Report on the Audit Wales 'A missed opportunity' report recommendations

Governance & Audit Committee

25 October 2023

1. Executive Summary

In 2017, Swansea Council published **Working towards prosperity for all in Swansea: A tackling poverty strategy for Swansea**. This corporate strategy represented the Council's commitment to reducing poverty and the impacts that poverty has on the people of Swansea. In line with this commitment, tackling poverty is one of Swansea Council's well-being objectives defined in its **Corporate Plan 2023-2027**:

> **Tackling Poverty and Enabling Communities** so that every person in Swansea can achieve their potential.

On 1st December 2022, Audit Wales published the report **'A missed opportunity' – Social Enterprises**. The report looks at how local authorities across Wales are working to grow and make the most of Social Enterprises. The report concludes that "local authorities are not effectively working with Social Enterprises to maximise their impact, make better use of resources and improve services for people and communities".

The purpose of this report is to provide an overview of the findings of this report (including the key recommendations for consideration) and set out proposals for our local response.

2. Context

Social Enterprises are businesses which trade for a social or environmental purpose. They operate across many different industries and there are estimated to be around 100,000 social enterprises in the UK. In the Social Services and Well-being (Wales) Act 2014, Section 16 imposes a duty on local authorities to promote social enterprises, co-operative organisations, co-operative arrangements and third sector organisations to provide care and support and preventative services in their area.

Audit Wales published this report as the second of three key reviews relating to tackling poverty in Wales (the other reports being **'Time for Change'** and **'Together We Can'**). This report was compiled based on a high-level examination of all local authorities in Wales conducted between August 2021 and September 2022, using document reviews, data analysis, interviews and surveys to inform the final report.

The report recognises most local authorities take a passive or responsive approach to social enterprises, with little evidence of leadership or proactive engagement in this area. This includes the link to Social Value, where processes and resource constraints mean that procurement and commissioning opportunities do not encourage or enable a role for social enterprise. While the likes of Regional Partnership Boards (RPB) encourage change in this area, most local authorities are not delivering their commitments against Section 16 of the Social Services and Well-being (Wales) Act in relation to promoting Social Enterprises.

Considering the strategic approach of local authorities to working with Social Enterprises, the report highlights the importance of mapping and understanding role of Social Enterprises in their local area. Where local authorities talk positively about Social Enterprises, this does not translate into action or realisation of the benefits that social enterprises can provide. No local authorities in Wales have a dedicated Social Enterprise strategy or a clear vision for the potential outcomes of social enterprises to people and communities (especially considering collaborative working opportunities). Leadership from local authorities is often limited and not senior enough to direct resources, policies and decisions, while there is limited information and promotion of social enterprises by local authorities (e.g. on council websites).

Considering how local authorities exploit the potential value of Social Enterprises, the report highlights that most social enterprises in Wales get their income from trading with the public or grants from public sector sources like Welsh Government, which indicates an opportunity for local authorities to tap into this potential. Recognising the continuing economic pressures facing local authorities, the report does recognise their strong record of local economic development and the opportunities are there if we can overcome barriers such as:

- Procurement rules that discourage smaller businesses;
- Processes focus on profit and savings over social value, community resilience and well-being;
- Preference of local authorities to 'work with what we know' rather than actively seeking new opportunities;
- Limited skilled resources in local authorities to target Social Enterprises.

It is worth noting that social value is a key driver in the potential of Social Enterprises and the report highlights the lack of definitions and measures relating to social value. Procurement and commissioning teams often lack the right skills and capacity to realise the benefits of social value although there is good evidence of approaches to developing social value such as in partnership with the third sector.

Considering how local authorities deliver their responsibilities under Section 16 of the Social Services and Well-being (Wales) Act 2014, the report evidences that few local authority officers were aware of the legal duty and how they play a role in growing the social enterprise sector. This was in particular reference to the social care sector where the private sector remains the dominant partner. The creation of Social Value Forums through the RPBs is intended to drive delivery of the Section 16 responsibilities at a regional level while Directors of Social Services are required to produce an annual report setting out the improvement journey of each local authority in providing services to the people in its area. There are other areas of improvement such as reporting to elected members and outcome-based reporting.

