



City and County of Swansea

Notice of Meeting

You are invited to attend a Meeting of the

Governance & Audit Committee

At: Multi-Location Meeting - Gloucester Room, Guildhall / MS Teams

On: Wednesday, 14 June 2023

Time: 1.00 pm

Membership:

Councillors: A Davis, P R Hood-Williams, A J Jeffery, J W Jones, M B Lewis, M W Locke, S Pritchard, K M Roberts, L V Walton and T M White

Lay Member(s): Gordon Anderson, Julie Davies, Paula O'Connor, David Roberts and Philip Sharman

Watch Online: <https://bit.ly/3C3LkIF>

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Next Meeting: Wednesday, 19 July 2023 at 2.00 pm

Huw Evans

Huw Evans
Head of Democratic Services
Thursday, 8 June 2023

Contact: Democratic Services: - 636923

Agenda Item 5



City and County of Swansea

Minutes of the **Governance & Audit Committee**

Multi-Location Meeting - Gloucester Room, Guildhall / MS

Teams

Wednesday, 17 May 2023 at 2.00 pm

Present: Paula O'Connor (Chair) Presided

Councillor(s)

P R Hood-Williams
M W Locke

Councillor(s)

A J Jeffery
S Pritchard

Councillor(s)

J W Jones
L V Walton

Lay Member(s)

David Roberts

Philip Sharman

Officer(s)

Ness Young
Ben Smith
Simon Cockings
Richard Rowlands
Huw Evans
Adrian Jeremiah
Aled Gruffydd
Sue Reed
Jamie Rewbridge

Interim Director of Corporate Services
Director of Finance / Section 151 Officer
Chief Auditor
Strategic Delivery & Performance Manager
Head of Democratic Services
Associate Lawyer
Associate Lawyer
Community Buildings Development Officer
Strategic Manager Leisure Partnerships, Health & Well Being
Democratic Services Officer

Jeremy Parkhouse

Also Present

Gillian Gillett

Audit Wales

Apologies for Absence

Councillors M B Lewis and T M White
Julie Davies and Non Jenkins

116 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.

117 Minutes.

Resolved that the Minutes of the previous meeting(s) of the Governance & Audit Committee were approved as a correct record, subject to the following amendment: -

Minute No. 111 – Internal Audit Strategy and Annual Plan 2023/24 – Amend paragraph 5, sentence 3 to read as follows: -

'Discussions took place regarding the size of the Plan, the know resource of Internal Audit and the potential for testing the effectiveness of the service delivery rather than testing compliance with financial procedures relating to lower areas of risk.

118 Draft Governance & Audit Committee Annual Report.

The Chair presented the draft Governance and Audit Committee Annual Report for the 2022/23 Municipal Year for the Committee to review and comment upon prior to the final report being presented to Council.

She thanked the Committee Members and officers for their work and added that the report demonstrates the breadth of work covered during the year and the challenges faced. It also provided assurances on the areas of significant risk.

The Committee discussed / highlighted the following: -

- Removing the word 'draft' from paragraphs 2.5, 2.6 and 2.7 of the report.
- Paragraph 1.8 – include the membership details of the South West Wales Corporate Joint Committee and its Governance and Audit Sub-Committee.
- Paragraph 1.9 – amend sentence two to read 'for the financial year April 2022-2023'.
- Paragraph 1.9 – amend sentence three to read '....the Council's Corporate Plan 'Delivery of a Successful and Sustainable Swansea.....'
- Paragraph 1.9 – amend last sentence to 'The Strategy was agreed by Cabinet in October 2022 and arrangements are in place to roll out the Strategy'.
- Paragraph 1.19 – Expand to explain the nature of significant challenges.
- Paragraph 3.25 – amend last sentence to '....December 2022'.
- Paragraphs 5.1 and 5.3 – Move sentences two and three of paragraph 5.3 to the end of paragraph 5.1.
- Paragraph 5.4 – amend the Committee met on 12 occasions to 11.

Resolved that the Governance and Audit Committee Annual Report 2022-2023 be agreed and subject to the amendments highlighted by the Committee being added, be forwarded to Council for approval.

119 Internal Audit Annual Report 2022/23.

Simon Cockings, Chief Auditor presented a report which summarised the work completed by Internal Audit 2022/23 and included the Chief Auditor's opinion for 2022/23, based on the work undertaken in the year.

The Internal Audit Plan 2022/23 up to 31 March 2023 was provided at Appendix 1. A complete list of each audits finalised during 2022-23, along with the level of assurance, the number of recommendations made and accepted were outlined in Appendix 2 and the performance indicators for 2022-23 were detailed in Appendix 3.

Details of the following were provided: -

- Review of 2022/23;
- 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 2022-23.

The Chief Auditor highlighted the sickness absence within the Internal Audit Team and how that had impacted upon the delivery of the Internal Audit Plan 2022-2023.

The Committee discussed the following: -

- The benefits of inviting officers to meetings to provide progress updates in respect of moderate reports and the role of the Committee in assisting / supporting them to improve matters.
- Audit reports completed in the year establishing the number of deferred / legacy reports, the work currently in draft stage and the reports included in the opinion, the ongoing impact of Covid 19 which resulted in a rollover of work from previous years.
- Details of audit activities not included in reports, e.g. grant certification.
- The basis of the Chief Auditor's opinion.
- Confirmation that there were no areas of concern identified by the Chief Auditor beyond the 6 moderate reports already identified.
- Review of Governance arrangements within the Authority and potentially featuring this as part of the Chief Auditor's overall conclusion.
- Confirmation that the Review of Corporate Governance results would be fed into the Annual Governance Statement.
- The current resource situation within the Internal Audit Team.

The Chair highlighted that it had been a challenging year for the Chief Internal Auditor with vacancies / sickness and noted the provision for this to continue within the 2023-2024 Audit Plan. She added that the Chief Auditor had based his opinion on the work completed, had highlighted that there were no significant issues to be reported at present and provided assurance that the Corporate Governance Review was in progress, allowing time for any significant issues found to be reported to the Committee.

The Chair and Committee expressed their thanks to the Chief Auditor and the Internal Audit Team for their work throughout the previous year.

The Chief Auditor expressed his thanks to the Internal Audit Team for their work throughout the year.

Resolved that: -

- 1) The work undertaken by the Internal Audit Team in 2022/23 be noted;
- 2) The progress made against the Internal Audit Annual Plan be noted;
- 3) The Chief Auditor's opinion be noted.

120 Response to the Destination Lettings Audit Report 2022/23 - May 2023 Update.

Sue Reed, Community, Partnership & Destination (CPD) Development Manager and Jamie Rewbridge, Strategic Manager Leisure, Partnerships, Health & Well Being presented a 'for information' report which updated the Committee on progress made on the actions arising from the internal audit of destinations lettings in 2022.

It was outlined that the Action Plan at Appendix A was developed to address the recommendations identified in the audit report and provided an update on the implementation steps put in place.

The Committee were updated in respect of progress regarding Mumbles Hill Caravan Park. It was also confirmed that Langland hut rentals had received a positive response with a 100% take up and £98,000 had been received up front via online systems.

The Chief Auditor confirmed that Internal Audit were currently conducting a follow-up review and the outcome would be reported in the Quarter 1 2023-2024 report.

The Committee discussed the following: -

- The move to online accounts but still accommodating with some customers via the post.
- The huge turnaround from the previous position, how all outstanding debts were cleared and were up to date with their repayment schedules.

The Officers thanked their staff and Internal Audit colleagues for their support throughout the process.

121 Draft Annual Governance Statement 2022/23.

Richard Rowlands, Strategic Delivery & Performance Manager presented a report which provided the draft Annual Governance Statement (AGS) 2022/23 and sought the comments of the Committee prior to the report being forwarded to Council for approval as part of the Statement of Accounts.

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 2022/23 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 2022/23.

Councillor L V Walton (Committee representative on the Governance Group) confirmed that the process remained robust and that departments continued to highlight new and significant issues promptly.

Ben Smith, Director of Finance added that senior management had discussed the document and took assurance from the AGS which was consistent and rigorous.

The Committee discussed the following: -

- Certain aspects, e.g. City Deal not being fully available to the public and the overall, how the AGS was a very useful document.
- Consider removing duplication in the report in future years to make it leaner, sharper and to provide more impact;
- The CIPFA Solace Framework being a good practice model to follow.
- The arguably lesser impact of Covid 19 throughout 2022-2023.
- Possibly further highlighting the number of governance issues at Section 13.12 in the final report.
- Highlighting the difference between the governance of risks and the risks themselves.
- Section 11.15 – including the notes of the Annual Meeting with Care Inspectorate Wales (CIW).

The Chair thanked Councillor L V Walton and officers for their work with the Governance Working Group, which was beneficial to officers and the Committee.

Resolved that: -

- 1) The Annual Governance Statement be agreed, subject to the amendments highlighted by the Committee being added.
- 2) The amended report be circulated to the Committee.
- 3) The report be forwarded to Council for approval as part of the Statement of Accounts.

122 Governance & Audit Committee - Self Assessment of Good Practice.

Ben Smith, Director of Finance / Section 151 Officer presented a 'for information' report which provided an update following the Governance and Audit Committee Members' self-assessment of good practice.

It was outlined that the self-assessment of the effectiveness of the Committee and its benchmarking against CIPFA good practice was completed in March / April 2023. The process was facilitated by Finance Department staff who were acting independently of the Internal Audit Section and Committee Members.

It was added that all Committee Members received the questionnaire and interactive self-evaluation tool issued by CIPFA. The results were summarised in Appendix 1, a

copy of the CIPFA tool provided at Appendix 2 and the previous review facilitated by Audit Wales was provided at Appendix 3.

The Committee discussed the following: -

- Committee Members meeting with Audit Wales representatives following the meeting.
- Future training needs of the Committee, particularly the provision of a training plan, the understanding of general audit processes, understanding the terminology used and measuring criteria used.
- Consideration of and expansion of work on all core areas.
- Improvements in efficiency / effectiveness since the introduction of lay members onto the Committee.
- The major advance in having officers appear before Committee to provide updates on moderate audit reports and how this fuels improvements.

The Chair commented that the whole purpose of the Committee was to be constructively challenging in order to improve Council services. She added that it was important that the Committee supported and helped officers to improve services and had a positive impact.

123 Audit Wales - City & County of Swansea Council - Outline Audit Plan 2023.

Gillian Gillett, Audit Wales presented the Outline Audit Plan 2023.

The report detailed the statutory responsibilities of the external auditor, the activities / planned outputs of the audit team, the audit responsibilities, the audit of financial statements, performance audit work, the fees and audit team.

The key dates for the delivery of the audit work and planned outputs was outlined, along with the commitment to the audit quality in Audit Wales. Appendix 1 provided the key changes to ISA 315 and the potential impact upon the Council.

The Chair thanked the Audit Wales representative for the report.

124 Governance & Audit Committee Action Tracker Report.

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

125 Governance & Audit Committee Work Plan.

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

The Committee queried when meetings would revert to a six-week cycle. It was noted that the Council Diary would be discussed at Annual Council on 18 May 2023. If agreed, Committee meetings would start a six-week cycle commencing on 14 June 2023.

The meeting ended at 3.30 pm

Chair

Agenda Item 6



Report of the Chief Auditor

Governance & Audit Committee – 14 June 2023

Internal Audit Monitoring Report Quarter 4 – 2022/23

Purpose:	This report shows the audits finalised and any other work undertaken by the Internal Audit Section during the period 1 January 2023 to 31 March 2023.
Policy Framework:	None.
Consultation:	Legal, Finance, Access to Services.
Report Author:	Simon Cockings
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	Rhian Millar
For Information	

1. Introduction

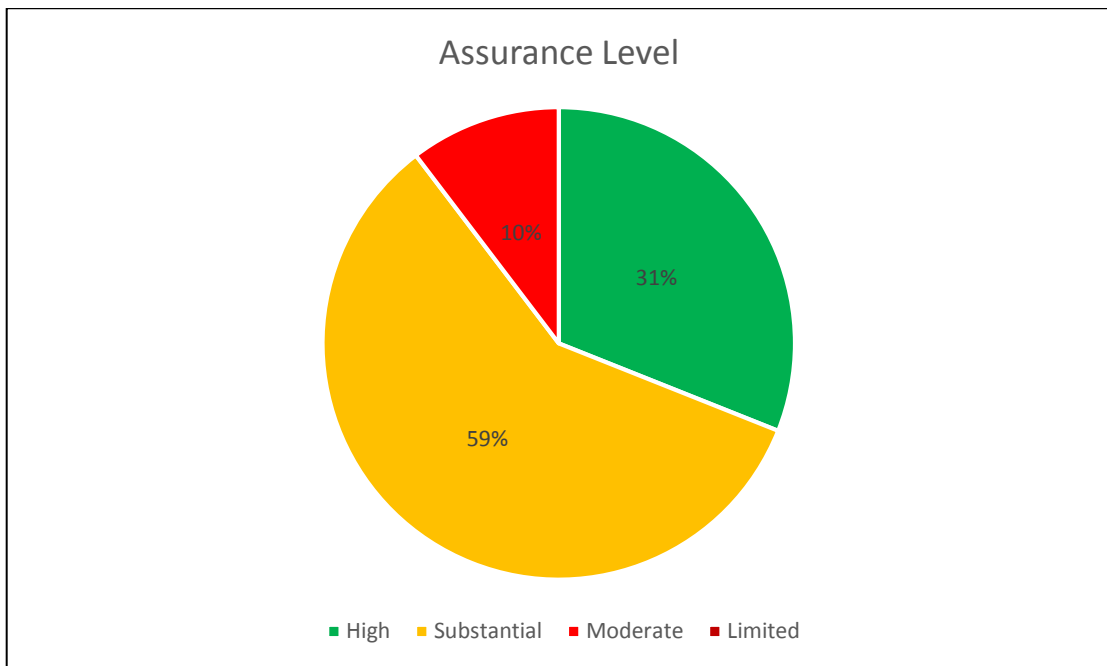
- 1.1 The Internal Audit Annual Plan 2022/23 was approved by the Governance & Audit Committee on 12 April 2022. This is the fourth quarterly monitoring report to be presented to allow the Committee to review and comment upon the progress of the Internal Audit Section in achieving the Annual Plan.
- 1.2 This report shows the audits finalised in the period 1 January 2023 to 31 March 2023.

2. Audits Finalised 1 January 2023 to 31 March 2023

2.1 A total of 29 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 and chart:

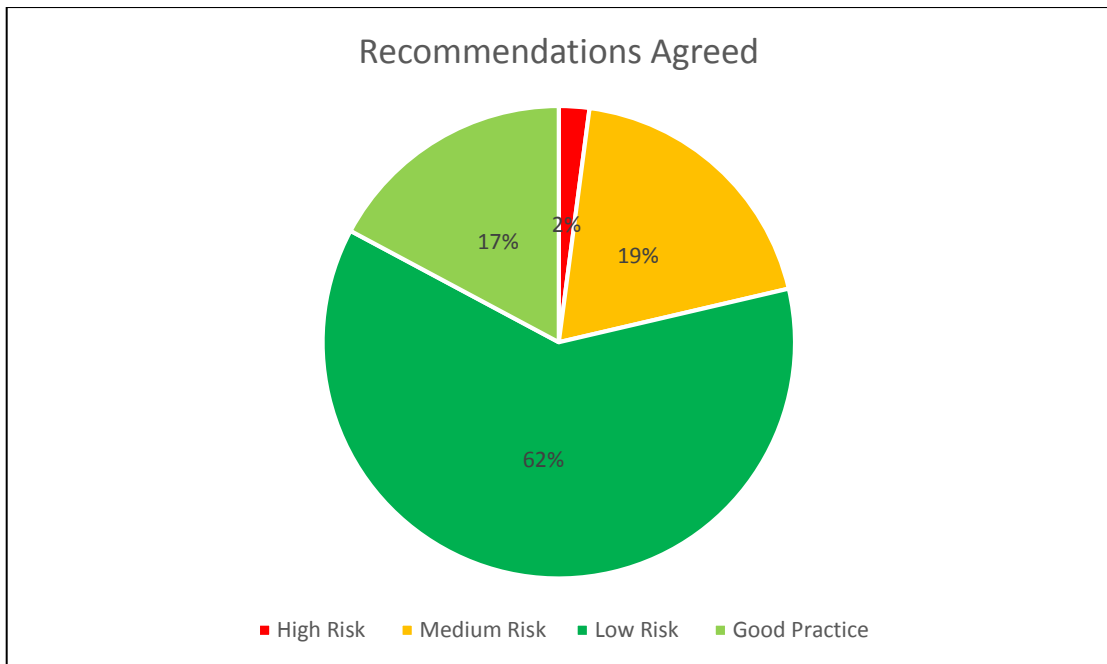
Assurance Level	High	Substantial	Moderate	Limited	Total
Number	9	17	3	0	29



2.3 A total of 196 audit recommendations were made and management agreed to implement 194 recommendations, i.e. 99% of the recommendations made were accepted against a target of 95%. Details of the recommendations not accepted can be found in Appendix 3.

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 and chart:

Risk Level	High Risk	Medium Risk	Low Risk	Good Practice	Total
Number	4	37	120	33	194



- 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 the Committee via the Fundamental Audit Recommendation Tracker Report.
- 2.6 The Audit Plan is a 'living' document which is likely to change during the year due to e.g., emerging risks or new priorities. However, it is important that the 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 12 April 2022 and identifies the position of each audit as at 31 March 2023.
- 2.7 The team continues to work both from home and in the new office space in the Guildhall. The Office is shared with one other section, but to ensure confidentiality the Audit and Fraud Team has sole occupancy on set days. All audit paper files are also kept secure in locked cabinets with only Audit staff having access.
- 2.8 As previously reported in previous reports, staff sickness in the Internal Audit Team has continued to be significant during the quarter, with a total of 54 days absence recorded. The cumulative number of days lost due to sickness in the year to date is approximately 234 days. At the time of compiling this report, one members of staff continues to be absent due to long-term sickness. They continue to be supported by Human Resources. As noted previously, an additional 272 days have been lost in year as a result of vacant posts.
- 2.9 The possible use of agency staff to support the existing resources of the internal audit team was considered by the Chief Auditor and the Director

of Finance throughout the year. However, given the current budgetary concerns and Cabinet's decision to seek containment of in year spending by all Directors, the Director of Finance continues to advise against the use of agency staff at this stage.

