing demand, THEN pupils will not get the qualifications and skills they need to succeed in life and there will be a detrimental impact on the future Swansea economy.	-	-	-	Nick.Williams	Nick.Williams	Amber	-	-	21-NOV-19	Yes
153	Safeguarding	Corporate	Strategic	If our safeguarding arrangements are not sufficiently robust, then we will not be doing everything we possibly can to prevent the death, injury or neglect of a child or vulnerable adult and consequential reputational damage. Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR45.	-	-	-	David.Howes	Angela.Morgan	-	Red	-	20-DEC-19	Yes
155	Tax evasion	Corporate	Finance	If the Council fails to prevent those who act for or on its behalf from knowingly or unknowingly facilitating (including failing to prevent) tax evasion, then the Council will be criminally liable and will face an investigation by HMRC with potential prosecution and unlimited financial liability. Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks.	-	-	-	Ben.Smith	Ben.Smith	-	Amber	Amber	13-JAN-20	Yes
159	Financial Control & MTFP aspects of Sustainable Swansea	Corporate	Finance	If we fail to deliver Sustainable Swansea and maintain sufficient financial control, and in particular do not ensure we contain service overspending, then we will not be able to respond appropriately to continuing austerity, demographic pressures, increasing demand and changing public expectations. Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risks CR46 and CR47. RR 19/07/19 - Description changed from 'Financial Control (Service Overspending) and Sustainable Swansea' to 'Financial Control & MTFP aspects of Sustainable Swansea' as per CMT 10/07/19	-	-	-	Ben.Smith	Ben.Smith	-	Red	Red	13-JAN-20	Yes
180	New Legislative and Statutory Changes	Corporate	Governance	If the council cannot respond adequately to new legislative and regulatory requirements due to reduced resources, then it will be open to external challenge and may suffer reputational damage and fines.	-	-	-	Tracey.Meredith	Tracey.Meredith	-	Amber	Amber	21-JAN-20	Yes
196	Workforce Strategy	Corporate	Strategic	If we do not have a robust workforce strategy in place, then we will not have staff with sufficient capacity and the right knowledge and skills to manage change, deliver transformed services and ensure statutory compliance. Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR43.	-	-	-	Sarah.Lackenby	Sarah.Lackenby	-	Amber	-	17-DEC-19	Yes
212	Tackling Poverty	Corporate	Strategic	If we do not implement a strategy that sufficiently impacts on poverty, then there will continue to be negative consequences for current and future generations, high demand for Council services and a continuing detrimental impact on the Swansea economy. Risk added 27.03.2018 following review of production of Corporate Plan 2017/2022 and subsequent review of Corporate Risks. Supersedes risk CR44.	-	-	-	David.Howes	Amy.Hawkins	-	Amber	-	20-DEC-19	Yes
222	Digital, data and cyber security	Corporate	Governance	CR86 -If we do not have robust digital, data and cyber security measures and systems and behaviours in place, embedded and working as best as they can be, then we will be vulnerable to cyber threats, disruption to service delivery, possible loss of information including confidential information and associated fines and reputational damage. Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR66. Risk revised 18/09/18 following attendance at a cyber-event with the police and receiving information from the WLGA regarding what Local Authorities should be demonstrating as basic measures.	-	-	-	Sarah.Lackenby	Sarah.Lackenby	-	-	Amber	13-JAN-20	Yes
223	Sustainable Swansea Transformation Programme Delivery	Corporate	Strategic	CR103- If the Sustainable Swansea Transformation Programme does not deliver radical cross-cutting change, then the Council and its workforce are at risk of being unsustainable in the longer term RR 19/07/19 - Corporate Services Risk CS92 Sustainable Swansea Programme Delivery closed and matter escalated to Corporate Risk Register, as per CMT 10/07/19	-	-	-	Sarah.Lackenby	Sarah.Lackenby	-	-	Red	13-JAN-20	Yes
235	Emergency Planning, Resilience and Business Continuity	Corporate	Governance	If we do not have sufficient emergency planning, resilience and business continuity arrangements in place, then we will not be able to respond effectively in an emergency, provide the necessary civic leadership or continue to run vital services and ensure compliance with the legal requirements of the Civic Contingencies Act 2004 as a Category 1 Responder.	-	-	-	Adam.Hill	Craig.Gimblett	-	-	Red	21-JAN-20	Yes
236	Health & Safety	Corporate	Governance	If we fail to have robust Health & Safety policies and arrangements in place, then there could be a health and safety breach identified as a corporate failing with associated legal, financial and reputational consequences	-	-	-	Adam.Hill	Craig.Gimblett	-	-	Amber	21-JAN-20	Yes
237	consequences after Decision to leave the European Union (BREXIT)	Corporate	Governance	If there is continuing uncertainty from the decision to exit the European Union (BREXIT), then the Council will not be able to prepare as effectively as it would like to in order to ensure service continuity and to safeguard the financial / economic, social, environmental and cultural well-being of citizens and resident EU nationals.	-	-	-	Adam.Hill	Richard.Rowlands	-	-	Red	21-JAN-20	Yes

Risk Id	Risk Title	Category	View	Edit	Responsible Officer	Date Last Updated	Updated By	Overall RAG	Audit History
CR 101	Regional Working	Corporate Governance	View		phil roberts	18/11/2019	CCOS\PHIL.ROBERTS	A	View History

Directorate Risks @ 23.01.2020

Corporate Services

Risk ID ↑≡	Risk Title	Risk Level	Risk Category	Risk Description	Directorate	Service Area	Project Name	Responsible Officer	Updater	2 Months Overall RAG	Prev Overall RAG	Current Overall RAG	Last Updated	Active
224	ICT Disaster Recovery	Directorate	-	CS83 - If full DR arrangements are not in place then the Council will have no access to system in the event of a disaster which will have a significant business impact	Directorate - Resources	Digital and Transformation Services	-	Sarah.Lackenby	Sarah.Lackenby	-	-	Red	13-JAN-20	Yes
242	Corporate Governance	Directorate	-	If there is not robust corporate governance then the Council is at risk of not meeting its statutory obligations	Directorate - Resources	Legal Democratic Services and Business Intelligence	-	Adam.Hill	Adam.Hill	-	-	Amber	24-JAN-20	Yes