Other findings of the report include:
- Social Enterprises are worth a combined £60 billion to the UK economy and employ around 2 million people;
- Over 60% of Welsh Social Enterprises only work in one local authority area given that they are primarily community-based;
- In Swansea, the number of social enterprises is growing, up by 17% from 135 in 2018 to 158 in 2020;
- In 2020, the sectors with the highest proportion of social enterprises were a) arts, entertainment, recreation and other services (26%), b) community centre, social space and youth clubs (20%), c) Education (10%) and Health & Care (9%);
- Ways of working relating to relationships between local authorities and social enterprises vary across Wales, with a small number of councils funding their own social enterprises;

- The language relation to Section 16 duties, specifically the word "promote", leaves a wide interpretation across local authorities with little activity focused on helping to create new Social Enterprises.

3. Findings

This report from Audit Wales highlights an opportunity for the Council to do more to actively promote and support the Social Enterprise sector in Swansea, as well as deliver its duties in relation to the Social Services and Well-being (Wales) Act. We recognise the role that Social Enterprises can play, sitting between public and private sectors to deliver a wide range of services and support to individuals and communities. This is particularly relevant to supporting disadvantaged areas such as people who are in poverty.

The report provides some good practice examples from various local authorities in Wales and across the UK but it encourages each local authority in Wales to undertake an internal evaluation of where it is now with Social Enterprises. An **evaluation tool** has been developed by Audit Wales and is included in the Appendices of the 'A missed opportunity' Report, covering the following headings for local authority consideration:

1) Vision;
2) Corporate Approach;
3) Understanding the local Social Enterprise sector;
4) Collaboration and partnership arrangements;
5) Strategy;
6) Delivering the strategy;
7) Designing services;
8) Effective award systems;
9) Efficient award systems;
10) Training and information sharing;
11) Information collection;
12) Performance review;
13) Risk management.

4. Recommendations

Recommendation 1 (R1)

The report states: To get the best from their work with and funding of Social Enterprises, local authorities need to ensure they have the right arrangements and systems in place. We recommend that local authority officers use the checklist in Appendix 2 to:
- self-evaluate current Social Enterprise engagement, management, performance and practice;
- identify opportunities to improve joint working; and
- jointly draft and implement an action plan with timeframes and responsibilities clearly set out to address the gaps and weaknesses identified through the self-evaluation.

Our response:

The Council welcomes the opportunity to evaluate its current position and identify actions, improvements and transformative work required to enable, promote and support the Social

Enterprise sector in Swansea. Through the two oversight groups that coordinate the delivery of the Corporate Priority 'Tackling Poverty and Enabling Communities' – these are the **Swansea Council Poverty Forum** and **Enabling Communities Group** – we have undertaken in internal review of the evaluation tool. A table with our evaluation findings is including in Annex A of this document.

Recommendation 2 (R2)

<u>The report states</u>: To drive improvement we recommend that the local authority:
- formally approve the completed Action Plan;
- regularly report, monitor and evaluate performance at relevant scrutiny committees; and
- revise actions and targets in light of the authority's evaluation and assessment of its performance.

<u>Our response</u>:

Based on the evaluation completed as part of the first recommendation, we have identified the following key actions to be taken forward:

Actions
1) We will co-produce, approve, publish and promote our regional vision for Social Enterprises.
2) We will create an engagement plan for continuous communication and interaction with Social Enterprise providers across Swansea.
3) We will complete mapping and analysis of existing Social Enterprises across Swansea.
4) We will support and deliver the Regional Social and Micro Enterprise Project Plan in line with key milestones, resources and constraints.
5) We will implement a framework for developing and promoting Social Enterprises in Swansea.
6) We will implement a framework for performance and financial monitoring and reporting relating to the work of Local Authorities in developing and promoting Social Enterprises in Swansea.
7) We will work with our partners to promote Social Enterprises in Swansea and the value of social enterprise.
8) We will develop the Council's relationships with local people and communities to increase awareness and understanding of social enterprise and help them to get more involved in developing new initiatives in their areas.

Actions
9) We will work with our partners to improve the skills and capabilities relevant to Social Enterprises in Swansea. 10) We will explore and recommend how information on and access to social and micro enterprises is best held and share that link with people with care and support needs to the people providing that support. 11) We will advise on available quality standards for social and micro enterprise.

These actions will form the basis of developing a focused Action Plan, aligned with our Corporate Priority action planning, delivery and performance management processes.

Recommendation 3 (R3)

The report states: To ensure the local authority delivers its Section 16 responsibilities to promote Social Enterprises we recommend that it reports on current activity and future priorities following the evaluation of its Action Plan including the Annual Report of the Director of Social Services.