- 2.10 In light of the ongoing sickness noted above and the 506 total days lost to date, the Chief Auditor had no option other than to review the 2022/23 audit plan and defer several planned audits to 2023/24. The deferred activities were included in the 2023/24 audit plan that was presented to the Governance & Audit Committee on the 12th April 2023.
- 2.11 As at the end of March, all Fundamental Systems Audits had been completed. The original Internal Audit Annual Plan for 2022/23 contained 131 separate audit activities. As at 31/03/23, 80 audit activities (61%) from the 2022/23 audit plan had been completed, with one additional activity (1%) substantially complete with the audit reports issued as draft. As a result, 81 audit activities have been completed to at least draft report stage (62%). An additional 4 activities were in progress at year end (3%). As a result, approximately 65% of the audit activities included in the 2022/23 Audit Plan had either completed or were in progress. A copy of the plan showing the status of the activities as at the 31/03/23 can be found in Appendix 4.
- 2.12 Three audit reports with a "Moderate" assurance level were issued in the quarter. The following tables provide brief details of the significant issues which led to the moderate ratings.

2.13

Audit	Accounts Receivable 2022/23
Objectives	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.
Assurance Level	Moderate
Summary of Key Points	
<p>1. <u>Debt Recovery</u></p> <p>i) If an invoice remains unpaid after 90 days it should be forwarded to Legal for recovery action to commence. A check on a sample of 30 unpaid invoices was undertaken to establish whether the expected debt escalation process was being followed. It was found that in 29 cases, the debt collection process had not been escalated as required. (HR repeated recommendation)</p> <p>ii) On reviewing all invoices unpaid after 90 days, it was found that there was a total of 5,574 (with a value of approximately £2.9m) which had not yet been sent to Legal Services to pursue. Many of these invoices are several years old and some are approaching their limitation period. (MR repeated recommendation)</p> <p>iii) While reviewing a sample of unpaid invoices in the “Awaiting Evidence” category, it was noted that contact made with debtors, or the service which created the invoice, was not being followed-up, and that diarising future reviews or milestones for the invoice were not being carried out by officers in the AR team. (MR repeated recommendation)</p> <p>It was also noted that two Good Practice and three Low Risk recommendations had been repeated from the 2021/22 audit.</p>	

Audit	Disclosure & Barring Service (DBS) 2022/23
Objectives	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 scope of the review covered the following: Internal Procedures, Processing of DBS Applications, Review of Posts, Reports and Monitoring, DBS Checks – New Starters, DBS Checks - Existing Employees, DBS Renewals, Payments to Powys County Council, Re-charging of Departments, System Access / Confidentiality, GDPR and Data Retention.
Assurance Level	Moderate
Summary of Key Points	
<p>1. <u>Risk Assessments</u></p> <p>Sample testing of ten DBS checks for new starters revealed three cases where no risk assessment form (RA1) had been completed pending the return of the DBS results. Sample testing of 15 existing staff DBS renewals revealed for five employees with a status of ‘waiting for applicant to fill in details’, and four employees with a status of ‘awaiting ID verification’ no risk assessment form had been completed.</p> <p>A sample of five schools was examined and it was found that nine employee DBS’s had been expired and had not been renewed. These employees would have appeared on the EBulk reports four months before their DBS expiry date in order to allow sufficient time for the renewal process. In seven of the eight cases, risk assessments were required but there was no record to show that they had been undertaken. It was recommended that A robust process should be established to ensure that all employee(s) have a risk assessment (RA1) conducted and sent to the Service Centre in the interim period whilst awaiting receipt of the DBS (HR Repeated Recommendation).</p> <p>It was also recommended that a robust system should be put in place to ensure that DBS renewals are completed for all staff prior to expiry and that a full review of all school employees should be undertaken to ensure that all DBS’ are current/renewed as soon as possible (HR Recommendation)</p> <p>2. <u>Oracle Updates</u></p> <p>Sample testing of DBS renewals revealed one instance where the employee commenced a new assignment on 1st October 2022 with the DBS being returned on the 4th November. However at the 12th December Oracle had not been updated. It was also found that a risk assessment for had been completed and provided on the 3rd September 2022 but this had not been uploaded to Oracle until 11th November 2022.</p>	

It was recommended that DBS returns should be updated on Oracle in a timely manner to ensure the correct status is held and to avoid employee details being listed on the renewal spreadsheet (MR Repeated Recommendation)

2.15

Audit	Fleet Maintenance 2022/23
Objectives	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 scope of the review covered the following: Internal Procedures, Processing of DBS Applications, Review of Posts, Reports and Monitoring, DBS Checks – New Starters, DBS Checks - Existing Employees, DBS Renewals, Payments to Powys County Council, Re-charging of Departments, System Access / Confidentiality, GDPR and Data Retention.
Assurance Level	Moderate
Summary of Key Points	
<ol style="list-style-type: none"> 1. <u>Purchase Cards (P-Cards)</u> It was established that there are four P-cards held by staff in the Section and we were advised that the cards and PIN numbers are kept secure. However, during discussions, it was highlighted that one Officer's P-card had been used by a second Officer (who was the approver of her P-card transactions) on a trip to collect a vehicle to use to purchase fuel. P-Cards and PIN's should not be shared amongst other members of staff. This is a condition of the P-Card User Agreement. (MR Repeated Recommendation) 2. <u>Procurement</u> All 17 suppliers with a cumulative spend over £10k in 2022/23 were reviewed to ensure compliance with the Council's Contract Procedure Rules. It was found that for all suppliers no current Contract was in place or relevant CPR20 Waiver had been completed. (HR Recommendation repeated over the last 4 audits) 3. <u>Stores</u> A review of the procedures of the Stores with regards to the issuing of stores and direct materials was undertaken to assess the adequacy of controls. It was highlighted that Vehicle Fitters do not signing the stores 'Requisition Notes' or 'Job Cards' to evidence that the parts being used have been formally requested by them. (MR Recommendation) 	

3 Additional work undertaken by Internal Audit in the Quarter

- 3.1 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 (EIG Element) 2021/22 End of Year	£8,874,439

- 3.2 At the request of the Director of Education during the 22/23 Consultation Process, the Headteachers Remuneration Review was also completed in the quarter. The annual reconciliation of the Cashiers Office Chief Cashiers Imprest Account was also completed.

4. Follow Up's completed 1 January to 31 March 2023

- 4.1 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.
- 4.2 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 Director of Finance & Section 151 Officer.
- 4.3 No audits with a moderate assurance rating were followed up in the quarter. However, three follow up reviews are due in quarter one 2023/24 covering Western Bay Adoption Service & Adoption Allowances, Rechargeable Works and Destination Lettings.

5 Integrated Assessment Implications

- 5.1 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.

5.2 The Well-being of Future Generations (Wales) Act 2015 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'.

5.3 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.

5.4 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 and Access to Services.
- 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.

6. Financial Implications

6.1 There are no financial implications associated with this report.

7. Legal Implications

7.1 There are no legal implications associated with this report.

Background Papers: Internal Audit Plan 2022/23

Appendices: Appendix 1 - Audits Finalised Q4 2022/23

Appendix 2 - Summary of Scope of Audits Finalised Q4 2022/23

Appendix 3 – Recommendations Not Accepted

Appendix 4 - Internal Audit Plan 2022/23 - Progress to 31/03/23

Appendix 5 - Integrated Impact Assessment

MONITORING REPORT Q4 2022/23 - AUDITS FINALISED

Audit Area / Head of Service	Audit Title	Date Finalised	Assurance Level	Recommendations		
				Made	Agreed	Not Agreed
Fundamental Systems - Financial Services	Cash 2022/23	12/01/23	High	2	2	0
Highways & Transportation	Transport Support	23/01/23	High	3	3	0
Education Planning & Resources	Decarbonisation Programme	24/01/23	High	1	1	0
Financial Services	Insurance	24/01/23	High	0	0	0
Financial Services	Fostercare System - Application Controls	30/01/23	High	1	1	0
Child & Family Services	Emergency Duty Team	08/02/23	High	4	4	0
Fundamental Systems - Financial Services	Main Accounting System 2022/23	10/03/23	High	1	1	0
Property Services	Estates Management & Quadrant Rents	23/03/23	High	5	5	0
Highways & Transportation	Concessionary Fares **	31/03/23	High	1	1	0
Adult Services	Fforestfach Day Service	13/01/23	Substantial	17	17	0
Housing & Public Health	Furnished Tenancy Scheme	24/01/23	Substantial	8	8	0
Communications & Marketing	Health Safety & Wellbeing	13/02/23	Substantial	15	15	0
Vulnerable Learner Service	Elective Home Education Provision	24/02/23	Substantial	4	4	0
Waste Management & Parks	Grounds Maintenance & Central Operations	02/03/23	Substantial	15	13	2
Fundamental Systems - Financial Services	Council Tax 2022/23	10/03/23	Substantial	5	5	0
Planning & City Regeneration	Planning Services - Administration & Fees	17/03/23	Substantial	11	11	0
Cross Cutting Reviews	Risk Management (Education) 2022/23	22/03/23	Substantial	4	4	0
Fundamental Systems - Financial Services	Accounts Payable 2022/23	24/03/23	Substantial	14	14	0
Highways & Transportation	Streetworks	27/03/23	Substantial	5	5	0
Adult Services	CREST	27/03/23	Substantial	8	8	0
Fundamental Systems - Financial Services	Business Rates (NNDR) 2022/23	29/03/23	Substantial	8	8	0
Education Planning & Resources	Schools IR35 Thematic Review	29/03/23	Substantial	10	10	0
Communications & Marketing	Design Print	30/03/23	Substantial	10	10	0
Communications & Marketing	Civic Admin Mayoral Services & Mansion House	31/03/23	Substantial	8	8	0
Commercial Services	Retrospective Orders on Oracle	31/03/23	Substantial	5	5	0
Financial Services	Pension Fund Other Transactions **	31/03/23	Substantial	2	2	0
Human Resources & Service Centre	Disclosure & Barring Service (DBS)*	01/02/23	Moderate	6	6	0
Fundamental Systems - Financial Services	Accounts Receivable 2022/23	24/03/23	Moderate	14	14	0
Highways & Transportation	Fleet Maintenance **	31/03/23	Moderate	9	9	0
			Total	196	194	2

plan

**Audits finalised shortly after year end

MONITORING REPORT Q4 2022/23 - SUMMARY OF SCOPE OF AUDITS FINALISED

Audit Area / Head of Service	Audit Title	Assurance Level	Audit Scope	Key Findings / Risks
Fundamental Systems - Financial Services	Cash 2022/23	High	<i>The main areas examined during the audit were: Policies & Procedures, Cash Receipting System (Civica) User Access, Receipting & Banking of income from the general public, Interface with Oracle, Unidentified Income, Bank Reconciliation, Physical Security/Security of Data, Refunds and Reversals, Petty Cash Expenditure from CCI, Temporary Receipts, Stock of Cheques, Stopped Cheques, Returned Cheques, Cover Notes, Controlled Stationery, Kiosk Reconciliations</i>	None
Highways & Transportation	Transport Support	High	<i>The audit covered the key range of internal controls, and the following areas were considered as part of the audit scope: Tendering & Procurement arrangements, Payments to bus operators, Community Transport</i>	None
Education Planning & Resources	Decarbonisation Programme	High	<i>The audit examined the Risks and Control Measures in being regarding Risk 301 in the Council's Risk Register which states "If the QEd programme is to contribute to the local and national decarbonisation strategies, then this will require additional funding, or it will impact on the ability to deliver more projects within the programme".</i>	None
Financial Services	Insurance	High	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Standing Orders and Financial Regulations, Legal Requirements, Co-Ordination and Monitoring, Register of Insurance Policies, Claims, Insurance Records, Policy Changes, Reviews and Revaluations, Policy Renewal Dates, New Policies, Disposals, Levels of Cover, Index Linking, Claims Handler Transactions, GDPR and Data Retention</i>	None
Financial Services	Fostercare System - Application Controls	High	<i>Testing was undertaken to examine the controls and procedures associated with the following areas: Registration with Applicable Bodies, Compliance with Policy Guidelines and Asset Register, Prevention of Unauthorised Access, Procedures and Guidance Notes, System Stability, Access Set Up, Users Responsibilities, Review of Users, Available Reports, Data Output, Security of Information, Database Integrity Checks, Retention and Disposal of Documentation</i>	None
Child & Family Services	Emergency Duty Team	High	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Additional payments made to staff for hours worked in excess of their standard working week, Compliance with European Working Time Directive, Travel and Subsistence Expenses, Petty Cash</i>	None

MONITORING REPORT Q4 2022/23 - SUMMARY OF SCOPE OF AUDITS FINALISED

Fundamental Systems - Financial Services	Main Accounting System 2022/23	High	<i>The audit reviewed the procedures in place and included detailed testing in the following areas: Compliance with Statutory Guidelines - Procedures & Policies, Financial Information Systems, Budgetary Control, Coding Structure, Feeder Systems, Journals and Internal Transactions, Suspense and Holding Accounts, Final Accounts, Security of Data and Database.</i>	None
Property Services	Estates Management & Quadrant Rents	High	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: New Leases, Amendments, Rent Reviews, Rent Collection, Debt Recovery, Refunds, Rent Free Periods, Insurance, GDPR</i>	None
Highways & Transportation	Concessionary Fares	High	<i>Review of the Concessionary Bus Fares scheme administered by officers in the Integrated Transport Unit in the Highways & Transportation service. The Council facilitates payments to bus operators on behalf of Welsh Government and the audit reviewed payments totalling approximately £7.7m made in 2021/22.</i>	None
Adult Services	Fforestfach Day Service	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Expenditure, Purchase Card, Cash Count/Security, Petty Cash Account, Cash/Credit Income, Meals, Sales, Budget Monitoring, Inventory, Personnel Records, Unofficial Fund</i>	<i>Inventory records for three sites were not up to date (MR). Four low risk recommendations had been repeated from the previous review. A number of Low Risk and Good Practice recommendations were also noted.</i>
Housing & Public Health	Furnished Tenancy Scheme	Substantial	<i>Testing was undertaken to examine the controls and procedures associated with the following areas: Security of Stores, New Applications, Terminated Tenancies, Tenants Rent, Stock Records, Damaged/Missing Stock/Write Offs, Inspections, Expenditure, Employees, Travel Expenses, Vehicles, Purchase Cards</i>	<i>Expenditure testing revealed a number of purchase orders created after the the invoice date (MR - repeated recommendation). Two low risk recommendations had been repeated from the previous review. A number of Low Risk and Good Practice recommendations were also noted.</i>
Communications & Marketing	Health Safety & Wellbeing	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Expenditure, P-Cards, Income, Inventory, Officers' Travelling Expenses, Employee Records</i>	<i>Expenditure testing revealed three suppliers with spend in excess of £10k where no contract or waiver was in place (MR). Income recharge testing revealed a number of instances where there were delays in raising invoices or invoices had not been raised at all at the time of review (MR). Also a number of Low Risk and Good Practice recommendations noted.</i>

MONITORING REPORT Q4 2022/23 - SUMMARY OF SCOPE OF AUDITS FINALISED

Vulnerable Learner Service	Elective Home Education Provision	Substantial	<i>The audit reviewed the procedures in place and included detailed testing in the following areas: Authorised Approvals, Reimbursements, Monitoring, GDPR & Data Retention</i>	<i>The decision about which provider is engaged to deliver the provision is made by the parents. The current process does not include any due diligence checks or checks on DBS, qualifications etc. This issue has been recognised by the team managing funded EHE packages and we were informed that a new process, currently in draft form, is being created to gather such information (MR). Sample testing of the annual reviews of 10 pupils Statement of Educational Needs revealed that 5 had not been reviewed annually (MR). Some additional Low Risk and Good Practice recommendations also noted.</i>
Waste Management & Parks	Grounds Maintenance & Central Operations	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Expenditure, Purchase Card, Credit income/Internal Journals, Monitoring of Work, Inventory, Stock/Stores, Personnel records, Vehicles, GDPR</i>	<i>Sample testing of outstanding invoices revealed that recovery action had been taken but the AR system had not been updated with the action taken (MR). The inventory covering equipment across all sites was not up to date, and an annual check of the equipment inventory had not been completed. Inventory was being updated at the time of the review (MR). Two Low Risk recommendattions had been repeated from the previous review. Additional Low Risk and Good Practice recommendations were also noted.</i>

MONITORING REPORT Q4 2022/23 - SUMMARY OF SCOPE OF AUDITS FINALISED

Fundamental Systems - Financial Services	Council Tax 2022/23	Substantial	<p>The scope of the review covered the following areas: Setting of the Council Tax Base, Property Master file & Valuation Office Notifications, New Properties, Registration & Liability, Discounts, Exemptions, Reduction for the Disabled, Void & Empty Properties, Billing, Collection, Recovery & Enforcement, Refunds, Write-offs, End of Year Balancing, System Access & Parameters, Governance & Performance, Business Continuity & Disaster Recovery</p>	<p>Payment reminders are automatically issued. We were informed that the number of reminders issued has had to be limited to enable the team to cope with the volume of queries generated. Final Reminders were not issued between April 2020 and November 2022, this recommenced December 2022 (MR). There were no Summons issued between April 2020 and June 2021 as Swansea Magistrates Court was closed due to Covid-19. When the Court reopened, a maximum of 500 Summons could be submitted every month, although this has recently increased to 700 a month (MR). Since the disruption caused by the pandemic, breaches of existing Special Arrangements, Attachments to Earnings Orders or Attachment to Benefit Orders have not been pursued (MR). The collection rate achieved in 2021/22 was 93.9%, which was the second lowest of all Welsh Councils. However, it should be noted that the Director of Finance & Section 151 Officer had envisaged a reduction in collections over recent years as a result of the deteriorating economic position. As a result, the Council had prudently planned for a deterioration in collection rates. Similarly, there had been an acknowledged and planned reduction in recovery and enforcement throughout the pandemic and beyond as the Council has prioritised the distribution of various grant support payments during this period. Given the ongoing cost of living crisis, the Director of Finance & Section 151 Officer acknowledges that collection of council tax will</p>
Planning & City Regeneration	Planning Services - Administration & Fees	Substantial	<p>The audit reviewed the procedures in place and included detailed testing on the following areas: Purchasing and Expenditure, Payment Cards (P-Cards), Planning Applications & Fees, Other Income, Refunds, Inventory, Travel Expenses, General Data Protection Regulation (GDPR)</p>	<p>Sample testing of refunded fees identified one refund amount which could not be traced back to supporting documentation (MR). (This was later rectified after the audit - it related to two separate refund amounts that had been combined). Inventory records were outdated (MR). Additional Low Risk and Good Practice recommendations also noted.</p>

