Appendix B

									Level and Sour	ce of Assurance				Internal	Planned	
						Level 1 Level 2				Level 3		Audit	Internal			
				<u>v</u>	ater								Needs	Audit	ea	
	Business Risk		ਰ	pood	Statu	Upda		Oth	er <u>Internal</u> Assur	ance	Other <u>Ir</u>	<u>ndependent</u> A	Assurance		Work	In Arc
		Current Impact	Current Likelihood	Overall RAG Status	Risk Owner / Updater	Management Assurance	Council/ Cabinet	Scrutiny	Other	Internal Audit	Other Bodies	External Audit			Audit Plan Area	
Risk 1 159 Risk 1 Finance Control aspect Sustair Swans Risk L Corpo	Title cial ol – MTFP cts of iinable sea Level	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.				6	>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	>Quarterly monitoring reports to Council and Cabinet >Comperhensi ve 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	>Governa nce and Audit Committee provide challenge, oversight and assurance >Periodic budget monitoring reports go to Governan ce and Audit Committee >Budget reports included in the 2022/23 workplan for Governan ce 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 t 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 >Fundame ntal audits included in the plan as due in 2023/24	Service Specific / Fundamental Audits - Section 151 Officer Assurance
			Very High	Very High	Red	Ben Smith / Jeff Don	pressures as variances in the monthly PFM budget reporting cycles and quarterly through to Cabinet. >Compliance within Financial Procedure rules so that spend			challenge delivery/ non- delivery and accelerate timescales.						

							Level and Source	ce of Assurance				Internal	Planned							
									<u>_</u>		Level 1		Level 2			Level 3		Audit	Internal	
Business Risk			<u>v</u>	ater		Others Internal Assessment			Other Independent Accurage			Needs	Audit Work	ea						
		poor	statu	Jpds		Other <u>Internal</u> Assurance		Other <u>Independent</u> Assurance			n Are									
		Current Likelihood	Overall RAG Status	Risk Owner / Updater	Management Assurance	Council/ Cabinet	Scrutiny	Other	Internal Audit	Other Bodies	External Audit			Audit Plan Area						
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					remains within budget, including permitted Virements > Services to ensure that inflation pressures are managed and contained within cash limits agreed at the time the budget and MFTP are set. > Extant spending restrictions to be reviewed and published to all staff and many controls continue to be directly exercised by CMT in relation to filling vacant posts, restructures, regrades and committing contract sums > Agreed and well established quarterly reporting plan in place to document and record at Cabinet all actions or non actions in services to contain spending > PFM (Performance and Financial Management/Monitoring) process monthly is well established and understood by all officers with appropriate escalation mechanism to S151 Officer, Chief Executive and															

						Level and Source of Assurance								Planned	
						Level 1	Level 2 Level 3					Internal Audit	Internal		
			_	<u>s</u>	ate		Other <u>Internal Assurance</u> Other <u>Independent</u> Assurance				Needs	Audit Work	ea		
Ві	usiness Risk	Current Impact	00	tatı	pdr					Other <u>II</u>	<u>naepenaent</u> P		VVOIK	ا ج آ	
	Dudinoso rusic		Current Likelihood	Overall RAG Status	Risk Owner / Updater	Management Assurance	Council/ Cabinet	Scrutiny	Other	Internal Audit	Other Bodies	External Audit			Audit Plan Area
						Cabinet if non compliance >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.									

Last Updated: 10/11/23