



## City and County of Swansea

### Notice of Meeting

You are invited to attend a Meeting of the

## Governance & Audit Committee

**At:** Remotely via Microsoft Teams

**On:** Wednesday, 9 June 2021

**Time:** 2.00 pm

#### Membership:

Councillors: C Anderson, P M Black, D W Helliwell, T J Hennegan, P R Hood-Williams, J W Jones, H Lawson, M B Lewis, C E Lloyd, S Pritchard, J A Raynor, L V Walton and T M White

Lay Member: Julie Davies and Paula O'Connor

Watch Online: <https://bit.ly/34zQtaz>

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2	Election of the Vice-Chair for the 2021-2022 Municipal Year.	
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4	Disclosures of Personal and Prejudicial Interests. <a href="http://www.swansea.gov.uk/disclosuresofinterests">www.swansea.gov.uk/disclosuresofinterests</a>	
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**Next Meeting:** Tuesday, 13 July 2021 at 10.00 am

*Huw Evans*

**Huw Evans  
Head of Democratic Services  
Wednesday, 2 June 2021**

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**Contact: Democratic Services: - 636923**

# Agenda Item 5



City and County of Swansea

## Minutes of the **Governance & Audit Committee**

Remotely via Microsoft Teams

Tuesday, 18 May 2021 at 10.00 am

**Present:** P O'Connor (Chair) Presided

**Councillor(s)**

P M Black  
P R Hood-Williams  
M B Lewis  
T M White

**Councillor(s)**

D W Helliwell  
J W Jones  
S Pritchard

**Councillor(s)**

T J Hennegan  
E T Kirchner  
L V Walton

**Lay Member**

Julie Davies

**Officer(s)**

Simon Cockings  
Adam Hill  
Tracey Meredith  
Jeremy Parkhouse  
Richard Rowlands  
Ben Smith

Chief Auditor  
Deputy Chief Executive / Director of Resources  
Chief Legal Officer / Monitoring Officer  
Democratic Services Officer  
Strategic Delivery & Performance Manager  
Chief Finance Officer / Section 151 Officer

**Apologies for Absence**

Councillors C Anderson, P K Jones and A H Stevens  
Jason Garcia – Audit Wales

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**64 Disclosures of Personal and Prejudicial Interests.**

In accordance with the Code of Conduct adopted by the City and County of Swansea, no interests were declared.

**65 Minutes.**

**Resolved** that the Minutes of the previous meeting of the Audit Committee were approved as a correct record.

**66 Updated Terms of Reference for the Governance and Audit Committee. (Adam Hill)**

Adam Hill, Deputy Chief Executive presented a report which provided an update to the Committee Terms of Reference as a result of the Local Government and Elections (Wales) Act 2021 and the CIPFA Guide – Audit Committees Practical Guidance for Local Authorities and Police (2018 edition).

It was explained that the Committee received an update to the terms of reference at its meeting in March on changes to the remit and Committee name as a result of new legislation. The report added to those changes, taking account of best practice and the recommendations within the CIPFA Guide. The highlighted changes were provided at Appendix 1.

It was added that once agreed by the Committee, the terms of reference would be forwarded to the Constitution Working Group and Council for approval.

**Resolved** that the changes be approved.

## **67 Internal Audit Annual Report 2020/21. (Simon Cockings)**

Simon Cockings, Chief Auditor presented a report which summarised the work completed by Internal Audit 2020/21 and included the Chief Auditor's opinion for 2020/21, based on the work undertaken in the year.

The report emphasised the effect of the Covid 19 Pandemic upon the Internal Audit Team, which had been involved in different areas of work as part of the Council's overall response to the Pandemic. It was added that as much of the Audit Plan as possible had been completed and all fundamental audits had been finalised up until 31 March 2021, except for Business Rates which received a substantial rating in 2019-20. The work completed by internal audit in year covered 68% of the original planned activities and key risks included in the 2020/21 audit plan and 99% of the recommendations made had been approved. It was added that thematic school audits had also taken place. 6 follow-ups on service areas receiving moderate reports had also been undertaken.

A complete list of each audits finalised during 2020-21, along with the level of assurance, the number of recommendations made and accepted were outlined in Appendix 1 and the performance indicators for 2020-21 were detailed in Appendix 2.

Details of the following were provided: -

- Review of 2020/21;
- Follow up work completed;
- Performance indicators;
- Quality assurance and improvement programme and Statement of Conformance with the Public Sector Internal Audit Standards (PSIAS);
- Statement of organisational independence;
- The Chief Auditor's opinion on the work completed in 2020-21.

The Chair stated that she had met with the Chief Finance / Section 151 Officer and Chief Auditor regarding the CIPFA guidance and was content that the Chief Auditor's opinion reflected the guidance.

The Chair and Committee expressed their thanks to the Chief Auditor and the Internal Audit Team for their significant work in very difficult circumstances.

The Committee discussed the following: -

- Continuation of peer reviews in the future and the benefits of previous reviews undertaken;
- Ongoing discussions amongst Chief Auditors around performance indicators, particularly the need for them to be more meaningful;
- How the thematic reviews of schools had been very productive;
- The Education Department were intending to repeat the training programme for schools, updating accounting instructions for schools and the procurement guide for schools was currently being updated;
- Ensuring the backlog of work created by the Pandemic is managed effectively, all deferred audits being lower risk / those Internal Audit cannot physically attend and all deferred audits being included in the 2021/22 Plan;
- The similarities between Swansea and other local authorities in Wales, particularly with staff being deployed to different areas of work;
- The impact of Covid 19 upon the workload, how it had changed working practices and how the ability to provide assurance remained the same.

**Resolved** that: -

- 1) The Internal Audit Annual Report 2020/21 be approved;
- 2) The Chief Auditor's opinion be noted.

#### **68 Draft Governance and Audit Committee Annual Report 2020/21. (Chair)**

The Chair presented the draft Governance and Audit Committee Annual Report for the 2020/21 Municipal year for the Committee to review and comment upon prior to the final report being presented to Council.

She paid tribute to the efforts of Council staff in striving to maintain sound governance and a tremendous effort throughout the challenges of COVID 19. She also thanked the Committee Members, Chief Auditor, Internal Audit, Audit Wales and Councillor L V Walton (Committee representative on the Governance Group) for their work and the progress made by the Committee.

She commented that there had been gaps in some areas but these had been improved with reports on Performance Framework, Partnerships, Value for Money / Benchmarking. She added that as had happened in the years prior to Covid 19, the Committee would engage with Audit Wales regarding its effectiveness.

Reference was also made to the improvements required in risk management, particularly focussing upon detail and it was noted that Officers were scheduled to receive additional training shortly. She also stated that all directors would update the Committee regarding how they deal with risks within their departments and the level of control they utilise to ensure they achieve their objectives.

**Resolved** that Draft Governance and Audit Committee Annual Report 2020/21 be agreed and forwarded to Council for approval.

**69 Internal Audit Recommendation Tracking Report - Quarter 4 2020/21. (For Information) (Simon Cockings)**

The Chief Auditor presented a 'for information' report which provided the Committee with the status of the recommendations made in those audits where the follow-up's has been undertaken in Quarter 4 2020/21, which allowed the Audit Committee to monitor the implementation of recommendations made by Internal Audit. Appendix 1 provided a summary of the recommendations accepted and implemented.

It was highlighted that from the 38 recommendations made, 38 had been implemented, providing a 100% implementation rate.

**70 Corporate Risk Overview 2020/21 – Quarter 4. (For Information) (Richard Rowlands)**

Richard Rowlands, Strategic Delivery & Performance Manager presented 'for information' the Quarter 3 202/21 report which provided an overview of the status of Corporate Risk in the Council to provide assurance to the Committee that key risks were being managed in accordance with the Council's risk management policy and framework.

The following summarised the status of risks recorded in the Corporate Risk Register as at Quarter 4 2020/21, compared to Quarter 3 2020/21: -

- There were 5 Red status risks in the Corporate Risk Register:
  - Risk ID 153 – Safeguarding.
  - Risk ID 159 - Financial Control: MTFP aspects of Sustainable Swansea.
  - Risk ID 222 - Digital, data and cyber security.
  - Risk ID 264 – Covid-19
  - Risk ID 269 - Local economy and infrastructure.
- All of the Corporate risks were recorded as having been reviewed at least once during Quarter 4.
- A new Corporate Risk was added to the risk register during Q4 – Risk ID 289 Reducing & Tackling Fraud.
- No Corporate risks were deactivated.
- No risks were escalated to the Corporate Risk register.

Appendix A included the risks as at 30/04/21 recorded within the Council's Corporate Risk Register. The reports for each risk included general explanatory information relating to their classification.

It was added that the draft Annual Governance Statement for 2020/21 sets out that the quality of risk information within the risk register needed to be improved. A workshop on Risk Control Measures was scheduled to be held with the Leadership Team on 25 May 2021.

Reference was made to the request of the Chair that Directors attend each quarter on a rotational basis and provide the Committee with presentations regarding the internal control environment, including risk management. The quarterly risk reports would coincide with Director's attendance each quarter.

The Strategic Delivery & Performance Manager also thanked Officers for their support, particularly Adam Hill, Deputy Chief Executive and Gordon Wright, Business Performance Officer.

The Committee discussed the following: -

- The amount of work put in to get to the current position;
- The consistency provided when each risk is recorded in the same way;
- The delay in updating some risks which would be addressed by the new changes being introduced;
- The level of assurance the changes would bring.

## **71 Annual Governance Statement 2020/21. (Richard Rowlands)**

The Strategic Delivery & Performance Manager presented the draft Annual Governance Statement (AGS) 2020/21 which allowed the Committee the opportunity to contribute to the annual review of governance.

The report referred to the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives revised framework guidance on the Code of Corporate Governance, which detailed the 7 principles provided within the framework. Details of how the Authority had complied with the framework were also outlined, along with significant issues faced during the year.

The draft AGS 2020/21 was provided at Appendix A and the final version would be reported to Council before being signed by the Leader and Chief Executive and published with the audited Statement of Accounts 2020/21.

Councillor L V Walton, the Committee's representative on the Governance Group confirmed that the overall process in drafting the AGS had been very robust and she praised the work of everyone involved in producing the report.

The Committee discussed the following: -

- Concern that some reports of external organisations were not available and exploring the possibility of using interim reports instead of using reports from previous Municipal years;
- Updating timetables to allow reports to fall in line with the AGS / Annual Statement of Accounts and the difficulties faced by the Council in achieving matters outside of its control;
- Principle B – Engagement of stakeholders and how departments had been using the principles of co-production;
- Typographical amendments in paragraph 12.1, Principle F which refers to a paragraph from last year's statement;
- Possible typographical amendments Appendix 1 paragraphs 6.3 and 6.4, which refer to 2018/19;
- Appendix 1, paragraph 7.1.1 required financial figures to be updated prior to Council meeting;

- Previous concerns highlighted by the Committee regarding workforce capacity and resilience and how these were being addressed and would be improved in the near future;
- How potential risks not previously identified are reviewed and they should be included within senior management assurance statements which capture the key risks that were 'live' during the year.

The Deputy Chief Executive, Chair of the Governance Group thanked the Group for achieving the document, especially during a very difficult year. He also thanked Councillor L V Walton for providing a political and wider challenge to the Group.

**Resolved** that the Annual Governance Statement be agreed and subject to the amendments highlighted by the Committee being added, be forwarded to Council for approval as part of the Statement of Accounts.

**72 Audit Committee Action Tracker Report. (For Information) (Jeremy Parkhouse)**

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

The Chair commented that a number of actions were ongoing but that dates had been added to the tracker report.

**73 Audit Committee Work Plan 2020/21 & 2021/22. (For Information) (Jeremy Parkhouse)**

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

The Chair commented that an updated Work Plan was required at the next scheduled meeting to reflect the new terms of reference and to ensure that future agendas were balanced throughout the year.

She added that Jason Garcia, Audit Wales would be approached regarding holding a more formal review of the Committee's effectiveness and Councillors were requested to forward any ideas to the Democratic Services Officer.

The meeting ended at 11.06 am

**Chair**

# Agenda Item 6



## Report of the Chief Auditor

Governance & Audit Committee – 9 June 2021

### Internal Audit Annual Plan 2020/21 Monitoring Report for the Period 1 January 2021 to 31 March 2021

<b>Purpose:</b>	This report shows the audits finalised and any other work undertaken by the Internal Audit Section during the period 1 January 2021 to 31 March 2021.
<b>Recommendation:</b>	That the Governance & Audit Committee Members note the information contained in this report.
<b>Policy Framework:</b>	None.
<b>Consultation:</b>	Legal, Finance, Access to Services.
<b>Report Author:</b>	Simon Cockings
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Tracey Meredith
<b>Access to Services Officer:</b>	Rhian Millar

#### 1. Introduction

- 1.1 The Internal Audit Annual Plan 2020/21 was approved by the Audit Committee on 1<sup>st</sup> June 2020. This is the fourth quarterly monitoring report to be presented to allow the Committee to review and comment upon the progress of the Internal Audit Section in achieving the Annual Plan.
- 1.2 This report shows the audits finalised in the period 1<sup>st</sup> January 2021 to 31<sup>st</sup> March 2021.

- 1.3 Committee should be made aware that throughout this period the Internal Audit Function and the wider Authority have continued to adapt to the unprecedented challenges as a result of the Covid-19 pandemic, which has impacted every aspect of Council business and operations.
- 1.4 As reported in previous monitoring reports, due to the Covid-19 pandemic access to all council sites has been restricted for the majority of the year. This had a significant impact on the Audit Team's ability to complete on-site testing.

## 2. Audits Finalised 1 January 2021 to 31 March 2021

- 2.1 A total of 25 audits were finalised during the quarter. The audits finalised are listed in Appendix 1 which also shows the level of assurance given at the end of the audit and the number of recommendations made and agreed. Appendix 2 provides a summary of the scope of the reviews finalised during the period.
- 2.2 An analysis of the assurance levels of the audits finalised is shown in the following table.

<b>Assurance Level</b>	<b>High</b>	<b>Substantial</b>	<b>Moderate</b>	<b>Limited</b>
Number	10	12	3	0

- 2.3 A total of 209 audit recommendations were made and management agreed to implement all but one of the recommendations, i.e. 99.5% of the recommendations made were accepted against a target of 95%.
- 2.4 All recommendations made are classified as high risk, medium risk, low risk or good practice. An analysis of the recommendations agreed during the quarter is shown in the following table

<b>High Risk</b>	<b>Medium Risk</b>	<b>Low Risk</b>	<b>Good Practice</b>	<b>Total</b>
3	33	121	51	208

- 2.5 The implementation status for those audits that have been subject to a standard follow-up in the quarter is reported separately in the Recommendation Follow-up Report. This includes all follow-ups completed, except for the fundamental audits as the outcome of these follow-up reviews is reported to committee via the Fundamental Audit Recommendation Tracker Report.
- 2.6 The Internal Audit Section also certified the following grants in the quarter as required by the terms and conditions of the grant issued by the Welsh Government.