MONITORING REPORT Q4 2022/23 - SUMMARY OF SCOPE OF AUDITS FINALISED

Cross Cutting Reviews	Risk Management (Education) 2022/23	Substantial	<i>The audit looked at the monitoring of Risks within the Education 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>	<i>The Control Measures for all of the active Corporate (x1) and Directorate (x7) risks for the Education directorate were examined to establish whether the proposed response to each risk was "SMART" (Specific, Measurable, Achievable, Relevant and Time-bound). It was found that the Control Measures for the following four risks were not fully SMART (MR).</i>
Fundamental Systems - Financial Services	Accounts Payable 2022/23	Substantial	<i>The audit reviewed and tested the key controls in the following areas: System Access, Creation and Amendments of Supplier Records, Non-Oracle Order Approval Emails, Duplicate and Erroneous Payments, Payment Performance, Reconciliation of Accounts Payable to the Ledger, BACS Transmissions, Checking & Countersigning of Payments over £50k, Validation of Payments over £10k, Unallocated Supplier Credits on the System, Physical Access / Security, Direct Debits, Suppliers with the Address "Cheque to Cashiers", Payment of Invoices via Purchase Card, Interface Files, Supplier Incentive Scheme, Data Protection & Document Retention</i>	<i>A sample of fifteen possible duplicate payments was selected for testing. Of the fifteen, it was found that five were actual duplicates. Only two of these had been identified and recovered in the routine monitoring undertaken within AP note these were all low value (MR repeated recommendation). Five repeated recommendations noted, and some additional Low Risk and Good Practice recommendations.</i>
Highways & Transportation	Streetworks	Substantial	<i>Testing was undertaken to examine the controls and procedures associated with the following areas: Chargeable Works, Storage and Issue of Permits and Licences, Cash and Credit Income, Expenditure, Personnel Records, Employee Travel Expenses, GDPR and Data Retention</i>	<i>We identified that one person is solely responsible for deciding which Fixed Penalty Notices are to be issued and which are to be cancelled if an appropriate rejection by a Utility company is made. Further testing in this area also identified that no monitoring of the payment of Fixed Penalty Notices is undertaken, with only the Streetworks Team having knowledge of what notices have been issued (MR). A number of invoices selected for testing showed that outstanding debts on some invoices were not being pursued (MR). Some additional Low Risk and Good Practice recommendations noted.</i>
Adult Services	CREST	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Expenditure, P-Cards, Income, Petty Cash, Inventory, Employee Records, Vehicle Records, GDPR & Data Retention</i>	<i>Site inventory records were noted as being out of date (MR). Additional Low Risk and Good Practice recommendations also noted.</i>

MONITORING REPORT Q4 2022/23 - SUMMARY OF SCOPE OF AUDITS FINALISED

Fundamental Systems - Financial Services	Business Rates (NNDR) 2022/23	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Governance and Data Security, Valuation, Exemptions and Reliefs, Billing and Collection, Refunds and Transfers, Recovery of Arrears, Write-offs</i>	<i>Recovery processes have been severely impacted as a result of the Covid pandemic and all accounts are deliberately suppressed. However, regular court sessions have now recommenced, and the number of summons applications has been increasing although we were advised it will take several months for all accounts in arrears to be processed (MR). Testing was undertaken to ensure that recovery progression takes place. It was noted that six of the ten accounts tested had no recent actions noted on the Northgate system (MR). Additional Low Risk and Good Practice recommendations noted.</i>
Education Planning & Resources	Schools IR35 Thematic Review	Substantial	<i>Review of compliance with HM Revenue & Customs (HMRC) requirements in relation to the employment status of individuals. The review covered only those primary schools which are scheduled to be audited in the 2022/23 financial year. The audit reviewed the procedures in place and included detailed testing on individual IR35 checks as required by HMRC, undertaken by the schools.</i>	<i>A sample of 37 invoices across 17 schools was selected. Each school was contacted and copies of invoices were requested to confirm what services were provided by the suppliers. Copies of IR35s were then requested. Fifteen IR35s were over 12 months old when the last invoice was paid and four IR35s had not been completed or were not available during the audit (MR). Additional Low Risk and Good Practice recommendations noted.</i>
Communications & Marketing	Design Print	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Expenditure, P-Cards, Income, Inventory, Petty Cash, Officers' Travelling Expenses, Employee Records, Vehicle Records, Stores, Job Costing, Budget Monitoring, GDPR/Retention</i>	<i>Sample testing of P-Card expenditure revealed a number of transactions that had been approved by officers in Accounts Payable, not the designated 'Approver' within the department (MR). Sample testing of stores inventory revealed a number of variances between the valuation stock records and the physical stocktake (MR). Additional Low Risk and Good Practice recommendations noted.</i>

MONITORING REPORT Q4 2022/23 - SUMMARY OF SCOPE OF AUDITS FINALISED

Communications & Marketing	Civic Admin Mayoral Services & Mansion House	Substantial	<p>The audit reviewed the procedures in place and included detailed testing on the following areas: Expenditure, Purchase Card, Petty Cash Accounts, Cash Count/Security, Inventory, Stores, Insurance, Private Functions, Training Courses, Personnel Records, Vehicles, Health & Safety, GDPR & Data Retention</p>	<p>It was confirmed that all items in the Mansion House are included in the Council's Insurance policy. However the last valuation of the items was undertaken by Bonhams in March 2010 and it is therefore likely that the insurance cover will not be at the correct level (MR). Testing revealed that the last Fire Risk Assessment undertaken at the Mansion House was in 2018 (MR). Some additional Low Risk and Good Practice recommendations also noted.</p>
Commercial Services	Retrospective Orders on Oracle	Substantial	<p>The audit 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)</p>	<p>A review of Accounting Instruction No. 4 – Orders for Works, Goods and Services highlighted that the requirement to raise an order in advance was not stipulated. It is clear from the review that it hasn't been updated for a number of years. It was also noted that Financial Procedure Rules (FPR 21 Orders for Works Goods and Services) do not stipulate that orders should be raised in advance (MR). The end to end purchase to pay process from sourcing goods and services through to delivery and receipt of goods and payment to the supplier should be reviewed. This will ensure all purchases are approved in advance, aid in the prevention of delays in payment and more effectively route purchases through approved contractors (MR). A sample of 20 orders across various service areas was selected and reviewed to establish the reason why an order had not been placed in advance of an invoice being received. A key control question is whether these items of expenditure may be foreseeable and / or quantifiable and therefore whether it is possible to raise a PO in advance. Our review concluded that the reason provided by the originating officer was acceptable in five of the 20 tested. From the information provided for the remaining 15, it was concluded that the reasons provided were not satisfactory and that a PO should have been placed prior to the receipt of the invoice (MR).</p>

MONITORING REPORT Q4 2022/23 - SUMMARY OF SCOPE OF AUDITS FINALISED

Financial Services	Pension Fund Other Transactions	Substantial	<i>The audit included testing on the following areas: Pension Fund Committee Costs, Local Pension Board Costs, Actuary Costs, Training Expenses, Conference Expenses, Mortality Screening Expenses, Pro-Rata Recharging of Actuary Costs to Admitted Bodies</i>	<i>Expenditure testing revealed that Contract Procedure Rules had not been followed in relation to payments to five suppliers where cumulative payments exceeded £10k.</i>
Human Resources & Service Centre	Disclosure & Barring Service (DBS)*	Moderate	<i>The scope of the review covered the following: Internal Procedures, Processing of DBS Applications, Review of Posts, Reports and Monitoring, DBS Checks – New Starters, DBS Checks - Existing Employees, DBS Renewals, Payments to Powys County Council, Re-charging of Departments, System Access / Confidentiality, GDPR and Data Retention</i>	<i>Please see the summary of key findings in the body of the report.</i>
Fundamental Systems - Financial Services	Accounts Receivable 2022/23	Moderate	<i>The scope of our work included the testing of a range of controls relating to the following: Financial regulations and procedure notes, User access, Creation of invoices, Collection of income, Recovery of arrears, Interface reconciliations, Invoice cancellations, Performance monitoring, Write-offs, Refunds, Disaster Recovery and Business Continuity, System back-ups, Security of Data/GDPR/Retention</i>	<i>Please see the summary of key findings in the body of the report.</i>
Highways & Transportation	Fleet Maintenance	Moderate	<i>The audit included the review and testing of controls established by management over the following areas: Purchase Card (P-Card), Expenditure, Personnel, Inventory, Petty Cash, Third Party Recharges / Income, Drivers & Vehicle Fleet, Routine Safety Inspections Services & Stores of Oil, Tools & Tyres and GDPR.</i>	<i>Please see the summary of key findings in the body of the report.</i>

MONITORING REPORT Q4 2022/23 - RECOMMENDATIONS NOT ACCEPTED

Audit Title	Date Final Issued	Assurance Rating	Recommendations Not Accepted			
			Report Ref	Risk Rating	Recommendation	Reason / Comments
Grounds Maintenance & Central Operations	02/03/23	Substantial	2.4.2	LR	To ensure an adequate level of assurance for the service over work completion and quality, the 10% physical check carried out by Contract Managers should be considered to be reintroduced.	Discussed in detail with Audit, 10% system was in place to give assurance re bonus payments which no longer exist since single status. A replacement Parks Maintenance System should have facility to interrogate performance data if concerns are raised. The service does not agree with this finding and request this testing is removed from the schedule.
			2.4.8	LR	To ensure an adequate level of assurance for the service over VOC work completion and quality, the 10% physical check carried out by Contract Managers should be considered to be reintroduced. (Previous Audit Recommendation)	Discussed in detail with Audit, 10% system was in place to give assurance re bonus payments which no longer exist since single status. A replacement Parks Maintenance System should have facility to interrogate performance data if concerns are raised. The service does not agree with this finding and request this testing is removed from the schedule.

Audit Title	Risk Rating	Status as at 31/03/2023	Corporate Priority	Days
Level 1 – Cross Cutting Reviews – Council Governance & Control				
Review of Departmental Gifts & Hospitality Registers	Med/High	Final Issued	Cross Cutting	15
Corporate Governance Review	Med/High	In Progress	Cross Cutting	15
Corporate Safeguarding	Med/Low	Final Issued	Cross Cutting	10
Achieving Better Together – Transformation (inc. workforce strategy and savings delivery)*	New	Deferred	Cross Cutting	15
Oracle Cloud / Fusion Project	New	Deferred	Cross Cutting	10
Regional Working	New	Deferred	Cross Cutting	10
Sickness & Overtime Review	New	Deferred	Cross Cutting	15
Risk Management	Med/High	Final Issued	Cross Cutting	15
Level 2 – Fundamental Systems - Section 151 Officer Assurance				
Financial Services & Service Centre – (1) Annual Audit, (2) 2-yearly Audit				
Employee Services (1)	Med/High	Final Issued	Section 151 Assurance	30
Accounts Receivable (1)	High	Final Issued	Section 151 Assurance	35
Business Rates (NDR) (1)	Med	Final Issued	Section 151 Assurance	20
Treasury Management Borrowing & Investments (2)	Med	Final Issued	Section 151 Assurance	18
Accounts Payable (1)	Med	Final Issued	Section 151 Assurance	35
Cash (2)	Med	Final Issued	Section 151 Assurance	30
Council Tax (2)	Med/High	Final Issued	Section 151 Assurance	30
Main Accounting System (2)	Med	Final Issued	Section 151 Assurance	20
Level 3 – Service Level Audits – Other Assurance				
Education Planning & Resources				
Cefn Hengoed Comprehensive School	Med	Final Issued	Education	10
Penyreheol Comprehensive School	Med	Final Issued	Education	10
Dylan Thomas Comprehensive School	Med	Final Issued	Education	10
Gowerton Comprehensive School	Med	Final Issued	Education	10
School Kitchens	Med/High	Deferred	Education	15
Catering & Cleaning HQ*	Med	In Progress	Education	10
Primary School Procurement – Thematic	Med	Final Issued	Education	15
Decarbonisation Programme	New	Final Issued	Education	10
Business Manager Remuneration Review	New	Final Issued	Education	10

Headteachers Remuneration above recommended Individual School Range Review	New	Final Issued	Education	10
IR35 Employment Status of Individuals - Thematic	New	Final Issued	Education	10
Vulnerable Learner Service				
Elective Home Education Provision	New	Final Issued	Education, Safeguarding & Poverty	10
EOTAS Value for Money Review	New	Deferred	Education, Safeguarding & Poverty	5
Education Grants & Other				
Schools Annual Report	n/a	Final Issued	Education, Safeguarding & Poverty	3
Regional Consortia School Improvement Grant	n/a	Final Issued	Education, Safeguarding & Poverty	15
Pupil Deprivation Grant	n/a	Final Issued	Education, Safeguarding & Poverty	15
Child & Family Services				
Emergency Duties Team	Med	Final Issued	Safeguarding	10
Adoption Allowances*	Med	Final Issued	Safeguarding	10
Western Bay Adoption Services	Med/Low	Final Issued	Safeguarding	15
Foster Swansea	Med	Final Issued	Safeguarding	10
Youth Provision in Early Help	Med	Deferred	Safeguarding	15
Residential & Outdoor Centres*	Med	Final Issued	Safeguarding	10
Adult Services				
Home Care*	Med/High	Deferred	Safeguarding	10
West Glamorgan Regional Partnership	New	Deferred	Safeguarding	5
All Wales Community Care Information System (WCCIS)	New	Final Issued	Safeguarding	10
Fforestfach Day Services	Low	Final Issued	Safeguarding	10
CREST*	Med	Final Issued	Safeguarding	10
Housing Support Grant	n/a	Final Issued	Safeguarding	10
Enable Support for Independent Living Grant	n/a	Final Issued	Safeguarding	10
Adult Services – Directorate Services				
Client Property & Finance	Med	Deferred	Safeguarding	15
Review of Transitional Placement Agreements	New	Deferred	Safeguarding	10
Tackling Poverty				
Local Area Coordinator Review	New	Deferred	Poverty	5
Building Services				

Heol y Gors – Stores, Admin & Finance, Oracle T&L*	Med/High	Deferred	Economy & Infrastructure, Safeguarding	20
Heol y Gors – Plant & Transport	Med/Low	In Progress	Economy & Infrastructure, Safeguarding	7
Day to Day Repairs / Maintenance Section*	Med	Deferred	Economy & Infrastructure, Safeguarding	20
Property Services				
Quadrant Rents & Estates Management (inc. Rentals)	Med	Final Issued	Economy & Infrastructure	10
Waste Management & Parks				
Waste Management	Med	Final Issued	Economy & Infrastructure, Resource & Biodiversity	10
Grounds Maintenance & Central Operations (inc. Burials, Stores and Workshops)	Med/Low	Final Issued	Economy & Infrastructure, Resource & Biodiversity	15
Cleansing Strategy	New	Deferred	Economy & Infrastructure, Resource & Biodiversity	5
Highways & Transportation				
Transport Support	Med	Final Issued	Economy & Infrastructure	10
Concessionary Bus Fares**	Med	Final Issued	Economy & Infrastructure	5
Civil Parking Enforcement	Med/Low	Final Issued	Economy & Infrastructure	20
Swansea City Bus Station	Med	Final Issued	Economy & Infrastructure	8
Advance Payment Code	Med	Deferred	Economy & Infrastructure	8
Streetworks	Med	Final Issued	Economy & Infrastructure	10
Fleet Maintenance **	Med/High	Final Issued	Economy & Infrastructure	15
Traffic Orders	High	Deferred	Economy & Infrastructure	10
Transport Depot	Med	Final Issued	Economy & Infrastructure	15
Live Kilometre Support Grant	n/a	Final Issued	Economy & Infrastructure	5
Housing & Public Health				
Housing Options	Med	Deferred	Poverty, Safeguarding	20
Leasehold Properties	Med	Deferred	Poverty, Safeguarding	15
Furnished Tenancy Scheme	Med/Low	Final Issued	Poverty, Safeguarding	12
Home Improvement Team	Med	Draft Issued	Poverty, Safeguarding	10
Application Controls – CX System (Flare Replacement)*	Med	Deferred	Poverty, Safeguarding	5
Burials & Cremations – Swansea Crematorium	Med	Final Issued	Poverty, Safeguarding	10
Trading Standards Division	Med/Low	In Progress	Poverty, Safeguarding	10
Licensing Division	High	Deferred	Poverty, Safeguarding	15
Rechargeable Works*	Med	Final Issued	Poverty, Safeguarding	15
Pollution Control Division	Med	Deferred	Poverty, Safeguarding	10
Welsh Housing Quality Standards	New	Deferred	Poverty, Safeguarding	10

Cultural Services				
Foreshore & Lettings (inc. Land Train & Caravans)	Med/High	Final Issued	Economy & Infrastructure	15
St Helen's Ground	Med/Low	Final Issued	Economy & Infrastructure	5
Spot Checks	Med	Final Issued	Economy & Infrastructure	5
Libraries Admin & Central Library*	Med	Final Issued	Economy & Infrastructure	15
Tourism Marketing	Med	Final Issued	Economy & Infrastructure	10
Planning & City Regeneration				
Swansea Market	Low	Deferred	Economy & Infrastructure, Resources & Biodiversity	20
Economic Development – Admin	Med	Final Issued	Economy & Infrastructure, Resources & Biodiversity	10
External Funding Team	Med	Deferred	Economy & Infrastructure, Resources & Biodiversity	5
Planning Services – Administration & Fees	Med	Final Issued	Economy & Infrastructure, Resources & Biodiversity	15
Section 106 Agreements	Med/High	Deferred	Economy & Infrastructure, Resources & Biodiversity	10
Communications & Marketing				
Communications & Public Relations	Med	Final Issued	Transformation & Council Development	10
Corporate Marketing	Low	Deferred	Transformation & Council Development	7
Civic Admin/Mayoral Service/Mansion House*	Med	Final Issued	Transformation & Council Development	10
Design Print	Med	Final Issued	Transformation & Council Development	15
Emergency Planning & Business Continuity*	Med	Final Issued	Transformation & Council Development	10
Health & Safety (inc. Wellbeing)	Med/Low	Final Issued	Transformation & Council Development	10
Financial Services & Service Centre				
Cashiers Office – CCI Reconciliation	Med/High	Final Issued	Section 151 Assurance	5
Write-Off Requests	n/a	Final Issued	Section 151 Assurance	5
Cashiers Write-off's	n/a	Final Issued	Section 151 Assurance	5
Insurance	Med	Final Issued	Section 151 Assurance	10
Taxation – VAT	Med	Deferred	Section 151 Assurance	10
Pension Fund Other Transactions**	Med	Final Issued	Section 151 Assurance	10
AP Project Bank Accounts	New	Deferred	Section 151 Assurance	8
Non-Residential Care	Med/High	Deferred	Section 151 Assurance, Safeguarding	25
Purchase Card Transactions Monthly Review	Med	Final Issued	Section 151 Assurance	10
Purchase Card Administration	Med/Low	Deferred	Section 151 Assurance	15

Application Controls – Foster Care System	Med	Final Issued	Section 151 Assurance	5
Legal, Democratic Services & Business Intelligence				
Coroners Service	Med	Final Issued	Monitoring Officer Assurance	12
Election Expenses (Local Government Elections)	n/a	Deferred	Monitoring Officer Assurance	10
Legal Services Management of Risk	Med	Deferred	Monitoring Officer Assurance	10
Welsh Translation Unit	Med	Final Issued	Monitoring Officer Assurance	10
Commercial Services				
Review of Contracts in IT	New	Deferred	Section 151 Assurance	10
Review of invoices paid with retrospective order placed on Oracle	Med/High	Final Issued	Section 151 Assurance	10
Formal Contracts & Waivers	New	Deferred	Section 151 Assurance	10
Digital & Customer Services Audits				
Blue Badges	Med/Low	Final Issued	Transformation & Council Development	5
Corporate Complaints	Med	Deferred	Transformation & Council Development	8
Corporate Learning & Development Team*	New	Deferred	Transformation & Council Development	5
Management of Absence	Med/High	Deferred	Transformation & Council Development	10
Contract Audits				
Contracts Register	Med	Deferred	Transformation & Council Development	10
Computer Audits				
Internet Controls – Corporate Network	Med/Low	Deferred	Transformation & Council Development	10
Web Development	New	Deferred	Transformation & Council Development	10
Physical & Environmental Controls	Med	Deferred	Transformation & Council Development	10
Software Licences (FAST)	Med	Final Issued	Transformation & Council Development	5
Change Controls (CIPFA Matrix)	Med	Deferred	Transformation & Council Development	5
Change Control –Oracle*	Med	Deferred	Transformation & Council Development	5
Digital Strategy	Med	Deferred	Transformation & Council Development	10
Use of Idea - Data Matching NFI	n/a	Final Issued	Section 151 Assurance	5
Projects & Special Investigations				
Unpresented Cheques	n/a	Final Issued	Section 151 Assurance	5
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
Fundamental Recommendation Tracker Exercise	n/a	Final Issued	Section 151 Assurance	5
Follow-ups	n/a	Final Issued	Section 151 Assurance	20
PSIAS External Inspection	n/a	Final Issued	Section 151 Assurance	10
Miscellaneous Audits				
Swansea Central Phase 1 Programme & City Deal Update	New	Deferred	Transformation & Council Development	10

* Audits deferred from 2021/22 plan.