Our response:

We are compliant with the Section 16 duties in relation to promoting and reporting on Social Enterprises through the Annual Report of the Director of Social Services (the current iteration is in development at the time of this report). We are already planning and undertaking the following activities to ensure that we remain aligned with current and future priorities:

- An annual evaluation of performance against action plan priorities and recalibration of action plan objectives and timescales where required;

- Inclusion of annual reporting on S16 responsibilities within Market Stability Reports required under the SSWBA (Wales) 2014;

- Creation of Market Position Statements which communicate S16 aspirations to the wider social care market;

- Review what and how performance information is collated and evaluated so that, if necessary, S16 duties can be reported more effectively in the Annual Report of the Director of Social Services;

- Review arrangements for regional collaboration relating to S16 duties and creation of processes for informing and advising Regional Partnership Boards on matters relating to S16 responsibilities.

5. Way Forward

Overview of the report findings

In summary, we agree with the findings of the Audit Wales report and the recognition that, given the significant challenges that local authorities are facing as a result of the Cost of Living crisis, the impact on our communities is likely to increase in the future. There is a vital role for Social Enterprises to play in responding to this challenge and we can help the Social Enterprise sector to flourish in this region.

We recognise from the evaluation which we have undertaken that there is more to be done to define, deliver and continuously improve our vision and strategy for Social Enterprises in Swansea. Under the Corporate Priority 'Tackling Poverty and Enabling Communities', the Council is committed to taking action and working with our local communities and partners to embed the principles, cultural changes and new initiatives.

Next Steps

The Council's is in a good position to take forward the identified actions and report them against the Corporate Priority 'Tackling Poverty and Enabling Communities'. Existing governance in place for coordination of this Corporate Priority will provide oversight of progress against these actions. Work is underway to refresh our Tackling Poverty Strategy and this will include a range of co-production activities to understand the needs and priorities of our partners, stakeholders and the communities of Swansea.

Annex A – Evaluation Table

Heading	Action	Status	Current position
Vision	We have an agreed vision on how we will work with Social Enterprises.	Started	The Council is a member of the regional, multi-organisational Micro and Social Enterprise Group. Work on a vision has commenced and the group's purpose has been signed off as follows: *To develop the right conditions for the sustainable development of Social and Micro Enterprise across the West Glamorgan Region; ensuring links with the Social Value Network.* *To support progress towards a rebalanced market by supporting the development of section16 models of care based within communities and focused on the principles of the Social Services and Wellbeing (Wales) Act 2014* *To support individuals in communities across West Glamorgan to design and develop new models of care with local / hyper local delivery.* The Council is also a member of the regional Social Value Forum. Both of these initiatives are part of the governance for the West Glamorgan Regional Partnership. Though this means an initial focus on health and care, the intention is that the vision and subsequent approaches, actions and impacts will be applied across the Council.
	The vision has been shared with, and is understood by, all relevant staff in the local authority.	Not Started	This action will commence once dependent tasks mentioned above have been completed. Existing communication and engagement channels will be used to deliver key messages across all Council departments and services.
	The vision has been shared with, endorsed by and is understood by elected members.	Not Started	This action will commence once dependent tasks mentioned above have been completed. Existing relationships and forums will be used to engage with and gain commitment from Elected Members. Bespoke actions may be identified as part of further planning with Elected Members.
	The vision has been developed in discussion with the local County Voluntary Council.	Started	Swansea Council for Voluntary Service (SCVS) is a key strategic partner and a member of the regional Prevention and Community Coordination Board that is overseeing the development of a regional vision for micro and social enterprises.
	The vision has been disseminated to Social Enterprises we work with.	Not Started	A map of the current provision of Social Enterprises across Swansea is under development. This will be based on definitions and identification of relationship owners within partner organisations. We have existing relationships with some Social Enterprises including those who are members of the Social Value Forum.

Heading	Action	Status	Current position
	The vision clearly sets out how we intend to deliver our Section 16 responsibilities for promoting Social Enterprises including: • Our work to promote social value through the Regional Partnership Board; and • Use of the Regional Integrated Fund to promote and develop Social Enterprises	Started	The Micro and Social Enterprise Group has developed a delivery plan setting out key work and actions including implementation of Section 16 responsibilities. Members of the group report into the Regional Partnership Board's governance through the Prevention and Community Coordination Board.
Corporate Approach	We have a corporate led approach for working with Social Enterprises that covers all departments and services.	Not Started	*This action will commence once dependent tasks mentioned above have been completed. There is currently no consistent approach applied across Council departments and services for working with Social Enterprises.*
	The corporate approach translates our vision into practical actions.	Not Started	*This action will commence once dependent tasks mentioned above have been completed.*
	We have designated a corporate lead for Social Enterprises who is responsible for overseeing and coordinating our work with the sector.	Not Started	*This action will commence once dependent tasks mentioned above have been completed. There is currently no recognised officer post in the Council for leading on Social Enterprises, although a number of Elected Members and Council Officers have some responsibility for linked aspects such as community enablement, procurement and grant administration.*