Grant	Amount
Regional Consortia School Improvement Grant (RCSIG) EIG Element Q1-Q3 2020/21	£6,759,186.75
Pupil Development Grant Q1-Q3 2020/21	£5,736,741.92
ENABLE – Support for Independent Living Grant 2019/20	£303,600.00
Regional Consortia School Improvement Grant (RCSIG) – Professional Learning Grant Element	£504,590.00

2.7 Additional work also undertaken by the team in the quarter included:

- i) Completion of the audit of Delegated Decision Making, which included the review and evaluation of the alternative emergency arrangements put in place to deal with the Covid-19 pandemic. The audit was given a High Assurance rating.
- ii) Continuation of checks and support in relation to the various Covid-19 support grants across the Council.
- iii) Advisory work in relation to the update of Accounting Instruction No. 5 for Schools (Creditor Payments).
- iv) Review of the progress of the Swansea Central Phase 1 scheme.

2.8 The Audit Plan is a 'living' document which is likely to change during the course of the year due to e.g. emerging risks or new priorities. However it is important that the Audit Committee can monitor progress against the Plan approved at the start of the year. To achieve this, Appendix 3 shows each audit included in the Plan approved by Committee on the 1<sup>st</sup> June 2020 and identifies the position of each audit as at 31<sup>st</sup> March 2021.

2.9 As reported previously, due to the Covid-19 pandemic and as a result of the Council wide response to the advice issued by Central and Welsh Government, all Internal Audit staff have been working remotely from home since the end of March 2020. This continued to be the case throughout the quarter.

2.10 It must be acknowledged that the measures introduced across the Council in response to the pandemic have inevitably had an impact on the team's ability to initiate and progress with audits, due to the effect such measures have had across client departments. For example, some sites have been closed completely, the majority of staff across the council have been working from home and client departments have been prioritising emergency responses to the pandemic to ensure key operations and services continue to be delivered.

2.11 This continues to have an impact on the team's ability to progress with business as usual and hence has had an impact on the amount of audit work that the team has been able to complete in the quarter. However, the team has continued to work hard to undertake as much audit work as possible remotely in these unprecedented circumstances.

- 2.12 Where we have been able to progress with audits we have found that it has taken longer than usual to complete some reviews due to the complexities of obtaining the information required remotely and due to the fact that the majority of the workforce across the Council has been working from home.
- 2.13 In addition, it should be noted that we have only completed audits where we have determined that there has been no or very minor limitations to the scope of the review. For example, given the current circumstances, in some instances we have been unable to complete on-site inventory verification or physically test petty cash balances and accounts. On initial review of the audit programme, if we have concluded that a significant majority of the material risk areas can be tested as part of the review we have progressed with the audit. Similarly, if we felt that there were significant areas of testing that could not be completed, we have deferred the review as we would not be able to provide adequate assurance over key material risks. Thankfully, with the fundamental audits in particular but also with other audits, the increasing shift to paperless/online working in recent years has meant the scope of most of the reviews completed has not been impacted by remote working.
- 2.14 The team has also been heavily involved in assisting with the Councils Covid-19 response. Earlier in the year one of the team was seconded full time to the Food Bank initiative. The team has also been assisting with the checking of various support grant payments that have been managed by the Council. To the end of March, a total of 59.5 days has been spent on Covid-19 related support work, in addition to the 111 days attributable to the member of staff seconded to the food bank initiative. The team has also experienced some inevitable downtime due to delayed responses from client department in relation to certain audits and the inability to effectively progress with audits as business as usual due to restricted access to council sites.
- 2.15 Cumulative sickness equated to 157 days as at the end of March. Note that the majority of this absence related to one member of staff off work due to a period of long term sickness.
- 2.16 Due to the unprecedented circumstances that have arisen due to the Covid-19 pandemic and the resulting difficulties the team have experienced in progressing some of the planned audits, a larger number of audit reviews have been allocated to the team so as to allow greater flexibility.
- 2.17 As may be seen in Appendix 3, a number of audits are noted as being 'in progress' as the team has been encouraged to proactively complete as much of each review as possible remotely, minimising the impact on client departments over this difficult period whilst they are dealing with and adapting to Covid-19 related issues. As reported in previous reports it was hoped that as restrictions may have been lifted so as to allow the team to resume Covid-safe site visits to complete outstanding testing for

the ongoing reviews. However, as a result of the lockdown restrictions being re-introduced across Wales, throughout the quarter staff have continued to work remotely and no site visits have take place. Erring on the side of caution for planning purposes we have assumed that restrictions are likely to continue to be in place for the first part of the new financial year.

- 2.18 The team has successfully completed all of the fundamental audits by year end, with the exception of the Business Rates which has not been completed this year as previously reported. However, the team have been heavily involved in checking the grant payment activities of the NDR team throughout the pandemic and thus the committee can take assurance from the checks that have been completed on the alternative work undertaken by the department.
- 2.19 In order to ensure the team remain productive over the challenging period to the end of the financial year, a list of audits that would ordinarily be subject to an internal audit in 2021/22 as per the audit rolling schedule of reviews has been prepared, so as to allow the team to bring forward audits from next year's plan where possible.
- 2.20 An analysis of the details in Appendix 3 shows that as at 31/03/21, 79 audit activities from the 2020/21 audit plan had been completed to at least draft report stage (52%), with an additional 13 audits in progress (8%). As a result approximately 60% of the Audit Plan was either completed or in progress. In addition, due to changes in certification requirements for a number of grants and other changes in year, 7 audits included on the original audit plan were not required (please see Appendix 3 for further details).
- 2.21 In addition, whilst we were unable to complete the majority of the primary and comprehensive school audits, we were able to undertake audits to provide assurance over the key risks across this population. As previously reported, we successfully completed three thematic audits covering procurement activities across both the primary and comprehensive schools that were due to be audited in the year. We also completed an audit of the unofficial funds managed by the primary schools.
- 2.22 As has also been previously reported, as agreed by the Head of Revenues and Benefits and the Chief Finance and Section 151 Officer, we opted to defer the fundamental audit of Business Rates / NNDR this year. Ordinarily the Business Rates team would be responsible for the collection of a significant amount of income in the form of Business Rates. However, as a result of the pandemic and following Welsh Government direction, recovery action was suspended and several sectors were granted 100% rate relief hence income due was significantly reduced, thus making the routine audit less feasible.

- 2.23 However, the Audit and Fraud Team have been heavily involved in providing assurance over the revised activities of the Business Rates Team by the way of checking the various grant payments and the payment processes that were put in place to facilitate the roll out of the various business support grant schemes. This involved consultation on the grant payment process, in addition to the checking of grant payment records prior to final payment. As a result, whilst we have not undertaken a specific Business Rates audit in year, we have completed a significant amount of testing to provide assurance over the reactive work undertaken by the Business Rates Team in year in place of their business as usual processes.
- 2.24 It should also be noted that the Audit and Fraud Teams also provided consultation, advice and completed additional testing in relation to the roll out of a number of additional Covid-19 support schemes, including school meal payments to parents, freelance worker grants, outdoor business adaptation grants and isolation / SSP enhancement grants.
- 2.25 As noted in Appendix 4 we have also had to defer four of the tier one cross cutting reviews. This is primarily due to the fact that these reviews would require a significant amount of input and commitment from senior managers and possibly members of the Corporate Management Team. Understandably, these key members of staff have had to prioritise the management of the Covid-19 response and the additional workload that has arisen due to the pandemic. Therefore it was not possible to progress with these audits during the year.
- 2.26 Therefore, if we take into account the assurance coverage provided by the thematic school audits and the additional assurance work undertaken in relation to the revised activities of the Business Rates Team in response to the Covid-19 pandemic, the overall work completed by internal audit in year covers 68% of the original planned activities and key risks included in the 2020/21 audit plan.
- 2.27 As previously reported, unfortunately the completion rate of 68% for 2020/21 is lower than the completion rate achieved over recent years which has seen completion rates rising to 87% in 2018/19 and 84% in 2019/20. Unfortunately this has been unavoidable given the difficult circumstances both the Audit Team and the wider Council have encountered throughout the year due to the Covid-19 pandemic. I would like to recognise the hard work and dedication of the Audit Team throughout the year and the fact that we have been able to complete a significant amount of audit work is testament to the Team's dedication and commitment through a very challenging period.
- 2.28 Three moderate reports were issued in the quarter. The following tables provide brief details of the significant issues which led to the moderate ratings.

Audit	Accounts Receivable 2020/21
<b>Objectives</b>	The objectives of the audit were to ensure that material business risks have been identified and that the controls in place are adequate for the purpose of minimising business risk and are operating in practice. The audit included the review and testing of the controls established by management over the following areas: Financial regulations and procedure notes, User access, Creation of invoices, Collection of income, Recovery of arrears, System reconciliations, Invoice cancellations, Write-offs, Refunds, Disaster Recovery and Business Continuity, System back-ups and Performance monitoring.
<b>Assurance Level</b>	Moderate
Summary of Key Points	
<p>1. <u>Financial Procedure Rules &amp; Accounting Instructions</u> The Council's Financial Procedure Rules and Accounting Instructions provide a framework for the creation of invoices, amending invoices, receipt of income, and recovery of outstanding debt. Accounting Instructions No. 7 relates to the collection of credit income. In recent years there has been an expectation that services which create invoices will contact customers who have not paid their invoice and request payment. However, this activity is not included in role assigned to officers across the Council in Accounting Instruction No. 7. (MR recommendation)</p> <p>2. <u>Debt Recovery</u></p> <p>i) We were advised during 2020/21 that staff in the AR team have focused on addressing very old invoices (close to 6 year limitation period), and very high value invoices (&gt;£10,000). It was also noted that three experienced members of staff had been seconded to the Oracle Cloud project, and although these posts were filled, the new officers required training in all aspects of debt recovery from the remaining members of the team. We were advised that this had an adverse impact on the ability of the team to pursue unpaid invoices. The performance of the Accounts Receivable team has been affected by the Covid-19 pandemic. All invoicing and debt recovery was suspended for the period April to July 2020.</p> <p>ii) A check on a sample of 20 unpaid invoices was undertaken to confirm that the debt escalation process was being carried out. It was found that for 17 out of the 20 invoices in the sample, the debts were not being progressed as would be expected. (HR recommendation – repeated)</p> <p>iii) It was also noted that there is backlog of approximately 5,900 invoices which are unpaid after 90 days that have not been addressed. These are eligible to be sent to Legal to pursue. The value of these invoices is approximately £2.9m. Before forwarding these invoices to Legal, officers in AR would have to confirm with officers in the relevant service that there is evidence available to</p>	

substantiate the debt. We were advised that this process is a very time consuming and requires a substantial input of staff resources from the AR team. (MR recommendation – repeated)

## 2.30

Audit	Grand Theatre 2020/21
<b>Objectives</b>	The objectives of the audit were to ensure that material business risks have been identified and that the controls in place are adequate for the purpose of minimising business risk and are operating in practice. The audit included the review and testing of the controls established by management over the following areas: Expenditure – including P-Card Administration and Transactions, Income, Ticket Sales and Issue of Complimentary Tickets, Agreements with Ticket Agents, Contractual Arrangements (Agreements with visiting artists and shows), Room Hire Income, Inventory, Stock and Stock Takes, Catering Contract, Petty Cash, Health and Safety, Employee Records, Restoration Fund, Vehicles and GDPR.
<b>Assurance Level</b>	Moderate
Summary of Key Points	
<p>1. <u>Expenditure</u> It was identified that one payment selected for testing required an Employment Status Indicator (ESI) check. Evidence that this check had been completed was not available during the audit. The ESI check along with the Employment Status form had not been submitted to the Payable Control Unit. (MR recommendation).</p> <p>2. <u>Income</u> A report of outstanding invoices was obtained from the discoverer database and it was noted that twenty invoices were unpaid at the time of the audit. The total balance due from those invoices amounted to £52,626.62. A sample of 12 invoices was reviewed and the following was noted:</p> <ul style="list-style-type: none"> <li>i) The oldest invoice due (60243251) with a balance of £1,200 was dated 17/03/2016.</li> <li>ii) The largest invoice (60275072) with a balance of £23,676.26 had been referred to Legal in March 2019.</li> <li>iii) No evidence of follow up of these invoices, by Grand Theatre staff, was available during the audit. (MR recommendation)</li> </ul> <p>3. <u>Ticket sales and issue of complimentary tickets</u> A sample of ten complimentary tickets issued was reviewed to establish the controls in place. Enquiries revealed that the guidance regarding the issue of complimentary tickets has not been updated since 1996. The existing guidance is outdated and does not cover the matter of complimentary tickets to staff members or compliance with the Gifts &amp; Hospitality Policy. (MR recommendation)</p>	

<p>4. <u>Contractual Agreements</u></p> <p>i) Our enquiries revealed that currently, it is standard procedure for all fees for visiting shows and artists to be negotiated solely by the Theatre Manager. (HR recommendation)</p> <p>ii) A sample of contracts for five shows was tested. Signed contracts were available for all five shows requested, however, it was noted that the Showstoppers contract had written amendments added, which had not been dated or initialled. Further investigations revealed that these amendments had been made after the contract had been signed. (MR recommendation)</p> <p>iii) Evidence of insurance was requested for the same five shows, however, this was only available for two of the shows. (MR recommendation)</p> <p>5. <u>Room Hire Income</u></p> <p>A sample of five lettings was selected for review. Testing revealed that booking forms were only available for two of the sample. Forms had not been completed for TPF, the Autistic Society or the Blood Donor session. These were confirmed to be regular bookings. (MR recommendation)</p>
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2.31

<b>Audit</b>	<b>Management of Absence 2020/21</b>
<b>Objectives</b>	The objectives of the audit were to ensure that material business risks have been identified and that the controls in place are adequate for the purpose of minimising business risk and are operating in practice. The audit included the review and testing of the controls established by management over the following areas: Policy, Direction & Training, Initial Capture of Sickness Events, Return To Work Procedure, Identification of Breaches, Informal Stage Procedure, Stage 1 Interview Procedure, Stage 2 Interview Procedure, Stage 3 Interview / Final Hearing Procedure, Appeal Procedure, Long Term Absence – Management & Administration of Pay, Management of Long Term Absence and Reporting
<b>Assurance Level</b>	Moderate
<b>Summary of Key Points</b>	
<p>1. <u>Policy, Direction and Training</u></p> <p>i) Mandatory online training (e-learning) is provided for managers on the Learning Pool. It is a requirement that this training be repeated every three years. Enquiries were made to determine the number of managers who have undertaken this training and the following statistics were confirmed:</p> <ul style="list-style-type: none"> <li>• 1004 managers with an ‘S’ Graded post have access to the Management of Absence e-learning module. Of these:</li> <li>• 62 (6.2%) have completed the course within the last 3 years;</li> <li>• 24 (2.4%) have partially completed the course within the last 3 years;</li> <li>• 54 (5.4%) have completed the course at some point, but not within the last 3 years; <ul style="list-style-type: none"> <li>• 31 (3.1%) have partially completed the course at some point, but not within the last 3 years</li> </ul> </li> <li>• 832 (83.2%) have never attempted the mandatory training module.</li> </ul>	

- ii) Although it has to be recognised that some of these 'S' Grade managers may have had Management of Absence training in other formats in the past (due to the nature of their jobs), the figures nonetheless show a poor uptake of the online training. It has been confirmed by the training team that the online training module can now be accessed via the internet, using a tablet / home laptop / PC for officers without access to a work computer.  
(HR recommendation)

## 2. Return to Work Procedure

A report was obtained of all RTW interviews required for the period 01/04/2019 to 31/03/2020. In total, 2,327 unique RTW instances were returned in the report and the following findings were highlighted:

- i) At the time of writing, interview details had been recorded on Oracle by line managers for 1,880 of the above 2,327 RTW events (80.8%);
- ii) Of the 1,880 cases recorded on oracle, 1568 (83.4%) had been recorded within the required timescales;
- iii) Therefore, in total, only 1568 / 2,327 (67.4%) had been dealt with in accordance with required protocols.