** Audits issued as final shortly after year end

Cross Cutting Audits – 105 days

Section 151 Officer Assurance – 426 days

Corporate Priorities

Safeguarding (Safeguarding People from Harm) – 412 days

Education (Improving Education and Skills) – 168 days

Economy & Infrastructure (Transforming our Economy and Infrastructure) – 313 days

Poverty (Tackling Poverty) – 170 days

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

Transformation & Council Development (Transformation and Future Council Development) – 165 days

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

Which service area and directorate are you from?

Service Area: Internal Audit

Directorate: Resources

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:

Quarterly report to the Governance and Audit Committee outlining the findings and work undertaken by the Audit Team in the period.

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

n/a – no impact

	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"/>

Integrated Impact Assessment Screening Form

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

Consultation undertaken with the Director of Finance & S151 Officer, Legal, Access to Services, the Corporate Management Team and Heads of Service.

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

Medium risk

Low risk

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes

No

If yes, please provide details below

Council Services included within the Internal Audit planned programme of work for 2021/22 will be subject to internal audit reviews which may result in recommendations being made to improve compliance with Council policies and procedures and consequentially may result in changes to operations/processes within service areas if required.

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.)

To update committee on the work undertaken by Internal Audit in the period.

Integrated Impact Assessment Screening Form

Outcome of Screening

Q8 Please describe the outcome of your screening below:

The completion of the Integrated Impact Assessment Screening revealed that:

- The Quarterly Internal Audit Monitoring Report has a potentially low positive impact across a number of identified groups.
- It has been subject to consultation with the Director of Finance & S151 Officer, Legal and Access to Services.
- All WFG considerations are positive and any risks identified are low.
- The overall impact of the Quarterly Internal Audit Monitoring Report is positive as it will support the Authority in its requirement to protect public funds.

(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.

Screening completed by:
Name: Simon Cockings
Job title: Chief Auditor
Date: 07/04/21
Approval by Head of Service:
Name: Ben Smith
Position: Director of Finance & S151 Officer
Date: 12/04/21 (e-mail)

Please return the completed form to accesstoservices@swansea.gov.uk

Agenda Item 7



Report of the Head of Highways and Transportation

Governance and Audit Committee – 14 June 2023

Fleet Maintenance Audit Report 2022/23

Purpose:	To provide an update on the Fleet Maintenance audit report for the above period
Report Author:	Mark Barrow (Fleet Manager)
Finance Officer:	Paul Roach
Legal Officer:	Debbie Smith
Access to Services Officer:	Catherine Window
For Information	

Internal Audit on Fleet Maintenance – Update June 2023

1. Introduction

- 1.1 As a result of an internal audit on the Fleet Maintenance function carried out in 2023, an assurance level of Moderate was given.
- 1.2 This report addresses the 1 x High Risk (HR) and 2 x Medium Risk (MR) within the Final Internal Audit Report (Appendix A). All other reported risks were either Low Risk (LR) or Good Practice (GP)
- 1.3 A 2023/24 Action Plan has been developed in response to the High Risk (Appendix B).
- 1.4 The action plan sought to address the following High Risk (HR) :
 - (2.4.4) The Councils CPRs must be complied with. All eligible single or aggregated expenditure should be subject to competitive tender or quotations over £10,000. Where this is not possible, a CPR20 Waiver should be obtained (HR).

(Previous audit recommendation made – and accepted – in the 2008/09, 2012/13, 2017/18 and 2019/20 Audits)

Progress to Date : It is acknowledged that previous Audit reports recommendations regarding this risk had been recognised and accepted by the Fleet Manager. The Fleet section was however unable to address the issues during this period due to the constant competing operational fleet priorities, a lack of a 'purchasing' section within the unit and the reliance on the Fleet Manager to specify all Fleet procurement requirements.

Some progress was made in areas of CPR compliance prior to the 2019/20 audit, in particular the adoption of the National Procurement Service for Wales' Framework for Vehicle Parts in 2018.

Following the 2019/20 Audit, a number of items on the respective Action Plan were completed including

- the approval of 5 waivers for various categories of sub contracted vehicle repair works.
- Investment in Fleet Maintenance for vehicle diagnostic equipment removing future CPR compliance issues for these types of expenditures by completing them in house.
- Discussions with Procurement colleagues had begun in April 2019 to address the remaining CPR issues centring on subcontracted repair expenditures.

The Covid pandemic subsequently disrupted business as usual from March 2020, with the unit having to address a full range of additional demands to ensure it could continue to support the front line fleet.

CTU also secured new premises in November 2019, designing and implementing a brand new workshop and fleet facility during the pandemic. The unit successfully transferred in its entirety in March 2021.

The demand on the unit's resources since 2020 has been significant and no further progress has been made to date with regard to the 2019/20 Action Plan as a result.

The 2023/24 Action Plan is expected to be completed by March 2024, subject to available resource, delivering sustained compliance across these areas of expenditure.

1.5 The following Medium Risk (MR) has been addressed :

- (2.1.1) P-Cards and PINs should not be shared amongst other members of staff. This is a condition of the PCard User Agreement.

This was noted as a one off incident, with no further action required as staff were instructed accordingly and fuel cards obtained to address the initial cause of the one-off incident.

1.6 The following Medium Risk (MR) has also been addressed :

- (2.8.7) Stores issues notes must be signed by the officer receiving the items evidencing receipt of the goods.

This relates to inventory and direct materials items and staff have been instructed accordingly

- 1.7 For the purposes of context, the Fleet section as a whole has a current budgeted expenditure of approximately £9.054 million per annum, of which £350,000 (3.86%) is deemed non-compliant with CPRs in 2022/23.

2. Integrated Impact 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.

- 2.2 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'.

- 2.3 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.

- 2.4 An Integrated Impact Assessment Screening Form has been completed with the agreed outcome that a full IIA report was not required:

- The reasons for this outcome were that there were no cumulative impacts or subsequent mitigation necessary as it addresses the non-compliance issues with internal financial and procurement processes. There are no WFG considerations or risks.

- The IIA Screening Form is attached as a background paper (Appendix C).

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 - Final Internal Audit Report – Fleet Maintenance 2022/23

Appendix B - Fleet Maintenance Action Plan 2023/24

Appendix C - Equality Impact Assessment Screening Form



Draft Internal Audit Report
Highways and Transportation
Fleet Maintenance 2022/23

1. Introduction

- 1.1 An internal audit has recently been completed of the Fleet Maintenance function carried out by the Central Transport Unit (CTU) within the Highways and Transportation Service.
- 1.2 The audit included the review and testing of controls established by management over the following areas:
- Purchase Card (P-Card)
 - Expenditure
 - Personnel
 - Inventory
 - Petty Cash
 - Third Party Recharges / Income
 - Drivers & Vehicle Fleet
 - Routine Safety Inspections Services & Stores of Oil, Tools & Tyres
 - GDPR
- 1.3 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.
- 1.4 Fleet Maintenance was last audited during 2019/20 where there were fifteen recommendations and the audit opinion rating awarded was 'Moderate'.
- 1.5 The work carried out and findings arising from this audit are stated in the report below. Recommendations made to address the findings encountered are included in the attached Management Action Plan.

2. Work Done / Findings

2.1 Purchase Card Usage (P-Card)

- 2.1.1 It was established that there are four P-Cards held by staff in the Section and we were advised that the cards and PIN numbers are kept secure. However, during discussions, it was highlighted by the Fleet Admin Officer that her P-card had been taken by the Fleet Engineer on a trip to collect a vehicle to purchase fuel. This issue was discussed with the Fleet Manager who pointed out that there are fuel cards that should be used to purchase fuel in these circumstances, and that the P-card should not have been used in this way.
- 2.1.2 A sample of ten purchases made using the P-Card's during the period April 2021 to December 2022 were reviewed, and checked for compliance with the Council's

Policy on the Use of Purchase Cards. The only issue highlighted (in addition to point 2.1.1 above) was that a VAT receipt had not been obtained for the purchase of fuel and the VAT element had not been reclaimed.

Card Holder	Supplier	Gross Amount	Date
WG	Welcome Break	£149.99	11.10.22

2.2 Expenditure

2.2.1 A sample of twenty invoices was selected and testing undertaken to confirm the expenditure complied with the Council's Accounting Instructions, Contract Procedure Rules and current Spending Restrictions.

2.2.2 It was found that nine of the purchase orders had been created after the invoice had been received. This is contrary to the guidance in Accounting Instruction No 4. We were informed by the buyers that it was not always possible to complete orders in advance as the accurate costs of the goods is not known at the time of purchase.

2.2.3 It was also noted that for eighteen of the purchases tested, the same officer had requested, authorised and receipted the purchase order in Oracle. Whilst the system allows this, it is contrary to audit best practice and a potential weakness in the system. We wish to highlight this to management within the Service because if a division of duty is not introduced, it may result in the Service having to bear the cost of any possible loss. This point is for information only.

2.2.4 All seventeen suppliers for 2022/23 with a cumulative spend of over £10k, were checked to ensure compliance with the Council's Contract Procedure Rules. It was found that for all suppliers, no current Contract was in place or relevant CPR20 Waiver completed. These were:

Supplier	Amount
Fleetwheel (Swansea) Ltd	£242,892.61
Micheldever Tyre Services Ltd T/A Harris Brothers	£122,197.12
Dennis Eagle Ltd	£108,035.24
GWE Developments Ltd	£97,500.00
Car Hire (Day Of Swansea) Ltd	£71,929.13
CEM Day Ltd	£45,178.15
Neath Coachbuilders Ltd	£42,389.07
Enterprise Flex-E-Rent	£35,157.76
Totalkare Heavy Duty Workshop Solutions Ltd	£33,387.60
RND Motor Services	£33,040.95
Barclaycard Commercial	£28,940.95
Watts Truck & Van (Swansea) Ltd	£24,771.80
City Electro Diesel Services	£17,132.00
Swansea Bay Commercials Ltd	£12,044.18
SA1 MOT Centre	£11,105.00
Bucher Municipal Ltd	£10,946.04
Ken Williams Motors Ltd	£10,480.64
Grand Total	£947,128.24

2.3 Personnel

- 2.3.1 A report of all employees allocated to the Team's budgets was obtained from Employee Services. This was presented to the relevant Manager for confirmation and was found to be correct.
- 2.3.2 A sample of ten overtime claims by employees for the financial year 2022/23 was selected for testing to ensure that they had been approved by an authorised signatory and had been paid at the correct rate. All testing was found to be satisfactory.
- 2.3.3 It was noted during the testing of overtime payments, that the fitters at the unit are earning high levels of overtime. This was questioned during the audit and we were informed that the hours worked were reasonable and in accordance with the service needs. Further discussions were held during the audit closure meeting, and the Fleet Manager suggested it would be worthwhile revisiting the Business case for the level of overtime worked by fitters.
- 2.3.4 It was confirmed during the audit that all staff at the depot are working flexi time and are on the Council's electronic Flexi System.

2.4 Inventory

- 2.4.1 The Inventory records were reviewed for compliance with Accounting Instruction No. 9, and it was found that an annual physical check had not been undertaken by someone other than the officer responsible for maintaining the Inventory. Also, an Inventory Certificate had not been completed for 2022/23.
- 2.4.2 It was also noted that the Inventory records for the Workshop and Offices did not record the make, model and serial number of all electrical items.
- 2.4.3 A sample check of twenty items was selected from the Inventory records and checked to their physical location and vice versa. All testing was satisfactory.

2.5 Petty Cash

- 2.5.1 It was established that a Petty Cash Imprest Account totalling £100.00 was held by the Service. A reconciliation of the account was carried out during the audit and all was found to be satisfactory.
- 2.5.2 Only one claim had been made during the last financial year and so this petty cash claim was checked to confirm receipts supported the payments made, and that VAT had been correctly reclaimed. Again, all testing was satisfactory.

2.6 Third Party Recharges / Income

- 2.6.1 Testing was undertaken to confirm that all Journals to recharge various internal costs to the relevant cost centres had been actioned and were up to date. All testing was satisfactory.
- 2.6.2 Checks were also carried out to confirm that invoices had been raised promptly to recharge Schools for all costs incurred. As part of the testing carried out ten individual invoices were selected for review. All testing was again satisfactory.

2.7 **Drivers & Vehicle Fleet**

- 2.7.1 Individual services in the Council are responsible for ensuring that drivers are briefed on their responsibilities for driving Council vehicles and completing daily safety check logs. It was confirmed that the handbook detailing those requirements was held on Staffnet and available to all staff for reference.
- 2.7.2 We were informed that Daily Safety Check Sheets are required to be completed and forwarded to the Fleet Office on a weekly basis. The DVLA require that for HGV vehicles, logs are retained for inspection if needed.
- 2.7.3 A check was carried out to confirm that the number of HGV vehicles in the fleet was within the maximum allowed by the Council's Operators Licence. This check proved satisfactory.

2.8 **Routine Safety Inspections / Services & Stores of Oil, Tools & Tyres**

- 2.8.1 As stated above, individual services in the Council are responsible for ensuring that Daily Safety Check sheets are sent to CTU on a weekly basis and retained. A sample check of ten HGV vehicles was carried out to confirm vehicle logs were being completed, received and retained in the Fleet Office. All testing was satisfactory.
- 2.8.2 A further check was carried out on a sample of ten HGV vehicles in the fleet to confirm that vehicle inspections and servicing had been carried out at the required intervals, and that records were retained of work undertaken. All testing was satisfactory.
- 2.8.3 A report was obtained from the Council's Accounts Payable system listing direct purchases of parts that had been acquired over the last year. A sample of ten purchases was checked to ensure that there was a job card that evidenced each part had been fitted onto the fleet vehicle. All testing was satisfactory.
- 2.8.4 A sample of ten vehicles was selected to check that they had a valid HGV test or MOT as required. This test proved satisfactory.
- 2.8.5 Testing was carried out to confirm that drivers were completing Daily Safety Check sheets and that monitoring was taking place as required. This test proved satisfactory.
- 2.8.6 A test was undertaken on a sample of ten vehicles to confirm that all inspections and maintenance was formally recorded and that records were held for at least fifteen months. This test proved satisfactory.
- 2.8.7 A brief review of procedures in the Stores with regards to the issuing of direct materials and stores equipment was carried out to assess if the current controls were adequate. It was highlighted that the Vehicle Fitters were not signing the stores issue notes to evidence receipt of the parts.
- 2.8.8 We were informed that the fitting of tyres for the vehicles is undertaken by an external contractor who has a staff member based at the depot. A brief review of this arrangement was carried out to ensure it was functioning correctly and adequately monitored. It was found that:

- a) Job cards are issued to authorise the fitting of tyres to a vehicle, and these job cards are checked against the invoices received from the Contractor prior to invoices being paid.
- b) The stock of tyres held by the contractor is mixed, with a supply of part-worn tyres belonging to CTU. We were informed that stock records are maintained to detail the amount of part worn tyres held at the depot and this should be checked periodically. Testing revealed however, that this stock record had not been checked or updated since March 2022.

2.9 **GDPR**

- 2.9.1 Employees GDPR mandatory training and the retention of physical / electronic records were discussed with the Manager.
- 2.9.2 We were informed during the review that not all staff had completed the mandatory GDPR training.
- 2.9.3 It was confirmed during the audit that staff were aware of document retention periods.

3 **Conclusion**

- 3.1 The Internal Audit Section operates a system of Assurance levels which give a formal opinion of the achievement of the service's/systems' control objectives. The Assurance levels vary over four categories: 'High', 'Substantial', 'Moderate' and 'Limited'.
- 3.2 Recommendations arising from this review are detailed in the attached Management Action Plan. Each recommendation has been prioritised according to perceived risk – High, Medium, Low and Good Practice. The overall Assurance level is based on the recommendations made in the report.
- 3.3 The description of each type of recommendation and also the basis for each of the Assurance levels is noted in **Appendix 1**.
- 3.4 Based on the testing undertaken, it was found that whilst a number of procedures were operating satisfactorily, there were some where significant improvement was required, namely compliance with CPR's. It was also noted that previous Internal Audit recommendations requiring all procurement to comply with the Council's CPR's had not been implemented and this had been recommended (and accepted) in the 2008/09, 2012/13 2017/18 and 2019/20 Internal Audit reports.
- 3.5 As a result, an Assurance Level of '**Moderate**' has been given. This indicates that the ineffective controls represent a significant risk to the achievement of system objectives.
- 3.6 We will contact you in due course to confirm that you have implemented the agreed recommendations.
- 3.7 This audit was conducted in conformance with the Public Sector Internal Audit Standards.