Social Services

Risk ID ↑≡	Risk Title	Risk Level	Risk Category	Risk Description	Directorate	Service Area	Project Name	Responsible Officer	Updater	2 Months Overall RAG	Prev Overall RAG	Current Overall RAG	Last Updated	Active
215	Withdrawal or Changes to Grants at Short Notice	Directorate	-	There is a significant risk of the withdrawn or reduction at short notice, particularly around the uncertainty of Brexit. If this happens there are additional costs to the Council as well as planning challenges for reduction in service delivery.	Social Services	Directorate Reports	-	David.Howes	Jane.Whitmore	-	Red	-	20-DEC-19	Yes
216	Increasing Demand for Specialist Services	Directorate	-	If we cannot predict and reduce demand effectively then specialist services will struggle to cope and there will be insufficient resources to meet that demand.	Social Services	Directorate Reports	-	David.Howes	Peter.Field	-	Red	-	20-DEC-19	Yes
217	Workforce Planning	Directorate	-	IF we do not predict the needs of the workforce of the future THEN we will have experience skills and resourcing gaps that will lead to additional demand and overspending on budgets. Social Care Wales as the workforce regulator sets the strategic direction for the development of the social care workforce. Significant changes in legislation and statutory requirements in the current economic climate pose a risk to their implementation within the required timescales for internal as well as external commissioned providers.	Social Services	Directorate Reports	-	David.Howes	Teresa.Mylan-Rees	-	Amber	-	20-DEC-19	Yes
218	Data Breaches of Confidentiality	Directorate	-	If a data breach occurs then this will result in a breach of confidentiality for an individual and the ICO will have to be notified potentially incurring significant fine for the Authority.	Social Services	Directorate Reports	-	David.Howes	Deborah.Reed	-	Red	-	21-JAN-20	Yes
219	Financial Stability of Social Care Market	Directorate	-	If there is financial instability within the care home and domiciliary care provider market, then there will be a serious threat to the capacity, choice and quality of services available to citizens and to vulnerable adults to help them to remain at home or in a home of their choice	Social Services	Directorate Reports	-	David.Howes	Jane.Whitmore	-	Amber	-	20-DEC-19	Yes
220	Capacity for Effective Commissioning Arrangements	Directorate	-	If there is insufficient capacity for decommissioning and re-commissioning, the Council's procurement arrangements remain at risk in terms of legal compliance, the effective drawdown of funding to comply with grant T&Cs and our ability to utilise a co-productive approach.	Social Services	Directorate Reports	-	David.Howes	Jane.Whitmore	-	Red	-	20-DEC-19	Yes
221	Availability of Domiciliary Care	Directorate	-	Difficulty recruiting and retaining domiciliary care workers is having an impact on the availability of domiciliary care. This in turn creates a number of pressures. The number of people on the waiting list for dom care services continues to grow and is close to being at an all-time high. Step down from hospital is prevented leading to delayed transfers of care. Use of rehab services for these purposes (and to prevent hospital admission) cannot be optimised since these resources are backed up providing temporary bridging services, pending availability of longer term domiciliary care. Over reliance of residential care may occur at increased cost, risk of reduced capacity, and increased dependency / reduced quality of life for individuals.	Social Services	Directorate Reports	-	David.Howes	Peter.Field	-	Red	-	20-DEC-19	Yes

Education

Risk ID ↑	Risk Title	Risk Level	Risk Category	Risk Description	Directorate	Service Area	Project Name	Responsible Officer	Updater	2 Months Overall RAG	Prev Overall RAG	Current Overall RAG	Last Updated	Active	
95	Capacity to transform services and deliverability of budget proposals	Directorate	-	IF we do not have sufficient capacity to transform services THEN we will not be able to effectively manage service pressures and so deliver budget targets.	Education	Education Planning and Resources	-	Brian.Roles	Brian.Roles	Red	Red	Red	13-JAN-20	Yes	
96	Band B Programme funding envelope is reduced	Directorate	-	IF we are unable to gain approval to detailed business cases and timely access to the full funding envelope approved in principle by Welsh Government, THEN the investment in schools capital will not address all the identified priority needs.	Education	Education Planning and Resources	-	Brian.Roles	Brian.Roles	Amber	Amber	Amber	13-JAN-20	Yes	
98	Specialist Provision and OOC Placements	Directorate	-	IF there continues to be a shortfall in specialist in-county placements for pupils with moderate to profound and complex difficulties including ASD, THEN the Directorate will face escalating costs to place out of area or escalating home education placements and provision or overspend of the severe and complex needs budget. A lack of in-county placements is reducing parents' confidence of in-county provision as well as calls from STFs for extra funding to meet the complexity of needs. There will continue to be significant pressure on the out of county and recoument budgets which will be difficult to mitigate.	Education	Vulnerable Learners Service	-	Alison.Lane2	Alison.Lane2	Red	-	-	21-NOV-19	Yes	
Page 103	Implementation of ALNET Act 2018	Directorate	-	The new ALNET Act 2018 has significantly widened the potential statutory demands on LAs and increased the likelihood of escalating appeals for assessment and provision from a wider group of stakeholders. If the confidence of parents and schools is not improved then the LA will face increasing costs awarded against it by Tribunal if the LA is not supported to oppose the appeals legally and otherwise. The number of statements of special educational needs is proportionately the highest in Wales and is currently increasing. Statutory PIs are, therefore, deteriorating due to capacity within the LA to manage the volume of work. Inclusion of actual levels of statements and statement resource in the formula used to delegate the severe and complex needs budget has introduced a perverse incentive that may encourage schools to maintain statements and seek new statements. The implementation of the ALNET Act by September 2020 is compromised by the lack of capacity at strategic levels in the ALN Unit due to the high level of operational management required. IF these capacity issues are not resolved THEN there is a risk to the LAs reputation and consequent financially damaging legal actions because of the statutory nature of the reform. IF we do not get sign up from other key stakeholders with regard to their responsibilities to identify need and secure provision, THEN it is likely the local authority will not meet its statutory obligations with regards to the ALNET Act and face significant cost implications.	Education	Vulnerable Learners Service	-	Alison.Lane2	Alison.Lane2	Red	-	-	21-NOV-19	Yes	
	100	Failure to manage the provision of ALN in line with the ALN act will result in increased expenditure	Directorate	-	The ALN Act extends the local authority's responsibilities for identifying ALN and securing additional learning provision (ALP) to the age range of 0-25. Currently it is not clear if there is sufficient provision across the authority to meet the additional learning needs for learners aged 0-3 and 16-25 with severe and or complex needs. IF there is insufficient provision available to meet identified additional learning needs in these age ranges THEN it is likely the authority will face increased costs due to the use of independent placements and provision which the local authority will be required to secure under the new legislation.	Education	Vulnerable Learners Service	-	Alison.Lane2	Alison.Lane2	Red	-	-	21-NOV-19	Yes
	101	Failure to administer a multiagency approach to vulnerable learners will encounter increased resource costs	Directorate	-	There are a significant cohort of learners with severe, complex and challenging needs who are proving difficult to place within the County and also out of County or in independent provision. IF the local authority cannot find a multi-agency integrated response to meet the needs of these learners THEN it will face increasing statutory costs, accommodation, and placement out of county which will have an impact on current corporate priorities such as the safe LAC reduction strategy.	Education	Vulnerable Learners Service	-	Alison.Lane2	Alison.Lane2	Red	-	-	21-NOV-19	Yes
89	PE 93: Accessibility Plan in light of WG guidance	Directorate	-	IF the Plan is not updated this year then the LA is liable to Equality Act discrimination appeals or Ombudsman complaints	Education	Education Planning and Resources	-	Louise.Herbert-Evans	Louise.Herbert-Evans	Red	Red	-	09-DEC-19	Yes	