(MR recommendation)

## 3. Identification of Breaches

- i) A report was obtained of all breaches for the period 01/04/2019 to 31/03/2020. The Service Centre ARC Manager confirmed that the breach parameters embedded in Oracle matched those stipulated in Paragraph 7 of The Policy. In total, 3,653 unique breach instances were returned in the report. This led to the Auditor querying the validity of the RTW report that had also been provided. It was found that only 2,311 of the 3,653 breach cases identified in the report (63.3%) have details of breach interviews recorded on Oracle.

- ii) Where no outcome has been recorded in Oracle, it is impossible to ascertain at what level the breach should have been actioned for the missing 1,342 cases. It is also impossible to determine whether or not interviews have taken place and it is highly unlikely that interviews have been undertaken in all 1,342 cases and simply not been recorded.

(MR recommendation)

## 4. Management of Long Term Absence

- i) A sample check of long term absences was conducted to determine whether all cases had been referred to Occupational Health. One in five of the cases sampled had not been referred.

- ii) There were 882 instances of Long Term sickness during the period in question. Of these cases, 268 had recorded no details on Oracle of an interview taking place, whether that be a welfare or breach interview. It was therefore not possible to ascertain what actions had been taken in these cases.

(MR recommendation)

### 5. Initial Capture of Sickness Events

- i) As there is no reminder mechanism to assist managers in ensuring all 'Unauthorised Absences' are dealt with, enquiries were made to determine the number of 'Unauthorised Absences' that remained unaddressed on the flexi system. It was confirmed that no exception reports are available on Interflex to easily identify such cases.
- ii) It is the responsibility of managers to ensure that breaches are properly managed; no reminders are sent from the Service Centre to ensure this is done. A recommendation has been made to assist managers in this task. (MR recommendation)

### 3. **Follow Ups Completed 1 January 2021 to 31 March 2021**

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

3.2 The follow up visit is usually within 6 months of the final report being issued and includes testing to ensure that any high or medium risk recommendations have been implemented. Where agreed recommendations have not been implemented, this will be reported to the appropriate Head of Service (or Chair of the Governing Body in the case of schools) and the Chief Finance Officer (Section 151 Officer).

3.3 One moderate audit report was followed up in the quarter as detailed below:

a) Employment of Agency Workers Follow-up

The initial review of the Service was undertaken in July 2019 with the final report being issued in December 2019 with a moderate overall assurance level. The follow-up review was finalised in January 2021 which concluded that significant progress had been made by the service to implement the recommendations. Our testing revealed that whilst five of the nine recommendations had not been fully implemented our testing showed that the number of instances of non-compliance had been significantly reduced. In addition, further evidence was provided by the Strategic HR and OD Manager to demonstrate that action was ongoing to address the issues highlighted by the audit going forward.

### 4 **Integrated Assessment Implications**

4.1 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.
- Deliver better outcomes for those people who experience socio-economic disadvantage

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

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

4.2 The completion of the Integrated Impact Assessment Screening revealed that:

- The Quarterly Internal Audit Monitoring Report has a low positive impact across all groups.
- It has been subject to consultation with the Chief Finance & S151 Officer, Legal, Access to Services, Corporate Management Team and Heads of Service.
- All Well-being of Future Generations Act considerations are positive and any risks identified are low.
- The overall impact of the Quarterly Internal Audit Report is positive as it will support the Authority in its requirement to protect public funds.

## 5. Financial Implications

5.1 There are no financial implications associated with this report.

## 6. Legal Implications

6.1 There are no legal implications associated with this report.

**Background Papers:** Internal Audit Plan 2020/21

**Appendices:** Appendix 1 - Audits Finalised Q4 2020/21

Appendix 2 - Summary of Scope of Audits Finalised Q4 2020/21

Appendix 3 - Recommendations Not Accepted

Appendix 4 - Internal Audit Plan 2020/21 - Progress to 31/03/21

## MONITORING REPORT Q4 2020/21 - AUDITS FINALISED

Head of Service	Audit Title	Date Finalised	Assurance Level	Recommendations		
				Made	Agreed	Not Agreed
Housing & Public Health	Townhill DHO	11/01/21	High	7	7	0
Cultural Services	Branch Libraries	14/01/21	High	4	4	0
Financial Services & Service Centre	PCI - Data Security Standards	18/01/21	High	1	1	0
Financial Services & Service Centre	Passport to Leisure	09/02/21	High	6	6	0
Legal, Dem. Services and Business Intelligence	Electoral Services**	24/02/21	High	0	0	0
Legal, Dem. Services and Business Intelligence	Scrutiny	11/03/21	High	0	0	0
Communications & Marketing	Risk Management (Resources Directorate)	03/02/21	High	3	3	0
Financial Services & Service Centre	Cash 2020/21	04/02/21	High	1	1	0
Housing & Public Health	Homes Preparation Unit	29/03/21	High	4	4	0
Legal, Dem. Services and Business Intelligence	Delegated Decision Making*	31/03/21	High	5	5	0
Property Services	Facilities Management	15/01/21	Substantial	9	9	0
Cross Cutting Reviews	Whistleblowing	25/01/21	Substantial	16	16	0
Education Planning & Resources	Casllwchwr Primary	01/02/21	Substantial	10	10	0
Planning & City Regeneration	Development & Physical Regeneration	03/02/21	Substantial	6	6	0
Education Planning & Resources	Llanrhydian Primary	04/02/21	Substantial	18	18	0
Miscellaneous Audits	Swansea Bay Port Health Authority	25/02/21	Substantial	8	7	1
Education Planning & Resources	Cwmrhydyceirw Primary	01/03/21	Substantial	12	12	0
Education Planning & Resources	Secondary Schools Procurement Review	05/03/21	Substantial	5	5	0
Education Planning & Resources	Plasmarl Primary School	22/03/21	Substantial	10	10	0
Child & Family Services	Youth Offending Service	25/03/21	Substantial	11	11	0
Education Planning & Resources	Primary School Unofficial Fund Review	29/03/21	Substantial	9	9	0
Commercial Services	Retrospective Oracle Orders	30/03/21	Substantial	3	3	0
Chief Transformation Officer	Management of Absence	27/01/21	Moderate	19	19	0
Cultural Services	Grand Theatre	01/02/21	Moderate	25	25	0
Financial Services & Service Centre	Accounts Receivable	15/03/21	Moderate	17	17	0
			<b>Total</b>	<b>209</b>	<b>208</b>	<b>1</b>

\*Additional review added in light of changes due to pandemic

\*\*Audit completed from the deferred audit list

## MONITORING REPORT Q4 2020/21 - SUMMARY OF SCOPE OF AUDITS FINALISED

Head of Service	Audit Title	Assurance Level	Audit Scope	Key Findings / Risks
Housing & Public Health	Townhill DHO	High	<i>Lettings, End of Tenancies, Void Properties, Transfers, Mutual Exchanges, Decoration Allowance (Paint Packs), Security Arrangements/Inventory /Controlled Stationery, Miscellaneous Income, Estate Management, Expenditure, Purchase Cards (P-Card), Employee records - Flexitime/Sickness/Annual Leave, GDPR.</i>	None
Cultural Services	Branch Libraries	High	<i>Collection, Receipting and Banking of Income, Petty Cash Accounts, Inventory, Personnel Records, Health &amp; Safety.</i>	None
Financial Services & Service Centre	PCI - Data Security Standards	High	<i>Britain/Ticketsource), Parking Services (Advam/Worldpay), School meals (SQUID), Archives (Paymentsense)</i>	None
Financial Services & Service Centre	Passport to Leisure	High	<i>Approval of PTL Applications, Incomplete, Refused and Cancelled PTL Applications, Income, Issuing of PTL Letters / Cards, Replacement PTL Letters / Cards, Use of Passports to Leisure (Awarding of Discounts)</i>	None
Legal, Dem. Services and Business Intelligence	Electoral Services	High	<i>Expenditure, P-Cards, Income, Payments to Canvassing Staff, Payments to Election Staff and Election Expenses, Officers Travelling Expenses</i>	None
Legal, Dem. Services and Business Intelligence	Scrutiny	High	<i>The role of Scrutiny, its Work Programme and Reporting Lines, The role of the Policy Development Committees and the Audit Committee, The Relationship between the Scrutiny and Audit Committees, Scrutiny of Partnership Arrangements, Coverage of Corporate Risks in the Risk Register, Examination and follow-up of External Reviews, Compliance with WAO Discussion Paper - Six themes to make Scrutiny fit for the future.</i>	None
Communications & Marketing	Risk Management (Resources Directorate)	High	<i>The audit looked at the monitoring of Risks within the Resources Directorate, and also by the Corporate Management Team (CMT). An audit of Risk Management is carried out annually, with each directorate being reviewed on a rotational basis.</i>	None
Financial Services & Service Centre	Cash 2020/21	High	<i>Policies &amp; Procedures, Cash Receipting System (Civica) User Access, Receipting &amp; Banking of income from the general public, Interface with Oracle, Unidentified Income, Bank Reconciliation, Physical Security/Security of Data, Refunds and Reversals</i>	None
Housing & Public Health	Homes Preparation Unit	High	<i>System Documentation, Handling &amp; Security of House Keys, Void referrals by District Housing Offices, Initial Inspections, CBS Rates / Additional Works, Interim Inspections, Post Inspections, Rechargeable Repairs / Rubbish Clearance, Utilities, Performance Monitoring &amp; Management Information, Employees, Travel and Subsistence Claims, Office Security, Petty Cash Account, Purchase Card Payments (P-Cards)</i>	None
Legal, Dem. Services and Business Intelligence	Delegated Decision Making	High	<i>The audit examined the current procedures in place and included detailed testing on the following areas: The requirements to publish decisions, Eligible decisions publication, The format of the information published, Decisions taken at Executive Control Group (including changes in processes in response to the Covid-19 pandemic).</i>	None

## MONITORING REPORT Q4 2020/21 - SUMMARY OF SCOPE OF AUDITS FINALISED

Property Services	Facilities Management	Substantial	<i>Expenditure, P-Cards, Income, Inventory, Officers Travelling Expenses, Employee Records, Pool Cars, Vehicles, GDPR</i>	<i>Lack of department inventory records, some instances of lack of signed authorisation of cleaning / security timesheets.</i>
Cross Cutting Reviews	Whistleblowing	Substantial	<i>Policy &amp; Direction, Training &amp; Awareness of The Policy, Receipt of Whistleblowing Allegations, Investigation Process &amp; Procedure, Hearing Process &amp; Procedure, Confidentiality &amp; GDPR, Monitoring &amp; Reporting</i>	<i>No specific guidance/flowchart in place for whistleblowing investigations or hearings - currently use disciplinary process guidance.</i>
Education Planning & Resources	Casllwchwr Primary	Substantial	<i>Governance, Management of delegated resources, Budget Monitoring, Lettings, Banking Procedures, Unofficial Funds, School Meals, Bank Reconciliations, Expenditure, Employees, Health &amp; Safety, Inventory, Computer Security</i>	<i>Incomplete inventory records that were not updated. Some additional LR</i>
Planning & City Regeneration	Development & Physical Regeneration	Substantial	<i>Framework Arrangements, Expenditure, P-Cards, Income, Grants, Inventory, Officers' Travelling Expenses, Employee Records, GDPR</i>	<i>One instance of lack of compliance with CPR's in contract award, additional LR recommendations.</i>
Education Planning & Resources	Llanrhyddian Primary	Substantial	<i>Governance, Management of delegated resources, Budget Monitoring, Lettings, Banking Procedures, Unofficial Funds, School Meals, Bank Reconciliations, Expenditure, Employees, Health &amp; Safety, Inventory, Computer Security</i>	<i>Some use of the non-order facility on SIMS FMS. A number of additional LR/ GP recommendations.</i>
Miscellaneous Audits	Swansea Bay Port Health Authority	Substantial	<i>Expenditure, Petty Cash, Controlled Stationery (Order Books, Receipt Books, Invoice Books), Cash Banking, Income Collection, Payments to Employees and Other Payments, Officers' Travel and Subsistence Expenses, Inventory, Information technology, Standing Orders and Service Level Agreement, Grants</i>	<i>Lack of orders being created prior to purchasing goods/services (repeated from previous audit). Some additional LR</i>
Education Planning & Resources	Cwmrhydyceirw Primary	Substantial	<i>Governance, Management of delegated resources, Budget Monitoring, Lettings, Banking Procedures, Unofficial Funds, School Meals, Bank Reconciliations, Expenditure, Employees, Health &amp; Safety, Inventory, Computer Security</i>	<i>Some use of the non-order facility on SIMS FMS. A number of additional LR/ GP recommendations.</i>
Education Planning & Resources	Secondary Schools Procurement Review	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on both individual and cumulative expenditure over £10,000. In addition, this review sought to determine the impact of the changes to the Council's Contract Procedure Rules, specifically the increase in the Band A threshold for transactions which has been increased from £5,000 to £10,000 and the impact that has had on compliance in a school setting.</i>	<i>Some instances of lack of compliance with CPR waiver procedures and the lack of a school specific procurement guide to assist schools.</i>
Education Planning & Resources	Plasmarl Primary School	Substantial	<i>Governance, Management of delegated resources, Budget Monitoring, Lettings, Banking Procedures, Unofficial Funds, School Meals, Bank Reconciliations, Expenditure, Employees, Health &amp; Safety, Inventory, Computer Security</i>	<i>Some use of the non-order facility on SIMS FMS. A number of additional LR/ GP recommendations.</i>