Classification of Audit Recommendations

Recommendation	Description
High Risk	Action by the client that we consider essential to ensure that the service / system is not exposed to major risks .
Medium Risk	Action by the client that we consider necessary to ensure that the service / system is not exposed to significant risks .
Low Risk	Action by the client that we consider advisable to ensure that the service / system is not exposed to minor risks .
Good Practice	Action by the client where we consider no risks 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.

**CITY AND COUNTY OF SWANSEA
MANAGEMENT ACTION PLAN
FLEET MAINTENANCE 2022/23**

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
Purchase Cards (P-Cards)					
2.1.1	P-Cards and PIN's should not be shared amongst other members of staff. This is a condition of the P-Card User Agreement. <i>(Previous audit recommendation)</i>	MR			
2.1.2	VAT receipts should be obtained for all P-Card vatable purchases and the VAT element reclaimed. <i>(Previous audit recommendation)</i>	LR			
Expenditure					
2.2.2	A purchase order must be created before all goods and / or services are procured. <i>(Previous audit recommendation)</i>	LR			
2.2.4	CPR's must be complied with. All eligible single or aggregated expenditure should be subject to competitive tender or quotations over £10k. Where this is not possible, a CPR20 Waiver should be obtained. <i>(Previous audit recommendation made - and accepted - in the 2008/09, 2012/13, 2017/18 and 2019/20 Internal Audits)</i>	HR			
Personnel					

2.3.3	The Fleet Manager should review the Business Case in relation to the overtime hours worked by fitters.	LR			
Inventory					
2.4.1	A physical check of the Inventory should be undertaken annually by an officer who is not responsible for maintaining the Inventory, and an Inventory Certificate completed.	LR			
2.4.2	The make, model and serial number of all electrical items should be recorded in the inventory.	GP			
Routine Safety Inspections/Services/Stores/Tools & Tyres					
2.8.7	Stores issue notes must be signed by the officer receiving the items evidencing receipt of the goods.	MR			
2.8.8	The stock record maintained of Part Worn tyres should periodically be reviewed and updated to confirm its accuracy.	LR			
2.9.2	All staff to undertake the Councils mandatory GDPR training course.	LR			

FLEET MAINTENANCE AUDIT 2022/23 ACTION PLAN – KEY RECOMMENDATION 2.4.4

The Councils CPRs must be complied with. All eligible single or aggregated expenditure should be subject to competitive tender or quotations. Where this is not possible, a CPR20 Waiver should be obtained.

(Previous audit recommendation made – and accepted – in the 2008/09, 2012/13, 2017/18 and 2019/20 Audits)

Risk Class – HR

Agreed Actions/Comments – Agreed. Action plan targeting the various types of expenditure streams to be produced to begin to address and resource issue raised with HoS.

Area of Expenditure	Action	Responsible Officer/Resource	Deadline	Issues/Status
Hired Vehicle Damage Repairs (261-26003-200021-20012)	Submit Waiver for approval up to May 2024. Subsequent diary dating for cyclical waiver application	Fleet Manager	Jun 2023	
Sub Contracted Body Repairs (261-26003-200021-20014)	Submit Waiver for approval up to May 2024 to cover interim period until proposed framework established Specify, tender and award collaborative DPS framework for respective categories of vehicle body repairs	Fleet Manager Fleet Manager Procurement Neath PT Council	Jun 2023 May 2024	Available CCS resource to undertake
Sub Contracted Vehicle Repairs (261-26003-200021-20015)	Submit Waiver for approval up to May 2024 to cover interim period until proposed framework established Establish sub categories for types of repairs accumulated in overall code expenditure, to determine appropriate process for CPR compliance	Fleet Manager Fleet Manager	Jun 2023 Jun 2023	Pending closure of 22/23 financial year

Appendix B

	<p>Create new differentiated GL code structure for expenditure type to allow improved future monitoring of respective repair types spend and CPR compliance processes.</p> <p>Specify, tender and award collaborative DPS framework for respective categories of vehicle body repairs</p> <p>and/or</p> <p>Submit Waivers where appropriate. Subsequent diary dating for cyclical waiver application</p>	<p>Fleet Manager Finance</p> <p>Fleet Manager Procurement Neath PT Council</p> <p>Fleet Manager</p>	<p>Jul 2023</p> <p>May 2024</p> <p>From Jun 2023</p>	<p>Available CCS resource to undertake</p> <p>Subject to repair sub categories aggregated spend</p>
<p>Light Vehicle MOTs (261-26003-200021-20016)</p>	<p>Submit Waiver for approval to May 2024.</p> <p>Light commercial vehicle MOT testing to be taken in house post May 2024, removing future CPR compliance issue.</p>	<p>Fleet Manager</p> <p>Fleet Manager</p>	<p>Jun 2023</p> <p>May 2024</p>	
<p>HGV MOTs (261-26001- 200021-00000)</p>	<p>Submit Waiver for approval up to May 2024.</p> <p>Subsequent diary dating for cyclical waiver application.</p>	<p>Fleet Manager</p>	<p>Jun 2023</p>	
<p>Vehicle Steam Cleaning (261-26003-200021-20018)</p>	<p>Include as category in the Sub Contracted Vehicle Repairs DPS Framework (see above)</p>	<p>Fleet Manager Procurement Neath PT Council</p>	<p>May 2024</p>	<p>Available CCS resource to undertake</p>

Appendix B

Windscreens and Body Glass (261-26003-200021-20019)	Include as category in the Sub Contracted Vehicle Repairs DPS Framework (see above)	Fleet Manager Procurement Neath PT Council	May 2024	Available CCS resource to undertake

Integrated Impact Assessment Screening Form – Appendix C

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

Which service area and directorate are you from?

Service Area: Highways and Transportation

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
- Other

(b) Please name and fully describe initiative here:

Report to Special Audit Committee – Fleet Maintenance Audit Report 2022/23

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	No Impact
	+	-	+	-	+	-		
Children/young people (0-18)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Older people (50+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Any other age group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Future Generations (yet to be born)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Race (including refugees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Asylum seekers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gypsies & travellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Religion or (non-)belief	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sex	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Welsh Language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Poverty/social exclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Carers (inc. young carers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Community cohesion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pregnancy and maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Integrated Impact Assessment Screening Form – Appendix C

Human Rights

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

The internal audit team have highlighted recommendations based on their finding in the Fleet Maintenance Audit 2023. The Central Transport Unit have discussed the findings with the Head of Service and Procurement section as a pre-cursor to establishing an Action Plan 2023/24 to address the issues. Discussions have also been held with Neath Port Talbot CBC with regard to undertaking 2 collaborative and mutually beneficial tendering exercises.

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

Medium risk

Low risk

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes

No

If yes, please provide details below

Q7 Will this initiative result in any changes needed to the external or internal website?

Yes

No

If yes, please provide details below

Integrated Impact Assessment Screening Form – Appendix C

Q8 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?

This Report addresses non compliance issues with internal financial and procurement processes and has no cumulative impact on people and/or communities

Outcome of Screening

Q9 Please describe the outcome of your screening using the headings below:

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


The IIA screening has been undertaken and confirm there are no cumulative impacts or subsequent mitigation necessary as it addresses the non compliance issues with internal financial and procurement processes. There are no WFG considerations or risks.

(NB: This summary paragraph should be used in the ‘Integrated Assessment Implications’ 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.

Screening completed by:
Name: Mark Barrow
Job title: Fleet Manager
Date: 22 nd May 2023
Approval by Head of Service:
 RE IIA Report to Special Audit Commit
Name:
Position: Head of Service Highways and Transportation
Date: 25th May 2023

Please return the completed form to accesstoservices@swansea.gov.uk

Agenda Item 8



Report of the Interim Director of Corporate Services

Governance and Audit Committee – 14 June 2023

Accounts Receivable

Purpose:	To provide an update for the Service Centre, Accounts Receivable Function.
Policy Framework:	None
Consultation:	Legal, Finance and Access to Services
Recommendation(s):	It is recommended that the Governance and Audit Committee notes the content of the report.
Report Author:	Rachael Davies (Head of HR and Service Centre) & Michelle Davies (Cash Management & Accounts Receivable Manager)
Finance Officer:	Ben Smith (Director of Finance & S151)
Legal Officer:	Debbie Smith (Deputy Chief Legal Officer)
Access to Services Officer:	Catherine Window (Equalities Policy Development Officer)

Internal Audit on Accounts Receivable Function – Update June 2023

1. Introduction

- 1.1 An internal audit follow up review of the Accounts Receivable (AR) was carried out in Quarter 1 2023 and the report was issued in March 2023. An assurance level of Moderate was again given. The detail below summarises the reasons and progress since January 2023 to date.
- 1.2 There were 14 action points arising from the review including 1 High Risk and 2 Medium Risk action points. Appendix B sets out all of the outstanding action points and work to complete these will be undertaken over the coming months, however implementation of the Oracle Fusion system will continue to take priority for the next few months. Appendix B shows the expected completion dates for the actions except for those discussed below which will take longer. These are detailed below:

Action point reference	Risk rating	Detail
3.6.5	HR	All invoices should be escalated on a timely basis in accordance with established protocols. Where debtors have not paid within the timescales allowed, a decision should be made on whether to refer the invoice to Legal or submit for write-off. (Previous audit recommendation)
3.6.6	MR	The backlog of unpaid invoices should be addressed at the earliest opportunity. (Previous audit recommendation)
3.6.8	MR	Appropriate follow-up procedures with debtors or services and diarising of invoice reviews should be carried out by officers in the AR team as a matter of routine. (Previous audit recommendation)

1.3 The Cash Management and Accounts Receivable Manager has reported to the Governance & Audit Committee periodically over the last 3 years and all Committee actions have been implemented.

1.4 The last report to the Governance and Audit Committee was in January 2023.

2.0 Progress summary January to May 2023

2.1 The three audit recommendations and actions undertaken to address them are detailed below:

2.2 **3.6.5 All invoices should be escalated on a timely basis in accordance with established protocols. Where debtors have not paid within the timescales allowed, a decision should be made on whether to refer the invoice to Legal or submit for write-off.**

This recommendation has been implemented – debt recovery activities (DRA) meetings are held monthly and continue to ensure focus is directed to audit action plan priorities and to the debt recovery strategy. Priorities are regularly reviewed and progress is monitored. The team are continuing to focus on completing a review of the oldest debts, all high value debts, outstanding debts to large businesses and organisations and the ‘Refer to Legal’ reconciliation. Data reviews are carried out every 6 months to analyse the outstanding debt and move the lens to shift activities onto a different debt area. The team are currently working through these priorities and have regular review meetings.

The AR team continues to make progress with referring outstanding debts to Legal with a further 51 invoices totalling £102,889 referred to Legal in the period January to May 2023.

All write offs as at February 2023 have been approved and closed on the Accounts Receivable system. This includes the pending write offs that were referred to in the January 2023 committee meeting. In addition, the debt write-off procedure in Part 4.6 (Financial Procedure Rules) of the Council’s

constitution has been reviewed and approved in March 2023. The AR total amount of outstanding unpaid debt that has been written off in the financial year 2022/2023 is £606,678.47 in respect of 583 invoices. Of this annual total £409,398.38 was written off in March 2023 following the Council constitution change approved in the Cabinet meeting of 30th March 2023.

2.3 3.6.6 The backlog of unpaid invoices should be addressed at the earliest opportunity.

The aged debt position is detailed below. The previously reported figure has been left in for comparison to the current reported figure. The Committee is asked to note the following points:

- The Oracle Fusion system cutover in April has impacted the ability of the AR Team to carry out debt recovery activities. This is for a number of reasons including the system blackout period, undertaking system training and a requirement to check all process and functionality thoroughly as well as being involved in the resolution of the system early-life issues.
- Despite the above challenges a static position has been maintained in the category of debt over 365 days old.
- Although there is an increase of 14% of debt in the category 60-365 days old, 75% of the value of this debt is younger than 4 months old (119 days)
- All aged debt figures are snapshots and the outstanding debt position changes daily.

Month	Total Due	>365 Days	60 - 365 Days	0 - 59 Days
Nov 2022	11,176,168	2,270,466	1,184,328	7,721,374
		20% of Total Due	11% of Total Due	69% of Total Due
May 2023	10,261,317	2,124,290	2,591,259	5,545,768
		20% of Total Due	25% of Total Due	55% of Total Due

2.4 3.6.8 Appropriate follow up procedures with debtors or services and diarising of invoice reviews should be carried out by officers in the AR team as a matter of routine.

As outlined earlier in the report, **debt recovery activities (DRA) meetings** are held monthly and continue to ensure focus is directed to audit action plan priorities and to the debt recovery strategy. Priorities are regularly reviewed and progress is monitored. The team are continuing to focus on completing a review of the oldest debts, all high value debts, outstanding debts to large businesses and organisations and the 'Refer to Legal' reconciliation. Data reviews are carried out every 6 months to analyse the outstanding debt and move the lens to shift activities onto a different debt area. The team are currently working through these priorities and have regular review meetings.

Directors and Heads of Service receive a monthly report on outstanding debt that is older than 60 days and are issued with instructions on guidance on how to address.

3.0 Challenges remaining:

- 3.1 The implementation of Oracle Fusion continues to impact the performance of the AR team as the staff are continuing to learn the new system as well as supporting the wider system user community. They are also involved in identifying and testing technical issues. In addition there are also some functionality features that Oracle provided in the previous system that are not currently available in the new system that is causing longer processing times and decreased flexibility. This latter point is primarily restricted to invoices being collected by direct debit payment method. It is hoped that this functionality will be provided in future releases on the software product.

The global economic situation continues to impact the Council's ability to collect outstanding debts and this is expected to have far-reaching impacts. The AR section continues to apply a flexible collection policy and seeks to negotiate with all debtors wherever possible.

The implementation of the Statutory Debt Repayment Plan (under the Breathing Space regulatory umbrella) has been delayed following creditor consultation but is still expected to impact creditors once implemented. The likely implementation date is now 2024 so this remains a future challenge.

4. Integrated Assessment Implications

- 4.1 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

- 4.2 An IIA has been undertaken which has identified minimal impacts in relation to this report (Appendix A). The report covers debt recovery strategy and performance. The AR strategy takes into account the ability of the individual to pay the debt and ensures that they are not placed into poverty as a result of debt recovery activities. The strategy also has responsibility to protect the public purse so all activities are appropriate to the individual by taking into account their circumstances whilst aiming to recover monies due to the Authority.

5. Financial Implications

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

6. Legal Implications

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

Background Papers: None.

Appendices: Appendix A – IIA Form.
Appendix B – Accounts Receivable Internal Audit Report Action Plan Points.

APPENDIX A

Integrated Impact Assessment Screening Form

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

Which service area and directorate are you from?

Service Area: HR and Service centre

Directorate: Corporate Services

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
- Other

(b) Please name and fully describe initiative here:

The report covers debt recovery strategy and performance. The AR strategy takes into account the ability of the individual to pay the debt and ensures that they are not placed into poverty as a result of debt recovery activities. The strategy also has responsibility to protect the public purse so all activities are appropriate to the individual by taking into account their circumstances whilst aiming to recover monies due to the Authority.

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

Impact	High Impact		Medium Impact		Low Impact		Needs further No Investigation
	+	-	+	-	+	-	
Children/young people (0-18)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Older people (50+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Any other age group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Future Generations (yet to be born)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Asylum seekers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Religion or (non-)belief	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Welsh Language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Carers (inc. young carers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Marriage & civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Human Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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**

Not applicable

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

Medium risk

Low risk

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes No If yes, please provide details below

Q7 Will this initiative result in any changes needed to the external or internal website?

Yes No If yes, please provide details below

Q8 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.)

Outcome of Screening

Q9 Please describe the outcome of your screening using the headings below:

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

The report covers debt recovery strategy and performance. The AR strategy takes into account the ability of the individual to pay the debt and ensures that they are not placed into poverty as a result of debt recovery activities. The strategy also has responsibility to protect the public purse so all activities are appropriate to the individual by taking into account their circumstances whilst aiming to recover monies due to the Authority.

(NB: This summary paragraph should be used in the **‘Integrated Assessment Implications’** 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.