Place

Risk ID ↑	Risk Title	Risk Level	Risk Category	Risk Description	Directorate	Service Area	Project Name	Responsible Officer	Updater	2 Months Overall RAG	Prev Overall RAG	Current Overall RAG	Last Updated	Active
46	Swansea's Natural Resources & Biodiversity	Directorate	-	If we do not maintain and enhance Swansea's natural resources and biodiversity, including reversing tree loss, then there will be wider and detrimental impacts on environmental, social, cultural and economic well-being. Issue: The number of trees and area of tree cover within the County of Swansea is declining. Factors causing loss of trees (including hedgerows and woodlands) include: √ Tree diseases and pathogens. √ Removal of trees for safety reasons. √ Trees lost through development. √ Lack of robust tree protection measures. √ Lack of a strategy for replacing lost trees. √ Natural loss through age. Risks arising as a result of tree loss include √ Air and water quality will deteriorate, affecting people's health. √ Mental health and well-being will decline. √ The risk of flooding and landslip will increase in some areas. √ Atmospheric carbon levels will increase. √ Loss of biodiversity and ecological resilience. √ Localised temperature controls and other environmental shelter will be lost. √ Birds and other wildlife will lose habitats and food sources. √ The loss of ecosystem services will impact on public service budgets. √ The loss of aesthetic and character will lead to falling property values, affecting the local and regional economy. √ Noise levels will increase. √ We will not comply with legislative requirements, e.g. Environment (Wales) Act 2016. √ Reputational damage. √ Precedent set for 'other' developers. √ Loss of local distinctiveness and sense of place. √ Sale of council owned land √ should be assessed for consideration under the duty imposed by the Environment (Wales) Act 2016 for Tree retention and protection by TPO; could result in both the legal cost and reputational risk of non-compliance.	Directorate - Place	Planning and City Regeneration	-	Paul.Meller	Paul.Meller	Amber	Amber	Amber	20-JAN-20	Yes
48	Loss of Trees due to Ash Die Back	Directorate	-	Ash Die Back (ADB) is a disease which is likely to affect all Ash trees across the country. Any Ash trees which become infected need to be felled for safety. If ADB is not managed and resourced effectively, then there will be significant overspends incurred, risk to life and property, and risk o reputation.	Directorate - Place	Waste Parks and Cleansing	-	Chris.Howell	Jeremy.Davies	Red	Red	Red	17-JAN-20	Yes
59	PL FIN 2: Building Maintenance	Directorate	-	Given the current condition of our building assets and the available revenue maintenance budget, there is significant risk that the demand will outstrip available budget. As we move forward the ability for us to add to the budget will not exist with other measures to reduce by the required 20%. As part of 'Sustainable Swansea' it is recognised that should the CCoS reduce its asset register, savings could be realised from the revenue maintenance budget. This has been factored within future CB&PS savings. 22/11 - Ongoing To ensure we manage within the available budget there needs to be a reduction within the asset portfolio.	Directorate - Place	Corporate Building Services	-	Nigel.Williams	Martin.Ridgeway	Amber	Amber	Amber	20-JAN-20	Yes
60	Welsh Housing Quality Standard	Directorate	-	If the Authority does not acheive the Welsh Housing Quality Standard by 31st December 2020 then sanctions could be imposed on the Authority by the Welsh Government and there would be a reputational impact also	Directorate - Place	Housing and Public Health (PLACE)	-	Peter.Williams	Peter.Williams	Amber	Amber	-	31-DEC-19	Yes
61	Disabled Facilities Grants - Budget Performance	Directorate	-	If the DFG budget for 2019/20 is not fully spent then this could have reputational impacts for the Authority	Directorate - Place	Housing and Public Health (PLACE)	-	Darren.Williams	Peter.Williams	Amber	Amber	-	23-DEC-19	Yes
62	Impact of Welfare Reform	Directorate	-	If the impact of Welfare reform is not managed effectively then there could be a significant negative financial impact on the Housing Revenue Account and associated Business Plan.	Directorate - Place	Housing and Public Health (PLACE)	-	Jane.Harries2	Peter.Williams	Amber	Amber	-	30-DEC-19	Yes
63	Risk Identified by the Food Standards Agency	Directorate	-	If the current backlog in low level food premisses hygiene inspections continues, there could be an impact on public helath and the reputaion of the Council	Directorate - Place	Housing and Public Health (PLACE)	-	Lynda.Anthony	Peter.Williams	Amber	Amber	-	20-DEC-19	Yes
66	Inadequate supply of affordable housing to meet needs	Directorate	-	if the Authority can not deliver enough affordable housing to meet the identifies need then there will be a negative reputational impact on the Authority.	Directorate - Place	Housing and Public Health (PLACE)	-	Carol.Morgan	Peter.Williams	Red	Red	Amber	21-JAN-20	Yes
72	Structural failure of Highways Assets.	Directorate	-	If the Highways asset is not funded to steady state then the condition will deteriorate, leading to structural failure, failure of statutory duty, increased risk of claims, increasing backlog of work (£20m increase over 5 years), decreasing reputation, and increasing cost of reactive maintenance. Factors include Increase in HGV traffic, climate change, increasing number of assets.	Directorate - Place	Highways and Transportation	-	Bob.Fenwick	Bob.Fenwick	Amber	-	Amber	21-JAN-20	Yes
73	Major Transport Provider Ceases Trading	Directorate	-	The Council has contracts in place with transport operators to provide subsidised socially necessary local bus services and also statutory home to school transport services. The majority of local bus services in the Swansea area are operated by First Cymru and over 80% of these are provided commercially.	Directorate - Place	Highways and Transportation	-	Cath.Swain	Cath.Swain	-	Amber	-	19-DEC-19	Yes