## MONITORING REPORT Q4 2020/21 - SUMMARY OF SCOPE OF AUDITS FINALISED

Child & Family Services	Youth Offending Service	Substantial	<i>Expenditure, Purchase Card, Inventory, Petty cash, Travel Expenses, Personnel Records, Vehicles, Unofficial Fund, GDPR</i>	<i>Occasional lack of purchase orders in advance, arrangements for seconded staff to be transferred to CCS to be finalised, GDPR checklist had not been completed.</i>
Education Planning & Resources	Primary School Unofficial Fund Review	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the Unofficial Funds held by the schools to review compliance with best practice and Schools Accounting Instruction No. 11</i>	<i>Some schools failed to keep adequate records of income and expenditure. A number of additional LR / GP recommendations.</i>
Commercial Services	Retrospective Oracle Orders	Substantial	<i>The audit was undertaken to review invoices that have been paid as a result of a retrospective purchase order being placed on Oracle. The review looked at a sample of orders across a number of Service Areas of the Council. reviewed the procedures in place and included detailed testing on the following areas: Analysis of Retrospective Purchase Orders, Validity of Retrospective Purchase Orders, Compliance with Contract Procedure Rules (CPR's).</i>	<i>Examples of the 'No purchase order, no pay' policy and the rule of purchase orders being created in advance of goods/services being supplied not being adhered to.</i>
Chief Transformation Officer	Management of Absence	Moderate	<i>Identification of Breaches, Informal Stage Procedure, Stage 1 Interview Procedure, Stage 2 Interview Procedure, Stage 3 Interview / Final Hearing Procedure, Appeal Procedure, Long Term Absence – Management &amp; Administration of Pay, Management of Long Term Absence, Reporting</i>	<i>See details in the body of the report</i>
Cultural Services	Grand Theatre	Moderate	<i>Issue of Complimentary Tickets, Agreements with Ticket Agents, Contractual Arrangements (Agreements with visiting artists and shows), Room Hire Income. Inventory, Stock and Stock Takes, Catering Contract. Petty Cash, Health and Safety, Employee Records, Restoration Fund, Vehicles, GDPR</i>	<i>See details in the body of the report</i>
Financial Services & Service Centre	Accounts Receivable	Moderate	<i>Financial regulations and procedure notes, User access, Creation of invoices, Collection of income, Recovery of arrears, System reconciliations, Invoice cancellations, Write-offs, Refunds, Disaster Recovery and Business Continuity, System back-ups, Performance monitoring.</i>	<i>See details in the body of the report</i>

**MONITORING REPORT Q4 2020/21 - RECOMMENDATIONS NOT ACCEPTED**

Audit Title	Date Final Issued	Assurance Rating	Recommendations Not Accepted			
			Report Ref	Risk Rating	Recommendation	Reason / Comments
Swansea Bay Port Health Authority	25/02/21	Substantial	2.1.1 (g)	LR	A division of duties should exist where possible when ordering, authorising and receipting goods / services.	With one full time member of staff and one working 9 hours per week this is not possible.

Audit Title	Risk Rating	Status as at 31/03/2021	Corporate Priority	Days
<b>Level 1 – Cross Cutting Reviews – Council Governance &amp; Control</b>				
Partnerships	Med/High	In Progress	Cross Cutting	15
Corporate Governance	Med/High	Draft Issued	Cross Cutting	15
Whistleblowing	Med	Final Issued	Cross Cutting	10
Workforce Planning	New	Deferred	Cross Cutting	10
Local Government and Elections (Wales) Bill	New	Deferred	Cross Cutting	10
FOI / SAR/ EIR Review	New	Deferred	Cross Cutting	15
Procurement Thematic Review	New	Deferred	Cross Cutting	15
Added Value Work	n/a	Final Issued	Cross Cutting	10
<b>Level 2 – Fundamental Systems - Section 151 Officer Assurance</b>				
<b>Financial Services &amp; Service Centre</b>				
Treasury Management	Med	Final Issued	Section 151 Assurance	18
Accounts Payable	Med	Draft Issued	Section 151 Assurance	35
Cash	Med/High	Final Issued	Section 151 Assurance	30
Accounts Receivable	High	Final Issued	Section 151 Assurance	35
Council tax	Med/High	Final Issued	Section 151 Assurance	30
Main Accounting System	Med	Final Issued	Section 151 Assurance	20
NNDR	Med	Deferred	Section 151 Assurance	20
<b>Level 3 – Service Level Audits – Other Assurance</b>				
<b>Education Planning &amp; Resources</b>				
Capital Planning & Delivery Unit	Med	Final Issued	Education	10
Casllwchwr Primary	Med	Final Issued	Education	3
YGG Gellionnen)	Med	Deferred	Education	3
Birchgrove Primary	Med	Deferred	Education	3
Gendros Primary	Med	Deferred	Education	3
Llangyfelach Primary	Med	Deferred	Education	3
Brynmill Primary	Med	Deferred	Education	3
Clase Primary	Med/High	Deferred	Education	3
Plasmarl Primary	Med	Final Issued	Education	3
Parkland Primary	Med	Final Issued	Education	3

Craigyfelen Primary	Med	Deferred	Education	3
Gorseinon Primary	Med/High	Deferred	Education	3
Penllergaer Primary	Med	Deferred	Education	3
YGG Tan-y-Lan	Med	Deferred	Education	3
Glais Primary	Med	Deferred	Education	3
Craigcefnparc Primary <i>*Closed</i>	Med	Not Required	Education	3
Ynystawe Primary	Med	Deferred	Education	3
St.Illtyd's RC Primary	Med	Deferred	Education	3
Pentre'r Graig Primary	Med	Deferred	Education	3
Llanrhyddian Primary	Med	Final Issued	Education	3
Oystermouth Primary	Med	Final Issued	Education	3
Tre Uchaf Primary	Med/High	In Progress	Education	3
Whitestone Primary	Med	Deferred	Education	3
Clydach Primary	Med	Deferred	Education	3
Blaenymaes Primary	Med	Deferred	Education	3
Ysgol Cymraeg y Cwm	Med	Deferred	Education	3
Pontybrenin Primary	Med	Deferred	Education	3
YGG Tirdeunaw	Med	Final Issued	Education	3
Cwmrhydyceirw Primary	Med	Final Issued	Education	3
Ysgol Crug Glas	Med	Deferred	Education	4
Pentrehafod Comprehensive	Med	Deferred	Education	10
Bishopston Comprehensive	Med	Deferred	Education	10
Pontarddulais Comprehensive	Med	Deferred	Education	10
Ysgol Gyfun Bryn Tawe	Med	Deferred	Education	10
<b>Achievement &amp; Partnership Service</b>				
Challenge Advisors	Med	Final Issued	Education	10
Swansea Music Unit	Med/High	In Progress	Education	10
<b>Vulnerable Learner Service</b>				
Additional Learning Needs Unit	Med	Draft Issued	Education, Safeguarding & Poverty	25
Elective Education Provision	New	Draft Issued	Education, Safeguarding & Poverty	10
Behavioural Support Unit	Med/Low	Deferred	Education, Safeguarding & Poverty	20

Education Grants & Other				
Additional Support for Disadvantaged Learners (G) <i>*Audit requirement removed</i>	n/a	Not Required	Education, Safeguarding & Poverty	5
Regional Consortia School Improvement (G)	n/a	Final Issued	Education, Safeguarding & Poverty	15
Pupil Deprivation (G)	n/a	Final Issued	Education, Safeguarding & Poverty	10
Schools Annual Report	n/a	Final Issued	Education, Safeguarding & Poverty	3
Child & Family Services				
Independent Agency Payments	High	Deferred	Safeguarding	10
Youth Offending Service	Med/High	Final Issued	Safeguarding	10
Leaving Care Act	Med	Final Issued	Safeguarding	10
Nant-y-Felin Children's Home	Med	Deferred	Safeguarding	10
Adoption Allowances	Med	Deferred	Safeguarding	10
Residential & Outdoor Centres	Med	Deferred	Safeguarding	10
Adult Services				
Home Care	Med/High	Deferred	Safeguarding	10
Integrated Community Equipment Service & Suresprung	High	Deferred	Safeguarding	10
Suresprung Supported Employees Claim Process (G)	n/a	Deferred	Safeguarding	5
Victoria Park Kiosk	Med/Low	Final Issued	Safeguarding	5
CREST	Med	Deferred	Safeguarding	10
Day & Residential Establishments – Questionnaires	High	Final Issued	Safeguarding	25
Commissioning				
Partnerships, Performance & Commissioning	Med/High	Final Issued	Poverty	15
Supporting People Team	Med	Deferred	Poverty	5
Supporting People Team–Regional Coordinator Grant (G)	n/a	Final Issued	Poverty	3
Supporting People Team-Outcomes Grant (G) <i>*Audit requirement removed</i>	n/a	Not Required	Poverty	5
Supporting People Grant (G)	n/a	Final Issued	Poverty	10
Tackling Poverty				
Children & Communities Grant (G) <i>*Audit requirement removed</i>	New	Not Required	Poverty	10
Building Services				
Heol y Gors – Stores, Admin & Finance, Oracle T&L	Med/High	Deferred	Economy & Infrastructure, Safeguarding	20
Heol y Gors – Estimating	Med	Deferred	Economy & Infrastructure, Safeguarding	15

Day to Day Repairs / Maintenance Section	Med	Deferred	Economy & Infrastructure, Safeguarding	20
<b>Property Services</b>				
Facilities Management	Med/Low	Final Issued	Economy & Infrastructure	5
<b>Waste Management &amp; Parks</b>				
Waste Enforcement	Med	In Progress	Economy & Infrastructure, Resource & Biodiversity	10
Central Operations – Playgrounds	Med	Final Issued	Economy & Infrastructure, Resource & Biodiversity	10
Parks Central Operations – Tree Services Unit	Low	Final Issued	Economy & Infrastructure, Resource & Biodiversity	5
Knotweed Service	New	Final Issued	Economy & Infrastructure, Resource & Biodiversity	5
<b>Highways &amp; Transportation</b>				
Home to School Transport	Med	In Progress	Economy & Infrastructure	15
Concessionary Bus Fares	Med	Deferred	Economy & Infrastructure	5
Swansea Marina	Med	Final Issued	Economy & Infrastructure	15
Highways Trading Account	Med	Final Issued	Economy & Infrastructure	7
Live Kilometre Support Grant (G)	n/a	Deferred	Economy & Infrastructure	5
<b>Housing &amp; Public Health</b>				
Blaenymaes District Housing Office	Med	Final Issued	Poverty, Safeguarding	15
Townhill District Housing Office	Med	Final Issued	Poverty, Safeguarding	15
Voids Team / HPU	Med	Final Issued	Poverty, Safeguarding	15
Rent & Arrears Team	Med	Final Issued	Poverty, Safeguarding	18
Sheltered Housing Service	Med/Low	Final Issued	Poverty, Safeguarding	10
Public Protection – Administration Division	Low	Final Issued	Poverty, Safeguarding	15
Public Protection - Taxi Licencing Division	Med/Low	Deferred	Poverty, Safeguarding	10
Public Protection – Pest & Animal Control	Med/Low	In Progress	Poverty, Safeguarding	5
Public Protection – Housing Division	New	In Progress	Poverty, Safeguarding	5
Estate Caretakers	New	Final Issued	Poverty, Safeguarding	10
<b>Cultural Services</b>				
Spot Checks & Land Train ( <i>High</i> )	Med	Deferred	Economy & Infrastructure	5
Grand Theatre	Med/High	Final Issued	Economy & Infrastructure	25
Glyn Vivian Art Gallery	Med	In Progress	Economy & Infrastructure	15
Swansea Museum	Med/Low	Deferred	Economy & Infrastructure	10
Branch Libraries	Med	Final Issued	Economy & Infrastructure	15
Brangwyn Hall	Med	Final Issued	Economy & Infrastructure	15

Planning & City Regeneration				
Development Projects & Joint Ventures	Med	Final Issued	Economy & Infrastructure, Resources & Biodiversity	10
Swansea Mobility Hire	Med	In Progress	Economy & Infrastructure, Resources & Biodiversity	10
Rights of Way	Med/Low	In Progress	Economy & Infrastructure, Resources & Biodiversity	10
Planning & Enforcement	Med/High	Final Issued	Economy & Infrastructure, Resources & Biodiversity	10
Planning – AONB	Med	Final Issued	Economy & Infrastructure, Resources & Biodiversity	10
Strategic Planning Team <i>*Reorganisation: covered in other audit</i>	New	Not Required	Economy & Infrastructure, Resources & Biodiversity	10
Communications & Marketing				
Corporate Management Team Support	Med	Final Issued	Transformation & Council Development	5
Risk Management	Med/High	Final Issued	Transformation & Council Development	10
Risk Management System	New	Final Issued	Transformation & Council Development	5
Financial Services & Service Centre				
Cashiers Office	Med/High	Deferred	Section 151 Assurance	10
Write-Off Requests	n/a	Final Issued	Section 151 Assurance	5
Cashiers Write-off's	n/a	Final Issued	Section 151 Assurance	5
Car Loans	Med	Final Issued	Section 151 Assurance	5
Trusts & Charities	Med/High	In Progress	Section 151 Assurance	5
Direct Payments – Adult & Child and Family	Med	Final Issued	Section 151 Assurance, Safeguarding	15
Learning Disability Recharges	Med	Deferred	Section 151 Assurance, Safeguarding	10
Officers Expenses	New	Final Issued	Section 151 Assurance	10
Purchase Card Transactions Monthly Review	Med	Final Issued	Section 151 Assurance	10
PCI Data Security Standard	High	Final Issued	Section 151 Assurance	5
Passport to Leisure	Low	Final Issued	Section 151 Assurance	10
Legal, Democratic Services & Business Intelligence				
Councillors Expenses & Allowances	Med/Low	Final Issued	Monitoring Officer Assurance	10
Councillors Code of Conduct	Med	In Progress	Monitoring Officer Assurance	10
Scrutiny	Med	Final Issued	Monitoring Officer Assurance	15
Commercial Services				
Supplier Contracts Review	High	Deferred	Section 151 Assurance	10