Screening completed by:
Name: Michelle Davies
Job title: Cash Management & Accounts Receivable Manager
Date: 26/05/2023
Approval by Head of Service:
Name: Rachael Davies
Position: Head of HR & Service Centre
Date: 26/05/2023

Please return the completed form to accesstoservices@swansea.gov.uk

APPENDIX B

Accounts Receivable internal audit report action plan points

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
Interfaces					
2.1.4	All emails from services relating to the reconciliation of their interfaces should be saved on the AR server for evidence. <i>(Previous audit recommendation)</i>	GP	A reminder will be issued to the AR team	MD	April 2023
Disputes					
2.2.5	Officers in AR team should use diary entries on Outlook when dealing with disputed invoices to ensure the timely recovery action is taken. <i>(Previous audit recommendation)</i>	LR	A reminder will be issued to the AR team	MD	April 2023
2.2.6	Income should be clawed back from a service if a "Dispute" is not resolved within six months. <i>(Previous audit recommendation)</i>	LR	The periodic dispute review process will be reviewed to ensure that all disputed invoices are followed up	MD/LB	June 2023
Invoices					
3.3.1	The Daily Transaction register should be checked thoroughly to ensure there are no gaps in the invoice numbering and any invoices not in sequential order should be reviewed and recorded in the Deleted Items spreadsheet.	LR	A reminder will be issued to the AR team	MD	April 2023
Debt Recovery					
3.6.4	Staff should be reminded of the importance of creating the correct profile in the Customer Account to ensure "Dunning" reminders are issued.	LR	A reminder will be issued to the AR team	MD	April 2023

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
3.6.5	All invoices should be escalated on a timely basis in accordance with established protocols. Where debtors have not paid within the timescales allowed, a decision should be made on whether to refer the invoice to Legal or submit for write-off. (Previous audit recommendation)	HR	This area of work will be given priority once the Oracle Fusion project has been implemented and bedded in. However it should be noted that progress levels will depend on the available resource on the AR team	MD/LB	
3.6.6	The backlog of unpaid invoices should be addressed at the earliest opportunity. (Previous audit recommendation)	MR	This area of work will be given priority once the Oracle Fusion project has been implemented and bedded in. However it should be noted that progress levels will depend on the available resource on the AR team	MD/LB	
3.6.8	a) Appropriate follow-up procedures with debtors or services and diarising of invoice reviews should be carried out by officers in the AR team as a matter of routine. (Previous audit recommendation)	MR	This area of work will be given priority once the Oracle Fusion project has been implemented and bedded in. However it should be noted that progress levels will depend on the available resource on the AR team	MD/LB	
3.6.8	b) Invoices on "Awaiting Evidence" status should be reviewed on a bi-monthly basis.	LR	This area of work will be given priority once the Oracle Fusion project has been implemented and bedded in.	MD/LB	March 2024
Invoices with Legal					

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
3.7.3	A review of all invoices with the status of "Referred to Legal" should be carried out with officers in Legal Services. <i>(Previous audit recommendation)</i>	LR	This area of work will be given priority once the Oracle Fusion project has been implemented and bedded in. However it should be noted that progress levels will depend on the available resource on the AR team and the Legal Debt Recovery team	MD/LB	March 2024
Write-Offs					
3.8.2 b)	Write-off proformas/email instructions should be saved to the customer's account on the AR server in all instances.	LR	A reminder will be issued to the AR team	MD	April 2023
3.8.2 c)	Invoices on the Oracle AR system should be updated with the Write-Off status in a timely manner.	GP	A reminder will be issued to the AR team	MD	April 2023
Refunds					
3.9.2	Refund approval notes should always be input on to the "Invoice Notes" screen in the AR system. <i>(Previous audit recommendation)</i>	GP	Investigations revealed that notes were being made on the debit memo rather than the invoice by one member of staff. This has now been corrected	MD	Implemented
GDPR/Data Retention					
3.11.3	All physical/electronic records must be disposed of in accordance with the Council's official retention policy. <i>(Previous audit recommendation)</i>	LR	The team will work on this area of work when workloads allow	LB	March 2024

Agenda Item 9



Report of the Head of HR and Service Centre / Workforce and Helpdesk Manager

Governance and Audit Committee – 14 June 2023

Disclosure and Barring Service (DBS) 2022/23

Purpose:	To provide an update on the Disclosure and Barring (DBS) 2022/23 internal audit report.
Policy Framework:	None.
Consultation:	Legal, Finance and Access to Services.
Report Author:	Rachael Davies & Emma Johnson
Finance Officer:	Jeff Dong (Deputy Chief Finance Officer & Deputy S151)
Legal Officer:	Debbie Smith (Deputy Chief Legal Officer)
Access to Services Officer:	Catherine Window (Equalities Policy Development Officer)
For Information	

Internal Audit on Disclosure and Barring Service (DBS) 2022/23

1. Introduction

- 1.1 The Disclosure and Barring Service (DBS) 2022/23 Audit was carried out in Quarter 3 2022 and the Final report was issued in February 2023. An assurance level of Moderate was given. The detail below summarises the reasons and progress to date.
- 1.2 There are 2 High Risk and 1 Medium Risk action points, all of which have been reviewed and action taken to remedy where appropriate. In addition to the recommendations provided in the audit report, proactive work has been carried out with the Education service to increase awareness of the importance of the DBS process being completed in a timely manner, further detail of which is included later in this report. For clarity, the action points referred to in this report are:

Action point reference	Risk rating	Detail
2.5.1	HR	A robust process should be established to ensure that all employee(s) have a risk assessment (RA1) conducted and sent to the Service Centre in the interim period whilst awaiting receipt of the DBS.
2.7.2	MR	DBS returns should be updated on Oracle in a timely manner to ensure the correct status is held and to avoid employee details being listed on the renewal spreadsheet. RA1 forms received from service departments should be uploaded to Oracle in a timely manner.
2.7.4	HR	A robust system should be put in place to ensure that DBS renewals are completed for all staff prior to expiry. A full review of all school employees should be undertaken to ensure that all DBS' are current/renewed as soon as possible

2. Progress to date

2.1 Update on actions

2.5.1 Risk assessments are approved by the Workforce and Helpdesk Manager upon receipt within the Service Centre. The monthly renewal report identifies any employees who are due to renew their current DBS in the next 120 days and those employees without a current DBS certificate. Action is taken to remind managers/Head teachers of the requirement to submit a risk assessment for those employees whose DBS has expired.

2.7.2 A daily Certificate report is run from the Ebulk system and details entered onto Oracle. RA1 forms are uploaded to Oracle daily.

2.7.4 The first notification of an upcoming DBS expiry date is 120 days ahead of the expiry date. Employees are emailed log in details and a link to complete their DBS renewal with continuing reminders every 5 calendar days if the renewal is not completed.

2.2 Policy and awareness raising

The DBS policy has been reviewed and updated, receiving approval at JCC on 11th May 2023.

The Service Centre Helpdesk Team Leader attended the School Admin Forum on 16th May 2023 to present changes to DBS policy and to remind Schools of the DBS process and their responsibilities.

The following actions have been completed by the Education service to promote awareness of the importance of DBS checks and risk assessments being completed in a timely manner:

- Advise Chair of Governors of their responsibility/accountability at Spring term meeting with Education Director – Completed 1st March 2023
- Repeat message in Spring term Governor newsletter (Safeguarding Governor focus) – Completed 24th March 2023
- Similar message in Education Department newsletter – HT and Business Mgr audience – Completed 27th March 2023
- Repeat message at Admin Forum - Completed 16th May 2023
- Include report from Service Centre on monthly School Issues meetings – first meeting completed 22nd March 2023

3. Future actions

- 3.1 A review of the escalation route will be undertaken to query whether referral for escalation has the most appropriate impact.
- 3.2 Quarterly reporting to CMT will be provided on the risk assessment return compliance rate and any outstanding renewals.
- 3.2 Further work will be explored with the DBS umbrella body to ascertain whether automation between systems would be a future development opportunity to mitigate against human error when transferring data between the ebulk system and Oracle.
- 3.3 The Service Centre will investigate whether the DBS update service could provide an alternative route to the renewal process and the potential costs involved.

4. Integrated Assessment Implications

- 4.1 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

4.2 An IIA screening has been undertaken which has identified minimal impacts in relation to this report (Appendix A).

5. Financial Implications

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

6. Legal Implications

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

Background Papers: None.

Appendices:

Appendix A Integrated Impact Assessment Screening Form

Appendix B Final Audit Report - Disclosure and Barring Service (DBS) 2022/23

Integrated Impact Assessment Screening Form

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

Which service area and directorate are you from?

Service Area: HR and Service centre

Directorate: Corporate Services

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, 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
- Other

(b) Please name and fully describe initiative here:

The Disclosure and Barring Service (DBS) helps employers make safer recruitment decisions each year by processing and issuing DBS checks. DBS also maintains the Adults’ and Children’s Barred Lists, and makes considered decisions as to whether an individual should be included on one or both of these lists and barred from engaging in regulated activity. The DBS is a back office function within Swansea Council and there is no need for any consultation.

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

Impact	High Impact		Medium Impact		Low Impact		Needs further No Investigation
	+	-	+	-	+	-	
Children/young people (0-18)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Older people (50+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Any other age group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Asylum seekers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Religion or (non-)belief	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Welsh Language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Carers (inc. young carers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Marriage & civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>				
Human Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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

Not applicable

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

Medium risk

Low risk

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes

No

If yes, please provide details below

Q7 Will this initiative result in any changes needed to the external or internal website?

Yes

No

If yes, please provide details below

Q8 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.)

Outcome of Screening

Q9 Please describe the outcome of your screening using the headings below:

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

There is no impact to the groups set out in Q2. All WFG considerations are met and all risks identified are low. There are no changes to the internal and external websites needed.

(NB: This summary paragraph should be used in the **‘Integrated Assessment Implications’** 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.

Screening completed by:
Name: Emma Johnson
Job title: Workforce and Helpdesk Manager
Date: 23/05/2023
Approval by Head of Service:
Name: Rachael Davies
Position: Head of HR and Service Centre
Date: 23/05/2023

Please return the completed form to accesstoservices@swansea.gov.uk



Final Internal Audit Report
Human Resources and Service Centre
Disclosure and Barring Service (DBS) 2022/23

1. Introduction

- 1.1 A review has recently been undertaken of Disclosure and Barring Service (DBS) applications, administered by the Service Centre Helpdesk within Human Resources and Service Centre.
- 1.2 The scope of the review covered the following:
- Internal Procedures
 - Processing of DBS Applications
 - Review of Posts
 - Reports and Monitoring
 - DBS Checks – New Starters
 - DBS Checks - Existing Employees
 - DBS Renewals
 - Payments to Powys County Council
 - Re-charging of Departments
 - System Access / Confidentiality
 - GDPR and Data Retention
- 1.3 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.
- 1.4 The last audit was undertaken in 2019/20 where there were 12 recommendations and an Assurance Level of “Moderate” was awarded. Two follow up reviews were then carried out, one in March 2020 and one in November 2020, where audit identified that there were still a number of recommendations that had not been implemented. It was acknowledged that the impact of the coronavirus restrictions had hampered progress in completing some of the outstanding recommendations, and it was also recognised that improvements have been made with new processes being introduced to try to address the remaining actions. As a result, the decision was made to carry out a full review of the service in the next financial year.
- 1.5 Work carried out and detailed findings are recorded below. The recommendations arising are included in the attached Management Action Plan.

2. Work Done / Findings

2.1 Internal Procedures

- 2.1.1 We were informed by the Service Centre Helpdesk & DBS/SCW Manager that the DBS policy had recently been reviewed and updated. The updated policy is currently with HR and the Trade Unions for approval. This is for information only.
- 2.1.2 Guidance documents on DBS processing & administration were available for both Verification Officers and System Administrators and it was confirmed that all relevant staff have been made aware of where this information is held.
- 2.1.3 General information on the DBS checking process and requirements is available on the staff Intranet, for both managers and staff.

2.2 Processing of DBS Applications

- 2.2.1 Details of the DBS administration process were provided and were found to be clear and concise.
- 2.2.2 We were informed at the time of the audit, that since March 2020 Service Centre are accepting identification verification documents via email, in place of physical documentation being taken to the Contact Centre.
- 2.2.3 The administration of DBS for schools was also examined and it was confirmed that whilst DBS records for school staff are monitored centrally, schools are responsible for reviews in relation to Volunteers and School Governors, with no central control over the currency of DBS for these individuals. It is noted that the requirement for School Governors to have a DBS is up to the individual school.
- 2.2.4 Enquiries were made regarding the compliance with Baseline Personnel Security Standards (BPSS). It was noted that all users of the Public Services Network have to be validated to BPSS, however this was a one-off exercise previously carried out. We were informed that a renewal check is not necessary.
- 2.2.5 A sample of ten employees expected to have undergone a BPSS check were reviewed. Testing satisfactorily confirmed that BPSS checks had been undertaken for all sampled.

2.3 Review of Posts

- 2.3.1 We were informed by the Service Centre Helpdesk & DBS/SCW Manager that posts that don't have any DBS requirements attached to them in Oracle are reported on an exception report that is produced monthly. This exception report is reviewed by Service Centre staff every month, with the necessary update being recorded in Oracle. A sample of 10 posts recorded on the November report were reviewed to ensure the DBS status details had now been updated in Oracle. All tested satisfactorily. We were also informed, that there is going to be a review of all positions on Fusion once the new system goes live.

2.4 Reports and Monitoring

2.4.1 A review of the renewal report for November 2022 highlighted that there are currently 163 employees that require a DBS. Of these, 127 are active employees, the remaining employees were not currently in work due to Sickness, Maternity or Career Break.

2.4.2 Sample testing on the November renewal report identified a number of anomalies which meant that the information could not be relied on fully. For example, the report does not appear to accurately identify the number of days the DBS has been outstanding for each employee where there has been a change in assignment. Testing carried out in 2.7 below, gives more examples of the issues found. As a result, it is very difficult to accurately identify the number of active employees across the Council requiring DBS checks without reviewing every single employee that appears on the report.

2.5 DBS Checks – New Starters

2.5.1 Records for a sample of ten new starters requiring DBS checks were examined to ensure a check had been conducted and Oracle had been updated with the required information. The following was found:

- a) Six cases tested satisfactorily.
- b) For employee number [REDACTED], the DBS return received on 9 October 2022 had not been entered onto Oracle as at the 6 December 2022 however it had been marked as complete on the Pending Certificates Report. We were informed that this was due to an administrative error.
- c) The remaining three cases did not have a RA1 (Risk Assessment) in place:

Employee No:	Date of Appointment	Date DBS received	RA1 form received
[REDACTED]	01 September 2022	17 September 2022	Yes, but received on 27 September 2022
[REDACTED]	07 November 2022	11 November 2022	No RA1 received
[REDACTED]	20 September 2022	29 September 2022	No RA1 received

2.6 DBS Checks – Existing Employees (Community Alarm Stores/Taxi/ Waste Drivers/Operatives)

2.6.1 A sample of records for employees stratified across the Council known to require DBS checks was undertaken. Testing satisfactorily confirmed that a DBS was in place for each employee reviewed.

2.6.2 Enquiries were made by Governance and Audit Committee in February 2022 in relation to staff DBS requirements within Community Alarm / Community Equipment stores, Taxi and Waste drivers/operatives.

2.6.3 The DBS Manager reviewed these posts, and it was stated that a DBS is not required for the assignments within Community Alarm / Community Equipment stores or for Waste drivers/operatives.

2.6.4 Taxi drivers DBS requirements were also reviewed, and the following was found:

- a) Taxi drivers are DBS approved by the Taxi Licensing Team in the Civic Centre. A Taxi driver who is DBS-approved by the Council is automatically 'dual badged' so can work on both the Council's Home to School taxi contracts and undertake routine taxi work.
- b) The terms & conditions of the Taxi Framework Contract state that contractors providing taxis must only use Drivers and Passenger Assistants who have a valid DBS.
- c) The Integrated Transport Unit maintain lists of the employees used by taxi contractors on school contracts. This is updated every six months.
- d) The Highways & Transportation Service has a Survey Team which undertakes routine spot checks at schools of taxi drivers and passenger assistants to ensure they are all DBS-approved.
- e) Officers in the Integrated Transport Unit have access to the Taxi Licensing Team's records of approved taxi drivers on the FLARE system and the Integrated Transport Unit, carries out DBS checks (on request) for taxi passenger assistants.

2.7 DBS Renewals

2.7.1 The process in place for the monitoring of renewals was found to be satisfactory. Reports are run on a monthly basis and sent to the relevant Service Managers four months in advance of the employees DBS expiring.

2.7.2 A sample of 15 employees was taken from the DBS renewal report (November 2022). The following was found:

- a) Two employees (██████████) had commenced new jobs within the Council, the report identified that their DBS' were significantly overdue, however, this was not the case. An anomaly on the report means that the incorrect DBS date was being used. Further enquiries into these two employees confirmed that DBS certificates were in place.
- b) Staff who had not been paid for a considerable period of time, as they held relief contracts appeared on the report as overdue with no current DBS in place. This related to three employees (██████████).
- c) Five active employees held a status of "waiting for applicant to fill in details" due to non-completion. It was also found that no Risk Assessment forms (RA1) had been provided. These were for employee No's: ██████████
██████████
- d) Four active employees DBS applications held a status of 'awaiting ID verification' and no Risk Assessment forms (RA1) had been provided. These were for employee No's: ██████████

e) The remaining sample, employee number [REDACTED], commenced a new assignment on the 1 October 2022 with the DBS being returned on 4 November 2022. It is noted however that as of 12 December 2022 Oracle had not been updated with this information. It was also found, that an RA1 was provided on the 3 September 2022 and had not been uploaded to Oracle until the 11 November 2022.

2.7.3 At the time of the audit, we were informed that an ‘overdue’ report is also issued to HR/OD officers for them to notify the relevant Service Managers of the outstanding DBS. We were informed by the Service Centre Helpdesk & DBS/SCW Manager that this process is now working more efficiently than previously.

2.7.4 Schools receive renewal reports every month, and copies of the overdue lists are sent to the HR Officers. A sample of five schools were examined and it was found that a total of nine employee DBSs had expired and not yet been renewed. These employees would have appeared on the EBulk reports four months before their DBS expiry date in order to allow sufficient time for the renewal process. The school employees in the sample without a valid DBS are recorded in the table below:

School	Employee No.	Date of DBS Expiry
Bishop Vaughan Comprehensive	[REDACTED]	12 July 2022
Bishop Vaughan Comprehensive	[REDACTED]	5 September 2022
Bishop Vaughan Comprehensive	[REDACTED]	16 October 2022
Brynmill Primary	[REDACTED]	4 November 2022
Gowerton Primary	[REDACTED]	11 October 2022
Gowerton Primary	[REDACTED]	1 November 2022
Pontybrenin Primary	[REDACTED]	4 October 2022
Pontybrenin Primary	[REDACTED]	28 June 2022

2.7.5 In seven of the eight cases reported in 2.7.4 above, risk assessments were required but there was no record to show that they had been undertaken. In the one remaining sample, a risk assessment had been conducted by the school, however, there was a delay in this being received by the Service Centre.

2.8 Payments to Powys County Council

2.8.1 A sample of five paid invoices was selected from Oracle. Testing was undertaken to confirm the ordering and payment of invoices had been carried out in compliance with the Council’s Accounting Instructions, Contract Procedure Rules (CPR’s) and Spending Restrictions. All tested satisfactorily.

2.9 Re-charging of Departments

2.9.1 The process used for the recharging of service departments was examined and the following was found:

- a) Re-charging was up to date and will be carried out on a monthly basis ongoing.
- b) There is no reconciliation process of expected income due.

2.10 System Access / Confidentiality

- 2.10.1 A list of officers with verification/system administration access was provided for examination. It was confirmed that there are sufficient staff with system administrator access / DBS verification access to ensure business continuity is maintained.
- 2.10.2 The DBS (E-bulk) system is a web-based application; however, we were informed that paper applications can be used if the web-based system was to be inaccessible for any reason.

2.11 GDPR and Data Retention

- 2.11.1 We were informed by the Service Centre Helpdesk & DBS/SCW Manager that all staff in the team had completed the mandatory GDPR training provided by the Council.
- 2.11.2 We were informed that there were no records being held by the service that were outside of the Council's official retention period.