Heading	Action	Status	Current position
Understanding the local Social Enterprise sector	We have mapped out the Social Enterprise sector in our local authority area and know: • The number of organisations working locally; • The services they provide; • The communities the services are provided in; • The people the service is provided for; • How the services are funded; • The operating hours/days for services; • The eligibility criteria for the service (if any); • How the service fits with our Section16 responsibilities for promoting Social Enterprises in delivering social care services; and • Who to contact for more information	Started	We have mapped health and social care / wellbeing social enterprises across Swansea and Neath Port Talbot. Further mapping work is required to identify social enterprises across other sectors and interacting with other Council departments. We are considering merging the Micro and Social Enterprise Group with the new Section 16 Forum - pending further consideration and alignment with regional decision-making.
	We have a record of all our Social Enterprise funding	Started	We are mapping this from a health and social care / wellbeing perspective but further mapping and analysis is required.
	We collate financial information and report at least annually on the totality of our Social Enterprise funding covering: • which organisations we fund; • the contract value; • the length of the contract; • which department/service has contracted; • the measures of success established for the work; and • what the intended benefits of the work are	Started	Some financial reporting exists in separate governance structures and information flows but there is no alignment and consolidation of this data for Social Enterprises. We have mapped out the conditions we believe will support Social Enterprises to thrive and are currently focused on success measures to inform this information and reporting approach.

Heading	Action	Status	Current position
	We raise awareness on the benefits presented by Social Enterprises to ensure all staff identify opportunities to collaborate with them by: • hosting a social enterprise day within the local authority; • putting on workshops for councillors and senior managers; and • developing activities to celebrate and promote social enterprise	Started	We are in the process of developing a framework to promote the understanding and benefits of social enterprise. Activities arising from this framework will be planned in detail and aligned to Council communication and engagement plans.
Collaboration and partnership arrangements	We have identified and agreed how the work of Social Enterprises will be managed and scrutinised at a: • corporate level – in the work of strategic partnerships and corporate scrutiny committees; • department level – in specific partnership arrangements to support wider policy agendas within defined areas; and • service level – on local partnerships and specific service-led initiatives	Not Started	As above, currently approaches to Social Enterprises across the Council are not aligned or governed in a corporate approach that differentiates the roles and responsibilities at different levels of the organisation, as well as with our partners and stakeholders. Some governing bodies such as the Enabling Communities Group (which is aligned to the Corporate Priority 'Tackling Poverty and Enabling Communities') could be easily adapted to provide a role in this approach.
	We effectively raise awareness of the work of social enterprises and involve local people and communities in developing new Social Enterprises.	Started	We have strong connections with local communities through roles like Local Area Coordination. This presence in communities and relationships with people (including community leaders and activists) provides a solid foundation for engagement and involvement activities. Once we have our framework and engagement plan in place, we will be able to proceed with this work. We are building the right conditions to support the growth of social enterprises.
	We have a clear and effective relationship with our County Voluntary Council as a key strategic and delivery partner	Completed	We have a strong working relationship with SCVS across a range of partnership agreements and working arrangements such as the Social Value Forum; they are a key strategic and delivery partner as well as an important link between statutory and voluntary sectors.

