

Business Risk	Current Impact	Current Likelihood	Overall RAG Status	Risk Owner / Updater	Level and Source of Assurance						Internal Audit Needs	Planned Internal Audit Work	Audit Plan Area	
					Level 1	Level 2			Level 3					
					Management Assurance	Other <u>Internal</u> Assurance			Other <u>Independent</u> Assurance					
Council/ Cabinet	Scrutiny	Other	Internal Audit	Other Bodies		External Audit								

Risk ID 159	If we fail to deliver Sustainable Swansea and maintain sufficient financial control, and in particular do not ensure we contain service overspending, especially now inflation is embedded at levels far above the expectation of around 2%, then we will not be able to respond appropriately to continuing austerity, demographic pressures, increasing demand and price pressures and changing public expectations.	Very High	Very High	Red	Ben Smith / Jeff Dong	>As part of the quarterly Revenue and Capital Budget Monitoring Reports to Cabinet, continue to monitor and report on slippage in Capital schemes and the effects on Capital schemes of price inflation affecting supplies and materials, including mitigating actions such as agreeing cost increases through FPR7 procedures >Covid disruption >COVID-19 Recovery Plan: Future Council - Finance - New MTFP. Linkages with Achieving better Together Can be refreshed after budget settlement 2023. Uncertain settlement from Welsh Government a possibility which shall not aid medium term certainty >Identify uncontainable inflation pressures as variances in the monthly PFM budget reporting cycles and quarterly through to Cabinet. >Compliance within Financial Procedure rules so that spend	>Quarterly monitoring reports to Council and Cabinet >Comprehensive multi stage, directorate by directorate bottom up service budget setting process in a wholly collaborative Officer/ Cabinet Member framework >Overspend and under delivery of savings openly and transparently escalated and reported to Cabinet and Council by S151 Officer.	>Dedicated Scrutiny Service Improvement and Finance Performance Panel consider challenge and scrutinise the budget on a quarterly basis.	>Quarterly monitoring reports to Audit Committee >Monthly PFM monitoring in place. Transform & Future Council PDC. > Many controls continue to be exercised by CMT in relation to filling vacant posts, restructures, regrades and committing contract sums. >Budget holders required to monitor and report any budget variances to monthly P&FM for review. >Reshaping Board launched to challenge delivery/ non-delivery and accelerate timescales.	>Governance and Audit Committee provide challenge, oversight and assurance >Periodic budget monitoring reports go to Governance and Audit Committee >Budget reports included in the 2022/23 workplan for Governance and Audit Committee	>Audit Wales review the MTFP aspects of Sustain. Swansea. >AW recently published financial resilience national report and showed clearly Swansea's relative robust position in respect of its reserves position relative to peers in Wales. >Risks in current year managed temporarily by drawing down from those increased reserves.	>Saving and other budget mgt to be included as part of the Achieving Better Together (trans) audit 23/24 >Fundamental audits included in the plan as due in 2023/24	Service Specific / Fundamental Audits - Section 151 Officer Assurance
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					<p>Cabinet if non compliance</p> <ul style="list-style-type: none"> >Agree modest virements in conjunction with the S151 Officer and report more sizeable issues for decision through Cabinet on S151 Officer advice around releases from central inflation provision (£4m) and contingency (£3.5m) in year >The S151 Officer to issue forthright and formal advice on the adequacy of budgets as part of budget setting, including the central inflation provision and contingency over the medium term taking into account all known pressures including prices. >Further development work to progress on transformation agenda over medium term through Achieving Better Together reshaping programme. 								
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