Place (cont'd)

Risk ID ↑	Risk Title	Risk Level	Risk Category	Risk Description	Directorate	Service Area	Project Name	Responsible Officer	Updater	2 Months Overall RAG	Prev Overall RAG	Current Overall RAG	Last Updated	Active
77	SERVICE FAILURE OF VEHICLE FLEET (PL GEN 95)	Directorate	-	The delayed vehicle renewal programme has resulted in a vehicle fleet age profile that is older than required. Increases in vehicle maintenance costs and non-availability as occurring as a result. Approximately 25% of the fleet is overdue in terms of intended replacement dates. IF the vehicles are not renewed THEN there will be increased costs and non-availability.	Directorate - Place	Highways and Transportation	-	Mark.Barrow	Mark.Barrow	Amber	Amber	-	20-DEC-19	Yes
81	PL GEN 81: Failure to deliver the infrastructure to support the City Bay Region's Economic Regeneration Strategy	Directorate	-	To provide Strategic Transport links to main centres of employment. Infrastructure projects are partially reliant on grant funding from Europe or via Welsh Government, the uncertainty of future grant funding streams is a risk to the continued regeneration of the city centre and improving connectivity with other regional centres and key transport corridors / interchanges. Annual bid for grant funding takes place and is successful to date. Transport has now been raised as a key element in the City Deal with proposals to develop a Metro solution being supported by WG The proposal to develop a SW Wales Metro in collaboration with the Regional Authorities will contribute to the aim of improving connectivity.	Directorate - Place	Highways and Transportation	-	Stuart.Davies	Lee.Davies	Amber	Amber	Amber	20-JAN-20	Yes
83	Loss of expertise due to reduction in Capital Funding	Directorate	-	All technical staff are fee earning. Therefore, with loss of income there is insufficient funding to pay salaries and staff (knowledge and experience) will be lost. These staff play an integral part in supporting the regeneration of the city centre	Directorate - Place	Highways and Transportation	-	Stuart.Davies	Lee.Davies	Amber	Amber	Amber	20-JAN-20	Yes

Agenda Item 10



Report of the Section 151 Officer

Audit Committee - 11 February 2020

Trusts & Charities

Purpose:	To provide background information to the audit committee of the range of trusts and charities of which the Council is nominated trustee
Policy Framework:	None
Consultation:	Legal, Finance and Access to Services.
Report Author:	Jeffrey Dong
Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer:	N/A
For Information	

1 Introduction

- 1.1 The City & County of Swansea and its predecessors (Swansea City Council and West Glamorgan County Council) have inherited, or been bequeathed or nominated to act as Trustee/manage/oversee a number of trusts and charities with a wide range of varied charitable objects.
- 1.2 The assets of these trusts and charities are not the property of the Council and are not core to the activities of the City & County of Swansea.
- 1.3 Where it is obliged to, Charity Commission returns are completed and financial statements are produced and 'independently examined' and/or returned to The Charity Commission as required under Charity Commission guidelines.
- 1.4 Although the trust and charity assets are not the Council's, summary year end balances were included in the financial statements of the Authority as an informational disclosure note up until 2013/14. In

rationalising the financial statements of the Authority and upon instruction from the appointed external auditors, it was determined that it was no longer required to include a similar extract in future financial statements of the Authority, however the requisite Charity Commission returns and financial statements continue to be produced and be independently examined. The deadline for returns to the Charity Commission is the 31st January after year end and where required, all funds have had returns submitted for the financial year ending 31st March 2019.

- 1.5 At the request of the Audit Committee Chair, this report has been submitted 'For Information' to the Audit Committee.

2 The Portfolio of Trusts & Charities

- 2.1 The Council's portfolio of Trusts and Charities is outlined in Appendix 1 as at 31 March 2019 (last filed balance sheet with Charity Commission). The Council has historically supported these Trusts and charities in the provision of professional services on a pro bono basis (legal, finance, democratic services, IT, facilities and Education & Social Services) to enable the Trust & charity to undertake its objectives.

These services include:

- Legal advice
- Preparation of financial statements
- Financial advice/management of investments
- Charity commission filing
- Room hire
- Identifying awards
- Distributing awards
- Convening trustee meetings/recording minutes

The costs/time associated with the above have never been quantified. The degree of support and activity between Trusts and Charities varies widely.

- 2.2 It can be seen that there is a broad range of Trusts & charities both in size of assets and charitable object, some of which have lost relevancy in the 21st Century.
- 2.3 Where the charitable object is still relevant and there is sufficient distributable income, it can be seen that the Trust & charity is still active and makes regular distributions and awards as identified in Appendix 1.

3 Governance

- 3.1 In most instances, the Council is the named Trustee of each trust or charity or in some instances there are named elected member trustees (e.g. The Lord Mayor) for each charity and delegates the decision making either to named elected members or to the Trustee Panel comprising of the members identified in Appendix 2.

- 3.2 For the larger trusts & charities, this body meets to agree and make awards and distributions in line with the objects of the charity and to receive the financial statements. This is usually a direct award to a person or organisation within the remit of the charitable object. Otherwise the directly appointed trustees make those decisions
- 3.3 Elected members have always been very active and keen to preserve their role in these acts of local philanthropy.