Heading	Action	Status	Current position
	We have a nominated lead senior official to promote and lead work through the regional Social Value Forum	Not Started	We have officers responsible for various aspects of delivering and engaging with Social Enterprises. Ensuring strategic ownership and designated leads for this work will be part of the development of the framework identified above.
Strategy	Our approach to Social Enterprises is integrated with our key strategies and plan – eg Wellbeing Plan, corporate priorities and other community and regional strategies.	Started	Social enterprises are currently captured within and reported against regional transformation plans under the West Glamorgan Regional Partnership. Social Enterprises align within our Corporate Plan under our wellbeing objective 'Tackling Poverty and Enabling Communities' and will align with our Enabling Communities Transformation Programme. More focused internal documents have been developed such as the Social Value Policy developed by Procurement. Some actions that enable us to deliver this strategic approach may be part of business-as-usual or internal plans and policies.
	We have set SMART objectives and actions on how we will support and promote the growth of Social Enterprises.	Not Started	*This action will commence once dependent tasks mentioned above have been completed. We intend to take a collaborative approach to identifying and defining the actions to support and promote Social Enterprises, embedding the principles of co-production in our action planning approach.*
	We are clear on the benefits and risks of Social Enterprises for citizens, local communities and the local authority	Started	We are just beginning to explore the benefits and risks of Social Enterprises in partnership with our stakeholders and communities. Further work on this - based on embedding the principles of co-production in all of our work - can continue once the actions above such as mapping activities have been completed.
Delivering the strategy	We have enough staff and resources to promote and grow Social Enterprises.	Started	At present, an investment of £148K is dedicated to the development of social and micro enterprise in the regional space. The Council currently commission SCVS to deliver social enterprise development support on a local level; This officer sits on the regional group. Further mapping of roles and responsibilities across Council departments is required to understand and propose future resource requirements.
	We have staff in the right services and with the required seniority to deliver our vision for Social Enterprises.	Not Started	*This action will commence once dependent tasks mentioned above have been completed. The Enabling Communities Group - which features senior leads and managers from various departments and services focused on community development - will be the key oversight group for this development. We recognise that departments and services are very open to innovation and working in different ways so any changes required to enable the delivery of our vision for Social Enterprises in Swansea will follow internal change processes.*

Heading	Action	Status	Current position
	We have a can-do culture mindset within the council to make the best use of Social Enterprises.	Started	There are positive examples of the Council's approach to working with Social Enterprises and the values held up by Council staff when working with our communities to deliver social value. A robust framework for social enterprise will allow us to fully evidence and demonstrate this attitude and mindset.
	We give staff the opportunity to take well-managed risks and explore innovative practices	Started	A culture of innovation and managed risk is inherent in many departments and services such as social care and this translates to our policies, practices and ways of working. A robust framework for social enterprise will allow us to fully evidence and demonstrate this behaviour in our workforce.
Designing services	We draw on the expertise and knowledge of Social Enterprises in designing new services.	Not Started	As mentioned above, we are still exploring and mapping the Social Enterprises sector in the Swansea / West Glamorgan region. This will help us to identify and align our existing relationships with Social Enterprises as well as draw upon new sources of expertise and knowledge. We also draw upon our partnership arrangements with the Third Sector to draw upon specialist resources to inform our approach. Embedding the principles of co-production is a key principle for this work but we require a good network across multiple sectors and communities to ensure co-production is done well.
	Our commissioners make good use of the Market Stability Report process to inform commissioning and market shaping activity for the social care sector	Started	This is an iterative process and we are beginning to inform commissioning and market shaping. Much effort has gone into developing data sets across the region.
	In designing services, we clearly set out: • what demand the service will meet; • how we have decided on the type of service that we require; and • how we will engage with current and potential providers to develop the service	Started	From a commissioning of services perspective, we have mature arrangements in place for developing service specifications and supplier engagement events. We recognise that co-design of services is an iterative process and we need to embed principles such as co-production across our service provisions including commissioned services.
	We ensure that our tender process is accessible for all potential collaborators.	Started	There is significant effort put into making our tendering process open and accessible, encouraging collaboration with existing organisations and service providers as part of the process.
	We can demonstrate we have the capacity and skills to undertake the strategic commissioning process	Completed	We have experienced commissioning officers working in areas such as social care to ensure that our strategic commissioning approach is robust and compliant. All officers currently undergoing training from IPC to continually refresh knowledge and awareness of the standards required.

Heading	Action	Status	Current position
	We actively look for ways to invite collaboration	Started	Collaboration on developing and designing services is a key aspect of our commissioning process. Ongoing, iterative collaboration is also encouraged. We have good working relationships and networks with partners, stakeholders and local communities, with opportunities to enhance and expand these avenues toward collaborative working.
Effective award systems	We have created a single centralised and corporate funding system for the management and award of all funding to Social Enterprises.	Not Started	While there are existing processes, grant funding opportunities and mature procurement arrangements in place to support funding of Social Enterprises, this is not coordinated and financed in a centralised management system. In developing our framework for Social Enterprises, we will look to define the systems, approaches and common principles for all Social Enterprise activity.
	We have effective systems to award funding to organisations that sets out: • a clear funding timetable that is available to all potential bidders so that they can prepare for opportunities; • the process that will be used to decide (for example, seeking quotations or using a tender or proposal process); • the value and risk associated with the various funding routes; • clear and published criteria that are understood by all organisations seeking funding, including community benefit and social value clauses; • the cost and resources to oversee and administer the process; and • the length of time that funding will be provided	Started	Although we envisage our framework development to inform a consistent strategic approach for Social Enterprise funding, we currently operate with an effective system in place for those opportunities that are available. Whenever we manage a grant funding opportunity, we promote this information to potential bidders and interested parties. Based on our further actions defined above, we may identify areas for improvement or opportunities to apply more consistency in our approaches across departments and services.