3. Conclusion

- 3.1 The Internal Audit Section operates a system of Assurance levels which gives a formal opinion of the achievement of the service's/system's control objectives. The Assurance levels vary over four categories: 'High', 'Substantial', 'Moderate' and 'Limited'.
- 3.2 Recommendations arising from this review are detailed in the attached Management Action Plan. Each recommendation has been prioritised according to perceived risk – High, Medium, Low and Good Practice. The overall Assurance level is based on the recommendations made in the report.
- 3.3 The description of each type of recommendation and also the basis for each of the Assurance levels is noted in **Appendix 1**.
- 3.4 Based on the audit testing undertaken, it was found that some procedures were operating satisfactorily, however, there were key areas that require attention and improvement. These relate to DBS certificates for new and existing employees. This has resulted in two high, one medium, one low and two good practice recommendations.
- 3.5 As a result, an Assurance Level of '**Moderate**' has been given. This means that the ineffective controls identified represent a significant risk to the achievement of system objectives.
- 3.6 We will contact you in due course to confirm that you have implemented the agreed recommendations.
- 3.7 This audit was conducted in conformance with the Public Sector Internal Audit Standards.

Appendix 1**Classification of Audit Recommendations**

Recommendation	Description
High Risk	Action by the client that we consider essential to ensure that the service / system is not exposed to major risks .
Medium Risk	Action by the client that we consider necessary to ensure that the service / system is not exposed to significant risks .
Low Risk	Action by the client that we consider advisable to ensure that the service / system is not exposed to minor risks .
Good Practice	Action by the client where we consider no risks 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
HUMAN RESOURCES AND SERVICE CENTRE
DISCLOSURE AND BARRING SERVICE (DBS) 2022/23**

REPORT REF	RECOMMENDATION	CLASS	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
2.5.1 (b)	Oracle should be updated upon receipt of DBS disclosure information in a timely fashion. Staff should ensure that employee details are only highlighted as completed on the pending certificate reports once the details have been input onto Oracle. (Previous audit recommendation)	LR	Oracle will be updated upon receipt of a DBS disclosure in a timely manner and marked completions will be done after the details are input into Oracle. The DBS certificate report is a daily task to complete.	ELJ	Immediately
2.5.1 (c), 2.7.2 c) & 2.7.2 d) & 2.7.5	A robust process should be established to ensure that all employee(s) have a risk assessment (RA1) conducted and sent to the Service Centre in the interim period whilst awaiting receipt of the DBS. (Previous audit recommendation)	HR	Risk assessment templates are provided to managers/Head teachers whilst awaiting receipt of a DBS certificate and reminders for completion are issued 120 days before the date of DBS expiry.	ELJ	September 2023
2.7.2 a) & b) & 2.4.2	Consideration should be given to update/amend the exceptions report to ensure the output is accurate and reliable. (Previous audit recommendation)	GP	The report will be looked at once reporting is fully functional in FUSION.	ELJ	September 2023

Appendix B

REPORT REF	RECOMMENDATION	CLASS	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
2.7.2 e)	<p>DBS returns should be updated on Oracle in a timely manner to ensure the correct status is held and to avoid employee details being listed on the renewal spreadsheet.</p> <p>RA1 forms received from service departments should be uploaded to Oracle in a timely manner.</p>	MR	<p>DBS returns will be updated on Oracle in a timely manner. The DBS certificate report is a daily task, and the renewal report will be explored to verify any cross duplication.</p> <p>Risk assessments will be uploaded to Oracle in a timely manner, and this will be included as a daily task.</p>	ELJ	Immediately
<p>2.7.4</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 81</p>	<p>A robust system should be put in place to ensure that DBS renewals are completed for all staff prior to expiry.</p> <p>A full review of all school employees should be undertaken to ensure that all DBS' are current/renewed as soon as possible.</p>	HR	<p>Notification is issued to managers and employees 4 months prior to a DBS certificate expiring to give sufficient time for the renewal check to be undertaken. Reminders are issued every 5 calendar days.</p> <p>The review of school employees will be completed by September 2023.</p>	ELJ	September 2023
2.9.1 b)	A reconciliation process should be implemented to ensure all expected income due/recharged income is accounted for.	GP	This will be explored further in conjunction with Cash Management.	ELJ	September 2023

Agenda Item 10



Report of the Chief Auditor

Governance and Audit Committee – 14 June 2023

Internal Audit Recommendation Follow-Up Report Quarter 4 2022/23

Purpose:	This report provides committee with the status of the recommendations made in those audits where the follow-ups have been undertaken in Q4 2022/23, to allow the Governance and Audit Committee to monitor the implementation of recommendations made by Internal Audit.
Policy Framework:	None
Consultation:	Legal, Finance and Access to Services
Report Author:	Simon Cockings
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	Rhian Millar
For Information	

1. Introduction

- 1.1 The Governance and Audit Committee's Performance Review for 2017/18 was completed in June 2018. One of the recommendations arising from the review was in relation to the tracking of the recommendations made by Internal and External Audit.
- 1.2 This report provides an overview of how recommendations made by Internal and External Audit are tracked and followed up.

2. Standard Follow-up Procedures

- 2.1 An amended internal audit follow-up procedure was introduced in 2014 as a result of concerns being raised over the failure of management to implement audit recommendations.
- 2.2 The current procedures identify two methods of following-up on the implementation of recommendations made as a result of internal audit reviews for the fundamental audits and non-fundamental audits.

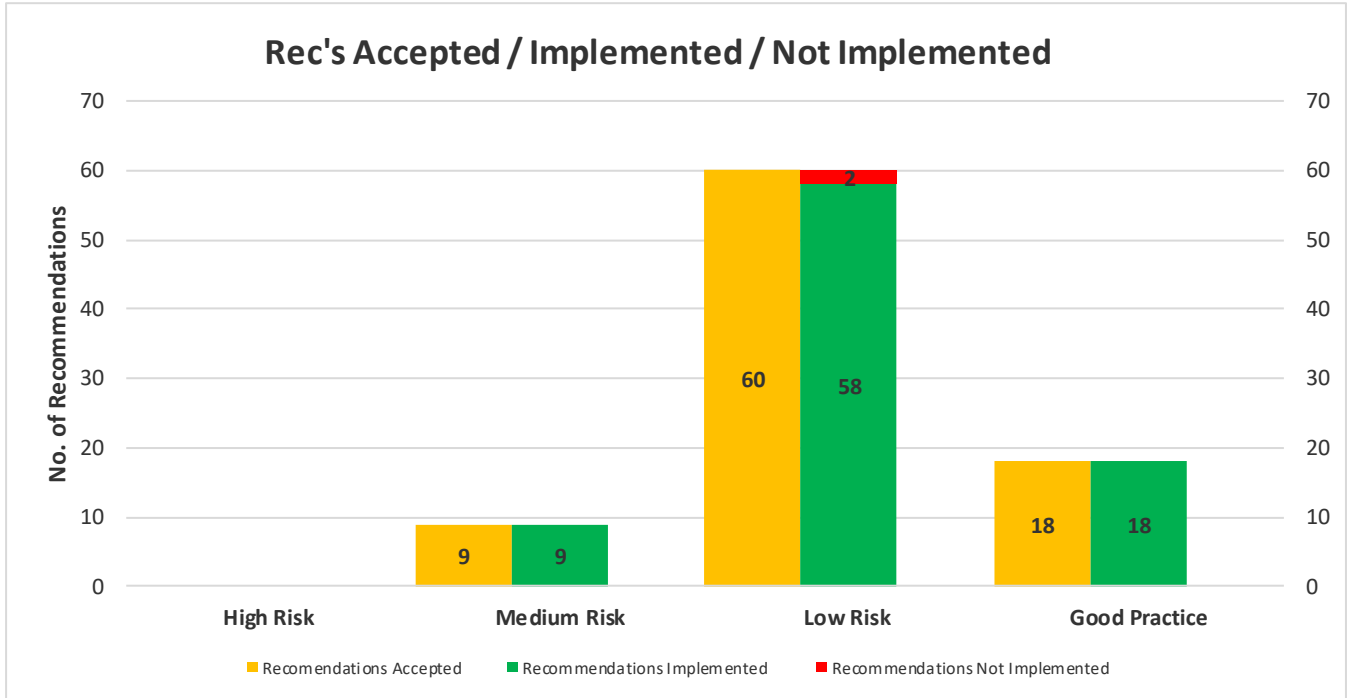
3. Fundamental Audits

- 3.1 These audits are undertaken on a yearly or two-yearly cycle. All fundamental audits are subject to a Recommendation Tracker Exercise each year, which is normally completed as at the end of September.
- 3.2 The exercise involves discussion with the client department to go through the agreed Action Plan together with a limited amount of testing to confirm whether the recommendations have been implemented.
- 3.3 The results of the Recommendation Tracker Exercise is reported to Governance and Audit Committee in a separate Recommendation Tracker Report.

4. Non-fundamental Audits

- 4.1 All other audits that have been given a 'limited' or 'moderate' level of assurance are reported to Governance and Audit Committee as part of the Quarterly Monitoring Reports. All such audits are subject to a detailed follow-up visit within 6 months of the issue of the final report.
- 4.2 The follow-up visit concentrates on 'high risk' and 'medium risk' recommendations and will include discussion with the client department and limited testing to confirm implementation.
- 4.3 The results of the follow-up visit are reported to Governance and Audit Committee as part of the Quarterly Monitoring Reports.
- 4.4 Where an audit has been given a 'high' or 'substantial' level of assurance, client departments are asked to confirm the implementation of the recommendations via e-mail.
- 4.5 The results of all follow-ups undertaken are logged and recorded on the Audit Management System (Galileo) to ensure completion is monitored appropriately.
- 4.6 The results of the 'high' and 'substantial' assurance audit follow-ups undertaken in Q3 can be found in Appendix 1. A summary of the results can be found in the table and corresponding chart below.

Recommendation Status	Recommendation Risk Rating			
	High Risk	Medium Risk	Low Risk	Good Practice
Accepted	0	9	60	18
Implemented	0	9	58	18
Not Implemented	0	0	2	0



5. External Audit Recommendation Tracking

5.1 Whilst it is not practicable to track every external audit recommendation without additional resources and a suitable ICT solution, Scrutiny Programme Committee will receive WAO audit reports and action plans to address recommendations and proposals and will review progress against recommendations within 12 months of the receipt of the report and action plan as their work plan allows. Governance and Audit Committee will also receive reports and action plans for information, and it may decide that it wants to prioritise and track specific proposals / recommendations in addition to the oversight undertaken by Scrutiny. This does not include those WAO reports that would be intended specifically for Governance and Audit Committee.

6 Integrated Assessment Implications

6.1 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.

6.2 The Well-being of Future Generations (Wales) Act 2015 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'.

6.3 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.

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

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

7. Financial Implications

7.1 There are no financial implications associated with this report.

8. Legal Implications

8.1 There are no legal implications associated with this report.

Background Papers: None

Appendix 1 – Summary of Recommendations Accepted and Implemented.

Appendix 2 – Recommendations Not Implemented

Appendix 3 – Integrated Impact Assessment

RECOMMENDATION TRACKING REPORT Q4 2022/23

Audit Title	Date Final Issued	Date of Follow up	Assurance Rating	Recommendations								Total Recs Acc'd	Total Recs Imp'd	Total Rec Not Imp'd*	Comments
				HR		MR		LR		GP					
				A	I	A	I	A	I	A	I				
Dylan Thomas Comprehensive	18/10/22	18/01/23	High	0	0	0	0	8	7	0	0	8	7	1	2.4.2 - Unfortunately it wasn't possible to delete the unreconciled items (LR Rec) due to the system financial year being finalised and closed therefore no further changes could be made. They haven't encountered this before but will ensure that it doesn't happen this year!
Wellbeing of Future Generations Act	02/02/22	18/01/23	High	0	0	0	0	1	1	0	0	1	1	0	
Construction Industry Tax Scheme	03/06/21	18/01/23	High	0	0	0	0	2	2	0	0	2	2	0	
Penybryn Special School	29/03/22	18/01/23	Substantial	0	0	3	3	14	14	0	0	17	17	0	
Domestic Refuse Collection	03/12/21	23/01/23	Substantial	0	0	2	2	5	5	1	1	8	8	0	
Decarbonisation	24/01/23	24/01/24	High	0	0	0	0	1	1	0	0	1	1	0	
Fostercare System - Application Controls	30/01/23	30/01/23	High	0	0	0	0	1	1	0	0	1	1	0	
Nature Conservation	22/04/22	21/02/23	Substantial	0	0	1	1	8	8	2	2	11	11	0	

RECOMMENDATION TRACKING REPORT Q4 2022/23

Food & Safety Division	21/09/22	21/02/23	High	0	0	0	0	4	3	1	1	5	4	1	2.9.1 ii) - Electronic records should be disposed of in accordance with the Council's retention policy. (LR Rec). The issue over data retention is being looked at as part of a new software system at the project board.
Information Governance	02/02/22	22/02/23	Substantial	0	0	1	1	5	5	9	9	15	15	0	
Primary Schools Procurement - Expenditure Exercise (Thematic) 22-23	20/12/22	17/03/23	Substantial	0	0	1	1	1	1	0	0	2	2	0	
GP Overton Comprehensive School	20/12/22	21/03/23	Substantial	0	0	1	1	7	7	1	1	9	9	0	
Emergency Management & Business Continuity	04/10/22	22/03/23	High	0	0	0	0	3	3	4	4	7	7	0	
				0	0	9	9	60	58	18	18	87	85	2	97.7%

*Further details on the recommendations that have not been implemented are reported in Appendix 2

Key

HR - High Risk. **MR** - Medium Risk. **LR** - Low Risk. **GP** - Good Practice.

A - Accepted. **I** - Implemented

RECOMMENDATION TRACKING REPORT Q4 2022/23 - REC'S NOT IMPLEMENTED

Audit Title	Date Final Issued	Date of Follow up	Assurance Rating	Recommendations Not Implemented				
				Report Ref	Risk Rating	Agreed Imp. Date	Recommendation	Reason / Comments
Dylan Thomas Comprehensive	18/10/22	18/01/23	High	2.4.2	LR	Autumn Term 2022	The longstanding items on the Unreconciled Transactions listing should be dealt with and cleared.	2.4.2 - Unfortunately it wasn't possible to delete the unreconciled items (LR Rec) due to the system financial year being finalised and closed therefore no further changes could be made. They haven't encountered this before but will ensure that it doesn't happen this year.
Food & Safety Division	21/09/22	21/02/23	High	2.9.1 ii)	LR	Oct-23	Electronic records should be disposed of in accordance with the Council's retention policy.	2.9.1 ii) - Electronic records should be disposed of in accordance with the Council's retention policy. (LR Rec). The issue over data retention is being looked at as part of a new software system at the project board.

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

Which service area and directorate are you from?

Service Area: Internal Audit

Directorate: Resources

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:

Quarterly report to the Governance and Audit Committee outlining the follow up work undertaken by the Audit Team in the period.

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

n/a – no impact

	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"/>

Integrated Impact Assessment Screening Form

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

Consultation undertaken with the Director of Finance & S151 Officer, Legal, Access to Services, the Corporate Management Team and Heads of Service.

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

Medium risk

Low risk

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes

No

If yes, please provide details below

Council Services included within the Internal Audit planned programme of work for 2022/23 will be subject to internal audit reviews which may result in recommendations being made to improve compliance with Council policies and procedures and consequentially may result in changes to operations/processes within service areas if required.

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.)

To update committee on the follow up work undertaken by Internal Audit in the period.

Integrated Impact Assessment Screening Form

Outcome of Screening

Q8 Please describe the outcome of your screening below:

The completion of the Integrated Impact Assessment Screening revealed that:

- The Quarterly Recommendation Tracker Report has a potentially low positive impact across a number of identified groups.
- It has been subject to consultation with the Director of Finance & S151 Officer, Legal and Access to Services.
- All WFG considerations are positive and any risks identified are low.
- The overall impact of the Quarterly Recommendation Tracker Report is positive as it will support the Authority in its requirement to protect public funds.

(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.

Screening completed by:
Name: Simon Cockings
Job title: Chief Auditor
Date: 07/04/21
Approval by Head of Service:
Name: Ben Smith
Position: Director of Finance & S151 Officer
Date: 12/04/21 (e-mail)

Please return the completed form to accesstoservices@swansea.gov.uk

City and County of Swansea Council Annual Audit Summary 2022

This is our audit summary for the City and County of Swansea Council. It shows the work completed since the last Annual Audit Summary, which was issued in March 2022. Our audit summary forms part of the Auditor General for Wales' duties.



More information about these duties can be found on our [website](#).

About the Council

Some of the services the Council provides



Key facts

The Council is made up of 75 councillors who represent the following political parties:

- Labour 45
 - Labour 43
 - Labour and Cooperative Party 2
- Liberal Democrat 11
- Independents 11
 - Independent 5
 - Uplands 4
 - Independents@Swansea 2
- Conservative 7
- Green 1

The Council spent £457.9 million on providing services¹ during 2021-22².

¹ We define spending on services as the cost of services charged to the general fund from the Expenditure Funding Analysis, less any Housing Revenue Account cost of services, plus precepts, levies and debt interest.

² Source: 2021-22 Statement of Accounts

Key facts

As at 31 March 2022, the Council had £186.7 million of useable financial reserves³. This is equivalent to 40.8% of the Council's annual spending on services⁴.

Swansea has 11% of its 148 areas considered to be within the most deprived 10% of areas in Wales, this is the 8 highest of the 22 unitary councils in Wales⁵.

The population of Swansea is projected to increase by 6% between 2020 and 2040 from 247,900 to 263,000, including a 1% increase in the number of children, a 3% increase in the number of the working-age population and a 21% increase in the number of people aged 65 and over⁶.

The Auditor General's duties

We completed work during 2021-22 to meet the following duties

- **Continuous improvement**
During 2021-22, the Auditor General had to assess whether the Council had met its performance reporting requirements in relation to 2020-21.
- **Audit of Accounts**
Each year the Auditor General audits the Council's financial statements to make sure that public money is being properly accounted for.
- **Value for money**
The Auditor General examines whether the Council has put in place arrangements to get value for money for the resources it uses, and he has to be satisfied that it has done this.
- **Sustainable development principle**
Public bodies need to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives. The Auditor General must assess the extent to which they are doing this.

³ We define useable financial reserves as reserves usable for revenue costs, where the purpose is not protected by law. This is the total of the general fund, earmarked reserves and schools' balances. It excludes Housing Revenue Account reserves, capital receipts and capital grants unapplied.

⁴ Source: 2021-22 Statement of Accounts

⁵ An area in this context is defined as a 'Lower Super Output Area'. Source: Stats Wales

⁶ Source: Stats Wales

What we found

Audit of the City and County of Swansea Council's 2021-22 Accounts



To meet the Auditor General's duties we complete specific projects, but we also rely on other audit work, and the work of regulators such as Care Inspectorate Wales and Estyn (the education inspectorate). We take the findings of our audit work into account when assessing whether the Council has put in place arrangements to secure value for money. Our findings and conclusions are summarised below.