4 Resource to Support Trusts & Charities

- 4.1 As the workforce across the Council contracts, the ability of services to support 'non-core' business has reduced to a point where services cannot provide the historical level of service the trust or charity has historically enjoyed.
- 4.2 The current level of support is discharged without full recovery of costs.

5 Community Foundation in Wales (CFW)

- 5.1 At the behest of the Administration in power at the time in 2011, Council Officers met with the Community Foundation in Wales, an organisation which seeks to manage and consolidate charitable funds with a view to maximising efficiencies in administration and management costs for the benefit of the charity. They undertake the labour intensive task of resolving the necessary legal issues to dissolve the charities with the Charity Commission and vest funds.

The proposed management charge was 2% of assets under management all-inclusive management fee to do so.

5.2 The CFW Model

At the moment each charity or trust has a distinct and separate charitable object, CFW would seek to consolidate all these funds into a single Swansea Foundation fund with a single 'catch all' charitable object which would be determined and would seek to make awards not on a personal/ direct level but to other enabling charities or organisations which would satisfy those objects.

Elected members would be allowed a number of seats on the trustee board of this Swansea Foundation; however, the award making process would not be as granular as in the past.

5.3 City & County of Swansea -CFW Pilot

It was agreed by the then Head of Financial Services to pilot the model in 2011/12 with the consolidation of the dormant and inactive Trusts and charities, however without the agreement of the Trustees of the Houseworkers' Trust Fund, which was the largest of the dormant funds at that time (subsequently taken over by the Trustees of the charity), the proposition became financially unviable for the CFW to consider any longer and take forward. No further work was undertaken.

5.4 Rationalising Dormant /Inactive Trusts & Charities

There have been a number of exercises attempted to rationalise the dormant and inactive trusts & charities which have been frustrated by the onerous legal process required by the Charity Commission and the subsequent retirement of the two senior lawyers dealing with it in 2014 and again in 2015. Since the last audit committee in 2018, the Partnerships & Commissioning Officer has been tasked with this onerous piece of work. It is currently a work in progress.

5.5 Investment Strategy of Trust & Charity Funds

The investment strategy for the various funds was reviewed by the Deputy S 151 Officer in 2018 with a view to increasing investment income, (noting the current low interest rate environment that the Trusts operate in). Options were put forward to Trustee Panel in Sep 2018 to consider investing in multi asset funds (equities, bonds, property) especially managed for investment by trusts and charities. These investments would offer the potential for higher returns but also higher risks (potential loss of capital). The Trustee Panel determined not to change the current investment strategy.

6 Financial Implications

6.1 There are no direct financial implications arising from this report

7 Legal Implications

7.1 As Corporate Trustee, the Council must abide by the Trust Deed and objects of the charity and file charity commission returns as required.

8 Equality Impact Assessment

The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

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

Our Equality Impact Assessment process ensures that we have paid due regard to the above. As the report is for information and no actions arise there are no equality impact implications arising from this report

Background Papers: None.

Appendices:

Appendix 1 – Summary of trusts and charities

Appendix 2 – Trustee Panel

APPENDIX 1

Charity Funds							
Name of Fund	Charity Registration	Object of the Fund	Fund Value @ 01/04/18	Status	Grants Awarded 01/04/18 -31/03/19	Other Movement	Fund Value 31/03/19
			£		£	£	£
Welsh Church Act Trust Fund	1071913	Grants are awarded to charities, voluntary bodies and organisations with charitable objectives which are based in/or active within the City & County of Swansea.	1,323,318	Active Fund	-19,500	9,406 Interest plus CIMV of Investments	1,313,224
Swansea Children's Relief In Need	701418	To help relieve the hardship or distress of children living in the area.	809,580	Active Fund	0	5,729 Interest	815,309
Swansea Workshop for the Blind	532256	The object of the charity is the relief of persons who are blind or partially sighted by the provision for such persons of facilities for employment and vocational training.	697,549	Active Fund	0	-31,080 Depreciation on Land & Building	666,469
Swansea Foundation	1086884	To promote the education of persons who are under the age of 25, are in need of financial assistance and are resident in the City & County of Swansea. Preference is given to persons who have attended Bishop	184,119	Active Fund	0	7,949 Interest plus CIMV of Investments	192,068

		Gore Comprehensive School, Dynevor Comprehensive School, Swansea College and Swansea Institute of Higher Education.					
Swansea Further Education Trust Fund	1053664	The Charity provides post graduate awards to pupils residing in or near the County Borough of Swansea.	132,178	Active Fund	0	4,062 Interest plus CIMV of Investment	136,240
Cwmdonkin House Trust Fund	222391	To promote and carry out moral welfare work amongst girls and women in Swansea and the neighbourhood thereof.	92,480	Dormant	0	545 Interest	93,025
T & E Williams Scholarship Fund	N/A	To award scholarships to candidates resident for at least two years immediately preceding the date of application for a scholarship, or have attended for two years in an educational establishment, within the area comprising the former Borough of Loughor. If there are no worthy applicants or not a sufficient number of worthy applicants to meet this criterion, then the area of benefit may be extended to cover the areas of the City & County of Swansea and that of Neath Port Talbot Borough Council.	68,945	Active Fund	-26,165	33,949 Annual Income received from Trustee (PNC Bank) plus interest.	76,729

Lord Mayor's Charity Fund	512099	Each year the newly inaugurated Lord Mayor chooses a charity or charities to benefit from the funds raised during his/her term of office.	17,137	Active Fund	-13,841	23,505 Income from donations	26,801
Glen George Scholarship Fund	N/A	The City & County of Swansea shall stand possessed of the Scholarship Fund upon trust to apply the income thereof in perpetuity for the promotion and encouragement of education of pupils from Bishop Gore Comprehensive School.	27,695	Active Fund	0	672 Interest	28,367
Vision Impaired West Glamorgan	504736	To provide assistance to registered blind and partially sighted people within the areas of the City & County of Swansea and Neath Port Talbot, by making grants of money or providing items, services or facilities.	20,285	Active Fund	0	2,665 Donations plus interest	22,950
Glyn Vivian Lectureship Fund	N/A	Grants awarded by Glyn Vivian Art Gallery	17,000	Active Fund	0	500 Interest	17,500
Ynystawe Reading Room	524252	The provision and maintenance of a reading room situated in Ynystawe, Swansea	13,249	Dormant Fund	0	0 Held in a holding bank a/c – interest applied on redemption	13,249

