



CITY AND COUNTY OF SWANSEA
DINAS A SIR ABERTAWE

Mr Alan Thomas
Chair of Audit Committee
c/o Members Support
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Date: 10th March 2014
Dyddiad:

Dear Alan

Audit Committee – Partnerships

I refer to your letter dated 5th February 2014 relating to concerns expressed by Members of the Audit Committee over governance arrangements for partnerships that the Council is involved in.

In terms of partnership working, the subject matter is very wide both in terms of Service Coverage, and, more importantly, in terms of the definition and range of partnership arrangements that the Council has in place at any one time.

For example, the Council will be engaged in many ‘informal’ partnerships which will not necessarily involve the use of Council Funds or assets. These partnerships are generally designed to foster working relationships at an operational level in terms of service delivery involving Community and Third Sector partners.

There will be more formal partnership arrangements, usually involving Council or external Grant funding, where one Local Authority will act as ‘banker’, usually for grant monies, and will reimburse participant Authorities for expenditure incurred in service delivery against the specific grant criteria. Recent examples include the South West Wales Integrated Transport Partnership (SWWITCH) and the safer Swansea Partnership.

Where grant funds are involved financial governance is usually evidenced through an externally audited grant claim.

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I am conscious that recent discussion at the Audit Committee has focussed on three main areas:-

- Local Service Boards, for which Dave McKenna gave a presentation at the last Audit Committee
- Western Bay
- Swansea Stadium Management Company Limited

In respect of the first two above it is important to note that neither partnership has the ability to commit Council Funds to any scheme without specific approval from each Council's Cabinet and, where necessary, the Local Health Board and others.

In respect of the Stadium Management Company, this forms one of a number of partnerships formed within Leisure Services, mostly involving the Council's participation in arms length Companies either limited by Guarantee or shareholding.

The Council's participation in each Company is subject to an annual report to Council (the Leisure Partnerships Annual report) which details Council participation and representation on each body together with a summary of performance in respect of each activity supported.

I am mindful that Councillor Clay is intending to submit a letter outlining particular concerns around the Stadium Management Company. However, as I reported verbally at the last Audit Committee the circumstances surrounding the current legal agreements to which the Council is tied in have been extensively reported in the past and have not changed.

There is clearly no one Officer who would have the expertise to give anything other than a general overview of partnerships across the Council and I would suggest that we explore and respond to specific issues as they arise in future.

Yours sincerely

Mike Hawes FCCA
Head of Financial Services & Section 151 Officer