Contracts Review – Education	New	Deferred	Section 151 Assurance	10
Retrospective Orders on Oracle Review	New	Final Issued	Section 151 Assurance	10
<b>Chief Transformation Officer Audits</b>				
Contact Centre <i>*Change in operations due to Covid-19 automation</i>	Med	Not Required	Transformation & Council Development	5
HR Policies	Low	Deferred	Transformation & Council Development	10
Corporate Learning & Development Team	New	Deferred	Transformation & Council Development	5
Oracle Cloud	New	Deferred	Transformation & Council Development	10
Management of Absence	New	Final Issued	Transformation & Council Development	10
<b>Contract Audits</b>				
Highways & Transportation – Business Case, Tendering & Evaluation	Med/High	Draft Issued	Transformation & Council Development	20
CBS Tendering	Med/High	Final Issued	Transformation & Council Development	10
Housing – Systems Overview	Med	Final Issued	Transformation & Council Development	10
Commissioning – Tendering, Letting & Monitoring	High	In Progress	Transformation & Council Development	15
<b>Computer Audits</b>				
File Controls	Med/High	Deferred	Transformation & Council Development	5
ICT Data Storage	Med/High	Deferred	Transformation & Council Development	5
Internet Controls for Clients – Social Services	Med	Deferred	Transformation & Council Development	5
Procurement of IT	Med/High	Deferred	Transformation & Council Development	10
Procurement of Telephones	Med	Deferred	Transformation & Council Development	5
Use of Idea - Data Matching NFI	n/a	Final Issued	Section 151 Assurance	5
<b>Projects &amp; Special Investigations</b>				
Unpresented Cheques	n/a	Final Issued	Section 151 Assurance	5
NFI	n/a	Final Issued	Section 151 Assurance	10
Galileo Management System	n/a	Final Issued	Section 151 Assurance	10
Annual Plan & Annual Report	n/a	Final Issued	Section 151 Assurance	5
Annual Consultation Exercise	n/a	Final Issued	Section 151 Assurance	10
Health & Safety Group	n/a	Final Issued	Section 151 Assurance	3
Recommendation Tracker Exercise	n/a	Final Issued	Section 151 Assurance	5
Follow-ups	n/a	Final Issued	Section 151 Assurance	20

Miscellaneous Audits				
Swansea Bay Port Health Authority	Med	Final Issued	Section 151 Assurance	10
Western Bay Social Services Training Team	New	Deferred	Section 151 Assurance	5
Brexit <i>*Brexit completed no additional audit work required</i>	New	Not Required	Section 151 Assurance	5
City Deal Review Outcomes - Follow-up	New	Final Issued	Section 151 Assurance	5
Swansea Central Phase 1 Programme	New	Final Issued	Transformation & Council Development	5
Sustainable Swansea <i>*No longer applicable</i>	New	Not Required	Transformation & Council Development	10

\*Audits on the original plan deemed no longer required in year. Please see comments in the table above for brief explanation.

### **Corporate Priorities**

**Safeguarding** – Safeguarding People from Harm (411)

**Education** – Improving Education and Skills (246)

**Economy & Infrastructure** – Transforming our Economy and Infrastructure (282)

**Poverty** – Tackling Poverty (254)

**Resources & Biodiversity** – Maintaining and Enhancing Swansea’s Natural Resources and Biodiversity (90)

**Transformation & Council Development** – Transformation and Future Council Development (160)

**Cross Cutting Reviews** (100)

**Section 151 & Monitoring Officer Assurance** (451)

# Agenda Item 7



## Report of the Chief Finance Officer

Governance and Audit Committee – 9 June 2021

### Service Centre - Accounts Receivable - Update

<b>Purpose:</b>	To provide an update for the Service Centre, Accounts Receivable Function.
<b>Policy Framework:</b>	None
<b>Consultation:</b>	Legal, Finance and Access to Services
<b>Recommendation(s):</b>	<ol style="list-style-type: none"><li>1) Service Departments to be further reminded of their responsibilities and role in the invoice process. This should be reinforced through the Directors and Heads of Service to ensure consistency and robustness of process.</li><li>2) Continue to report to CMT on a quarterly basis as a further update on the debt position across the authority.</li></ol>
<b>Report Author:</b>	Sian Williams (Head of Service Centre) & Michelle Davies (Cash Management & Accounts Receivable Manager)
<b>Finance Officer:</b>	Ben Smith (Chief Finance Officer S151)
<b>Legal Officer:</b>	Debbie Smith (Deputy Chief Legal Officer)
<b>Access to Services Officer:</b>	Catherine Window (Equalities Policy Development Officer)

#### 1. Introduction

- 1.1 The Accounts Receivable Internal Audit was carried out in Quarter 1 2021 and the report was issued in March 2021. An assurance level of Moderate was again given. The detail below summarises the reasons and progress to date.
- 1.2 There are several re-occurring action points from previous audits that remain outstanding. All action points have been addressed but the current level of resource

and the difficult financial conditions caused by the global pandemic over the last year have meant that it was not possible for these action points to be cleared completely before the Qtr 1 2021 audit report. All action points have been reviewed and included in the AR strategy. The AR team has been given priorities and targets that are aligned with the corporate strategies and the Internal Audit action plan. However, it is anticipated that it will not be possible to complete all of these actions before the next audit report for the same reasons provided above.

- 1.3 The Cash Management and Accounts Receivable Manager has reported to the Governance & Audit Scrutiny Committee periodically over the last 2-3 years and all committee actions have been implemented.
- 1.4 The last report to the Governance & Audit Scrutiny Committee was submitted in January 2021 for the February committee meeting. Below is a summary of the actions and progress that have been implemented/achieved in the intervening period (January to May 2021):
  - a. A power-point presentation was provided to the Leadership Team on 23<sup>rd</sup> March 2021. This provided the Leadership Team with an overview of the AR function, summarised the debt position and the current issues and highlighted in detail what actions they needed to take to carry out their responsibilities and to help to drive down the outstanding debt. The Leadership Team provided some feedback at the meeting and responses were provided to their questions. As a result, the slides were updated as agreed and were shared with the Leadership Team with the request that they circulate them to the relevant managers and officers in their respective departments.
  - b. The slides were also uploaded to the Receivables User Group MS Team so that they were available to all Receivables systems users and a positive response was received. The slides reminded staff about key issues including implementing a regular monthly debt monitoring routine, the requirement to obtain purchase orders prior to providing goods and services, the need to obtain payment up front wherever possible, to credit check their customer prior to raising an invoice and to provide evidence of the debt to the AR Team when requested.
  - c. Further MS Teams reminders were also posted covering the purchase order requirement, the need to provide evidence of the debt, a Lloyds Bank fraud awareness guide document was shared and detailed information about the new Breathing Space legislation and procedures was uploaded.
  - d. A new corporate process has been set up to manage and monitor the new Breathing Space scheme. All of the Council's revenue areas have been consulted, a dedicated mailbox to receive the notifications has been set up and an IT request has been raised to automate their dissemination. A consistent corporate process has been agreed in a 'task and finish' working group. A monitoring process has been put in place to collate the notification data that will be received and to ensure that it is administered correctly. In addition to the above, the AR processes have been determined and the AR team have been provided with notes and a training session. Information has also been posted to all of the service department staff that raise invoices for awareness.
  - e. The AR Debt Recovery Activities (DRA) meetings have continued with a targeted approach. The current focus is on the invoices awaiting evidence of the debt, invoices to large national organisations and work has recommenced to further progress the AR to Legal reconciliation. Progress is being made in all areas.

- f. The January 2021 WO report has all been approved, completed and reconciled on the system.
- g. The AR Section vacancy has been filled in April 2021 and the section now has a full complement of staff.
- h. The following statistics are provided as evidence of progress made:
  - Of the tracked invoices that were monitored as part of the DRA meetings, 31 invoices totalling £3.5M have been paid for period Jan to May 2021.
  - The team have also carried out targeted recovery action on 800 invoices through DRA meeting priorities for period Aug 2020 to May 2021. These were mainly old lower value invoices.
  - 67 invoices totalling £213,929 have been referred to Legal for period Jan to May 2021
  - Further 285 invoices totalling £123,426 placed on write off for period Jan to May 2021

## **2. Equality and Engagement Implication**

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

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

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

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

2.2 There are no implications in relation to this report.

### **3. Financial Implications**

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

### **4. Legal Implications**

4.1 There are no legal implications other than those set out in the body of the report.

**Background Papers:** None.

**Appendices:** None.

# Agenda Item 8



## Report of the Head of Cultural Services

Governance and Audit Committee – 9 June 2021

### Response to the Grand Theatre Audit Report 2020/21

<b>Purpose:</b>	To provide an update and response to the 2020 internal audit of the Grand theatre.
<b>Report Author:</b>	Tracey McNulty (Head of Cultural Services)
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Debbie Smith
<b>Access to Services Officer:</b>	Rhian Millar
<b>For Information</b>	

#### Service response to the internal audit of the Grand Theatre Swansea

##### 1. Introduction

- 1.1 As a result of an internal audit on the Grand theatre Swansea, function completed in December 2020, an assurance level of Moderate was given.
- 1.2 This report addresses the 1 x High Risk (HR); 6 x Medium Risk (MR). All other reported risks were either Low Risk (LR) or Good Practice (GP)
- 1.3 An action plan has been developed in response to the findings and responsibilities assigned for implementation and is appended to this report.

##### 2. Integrated Assessment Implications

- 2.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
  - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.

- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

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

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

2.1.3 AN IIA screening (Appendix B) has been undertaken which confirms there are no equality and engagement implications associated with this report as it addresses internal processes and risk of non-compliance, with no impact on the relevant protected groups.

### **3. Financial Implications**

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

### **4. Legal Implications**

4.1 There are no legal implications other than those set out in the body of the report.

**Background Papers:** None.

#### **Appendices:**

Appendix A - Updated Action Plan.

Appendix B - Integrated Impact Assessment Screening Form.

## Classification of Audit Recommendations

Recommendation	Description
High Risk	Action by the client that we consider <b>essential</b> to ensure that the service / system is not exposed to <b>major risks</b> .
Medium Risk	Action by the client that we consider <b>necessary</b> to ensure that the service / system is not exposed to <b>significant risks</b> .
Low Risk	Action by the client that we consider <b>advisable</b> to ensure that the service / system is not exposed to <b>minor risks</b> .
Good Practice	Action by the client where we consider <b>no risks</b> exist but would result in better quality, value for money etc.

## Audit Assurance Levels

Assurance Level	Basis	Description
High Assurance	Recommendations for ineffective controls affecting the material areas of the service are not High or Medium Risk. Any recommendations are mainly Good Practice with few Low Risk recommendations.	There is a sound system of internal control designed to achieve the system objectives and the controls are being consistently applied.
Substantial Assurance	Recommendations for ineffective controls affecting the material areas of the service are not High Risk. Occasional Medium Risk recommendations allowed provided all others are Low Risk or Good Practice.	There is a sound system of internal control but there is some scope for improvement as the ineffective controls may put the system objectives at risk.
Moderate Assurance	Recommendations for ineffective controls affecting the material areas of the service are at least Medium Risk.	The ineffective controls represent a significant risk to the achievement of system objectives.
Limited Assurance	Recommendations for ineffective controls affecting the material areas of the service are High Risk.	The ineffective controls represent unacceptable risk to the achievement of the system objectives.

**SWANSEA COUNCIL  
MANAGEMENT ACTION PLAN  
GRAND THEATRE  
2020/21**

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS – Updated June '21	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE – and update
<b>Expenditure – including P-Card Administration and Transactions</b>					
2.1.1 i)	A purchase order must be created before all goods and / or services are procured.  <i>(Previous Audit Recommendation)</i>	LR	The Interim Theatre Manager held a meeting with all Department Managers on the 15 <sup>th</sup> March 2021 and reminded all those with iProcurement responsibility that Spending restrictions must be adhered to and that all goods or services must be created on the system before anything is procured. Also approval is sought from the HoS in advance of each quarter before any spend can be authorised.	(Interim Theatre Manager) Operations Manager (resources)	Immediate Action <b>Completed;</b> Monitoring ongoing
2.1.1 ii)	Approval for purchases, subject to spending restrictions, should be obtained by the HoS and retained.	LR	As per comment above. Each Department manager is to provide the Interim Theatre Manager with a budget plan per quarter and then the approval will be obtained from the HoS. Appreciate that ad-hoc items might be required and approval will be sought individually.	(Interim Theatre Manager) Operations Manager (resources)	Immediate Action <b>Completed;</b> Monitoring ongoing
2.1.2	As per Accounting Instruction No. 5, the ESI check must be completed, evidence retained and the result along with the	MR	ESI are created for all those self-employed and there is a file on the server that contains all those submitted. Accounts	Interim theatre manager – Operations	Immediate Action <b>Completed;</b> Monitoring ongoing

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS – Updated June '21	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE – and update
	Employment Status Form be submitted to Accounts Payable.		payable will not release payment unless the ESI has been completed. To mitigate any future risks – those that are self-employed will be placed onto Oracle and the checks will be undertaken centrally.	Manager (resources)	
2.1.4	All P-Card payments must be approved by the cardholder's authorised line manager.  <i>(Previous Audit Recommendation)</i>	LR	P Card approvals – each month the Operations Manager (Resources) obtains the receipts from each of the holders and then approval of transactions are provided. Previously if the theatre manager or Operations Manager was out of the office or on leave then no one approves, hence why a couple of transaction have been approved by Finance.  During any absence of the Operations Manager (Resources), the Operations Finance Manager has been directed to undertake this remit.	Operations Manager (resources)	Immediate Action <b>Completed;</b> Monitoring ongoing
2.1.5	A VAT receipt should always be requested at the time of purchase. Where a VAT receipt is not available, VAT should not be reclaimed.	LR	<i>The approvals for these transactions were completed centrally due to absence;</i> The Operations Manager (Resources) has requested all staff to obtain VAT receipts from the supplier.	(Theatre Manager) Operations Manager (resources)	Immediate Action <b>Completed;</b> Monitoring ongoing