Morrison Park Fountain	N/A	The provision and maintenance of a fountain in Morrison Park	10,047	Dormant Fund	0	0 Held in a holding bank a/c – interest applied on redemption	10,047
Royal Artillery Maintenance Fund	N/A	The objects of the charity is the provision of maintenance of a WW2 monument situated at Quay Parade Swansea.	9,420	Active Fund	0	60 Interest	9,480
Frank Squires Trust Fund	508215	Advancing the course of education within the County of West Glamorgan and in particular of assisting former pupils of Dan-Y-Graig and St Thomas Junior School to pursue courses of higher education.	5,301	Active Fund	0	27 Interest	5,328
Lily Thomas	505022	To relieve either generally or individually persons resident in the area of benefit who are in conditions of need, hardship or distress.	3,495	Dormant Fund	0	455 Interest	3,950
D F Nichol	245214	Relief of the poor in the village of Oystermouth, Swansea	3,019	Dormant Fund	0	0 Held in a holding bank a/c – interest applied on redemption	3,019
William Turpin	N/A	Unknown - Dormant	2,058	Dormant Fund	0	0 Held in a holding bank a/c – interest	2,058

						applied on redemption	
G M John Bequest	N/A	Unknown - Dormant	1,200	Dormant Fund	0	0 Held in a holding bank a/c – interest applied on redemption	1,200
St Johns Day Centre	N/A	Unknown - Dormant	278	Dormant Fund	0	0 Held in a holding bank a/c – interest applied on redemption	278
Total			3,438,353		-59,506	58,444	3,437,291

TRUSTEE PANEL**TRUSTEE PANEL (17)****Labour Councillors: 11**

Cyril Anderson	Hazel M Morris
Yvonne Jardine	Alyson Pugh
Mike B Lewis	Paulette B Smith
Wendy Lewis	Lesley V Walton
Christine Richards (Chair)	Mark Thomas
Vacancy	

Liberal Democrats/Independent Councillors: 3

Chris A Holley	D Gareth Sullivan
Susan M Jones	

Conservative Councillors: 2

Lyndon R Jones	Brigitte J Rowlands
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Uplands Councillor: 1

Irene E Mann	
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Agenda Item 11



Report of the Head of Democratic Services

Audit Committee – 11 February 2020

Audit Committee Action Tracker Report

Purpose:	This report details the actions recorded by the Audit Committee and response to the actions.
Report Author:	Jeremy Parkhouse
Finance Officer:	N/A
Legal Officer:	N/A
Access to Services Officer:	N/A
For Information	

1. Introduction

- 1.1 During the course of Audit Committee meetings various actions may be decided which are recorded on the minutes of the meetings.
- 1.2 As agreed in 2016/17 an Action Tracker process was put in place to ensure transparency over the outcomes of actions agreed by Committee.
- 1.3 The Action Tracker records the actions agreed by the Audit Committee and provides an outcome for each action.
- 1.4 The Action Tracker for the 2017/18, 2018/19 and 2019/20 Municipal years are attached in Appendix 1, 2 and 3.
- 1.5 The Action Tracker is regularly updated and any completed actions will be marked 'Complete' and coloured in grey.
- 1.6 The Action Tracker is reported to each Audit Committee meeting for information.

2. Equality and Engagement Implications

2.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

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

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

2.2 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 Action Tracker 2019/20 (Closed actions removed)

Appendix 2 – Audit Committee Action Tracker 2018/19 (Closed actions removed)

Appendix 3 – Audit Committee Action Tracker 2017/18 (Closed actions removed)

AUDIT COMMITTEE ACTION TRACKER 2019/20				
Date of Meeting	Minute Ref	Action	Nominated Officer(s)	Status
29/01/20	64	Internal Audit Annual Plan 2019/20 - Monitoring Report for the Period 1 July 2019 to 30 September 2019		
		1) The Chief Auditor provides the Committee with additional information regarding previous audits at the Village Lane site and why arrears dating back approximately 10 years were allowed to accrue;	Simon Cockings	Ongoing
		2) The Chief Auditor provides the Committee with additional information regarding the significant arrears recorded where no write-off process was in place in respect of the audit of libraries and the lack of appropriate evidence to reconcile overtime payments in respect of the audit of the Food and Safety Division;	Simon Cockings	Ongoing
		3) The Chair writes to Human Resources regarding DBS checks to clarify the time limit for staff to be removed from their job in the event of a negative check.	Chair	Ongoing
	66	Cleansing Service - Findings Update Internal Audit Report 2019/2020 The previous long-term sickness of a senior member of staff and no arrangements being in place to cover the absence be noted and highlighted to the Department.	Jeremy Parkhouse	Ongoing To be forwarded to the Director of Place once the draft Minutes are agreed.
	68	Internal Audit Recommendation Follow-Up Report - Quarter 2 2019/20 The need for more robust tracking of External Audit recommendations be referred to the Corporate Management Team for discussion.	Jeremy Parkhouse	Ongoing To be forwarded to CMT once the draft Minutes are agreed.
10/12/19	60	Appointment of Additional Lay Member to Audit Committee 1) the appointment be deferred subject to the proposed legislative changes being finalised.	Adam Hill	Deferred Deferred subject to the proposed legislative changes being finalised.

08/10/19	44	Annual Report of School Audits 2018/19 & Director of Education Response Kelly Small, the Head of Funding and Information Unit clarifies if evidence had been received that all Governing Bodies had been presented with and considered their audit reports during 2017/18 and 2018/19.	Head of Funding and Information Unit	Completed Confirmation received.
		Nick Williams, Director of Education obtains a full list of contracts from Corporate Building and circulates to all Clerks to Governing Bodies.	Director of Education	Ongoing
16/09/19	30	Young People's Service Moderate Rating Follow Up Update Issues highlighted, particularly DBS checks, to be addressed in the follow up audit in November.	Chief Auditor	Ongoing Follow up scheduled for w/c 18/11/19. The results will be reported to Committee in the Q3 Monitoring Report.
	32	ISA 260 Report The recommendations made in the report should be transferred to an external tracker report for committee.	Strategic Delivery & Performance Manager	Ongoing

Appendix 2

AUDIT COMMITTEE ACTION TRACKER 2018/19				
Date of Meeting	Minute Ref	Action	Nominated Officer	Status
11/12/18	59	Overview of the Overall Status of Risk – Quarter 2 2018/19 The contents of the Risk Register requires enhancement.	Strategic Delivery & Performance Manager	Ongoing Roll out of the new risk register application and training / reference resources is nearing completion and work will now shift to embedding and maturing the use and implementation of the new application. Reporting capability is dependent on change request approval and subsequent action by ICT.