Heading	Action	Status	Current position
Efficient award systems	We have efficient corporate systems to award funding based on: • concise and clear application processes; • use of online and electronic systems to distribute and collate information and bids; • short end-to-end decision-making arrangements; • the minimum number of stages and processes required to decide; and • decisions being delegated to the lowest level.	Started	See above
	Our contract terms and conditions are proportionate to the level of funding being made and are specific to the work that is being funded.	Completed	Our current contract management processes ensure robust definition of Terms and Conditions relevant to the funding criteria of each initiative.
	We review our funding processes to ensure we are not excluding Social Enterprises from securing work.	Started	There are quality review mechanisms in place to ensure that we are continuously improving our funding processes. The framework we are developing will inform how we apply these mechanisms to ensure that Social Enterprises are appropriately considered at all parts of the funding model for all departments and services.
Training and information sharing	We provide training to support Social Enterprises covering: • how to apply for funding – the do's and don'ts; • complying with our commissioning and procurement systems; • data collection processes; • performance management and scrutiny arrangements; • payment cycles and performance targets; and • contract termination/continuation requirements	Started	There is currently limited training directly focused on Social Enterprise development, primarily delivered through SCVS and third sector partners. We envisage that part of our framework development will include identifying a programme of training and development activities to support our local communities and networks.

Heading	Action	Status	Current position
Information collection	We have specified the information required to monitor and evaluate the performance of the Social Enterprises we fund	Started	While there are existing processes in place relevant to current Social Enterprise schemes, the framework we develop will inform a consistent approach to performance monitoring and evaluation.
	The information only measures relevant activity.	Started	See above.
	The systems to collect information are streamlined and efficient, and Social Enterprises only submit information once and electronically on agreed timescales	Not Started	Regional activities currently planned by our Micro and Social Enterprise Group include looking at how information should be stored and accessed, including not just performance and reporting needs but in terms of informing decisions made on the health and care needs of individuals supported by Social Enterprises.
Performance review	We regularly report on our Social Enterprise funding to scrutiny committee(s) against a balanced set of performance information that covers: • the service standards we set for the Social Enterprise we fund to perform against; • improvements in people's wellbeing and social outcomes; and • relevant service-based performance data; and • conclusions of external audit/inspection reviews	Started	There is currently no mechanism in place to report on all Social Enterprise activity across the Council in a single consolidated report. Individual initiatives may be subject to scrutiny reporting as part of their relevant department or service governance arrangements but we intend to implement a framework that aligns performance information and reporting requirements for all Social Enterprise funding activities. In addition, our framework should align with consistent quality standards in relation to Social Enterprises.
	Our scrutiny and evaluation processes: • are proportionate for the value of the funding we provide; and • provide us with assurance that our funding is achieving the expected outcomes	Started	Existing scrutiny and evaluation processes are regularly reviewed to ensure that they are proportionate and effective in measuring outcomes. When they are applied to reviews of Social Enterprise activity, they would follow the same processes and standards.

Heading	Action	Status	Current position
	Annually we report publicly: • on the work of Social Enterprises; • on the current performance of Social Enterprises we fund; • how we will promote further opportunities for the sector in the future; and • how well we are performing in delivering our S.16 responsibilities for Social Enterprises.	Not Started	See above.
Risk management	We regularly review risks associated with our Social Enterprise funding	Started	There are risk management processes and compliance reviews in place and applicable to funding of initiatives on individual basis in line with relevant corporate, departmental and service level risk management practices. As mentioned above, the development of a framework for social enterprises would allow us to identify and mitigate risks associated with Social Enterprise developments (including funding) at a cross-organisational level and for mitigating actions to be taken appropriately.
	We agree risk management plans if risks are not being managed and mitigated.	Started	See above
	We have a rolling programme of internal audit systems testing and compliance reviews to ensure the robustness, efficiency and effectiveness of our funding of Social Enterprise services	Started	See above