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS – Updated June '21	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE – and update
2.1.6	A VAT receipt should always be requested at the time of purchase and the VAT shown reclaimed on the P-Card system.  <i>(Previous Audit Recommendation)</i>	LR	As above; P Card holders have been reminded about this. In addition we have reduced the number of P Cards in the theatre to two initially and subsequently reduced to one.	(Theatre Manager) Operations Manager (resources)	Immediate Action <b>Completed;</b> Monitoring ongoing
2.1.7	The Purchasing Card is not intended to replace the use of official orders for standard purchases and is not to be used as a means of bypassing Corporate Procurement rules or Spending Restrictions.	LR	Staff have been reminded of the protocols and that purchases will not be authorised for abuses.  <i>Nb. Staff also reminded that some ad-hoc purchasing for maintenance purposes will continue to take place for spot repairs and urgent, unforeseeable need is within the terms of use.</i>	SMT  (Theatre Manager) Operations Manager (resources)	Immediate Action <b>Completed;</b> Monitoring ongoing
<b>Income</b>					
2.2.1	It should be ensured that documents are signed as evidence of checks being undertaken when handing in cash for banking.	LR	Noted that during periods of staff absence significantly reducing capacity, some documents have not been countersigned. The Interim Theatre Manager has raised this with individuals and has directed the relevant team members to ensure there remains adequate cover and counter signatories in place.	SMT (Theatre Manager) Operations Manager (foh/tech)	Immediate Action <b>Completed;</b> Monitoring ongoing following operational restart post lockdown.
2.2.2	The amount of the cash float transferred to and from the Ushers should be recorded.	LR	This was partly complete, as the cash floats are counted and provided to the Customer	SMT	Immediate Action <b>Completed;</b>

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS – Updated June '21	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE – and update
	<i>(Previous Audit Recommendation)</i>		Service Assistants, who signed to verify the amount, but the figure was not recorded separately per signature as it was a fixed sum. Similarly at the end of the interval the balance was aggregated rather than recorded to individuals. This has now been rectified and the system is in place.	(Theatre Manager) Operations Manager (foh/tech)	Monitoring ongoing with implementation on operational restart later this year.
2.2.3	A monthly income management routine should be implemented, reviewing the payment status of all invoices for the Theatre. Action should be taken to chase customers with outstanding debt with the intention of obtaining payment and resolving any disputes that may arise.	MR	A procedure is in place for Accounts Receivable disputes and discussions have taken place regarding debts. Several have been referred to Legal. A report from Accounts Receivable is sent to the theatre each month and the Operations Finance Manager reviews and follows up outstanding actions	SMT (Theatre Manager) Operations Manager (resources)	Immediate Action <b>Completed</b> ; Monitoring ongoing with implementation on operational restart later this year.
<b>Ticket sales and issue of complimentary tickets</b>					
2.3.3	The policy/guidance note for the issuing of complimentary tickets should be reviewed, updated and approved by the current Head of Service. An annual review of the policy should also take place.	MR	The previous policy has been reviewed, and updates need to be ratified. The policy will continuously be reviewed as part of annual budget and service planning.	Policy /Service support officer overseen by the Service Strategic Management team - HoS overall	Immediate Action <b>Completed</b> ; Approvals to be ratified June '21
2.3.4	The complimentary ticket form should be reviewed to ensure that it complies with the information required in the updated Complimentary Tickets Guidance.	LR	As above – the form is currently compliant with the previous	Strategic Manager; via Theatre Manager;	As above as 'co-dependent'.

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS – Updated June '21	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE – and update
			policy and will be updated accordingly.		
<b>Agreements with Ticket Agents</b>					
2.4.1	New agreements should be signed and retained, detailing the 0% commission rate.	LR	A new agreement was sent out to all Ticket Agents on the 16 <sup>th</sup> April 2019 outlining the 0%. The new agreement is therefore already in place for all shows.   Ticket Agent Letter.doc	SMT (Theatre Manager) Operations Manager (resources)	Immediate Action <b>Completed;</b>
<b>Contractual Agreements</b>					
2.5.1	The current negotiation and approval of contracts process should be reviewed to ensure it meets business needs.	HR	HoS is now linked in with managers who review and discuss all implications of contracts and requests for variation. HoS signing off all new contracts at the theatre. Clear role for negotiating and making recommendations is within an updated JDPS for the theatre manager. With all productions, a Gross Profit calculator is created to ensure the best deal. The financial outcome to the theatre is escalated, forecasting audience capacities, for approval.	SMT (Theatre Manager) Operations Manager (resources)	Immediate Action <b>Completed;</b>
2.5.2	All amendments to contracts should be made prior to the signing of the document. If this is not possible, any amendments	MR	As above. This process is in place and any contract variation is discussed between those that	SMT (Theatre Manager) Operations	Immediate Action <b>Completed;</b>

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS – Updated June '21	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE – and update
	should be initialled and dated by both parties as evidence of both parties agreeing to the amendments.		sign the contract. Amendments are agreed via written correspondence either via email or via the actual contract.	Manager (resources)	
2.5.3	Insurance documents should be checked and evidence of the insurance in place should be retained.	MR	All insurance documents for any Producers coming into the theatre are obtained along with their Risk Assessments and Technical Riders. This is the responsibility of the Technical Team Lead.	Strategic Manager and SMT – theatre manager lead –	Immediate Action <b>Completed;</b> Monitoring ongoing with implementation on operational restart later this year.
<b>Room Hire Income</b>					
2.6.1 i)	Booking forms should be completed for all bookings. Regular bookings should be recorded on a signed booking form and reviewed at least on an annual basis to ensure that current charges are reflected and agreed.	MR	All long term tenants and hirers, their risk assessments, insurance and hire agreements are obtained and signed. This is the responsibility of the Front of House Managers. Room Hire rates are reviewed annually to see if they are fit for purpose and we review for local comparison and liaise with other similar venues throughout Wales and national theatre networks for comparators.	SMT (Theatre Manager) Operations Manager (foh/tech)	Immediate Action <b>Completed;</b> Monitoring ongoing with implementation on operational restart.
2.6.1 ii)	Booking forms should be signed by both parties.	LR	Previous discrepancies arose with customers outside the area without access to scanners etc, meaning email confirmations were used. The roll out of	SMT (Theatre Manager) Operations Manager (foh/tech)	Immediate Action <b>Completed;</b> Monitoring ongoing with

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS – Updated June '21	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE – and update
			docusign will assist the procedures to be embedded on reopening.		implementation on operational restart.
2.6.1 iii)	Free booking category should be included on the room hire rates form, clearly indicating what circumstances are acceptable and who can approve free bookings.	LR	There is currently a review in place at the moment and the rates, rationale and authorisations will be amended accordingly.	SMT (Theatre Manager) Operations Manager (foh/tech)	Immediate Action <b>Completed;</b> Procedures and categories to be ratified June '21
<b>Inventory</b>					
2.7.1	As required in Accounting Instruction (AI) 9, full descriptions of items should be recorded, including make, model and serial number.	LR	This has been completed for all new items coming onto the inventory. The inventory is scheduled to be checked annually during August whilst we are in dark mode.	SMT (Theatre Manager) Operations Manager (foh/tech)	Immediate Action <b>Completed;</b>
2.7.3	Inventory Certificates should be completed at the end of each financial year, in accordance with AI 9.	LR	This will be completed by each Manager as part of the Year End Procedure and will be coordinated by the Operations Finance Manager.	SMT (Theatre Manager) Operations Manager (foh/tech)	Immediate Action <b>Completed;</b>
<b>Petty Cash</b>					
2.10.1	As per Accounting Instruction 6, Petty Cash Claims should be submitted at least on a 3 monthly basis.	GP	The need for Petty Cash has reduced in theatre which resulted in the float being reduced from £400 to £200. Nil claims will be submitted by the designated officers.	Theatre manager – SMT Ops manager (resources)	Immediate Action <b>Completed;</b>

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS – Updated June '21	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE – and update
2.10.3	A VAT receipt should always be requested at the time of purchase, and eligible VAT reclaimed.	LR	The Operations Manager (Resources) has reminded and instructed all staff to obtain VAT receipts from the supplier.	Theatre manager – SMT Ops manager (resources)	Immediate Action <b>Completed;</b>
<b>Restoration Fund</b>					
2.13.2	The Restoration Fund Constitution should be finalised and approved by the HoS.	LR	The RF Constitution is in line with the Councils Spending Restrictions and the fund is monitored by the Operations Manager (Resources). The fund was set up and approved by Cabinet. Use is approved by HoS and Director.	Ops manager (resources) HoS	Immediate Action <b>Completed;</b> Approvals to be ratified June '21
<b>Vehicles</b>					
2.14.3	Fuel reports should be requested from CTU and reviewed on a regular basis.	GP	The Interim Theatre Manager has requested that CTU send these reports on a monthly basis via email. We have greatly reduced the use of vehicles by implementing new digital systems and new website.	SMT (Theatre Manager) Operations Manager (foh/tech)	Immediate Action <b>Completed;</b>

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

**Which service area and directorate are you from?**

Service Area: Cultural Services

Directorate: Place

**Q1 (a) What are you screening for relevance?**

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

**(b) Please name and fully describe initiative here: Improvement to internal practices and procedures as a response to the Audit of the Grand Theatre 2020/21**

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

	High Impact		Medium Impact		Low Impact		Needs further investigation
	+	-	+	-	+	-	
Children/young people (0-18)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Older people (50+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Any other age group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Future Generations (yet to be born)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Race (including refugees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Asylum seekers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gypsies & travellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Religion or (non-)belief	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Welsh Language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poverty/social exclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carers (inc. young carers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Community cohesion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

This report is to describe and confirm the implementation of the recommendations of Audit in tightening up systems and transparency for transactions.

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

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

---

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

High risk <input type="checkbox"/>	Medium risk <input type="checkbox"/>	Low risk <input checked="" type="checkbox"/>
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**Q6    Will this initiative have an impact (however minor) on any other Council service?**  
 Yes                       No                      **If yes, please provide details below**

---

**Q7    What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**  
*(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)*

Very minor impact although clearer systems for bookings; accountancy and other back office functions can only improve the overall service to the community.

**Outcome of Screening**

**Q8    Please describe the outcome of your screening below:**

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

The Screening is for a set of actions that will improve the administrative and accountancy function of the Grand theatre, with some improvements in booking systems for groups; financial efficiencies for the Council through VAT claims and clarity on authorisations. There is no front facing impact on customers or partnerships.

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

**Full IIA to be completed**

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

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

<b>Screening completed by:</b>
<b>Name: Tracey McNulty</b>
<b>Job title: Head of Cultural Services</b>
<b>Date: 1 June 2021</b>
<b>Approval by Head of Service:</b>
<b>Name: as above</b>
<b>Position:</b>
<b>Date:</b>

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)

# Agenda Item 9



## Report of the Director of Resources

Governance & Audit Committee – 9 June 2021

### Employment of Agency Staff Audit Report 2019/20 - 2021 Update

<b>Purpose:</b>	To report on actions arising from the Employment of Agency Staff Audit report.
<b>Report Author:</b>	Adrian Chard, Strategic HR&OD Manager
<b>Finance Officer:</b>	Janet Morgan
<b>Legal Officer:</b>	Debbie Smith
<b>Access to Services Officer:</b>	Rhian Millar
<b>For Information</b>	

#### 1. Introduction

- 1.1 As a result of an internal audit on the Employment of Agency Staff carried out in 2019/20, an assurance level of “Moderate” was given.
- 1.2 Actions have been taken to address the issues identified and appropriate implementation steps put in place.
- 1.3 The following action was identified at an Update Meeting in June 2020

*A follow up report be provided no later than June 2021. The follow up report to include areas of non-compliance, the total costs involved and associated costs in relation to lost sickness days.*

#### 2. Actions Undertaken Since June 2020

- 2.1 An email was issued in Spring 2021 to members of the Corporate Management Team reminding Managers to ensure that they comply with the Agency Worker Policy.
- 2.2 Following due consultation, a revised Agency Worker Policy has now been agreed at JCC and will act as a platform for further engagement with Managers on the engagement of Agency Workers in their respective areas.

2.3 HR&OD continue to send regular reminders to Managers to review the engagement of agency workers who have been engaged for over 12 months and Managers are required to confirm that it is still appropriate for the Council to engage an agency worker rather than employ someone in the post.

### 3. Agency Worker Numbers

Total number of Agency Workers engaged through the corporate contracted agencies (Staffline and RSD Social Care) as at 31<sup>st</sup> March 2021 were **166**. Broken down as follows:

<b>Directorate</b>	<b>Number of Agency Workers at March 2020</b>	<b>Number of Agency Workers at March 2021</b>
<b>Place</b>		
Cultural Services	0	1
Corporate Building Services	0	1
Highways & Transportation	18	10
Waste, Parks & Cleansing	138	149
Planning and City Regen	0	1
Housing & Public Health	1	1
Property Services	0	0
<b>Place Total</b>	<b>157</b>	<b>163</b>
Adult Services, Social Services	4	2
Resources	0	1
<b>Council Total</b>	<b>161</b>	<b>166</b>

### 4. Agency Worker Cost

Total spend/cost of Agency Workers for 2020/21 was £4,300,381. This is very similar to Agency spend in 2019/20 which was £4,299,017 (amended figure from last year's report).

The total spend on Agency Workers includes Agencies other than Staffline and RSD, therefore the numbers of Agency Workers will be higher when we take into account Teachers and supply staff which form a large part of the additional spend.

The total spend comprises £4,189,619 'On Contract' (via RSD and Staffline).

There is a £110,762 'Off Contract' spend with suppliers for whom there is no contract or waiver in place during 2020/21, as summarised below;

<b>Supplier Name</b>	<b>Sum of Spend: 2020/2021</b>
Ace Social Work Ltd	£19,780.00
Aled Simons	£10,953.00
Apollo Teaching Services Ltd	£10,000.00
Beverly Goold	£17,035.00
Bloom Procurement Services	£16,111.00
Blue Arrow Ltd	£659.00
Manpower UK Ltd	£26,224.00
Work Wales Ltd	£10,000.00
<b>Grand Total</b>	<b>£110,762.00</b>

The highest spend "off contract" is with Waste Management/Baling Plant and totals £26,224 – all with Manpower.

## **5. Compliance**

Heads of Service were contacted to feedback on the compliance measures indicated in the Audit Report as follows:

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

## **6. Social Services Directorate Feedback:**

Adult Services are compliant in all areas and assurance received that Agency workers are not engaged to provide cover for sickness. A Senior Manager has also been identified to lead on all workforce planning activities including the engagement of Agency Workers.

## **7. Place Directorate Feedback;**

### **7.1 Waste, Parks and Cleansing:**

Confirmation has been received that this Service area is compliant in all areas.