Appendix 3

AUDIT COMMITTEE ACTION TRACKER 2017/18				
Date of Meeting	Minute Ref	Action	Nominated Officer	Status
08/03/18	68	<p>Amendments to Contract Procedure Rules</p> <p>Once the amendments to the Contract Procedure Rules have been finalised, a copy should be forwarded to all Schools' Governing Bodies to make them aware of the changes. Schools are also to be requested to ensure the amended CPRs are included as an agenda item on the next Finance Committee and Building/Property Committee Meeting.</p>	Kelly Small	<p>Ongoing</p> <p>The Contract Procedure Rules were agreed by Council on 27 November 2019. Email followed to Education Directorate on 3 December 2019 and follow up email sent at the end of January 2020.</p>

Agenda Item 12



Report of the Head of Democratic Services

Audit Committee – 11 February 2020

Audit Committee – Workplan 2019/20

Purpose:	This report details the Audit Committee Workplan to May 2020
Report Author:	Jeremy Parkhouse
Finance Officer:	N/A
Legal Officer:	N/A
Access to Services Officer:	N/A
For Information	

1. Introduction

- 1.1 The Audit Committee's Work Plan to May 2020 is attached at Appendix 1 for information.
- 1.2 The Audit Committee Statement of Purpose is attached for information at Appendix 2.
- 1.3 The completed / outstanding actions from the Performance Review 2017/18 Action Plan are included at Appendix 3. The outstanding actions have also been included in the 2018/19 Action Plan.
- 1.4 The Performance Review 2017/18 and 2018/19 Action Plans are included at Appendix 3. The Plan was drafted following feedback from the workshop annual self-assessment session held on 16 September 2019 and facilitated by the Wales Audit Office. Wales Audit Office also presented a report on their findings at the Committee meeting held on 8 October 2019, which covered regularity and length of Audit Committee meetings; outstanding actions from Audit Committee Performance Review 2017-18; and information provided to Audit Committee Members. The responses provided by Members were detailed in the report.

1.5 The dates included for the meetings in 2019/20 were approved by Council on 28/03/19.

2. Equality and Engagement Implications

2.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

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

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

2.2 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 2019/20

Appendix 2 – Audit Committee Statement of Purpose

Appendix 3 – Performance Review 2017/18 and 2018/19 Action Plans

Audit Committee Plan 2019 – 2020

Terms of Reference	Report Title	Report Summary	Report Author	Date of Meeting
Governance & Assurance	Chair of Scrutiny Programme Committee.	Chair of the Scrutiny Programme Committee to provide a report on the work of scrutiny for the Municipal year 2018-19 and highlighted scrutiny activities planned for 2019/20.	Brij Madahar	11 Feb 2020
Risk Management & Performance	Presentation - Update on Internal Control Environment (Including Risk Management).	Presentation - Director of Place.	Martin Nicholls	11 Feb 2020
Internal Audit	Internal Audit Annual Plan Methodology Report 2020/21.	This report provides a briefing to the Audit Committee on the methodology used to prepare the Internal Audit Annual Plan in advance of the Annual Plan 2020/21.	Simon Cockings	11 Feb 2020
Internal Audit	Internal Audit Recommendation Implementation Quarter 3 Report.	This report provides committee with the status of the recommendations made in those audits where the follow-up's has been undertaken in Q3 2019/20, to allow the Audit Committee to monitor the implementation of recommendations made by Internal Audit.	Simon Cockings	11 Feb 2020
Governance & Assurance	Governance Group Update Report.	Update report from the newly formed Governance Group.	Adam Hill	11 Feb 2020

Audit Committee Plan 2019 – 2020

Terms of Reference	Report Title	Report Summary	Report Author	Date of Meeting
Risk Management & Performance	Overview of the Overall Status of Risk - Quarter 3 2019/20.	The report presents an overview of the status of risk in the Council during Quarter 3 2019/20 to provide assurance to the Committee on the operation of the risk management policy and framework within the Council.	Richard Rowlands	11 Feb 2020
Financial Reporting	Trusts & Charities Report 2018/19.	Trusts & Charities Report 2018/19.	Jeffrey Dong	11 Feb 2020
Internal Audit	Internal Audit Annual Plan 2019/20 - Quarter 3 Monitoring Report for the Period 1 October 2019 to 31 December 2019.	This report shows the audits finalised and any other work undertaken by the Internal Audit Section during the period 1 October 2019 to 31 December 2019.	Simon Cockings	10 Mar 2020
Internal Audit	Moderate Report - Employment of Agency Staff.	Follow Up report following a previous moderate rating.	Adrian Chard	10 Mar 2020
Internal Audit	Moderate Report - Fleet Maintenance.	Follow Up report following a previous moderate rating.	Mark Barrow	10 Mar 2020
Internal Audit	Moderate Report - Gwyrosydd Primary School.	Follow Up report following a previous moderate rating.	Jonathan Atter	10 Mar 2020
Internal Audit	Moderate Report - Heol y Gors Plant.	Follow Up report following a previous moderate rating.	Rob Myerscough	10 Mar 2020

Audit Committee Plan
2019 – 2020

Terms of Reference	Report Title	Report Summary	Report Author	Date of Meeting
Internal Audit	Moderate Report - Ysgol Pen y Bryn.	Follow Up report following a previous moderate rating.	Gethin Sutton	10 Mar 2020
External Audit	Wales Audit Office Annual Audit Letter 2018/19.	WAO Annual Audit Letter 2018/19.	Jason Garcia	10 Mar 2020
Governance & Assurance	Appointment of Additional Lay Member to Audit Committee.	Appointment of second Lay Member.	Simon Cockings	14 Apr 2020
Internal Audit	Internal Audit Charter 2020/21.	This report outlines the background to the Public Sector Internal Auditing Standards (PSIAS) which were introduced with effect from 1st April 2013 and presents an Internal Audit Charter for approval by the Committee.	Simon Cockings	14 Apr 2020
Internal Audit	Internal Audit Moderate Rating Follow Up Report - Social Care Contracts Update.	Follow Up report following a previous moderate rating.	Peter Field	14 Apr 2020
Internal Audit	Internal Audit Section - Fraud Function Anti-Fraud Plan for 2020/2021.	This report sets out the planned areas of activity for the Internal Audit Section's Fraud Function for 2020/21 and is designed to provide a strategic view of the areas that will be subject to examination.	Jeff Fish, Jonathon Rogers	14 Apr 2020
Internal Audit	Internal Audit Strategy & Annual Plan 2020/21.	This report presents the Internal Audit Annual Plan and Internal Audit Strategy for 2020/21 to the Audit Committee for approval.	Simon Cockings	14 Apr 2020

Audit Committee Plan 2019 – 2020

Terms of Reference	Report Title	Report Summary	Report Author	Date of Meeting
Risk Management & Performance	Partnership Performance.	Review the mechanisms for assessing and scrutinising the risk associated with partnerships.	Adam Hill	14 Apr 2020
Risk Management & Performance	Performance Management Framework.	Performance Management Framework Report.	Richard Rowlands	14 Apr 2020
Risk Management & Performance	Presentation - Update on Internal Control Environment (Including Risk Management).	Presentation by the Deputy Chief Executive.	Adam Hill	14 Apr 2020
Financial Reporting	Revenue and Capital Budget Monitoring 3rd Quarter 2019/20.	To report on financial monitoring of the 2019/20 revenue and capital budgets, including the delivery of budget savings.	Ben Smith	14 Apr 2020
External Audit	Wales Audit Office - 2020 Audit Plan - City and County of Swansea Pension Fund.	External Audit Report.	Jason Garcia	14 Apr 2020
External Audit	Wales Audit Office - 2020 Audit Plan - City and County of Swansea.	External Audit Report.	Jason Garcia	14 Apr 2020
Risk Management & Performance	Wales Audit Office Proposals for Improvement: Six-month Status Update - July 2019 - December 2019.	The report presents an overview of the status of Swansea Council's response to earlier proposals for improvement made by WAO to provide assurance to the Committee on progress.	Richard Rowlands	14 Apr 2020

Audit Committee Plan
2019 – 2020

Terms of Reference	Report Title	Report Summary	Report Author	Date of Meeting
Risk Management & Performance	Wales Audit Office - Local Government Use of Data Report – City & County of Swansea.	<p>Wales Audit Office - Local Government Use of Data Report – City & County of Swansea.</p> <p>*Note – this report has been considered by Service Improvement & Finance Performance Panel and the Panel is awaiting an Action Plan arising from the report.</p>		
Risk Management & Performance	Digital Strategy – Progress and Performance.	<p>Digital is one of the four key strands of Sustainable Swansea and an annual update will be provided to Scrutiny in December on the whole programme, including digital.</p> <p>*Note – this report will be considered by Scrutiny.</p>		

Audit Committee Statement of Purpose

- 1) Our audit committee is a key component of the City and County of Swansea's corporate governance. It provides an independent and high level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.
- 2) The purpose of our audit committee is to provide independent assurance to the members of the adequacy of the risk management framework and the internal control environment. It provides independent review of the City and County of Swansea's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

Governance, Risk and Control

- 3) To review the Council's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.
- 4) To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances.
- 5) To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- 6) To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.
- 7) To monitor the effective development and operation of risk management in the Council.
- 8) To monitor progress in addressing risk related issues reported to the committee.
- 9) To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- 10) To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.
- 11) To monitor the counter fraud strategy, actions and resources.

Internal Audit and External Audit

- 12) To approve the internal audit charter and resources.
- 13) To consider the head of internal audit's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.
- 14) To consider summaries of specific internal audit reports as requested.
- 15) To consider reports dealing with the management and performance of the providers of internal audit services.
- 16) To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.
- 17) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- 18) To consider specific reports as agreed with the external auditor.
- 19) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- 20) To commission work from internal and external audit.

Financial Reporting

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

Accountability Arrangements

- 23) To report to full Council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee is meeting its purpose.

Note: Audit Committee Statement of Purpose extracted from the Council Constitution (31.01.18).

KEY FINDINGS & ACTON PLAN
AUDIT COMMITTEE PERFORMANCE REVIEW 2017/18 & 2018/19

Key Finding	Proposed Actions	Lead (s)	Target Date	Progress Update
Regularity and Length of Audit Committee meetings	1) To enable the Audit Committee to discharge its duties meetings should take place every month.	Huw Evans	May 2020	Council Diary to be agreed at the Annual Meeting on 28 May 2020.
	2) If changes are made to the calendar of meetings (monthly) it will also be necessary to amend the Committee's work programme so that there is clarity as to exactly what is on the agenda for each committee meeting.	Chair / Huw Evans/ Jeremy Parkhouse	May 2020	Council Diary to be agreed at the Annual Meeting on 28 May 2020 and work programme organised accordingly.
Outstanding actions from the Audit Committee Performance Review 2017-18	1) Benchmarking – The Corporate Management team will consider how best to use benchmarking information and provide an update to the Audit Committee.	Corporate Management Team	TBC	
	2) Partnerships – Review the mechanisms for assessing and scrutinising the risk associated with partnerships. Audit Committee should receive an update on what partnerships the Council are involved in.	Adam Hill	April 2020	Adam Hill, Deputy Chief Executive to provide a report to Audit Committee on 14 April 2020.

Key Finding	Proposed Actions	Lead (s)	Target Date	Progress Update
	3) Noting the Deputy Chief Executive presentation on the Council's governance framework, the Audit Committee would benefit to receive additional presentations on individual elements of the governance framework.	Adam Hill	April 2020	Adam Hill, Deputy Chief Executive to provide a presentation to Audit Committee on 14 April 2020.
	4) The newly established Governance Group to provide updates to Audit Committee.	Adam Hill	February 2020	Adam Hill, Deputy Chief Executive to provide an update to Audit Committee on 11 February 2020.
	5) Efficiency and Value for Money – Corporate Management Team to consider what information is required for the Audit Committee to enable the Committee to discharge its duties.	Corporate Management Team	TBC	