The Head of Service has advised that agency workers are engaged to cover permanent roles, which is being phased out through permanent recruitment through Traineeships – 28 recruited in last 2 years, another 18 due to be recruited in June, with the next Traineeship due to complete the filling of all permanent roles within the staff structure. They are also used to cover temporary roles, for example, convoy vehicle drivers and seasonal roles, where seasonal contracts have not proved to be successful, for example, additional garden waste crews in summer. They are also used to cover absences, often at the last minute.

Confirmation of budget provision is obtained and retained for fixed term placements. There is an allocated budget in Waste Management to cover an agency requirement to maintain the staffing structures required to provide the service every day. Budget allocation is gradually moving from the Agency line into the Staffing line year on year as we reduce reliance on agency through traineeships.

HoS approval is obtained and retained for fixed term placements. There is ongoing approval to request agency resources on a daily basis to ensure that the staffing levels meet the requirements to deliver the service on a daily basis. Some of these requirements are not known until 6am on the day, due to last minute 'no shows'. The new draft of the Agency Policy reflects this.

Confirmation of appropriate pre-employment checks is obtained from the Agency and retained by the line manager for fixed term placements. This is not achievable where there is an agency requirement to maintain the staffing structures required to provide the service every day. The new draft of the Agency Policy reflects this.

Confirmation of further budgetary provision is obtained and retained when agency workers contracts are extended for fixed term placements. Agency worker placements are not fixed term where there is an agency requirement to maintain the staffing structures required to provide the service every day.

Written requests are submitted to HoS for re-approval when fixed term placement contracts are extended. Agency worker placements are not fixed term where there is an agency requirement to maintain the staffing structures required to provide the service every day.

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

### **7.2 Highways & Transportation**

Confirmation has been received that this Service area is compliant in all areas.

The Head of Service has advised the following;

In Highway Maintenance; there is one agency worker currently working under a third party contractor, but required to be employed through the Council to allow Council vehicles to be used. There is a second agency position currently vacant due to Covid.

In Improvements (Project Design); there are four agency workers and two secondees required due to "heavy workload" arising from successful delivery of projects over a number of years. In respect to site resource, these typically have been Agency workers as they have been unable to secure persons for employment when previously advertised due to the lower salaries on offer compared to the private sector.

In the Integrated Transport Unit; there are two Bus Station agency workers in place to cover for permanent staff when on leave or sick. Further discussions will be held with that area to determine if a different employment model is appropriate.

In CTU; there are two agency workers providing permanent cover arrangements and this will be reviewed to determine if a different employment model is appropriate.

In Parking Services; there are two agency workers in place due to high sickness levels and high workload. Business practice and procedures are currently being reviewed and it is anticipated that there will be no agency workers in place by September 2021.

### **7.3 Other Service areas**

Compliant in all areas.

### **7.4 Management of Absence in Place Directorate**

Pilot Groups have been established in Waste, Parks and Cleansing and Highway and Transportation to support Managers in reducing sickness and, in particular, long-term sickness cases (6 months and over) between HR and the Department.

Monthly meetings are held with relevant SMTs/Senior Managers. Advice and guidance is given on each case including application of policy, Fit Notes, welfare/keeping in touch meetings, referrals to OH/SMAC, OH reports, return to work, phased returns/adjusted duties and referral to Final Absence Review Meetings if appropriate.

This has supported the reduction of sickness absence cases in each of the above Service areas as follows;

April 2019 to March 2020											
Department	Service Unit	Section	Sub Section	Tot Emp FTE	Emp Headcnt	Tot No. of Days Sick (APR to MAR) (Cumula)	Tot FTE Sick Days (APR to MAR)	Tot Days Lost to Long Sick (APR to MAR) (Cumula)	Total Long Sick FTE(APR to MAR) (Cumula)	Tot Days Lost to Short Sick (APR to MAR) (Cumula)	Total Short Sick FTE(APR to MAR) (Cumula)
Directorate Place	Total for Service Unit Highways and Transportation			350.03	418	6889	6085.55	5533.5	4873.95	1355.5	1211.6
Directorate Place	Total for Service Unit Waste Parks and Cleansing			398.31	412	7071.5	6997.89	5212.5	5167.8	1859	1830.09
April 2020 to March 2021											
Department	Service Unit	Section	Sub Section	Tot Emp FTE	Emp Headcnt	Tot No. of Days Sick (APR to MAR) (Cumula)	Tot FTE Sick Days (APR to MAR)	Tot Days Lost to Long Sick (APR to MAR) (Cumula)	Total Long Sick FTE(APR to MAR) (Cumula)	Tot Days Lost to Short Sick (APR to MAR) (Cumula)	Total Short Sick FTE(APR to MAR) (Cumula)
Directorate Place	Total for Service Unit Highways and Transportation			349.87	413	4223	3519.84	3497.5	2859.85	725.5	659.99
Directorate Place	Total for Service Unit Waste Parks and Cleansing			425.8	442	6449.5	6363.48	4811.5	4744.04	1638	1619.44

We are in the process of recruiting into a Management of Absence post to make further inroads to reduce sickness absence levels in the pilot and other areas.

## 8. Role of Staffline

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

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

## 9. Equality and Engagement Implications

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

## 10. Financial Implications

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

## **11. Legal Implications**

11.1 The Agency Workers Regulations Act 2010 provide important rights for agency workers, concerning their basic working and employment conditions, from day one and after a 12-week qualifying period. These rights are reflected in our Policy.

11.2 There are no other legal implications other than those set out in the body of the report.

**Background Papers:** None.

**Appendices:** None.

# Agenda Item 10



## Report of the Head of Democratic Services

Governance & Audit Committee – 9 June 2021

### Governance & Audit Committee Action Tracker Report

<b>Purpose:</b>	This report details the actions recorded by the Governance & Audit Committee and response to the actions.
<b>Report Author:</b>	Jeremy Parkhouse
<b>Finance Officer:</b>	N/A
<b>Legal Officer:</b>	N/A
<b>Access to Services Officer:</b>	N/A

#### For Information

#### 1. Introduction

- 1.1 During the course of Governance & Audit Committee meetings various actions may be decided which are recorded on the minutes of the meetings.
- 1.2 As agreed in 2016/17 an Action Tracker process was put in place to ensure transparency over the outcomes of actions agreed by Committee.
- 1.3 The Action Tracker records the actions agreed by the Governance & Audit Committee and provides an outcome for each action.
- 1.4 The up to date Action Tracker 2020/21 is attached at Appendix 1.
- 1.5 The Action Tracker is regularly updated and any completed actions will be marked 'Completed' and coloured in grey.
- 1.6 The Action Tracker is reported to each Governance & Audit Committee meeting for information.

## **2. Audit Wales Reports and Recommendations**

A letter to the Chair from Audit Wales Audit Director regard reports and recommendations is attached at Appendix 2.

## **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** – Governance & Audit Committee Action Tracker 2020/21  
(Closed actions removed).

**Appendix 2** - Letter to the Chair from Audit Wales Audit Director regarding reports and recommendations.

## GOVERNANCE & AUDIT COMMITTEE ACTION TRACKER 2020/21

Date of Meeting	Minute Ref	Action	Nominated Officer(s)	Status
18/05/21	71	<b>Annual Governance Statement 2020/21</b>		
		The Annual Governance Statement be agreed and subject to the amendments highlighted by the Committee being added, be forwarded to Council for approval as part of the Statement of Accounts	Richard Rowlands / Ben Smith / Democratic Services	<b>Ongoing</b> To be reported to Council for approval.
18/05/21	68	<b>Draft Governance and Audit Committee Annual Report 2020/21.</b>		
		Draft Governance and Audit Committee Annual Report 2020/21 be forwarded to Council for approval.	Chair / Democratic Services	<b>Ongoing</b> To be reported to Council for approval.
18/05/21	66	<b>Updated Terms of Reference for the Governance and Audit Committee</b>		
		The terms of reference would be forwarded to the Constitution Working Group and Council for approval	Adam Hill / Democratic Services	<b>Ongoing</b> To be reported to Constitution Working Group / Council.
09/03/21	52	<b>Local Government and Elections (Wales) Act 2021</b>		
		A report be brought back to the Committee regarding the future membership of the Committee in approximately 5 months.	Adam Hill / Jeremy Parkhouse	<b>Ongoing</b> Report added to the Work Plan 2021-22 for 12/10/21.
09/03/21	50	<b>Counter Fraud</b>		
		The Corporate Fraud Annual Report is presented to the Committee late Summer 2021, if possible.	Simon Cockings / Jeff Fish / Jonathan Rogers / Jeremy Parkhouse	<b>Ongoing</b> Report to be added to the Work Plan 2021-22 for 13/07/21.
09/03/21	49	<b>Value for Money and Benchmarking</b>		
		The action to track Audit Wales recommendations remains in the Audit Committee Action Tracker Report.		<b>Ongoing</b>

19/02/21	41	<b>Overview of the Overall Status of Risk - Quarter 3 2020/21</b>		
		Corporate Directors be requested to attend the Audit Committee on a rotational basis each quarter to outline their Corporate Risks and the governance and risk management controls within their departments.		<b>Ongoing</b> Reports added to the Audit Committee Work Plan 2021-22 as follows: -
			Helen Morgan-Rees	• Director of Education – September 2021;
			Dave Howes	• Director of Social Services – November 2021;
			Martin Nicholls	• Director of Place – February 2022;
			Adam Hill	• Director of Resources – April 2022.
		The provision of additional risk management training for Officers on Control Measures be highlighted to the Corporate Management Team.	Richard Rowlands	<b>Ongoing</b> Training specifically on Control Measures took place at Leadership Team (Directors, HoS and some other senior managers) as planned on 25 May 2021. Work is ongoing regarding producing a video based on this, which will be signposted to other responsible officers once it is complete and uploaded.
09/02/21	40	<b>Update on Swansea Achieving Better Together</b>		
		The Deputy Chief Executive provides a progress report to a future Audit Committee.	Adam Hill / Jeremy Parkhouse	<b>Ongoing</b> Report added to the Work Plan 2021-22 for 12/10/21 and 12/04/21
19/01/21	33	<b>Audit Committee Action Tracker Report</b>		
		Update reports in respect of the following list be added to the Audit Committee Tracker Report: -		
		• Employment of Agency Staff;	Adrian Chard	<b>Closed</b> Employment of Agency Staff is included on the agenda for 9 June 2021.
		• Staff Sickness Figures;	Adrian Chard	<b>Ongoing</b> Management of Absence Update is included on the Work Plan for 13/07/21.

		<ul style="list-style-type: none"> <li>Recovery Plan;</li> </ul>	Adam Hill / Marlyn Dickson	<b>Ongoing</b> Report is scheduled for 14/09/21.
		<ul style="list-style-type: none"> <li>Corporate Joint Committees.</li> </ul>	Martin Nicholls	<b>Ongoing</b> Report to be scheduled for 14/09/21.
<b>19/01/21</b>	<b>31</b>	<b>Election of the Audit Committee Representative on the Annual Governance Group</b>		
		Councillor L V Walton be elected as the Audit Committee representative on the Governance Group and the appointment be until the end of the current Council term in May 2022 only	Jeremy Parkhouse / Chair	<b>Ongoing</b> Re-appointment to be added to the Audit Committee Work Plan for 2022-23.
	29	<b>Employment of Agency Staff Update</b>		
		A follow up report be provided no later than June 2021. The follow up report to include areas of non-compliance, the total costs involved and associated costs in relation to lost sickness days.	Adrian Chard	<b>Closed</b> Report added to the agenda for 09/06/21.
<b>30/06/20</b>	111	<b>ERW Replacement</b>		
		An update be provided regarding future Scrutiny arrangements as a new regional Education model is introduced post April 2021.	Phil Roberts	<b>Ongoing</b> Swansea, Carmarthenshire and Pembrokeshire councils will shortly convene a shadow joint committee to agree the terms of reference, governance processes, staff structure and financial arrangements for a new school improvement service which will commence from September 2021. The Director of Education will shortly be reporting the new arrangements to Cabinet and Council.

<b>30/06/20</b>	111	<b>Local Transport Plan</b>		
		An update report regarding the development of a new Local Transport Plan be added to the Audit Committee Work Plan.	Martin Nicholls / Stuart Davies	<b>Ongoing</b> The Wales Transport Strategy is due to be published in March 2021, and as a result of its delay, Welsh Government have extended the date for the submission of replacement Local Transport Plans (LTP) for approval by Welsh Ministers to 20 May 2022. A report will be brought in early 2022, to seek approval of the LTP.
<b>10/03/20</b>	87	<b>Building Services Plant - Findings Update - Internal Audit Report 2019/20</b>		
		The service area further investigates the introduction of a bar reader in respect of stock management.	Nigel Williams / Rob Myerscough	<b>Closed</b> Response received 01/12/20 – progress has been made with an alternative test system being put in place (not bar reader). Errors are currently under review. Unfortunately further roll out has been delayed due to IT prioritising Covid-19 response. A test system has been viewed. However Building Services have been informed that this will not form part of the new Fusion System and as such the implementation of bar reader system is not feasible at this time. The department will continue to use the existing alternative system.

Paula O'Connor  
Swansea Council  
Civic Centre  
Oystermouth Road  
Swansea  
SA1 3SN

24 Cathedral Road / 24 Heol y Gadeirlan  
Cardiff / Caerdydd  
CF11 9LJ  
Tel / Ffôn: 029 2032 0500  
Fax / Ffacs: 029 2032 0600  
Textphone / Ffôn testun: 029 2032 0660  
[info@audit.wales](mailto:info@audit.wales) / [post@archwilio.cymru](mailto:post@archwilio.cymru)  
[www.audit.wales](http://www.audit.wales) / [www.archwilio.cymru](http://www.archwilio.cymru)

**Reference:** HR21-03

**Date issued:** 25 May 2021

Dear Governance and Audit Committee Chair

## Audit Wales Reports and Recommendations

I hope you are well.

You may recall that at the end of November 2020, some Audit Wales staff came along to a meeting of the Audit Committee Wales chairs' network to talk about the implications for audit committees as a result of the then Local Government and Elections (Wales) Bill. As part of this session, we also briefly mentioned our expectation that audit committees actively consider our reports. The purpose of this letter is to clarify and expand upon this.

As you will be aware, our performance audit work comprises national studies, local government studies (such as our recent report about discretionary services), thematic work (such as our financial sustainability assessments) and more locally risk-based work. We consult audited bodies about potential topics for our national and local government studies, and our local risk-based work is determined through our assurance and risk assessment process. Our programme of work for each council is set out in our annual audit plans.

We have found that councils' approaches to dealing with our performance audit reports, proposals for improvement and Local Government studies' recommendations are variable. Councils' approaches vary from regular reviews, audit trackers and action plans to reports and recommendations only being seen when we present our annual audit summary. We are, therefore, not assured that all councils are consistently actively considering the findings of our reports.

Given the role of the Governance and Audit Committee is to review and assess the risk management, internal control, performance management and corporate governance arrangements of the Council, we would expect that all councils' Governance and Audit Committee formally consider all reports of external review bodies – principally; Audit Wales, Estyn and the Care Inspectorate Wales (CIW).

As well as actively considering reports we would expect committees to assure themselves that there are arrangements in place to monitor and evaluate progress against any recommendations contained in them. The focus here should be on holding executives and officers to account to ensure that reports and recommendations have been acted upon. Some of our reports may be relevant for consideration by scrutiny committees also.

To help councils to do this, we will have a more targeted approach of distributing final reports upon publishing, set out our expectations of how councils should deal with our recommendations and find out whether these expectations have been met. In addition, under the Local Government and Elections (Wales) Act, the Auditor General for Wales must produce a timetable which sets out the dates or periods when Audit Wales, Estyn and Care Inspectorate Wales will be undertaking their work. We intend to issue this timetable to councils and cc to Governance and Audit Committee chairs every quarter. We don't intend to formally present this to Governance and Audit Committees each quarter but will liaise with councils to discuss our local approach.

Audit Wales staff will continue to work flexibly to deliver our programme of work. In response to any government advice and subsequent restrictions, we will continue to work remotely, building on the arrangements made in 2020, until such time that it is safe to resume on-site activities. I remain committed to ensuring that the work of Audit Wales staff will not impede the vital activities that public bodies need to do to respond to ongoing challenges presented by the COVID-19 pandemic.

I hope you find this letter helpful. Please liaise with our local team if you have any specific needs or concerns.

Yours sincerely



Huw Rees

Audit Director



## Report of the Head of Democratic Services

Governance & Audit Committee – 9 June 2021

### Governance & Audit Committee – Workplan 2021/22

<b>Purpose:</b>	This report details the Governance & Audit Committee Workplan to May 2022.
<b>Report Author:</b>	Jeremy Parkhouse
<b>Finance Officer:</b>	N/A
<b>Legal Officer:</b>	N/A
<b>Access to Services Officer:</b>	N/A
<b>For Information</b>	

#### 1. Introduction

- 1.1 The Audit Committee's Work Plan to May 2022 is attached at Appendix 1 for information.
- 1.2 The Governance & Audit Committee Work Plan to May 2022 in Terms of Reference Order is attached at Appendix 2.
- 1.3 The Governance & Audit Committee Statement of Purpose is attached for information at Appendix 3.
- 1.3 The dates included for the meetings in 2021/22 were approved at the Council's Annual Meeting on 20 May 2021.

#### 2. Integrated Assessment 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.
- Deliver better outcomes for those people who experience socio-economic disadvantage

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

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

2.2 There are no impact assessment implications associated with this report.

### **3. Financial Implications**

3.1 There are no financial implications associated with this report.

### **4. Legal Implications**

4.1 There are no legal implications associated with this report.

**Background Papers:** None.

#### **Appendices:**

**Appendix 1** – Audit Committee Workplan 2021/22.

**Appendix 2** - Governance & Audit Committee Work Plan to May 2022  
in Terms of Reference Order.

**Appendix 3** – Audit Committee Statement of Purpose.

**Governance & Audit Committee Plan      Appendix 1**  
**2021 – 2022**

<b>Terms of Reference</b>	<b>Report Title</b>	<b>Report Summary</b>	<b>Report Author</b>	<b>Date of Meeting</b>
Internal Audit	<b>Grand Theatre Audit Report 20/21.</b>	A response to the internal audit of the Grand Theatre Swansea, completed in December 2020; for action 20/21;	Tracey McNulty	9 Jun 2021
Internal Audit	<b>Service Centre – Accounts Receivable Update.</b>	The Accounts Receivable Internal Audit report was issued in March 2021 with a Moderate rating. The attached report summarises the position and the progress made to date since the last report to the Committee in January 2021.	Sian Williams, Michelle Davies	9 Jun 2021
Internal Audit Page 66	<b>Employment of Agency Staff Audit Report 2019/20 - 2021 Update.</b>	To provide an update to Audit Committee on the employment and management of Agency Workers and associated sickness absence figures.	Adrian Chard	9 Jun 2021
Internal Audit	<b>Internal Audit Annual Plan 2020/21 Monitoring Report for the Period 1 January 2021 to 31 March 2021.</b>	This report summarises the audits finalised and work undertaken by the Internal Audit Section in Quarter 3 2020/21.	Simon Cockings	9 Jun 2021
Governance & Assurance	<b>Election of the Chair for the 2021-2022 Municipal Year.</b>	Election of the Chair for the 2021-2022 Municipal Year.	Jeremy Parkhouse	9 Jun 2021
Governance & Assurance	<b>Election of the Vice-Chair for the 2021-2022 Municipal Year.</b>	Election of the Vice-Chair for the 2021-2022 Municipal Year.	Jeremy Parkhouse	9 Jun 2021

**Governance & Audit Committee Plan    Appendix 1**  
**2021 – 2022**

<b>Terms of Reference</b>	<b>Report Title</b>	<b>Report Summary</b>	<b>Report Author</b>	<b>Date of Meeting</b>
Internal Audit	<b>Annual Report of School Audits 2020-21</b>	The report provides a summary of the school audits undertaken by the Internal Audit Section during 2020/21 and identifies some common issues found during testing.	Nick Davies, Kelly Small	13 Jul 2021
Internal Audit	<b>Corporate Fraud Annual Report.</b>	The Annual Performance summary of the actions and outcomes of the work undertaken by the Internal Audit Fraud Function 2020/2021.	Jonathon Rogers, Jeff Fish	13 Jul 2021
Internal Audit Page 67	<b>Management of Absence Update.</b>	The Management of Absence Internal Audit report was issued in March 2021 with a Moderate rating. The attached report summarises the position and the progress made to date.	Sian Williams, Adrian Chard	13 Jul 2021
Governance & Assurance	<b>Update Report South West Wales Corporate Joint Committee.</b>	To provide an update on the progress towards setting up the new Corporate Joint Committee for the South West Wales region.	Martin Nicholls	14 Sep 2021
Internal Audit	<b>Internal Audit Recommendation Tracking Report - Quarter 1 2021/22.</b>	This report provides committee with the status of the recommendations made in those audits where the follow-up has been undertaken in Q1 2021/22, to allow the Audit Committee to monitor the implementation of recommendations made by Internal Audit.	Simon Cockings	14 Sep 2021

**Governance & Audit Committee Plan    Appendix 1**  
2021 – 2022

<b>Terms of Reference</b>	<b>Report Title</b>	<b>Report Summary</b>	<b>Report Author</b>	<b>Date of Meeting</b>
Operational Matters / Key Risks	<b>Presentation - Update on Internal Control Environment - Director of Education.</b>	Update on Internal Control Environment (including a focus on Risk Management and the five highest Risks that Directors are managing).	Helen Morgan-Rees	14 Sep 2021
Internal Audit	<b>Internal Audit Annual Plan 2021/21 – Quarter 1 Monitoring Report.</b>	This report summarises the audits finalised and work undertaken by the Internal Audit Section in Quarter 1 2021/22. c	Simon Cockings	14 Sep 2021
Operational Matters / Key Risks	<b>Swansea Achieving Better Together – Update Report</b>	Six-month update report on progress.	Adam Hill	12 Oct 2021
Governance & Assurance	<b>Local Government and Elections (Wales) Act 2021 - Change in Membership.</b>	The report presents an update to the Committee around legislative changes to the membership.	Adam Hill	12 Oct 2021
Internal Audit	<b>Fundamental Audits 2020/21 Recommendation Tracker Report.</b>	This report provides a summary of the recommendations made following the fundamental audits in 2020/21 and identifies whether the agreed recommendations have been implemented.	Simon Cockings	9 Nov 2021

**Governance & Audit Committee Plan      Appendix 1**  
2021 – 2022

<b>Terms of Reference</b>	<b>Report Title</b>	<b>Report Summary</b>	<b>Report Author</b>	<b>Date of Meeting</b>
Internal Audit	<b>Internal Audit Recommendation Tracking Report - Quarter 2 2021/22.</b>	This report provides committee with the status of the recommendations made in those audits where the follow-up has been undertaken in Q2 2021/22, to allow the Audit Committee to monitor the implementation of recommendations made by Internal Audit.	Simon Cockings	9 Nov 2021
Internal Audit	<b>Internal Audit Annual Plan 2021/21 – Quarter 2 Monitoring Report.</b>	This report summarises the audits finalised and work undertaken by the Internal Audit Section in Quarter 2 2021/22.	Simon Cockings	9 Nov 2021
Operational Matters / Key Risks	<b>Presentation - Update on Internal Control Environment - Director of Social Services.</b>	Presentation - Update on Internal Control Environment (including a focus on Risk Management and the five highest Risks that Directors are managing).- Director of Social Services.	David Howes	9 Nov 2021
Financial Reporting	<b>Impact of the Corporate Insolvency and Governance Act 2020.</b>	Update regarding the impact of the Corporate Insolvency and Governance Act 2020 on Accounts Receivable.	Michelle Davies	9 Nov 2021
Governance & Assurance	<b>Update Report South West Wales Corporate Joint Committee.</b>	To provide an update on the progress towards setting up the new corporate joint committee for the south west wales region.	Martin Nicholls	12 Jan 2022

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**Governance & Audit Committee Plan    Appendix 1**  
2021 – 2022

Terms of Reference	Report Title	Report Summary	Report Author	Date of Meeting
Internal Audit	<b>Internal Audit Recommendation Tracking Report - Quarter 3 2021/22.</b>	This report provides committee with the status of the recommendations made in those audits where the follow-up has been undertaken in Q3 2021/22, to allow the Audit Committee to monitor the implementation of recommendations made by Internal Audit.	Simon Cockings	8 Feb 2022
Operational Matters / Key Risks	<b>Presentation - Update on Internal Control Environment – Director of Place.</b>	Presentation - Update on Internal Control Environment (including a focus on Risk Management and the five highest Risks that Directors are managing).) – Director of Place.	Martin Nicholls	8 Feb 2022
Internal Audit	<b>Internal Audit Annual Plan 2021/22 – Quarter 3 Monitoring Report.</b>	This report summarises the audits finalised and work undertaken by the Internal Audit Section in Quarter 3 2021/22.	Simon Cockings	8 Feb 2022
Internal Audit	<b>Internal Audit Annual Plan Methodology Report 2022/23.</b>	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 2022/23 being reported to the Committee for approval on 12 April 2021.	Simon Cockings	8 Mar 2022

**Governance & Audit Committee Plan    Appendix 1**  
2021 – 2022

<b>Terms of Reference</b>	<b>Report Title</b>	<b>Report Summary</b>	<b>Report Author</b>	<b>Date of Meeting</b>
Internal Audit	<b>Draft Internal Audit Annual Plan 2022/23.</b>	This report presents the Draft Internal Audit Annual Plan for 2022/23 to the Audit Committee for consideration prior to the final plan coming to committee in April for approval.	Simon Cockings	8 Mar 2022
Operational Matters / Key Risks	<b>Swansea Achieving Better Together – Update Report</b>	Six-month update report on progress.	Adam Hill	12 Apr 2022
Operational Matters / Key Risks	<b>Presentation - Update on Internal Control Environment – Director of Resources.</b>	Presentation - Update on Internal Control Environment (including a focus on Risk Management and the five highest Risks that Directors are managing).– Director of Resources.	Adam Hill	12 Apr 2022
Internal Audit	<b>Internal Audit Charter 2022/23.</b>	This report outlines the background to the Public Sector Internal Auditing Standards (PSIAS) which were introduced with effect from 1st April 2013 and presents the Internal Audit Charter for final approval by Audit Committee following Corporate Management Team approval.	Simon Cockings	12 Apr 2022
Internal Audit	<b>Internal Audit Strategy &amp; Annual Plan 2022/23.</b>	This report presents the Internal Audit Strategy and Annual Plan for 2022/23 to the Audit Committee for approval.	Simon Cockings	12 Apr 2022

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Governance & Audit Committee Workplan 2021/22

Appendix 2

Terms of Reference	9 June 2021	13 July 2021	10 August 2021	14 September 2021	12 October 2021	9 November 2021	14 December 2021	12 January 2022	8 February 2022	8 March 2022	12 April 2022
<b>Training</b>											
<b>Governance &amp; Assurance</b>	Election of Chair & Vice Chair			Update Report – South West Wales Corporate Joint Committee	LG&EW Act 2021 – Change in membership			Update Report – South West Wales Corporate Joint Committee			
<b>Internal Audit</b>	IA Quarter 4 Monitoring Report  Grand Theatre Audit Report 2020/21  Service Centre – Accounts Receivable Update  Employment of Agency Staff	Annual Report of School Audits 2020-21  Management of Absence Update		IA Recommendation Tracking Report – Q1 21/22  IA Quarter 1 Monitoring Report		Fundamental Audits 2020/21 – Recommendation Tracker Report  IA Recommendation Tracking Report – Q2 2021/22  IA Q 2 Monitoring Report			IA Recommendation Tracking Report – Q3 2021/22  IA Q 3 Monitoring Report	IA Annual Plan Methodology Report 2022/23  Draft IA Annual Plan 2022/23	IA Charter 2022/23  IA Strategy & Annual Plan 2022/23
<b>Risk Management &amp; Performance</b>				Q1 Risk Monitoring Report		Q2 Risk Monitoring Report			Q3 Risk Monitoring Report		Q4 Risk Monitoring Report
<b>Counter Fraud</b>		Corporate Fraud Annual Report									
<b>Operational matters / key risks</b>				Presentation – Update on Internal Control Environment – Director of Education	Swansea Achieving Better Together – Update Report	Presentation – Update on Internal Control Environment – Director of Social Services			Presentation – Update on Internal Control Environment – Director of Place		Swansea Achieving Better Together – Update Report  Presentation – Update on Internal Control Environment – Director of Resources

Governance & Audit Committee Workplan 2021/22

Appendix 2

External Audit											
Financial Reporting						Impact of Corporate Insolvency and Governance Act 2020					

Note: Audit Committee Action Tracker Report and Audit Committee Workplan will be included as agenda items at each meeting. An update from WAO will also be on the agenda for each meeting.

Reports Carried Over to 2022-2023 Municipal Year

Terms of Reference	Report Title
Governance & Assurance	Appointment of Committee Member on Annual Governance Group

### **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).*