Each year we audit the Council's financial statements.

For 2021-22:

- given the continuing slippage arising from the COVID-19 pandemic and national issues relating to the disclosure of infrastructure assets, the Welsh Government provided flexibility for both the accounts preparation and the audit deadlines, extending the latter from 30 November 2022 to 31 January 2023.
- the Auditor General gave an unqualified true and fair opinion on the Council's financial statements on 31 March 2023.
- the Council's Annual Governance Statement and Narrative Report were prepared in line with the CIPFA Code and relevant guidance. They were also consistent with the financial statements prepared by the Council and with our knowledge of the Council.
- the quality of the draft statements presented for audit on 16 November 2022 was generally good.
- a number of changes were made to the Council's financial statements arising from our audit work, which were reported to the Governance and Audit Committee in our Audit of Financial Statements Report in March 2023.
- in addition to the Auditor General's responsibilities for auditing the Council's financial statements, he also has responsibility for the certification of a number of grant claims and returns. Our work to date has not identified any significant issues.
- the Auditor General issued the certificate confirming that the audit of accounts for 2021-22 has been completed.

Continuous improvement

The Auditor General certified that the Council had met its remaining Local Government (Wales) Measure 2009 duties for the financial year 2021-22, as saved by an order made under the Local Government and Elections (Wales) Act 2021.

Assurance and risk assessment review

We reviewed the arrangements the Council has put in place to secure value for money in the use of its resources. Our work focused on the following aspects of the Council's arrangements:

- The Local Government and Elections Act (Wales) 2021
 - Arrangements for Self-assessment and Panel Assessments
 - Arrangements for the Consultation Duty and Participation Strategy
 - Arrangements for the changes to Governance and Audit Committees
 - Arrangements for establishing Corporate Joint Committees
 - Use of the General Power of Competence
- Carbon reduction plans
- Financial position

Our findings from this work are set out in:

- [Audit and Risk Assessment Progress Update \(September 2022\)](#)
- [Assurance and Risk Assessment Progress Update – Carbon Reduction \(November 2022\)](#)
- [Assurance and Risk Assessment 2021 – Financial Position Update \(February 2023\)](#)

Other inspectorates

We also took into account the reports of Care Inspectorate Wales (CIW) and Estyn as well as any subsequent actions taken by the Council in response.

CIW completed an assurance check on social services in November 2021. They produced a [letter](#) which identified strengths and areas for priority improvement.

Estyn and Audit Wales completed a joint inspection of the education services in the City and County of Swansea in June 2022. They made two recommendations [in their full report](#).

Local government studies

As well as local work at each council, each year we also carry out studies across the local government sector to make recommendations for improving value for money. Since the last annual improvement report, we have published the following reports:

Joint working between Emergency Services (January 2022)

This report examines whether emergency services in Wales are working more closely together to make better use of resources. Joint working across emergency services to make best use of resources is not a new concept. Emergency services have been working closely together to provide a better service to the public for many years. Innovative partnership initiatives have saved money, reduced local response times and have contributed to protecting the public. Despite this, there are growing expectations from government policy and legislation that collaboration needs to happen more deeply and quickly to ensure front line services can meet the challenges facing 21st century Wales. Overall, we concluded that blue light emergency service collaboration is slowly growing but requires a step change in activity to maximise impact and make the best use of resources.

Direct Payments (April 2022)

Direct Payments are an alternative to local-authority-arranged care or support and can help meet an individual's or a carer's need. They aim to give people more choice, greater flexibility and more control over the support they get. Our report looked at how Direct Payments help sustain people's wellbeing and whether they are improving quality of life. We also looked at how local authorities manage and encourage take up of Direct Payments and whether these services present value for money. We found that Direct Payments are highly valued, with the people we surveyed acknowledging that they help them remain independent. But we also found that managing and supporting people to use Direct Payments varies widely resulting in service users and carers receiving different standards of service.

'Time for Change' – Poverty in Wales (November 2022)

Poverty in Wales is not a new phenomenon and tackling poverty, particularly child poverty, has been a priority for both the Welsh Government and councils in Wales. The current cost-of-living crisis means that more people are being affected and families who have been living comfortably are moving into poverty for the first time. Many of the levers that could be used to alleviate poverty are outside of Wales's control. The Welsh Government adopted a Child Poverty Strategy in 2011, but this is out of date and the target to eliminate child poverty by

2020 was dropped. Councils and partners are prioritising work on poverty, but the mix of approaches and a complicated partnership landscape mean that ambitions, focus, actions, and prioritisation vary widely. The Welsh Government makes significant revenue funding available but, due to the complexity and nature of the issues, the total level of spend is unknown, and no council knows the full extent of its spending on alleviating and tackling poverty. The short-term nature of grant programmes, overly complex administration, weaknesses in guidance and grant restrictions, and difficulties spending monies means that funding is not making the impact it could. Councils find it hard to deliver preventative work because of the sheer scale of demand from people in crisis.

‘A missed Opportunity’ – Social Enterprises (December 2022)

Social Enterprises sit between the public and private sectors. They apply commercial strategies to maximise improvements in financial, social and environmental well-being, often for individual groups in society, defined communities or geographical areas. Social enterprise work in every sector of the Welsh economy and in all parts of the country and are increasingly prominent in Welsh Parliament legislation. While local authorities claim they value Social Enterprises, few have mapped their activity and most authorities do not know the scale of provision within their area. Less than a third of local authorities consider themselves to have a proactive and supportive relationship with Social Enterprises and none have a dedicated strategy or policy that charts how they intend to promote and grow the sector. As a result, local authorities are missing out on the potential for Social Enterprises to help deliver services that can improve people’s quality of life. Current procurement and commissioning arrangements often unintentionally discourage Social Enterprises to engage because they are overly bureaucratic. Social value – the added value that commissioning processes can deliver – does not feature as a key driver for many local authorities. Most local authorities are not delivering their responsibilities under the Social Services and Wellbeing (Wales) Act 2014 and effectively promoting Social Enterprises.

‘Together we can’ – Community resilience and self-reliance (January 2023)

At a time when there is likely to be further reductions in public spending, local authorities are showing an increasing interest in encouraging and growing community resilience; equipping people to do more for themselves and be less reliant on the state. While 19 of the 22 local authorities are prioritising community resilience, too often the work is poorly defined and the actions that underpin plans are narrowly focussed. Given the societal, financial and demographic challenges facing Wales there is a need to scale and speed up activity. Capacity, resources and skills are scarce, people are facing tougher choices and struggling to cope with the cost-of-living crisis. Communities and local authorities themselves also have different abilities and are starting from different places with their own unique challenges to overcome. We highlight positive practice and examples of how others are seeking to address the challenge of enabling people to be less reliant on local authority services and how they are supporting and enabling this transition.

Ongoing work

We also looked at the key challenges and opportunities facing the Council. These could have an effect on the Council's ability to meet its legal obligations in relation to the sustainable development principle and the use of its resources.

- Ongoing 2021-22 work:
 - Springing Forward Thematic review – Workforce
 - Springing Forward Thematic review - Assets
 - Transformation review
- Our planned work for 2022-23 includes:
 - Assurance and risk assessment including a focus on:
 - Capital programme management
 - Use of performance information – with a focus on service user feedback and outcomes
 - Setting of well-being objectives
 - Recovery Planning – to be included as part of the 2021-22 Transformation review work
 - Thematic review – unscheduled care. This review covers the health and local government sectors
 - Thematic review – digital

The Auditor General is independent of government and was appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the Senedd.

The Auditor General audits local government bodies in Wales, including unitary authorities, police, fire and rescue authorities, national parks, and community councils. He also conducts local government value for money studies, assesses compliance with the remaining requirements of the Local Government (Wales) Measure 2009 and may undertake special inspections under the Local Government and Elections (Wales) Act 2021.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Senedd Commission, and National Health Service bodies in Wales.

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities with their own legal functions, as described above. Audit Wales is not a legal entity.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

This document is also available in Welsh.

Agenda Item 12



Report of the Head of Democratic Services

Governance & Audit Committee – 14 June 2023

Appointment of Governance & Audit Committee Representative on the Strategic Governance Group

Purpose:	This report seeks to appoint a representative of the Governance & Audit Committee on the Strategic Governance Group.
Policy Framework:	None.
Consultation:	Legal, Finance, Access to Services.
Recommendation:	It is recommended that: - 1) a representative of the Governance & Audit Committee and a reserve representative are appointed onto the Strategic Governance Group.
Report Author:	Jeremy Parkhouse
Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer:	Rhian Millar

1. Background

- 1.1 At the Audit Committee meeting held on 16 September 2019, the Chief Legal Officer highlighted the requirement for a representative of the Committee to be appointed as a member of the Strategic Governance Group.
- 1.2 The Committee agreed to proceed and Councillor L V Walton was appointed as the Governance & Audit Committee representative on the Governance Group for 1 year only. Councillor Walton was subsequently appointed in January 2021 and May 2022, until the end of the previous Council term in May 2023. Appendix 1 provides the terms of reference of the Strategic Governance Group which were updated in May 2023.

2. Appointment of Governance & Audit Committee Representative 2023-2024

- 2.1 The Committee is requested to appoint a representative and a reserve representative on the Strategic Governance Group, for one year only, until May 2024.

3. Strategic Governance Group

The Strategic Governance Group will comprise:

- Chief Executive
- Director of Corporate Services (Chair)
- Director of Education
- Director of Finance
- Director of Place
- Director of Social Services
- Monitoring Officer
- Manager of Strategic Delivery Unit
- Governance and Audit Committee representative
- Chief Internal Auditor (observer status)

Additional co-opted members can be added to the membership, if agreed by the Group.

4. Integrated Assessment Implications

- 4.1 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.

- 4.1.1 The Well-being of Future Generations (Wales) Act 2015 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'.

4.1.2 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.

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

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: None.

Appendices: Appendix 1 – Strategic Governance Group Terms of Reference.
Appendix 2 – IIA Form

Strategic Governance Group Terms of Reference (ToR)

1. Purpose

The Strategic Governance Group will enhance the council's governance arrangements by overseeing the development and delivery of the Council's statutory corporate self-assessment obligations and Annual Governance Statement. The Group sets out to ensure the Council is undertaking a robust self-assessment of its performance, use of resources and its governance arrangements.

2. Term

This Terms of Reference is effective from 25 May 2023 and will be reviewed annually.

3. Membership

The Strategic Governance Group will comprise:

- Chief Executive
- Director of Corporate Services (Chair)
- Director of Education
- Director of Finance
- Director of Place
- Director of Social Services
- Monitoring Officer
- Manager of Strategic Delivery Unit
- Governance and Audit Committee representative
- Chief Internal Auditor (observer status)

Additional co-opted members can be added to the membership, if agreed by the Group.

4. Roles and Responsibilities

The Strategic Governance Group is responsible for:

- Designing corporate processes to enable the council to comply with [Part 6, Chapter 1 of the Local Government and Elections \(Wales\) Act 2021](#)
- Overseeing the preparation of the Annual Review and Annual Governance Statement and supporting evidence
- Challenging the robustness, details and assurance levels provided in self-assessment documents produced to inform the production of the Annual Review and the Annual Governance Statement (e.g., Senior Management Assurance Statements and wellbeing objective self-reflection tools);
- Ensuring that significant governance issues are both identified appropriately and addressed by the appropriate officer in a timely manner; and

- Ensuring the council's assurance framework is kept under review.

The membership of the Group will commit to:

- attending scheduled Group meetings or sending a deputy where necessary
- sharing relevant information with Group members
- taking timely actions that support delivery of the Group's role and responsibilities.

5. Meetings

All meetings will be chaired by the Director of Corporate Services. A meeting quorum will be the Chair plus two additional directors and a Governance and Audit Committee representative. Decisions will be made by consensus (i.e., members are satisfied with the decision even though it may not be their first choice).

Secretariat support will be provided by the Strategic Delivery Unit, including:

- arranging meetings
- preparing and circulating agendas and supporting papers
- preparing and circulating meeting notes and actions

Meetings will be held on MS Teams, as frequently as required to fulfil the Group's remit and responsibilities. If required subgroup meetings will be arranged outside of these times at a time convenient to subgroup, members.

6. Amendment, Modification or Variation

This Terms of Reference may be amended, varied or modified in writing after consultation and agreement by Group members.

Approved on 24 May 2023

Integrated Impact Assessment Screening Form – Appendix 2

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

Which service area and directorate are you from?

Service Area: Legal, DS & BI

Directorate: Corporate Services

Q1a	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
- 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)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh

Q1b	Please name and fully describe initiative here:
------------	--

	Appointment of Governance & Audit Committee representative onto the Governance Group.
--	---

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"/>

Integrated Impact Assessment Screening Form – Appendix 2

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.
	If approved by Governance & Audit Committee, a representative will be elected to the Governance Group.

Q4	Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:		
		Yes	No
4a)	Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4b)	Does the initiative consider maximising contribution to each of the seven national well-being goals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4c)	Does the initiative apply each of the five ways of working?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4d)	Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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	Medium Risk	Low Risk
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Q6	Will this initiative have an impact (however minor) on any other Council service?		
	Yes	No	If Yes, Please provide details below:
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

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? <i>(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.)</i>
	The report allows the Governance & Audit Committee to elect a representative to the Governance Group.

Integrated Impact Assessment Screening Form – Appendix 2

Outcome of Screening

Q8	<p>Please describe the outcome of your screening below:</p> <ul style="list-style-type: none"> Summary of impacts identified and mitigation needed (Q2) Summary of involvement (Q3) WFG considerations (Q4) Any risks identified (Q5) Cumulative impact (Q7) <p>(NB: This summary paragraph should be used in the relevant section of corporate report)</p>
	The report allows the Governance & Audit Committee to elect a representative to the Governance Group.

<input type="checkbox"/>	Full IIA to be completed.
--------------------------	----------------------------------

<input checked="" type="checkbox"/>	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.

Screening completed by:	
Name:	Jeremy Parkhouse
Job Title:	Democratic Services Officer
Date:	30 May 2023

Approval by Head of Service:	
Name:	Tracey Meredith / Debbie Smith
Position:	Chief Legal Officer / Deputy Chief Legal Officer
Date:	07 June 2023

Please return the completed form to accesstoservices@swansea.gov.uk

Agenda Item 13



Report of the Head of Democratic Services

Governance & Audit Committee – 14 June 2023

Governance & Audit Committee Action Tracker Report

Purpose:	This report details the actions recorded by the Governance & Audit Committee and response to the actions.
Report Author:	Jeremy Parkhouse
Finance Officer:	N/A
Legal Officer:	N/A
Access to Services Officer:	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 2023/24 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. 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 2015 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.

2.2 There are no 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 Governance & Audit Committee Action Tracker 2023/24 (Recently closed actions highlighted).

Governance & Audit Committee - Action Tracker 2023/2024

Date of Meeting	Minute Ref	Action	Nominated Officer(s)	Status / Timescale
17/05/23	121	Draft Annual Governance Statement 2022/23		
		1) The Annual Governance Statement be agreed, subject to the amendments highlighted by the Committee being added. 2) The amended report be circulated to the Committee. 3) The report be forwarded to Council for approval as part of the Statement of Accounts.	Richard Rowlands	Ongoing
17/05/23	118	Draft Governance & Audit Committee Annual Report		
		The Governance and Audit Committee Annual Report 2022-2023 be agreed and subject to the amendments highlighted by the Committee being added, be forwarded to Council for approval	Chair / Simon Cockings / Jeremy Parkhouse	Ongoing Report to be presented to Council on 06/07/2023.
12/04/23	111	Internal Audit Strategy & Annual Plan 2023/24		
		The Chair asked the Chief Auditor to consider whether the reviews of Clydach and Crwys Primary Schools, which had been requested by the Education Department, were the responsibility of the department and not Internal Audit. She added that due to the size of the Plan and the resources issues, the request could be pushed back to be dealt with by central management.	Simon Cockings	Ongoing
08/03/23	105	Governance & Audit Committee Action Tracker Report		
		The Chair highlighted the following: - <ul style="list-style-type: none"> Minute 90 (08/02/2023) – Audit Wales Reports – Readiness of the Public Sector for Net Zero Carbon by 2030 – Councillor A S Lewis (Deputy Leader of the Council) had updated the Climate Change and Nature Performance Panel regarding progress and would provide the Committee with a briefing note in order to provide assurance. 	Councillor Andrea Lewis / Geoff Bacon	Ongoing Audit Wales have rightly identified the need for all public bodies to develop costed plans to meet political aspirations and legal obligations. It remains relatively early days and at this stage it is not realistic to have a fully costed plan that's aligned to the MTFP and beyond. The costed plan doesn't and couldn't align with a 4-year MTFP as the programme will develop and continues up until 2030. As yet there has been no statement from

				WG concerning additional funding. The council recognises its obligations and the expectations placed upon it and the wider public sector and will continue to develop its own methodology and share and learn best practice with others to try and ensure comparability and consistency where possible. Conversations are ongoing with Welsh Government Energy Services as to how an action plan can be refined and properly delivered which strikes a pragmatic balance between the realistic and affordable at a truly local, council wide level and what will require regional, national and international joint working and very substantial additional funding support. A future draft/interim report will follow when completed.
08/03/23	105	<ul style="list-style-type: none"> Minute 77 (11/01/2023) – Annual Complaints Report 2021/22 – Scrutiny Performance Panel had received a report from the Ombudsman which stated that the Ombudsman would welcome feedback from the Governance & Audit Committee’s review into the Authority’s ability to handle complaints effectively. The Chair had requested that this be included in the next complaints report and the Ombudsman would use this information to feed future work. 	Sarah Lackenby	Ongoing Update to be provided on 19 July 2023.
08/02/23	88	Social Services Absence Management Audit Report Update		
		Comparators being provided in future reports to allow the Committee to observe if absences are reducing or not and Introducing measures that were aimed at reducing future sickness.	Adrian Chard	Ongoing Update to be provided in September 2023.
11/01/23	78	Accounts Receivable		
		Providing the value and volume totals of write offs / disputed invoices in future reports to allow the Committee to be able to better understand the position.	Rachael Davies / Michelle Davies	Closed Update to be provided on 14 June 2023.
11/01/23	77	Annual Complaints Report 2021-22		
		Providing year on year information including numbers not only percentages and in table format to allow the Committee to monitor any	Sarah Lackenby	Ongoing Update to be provided on 19 July 2023.

		changes.		
14/12/22	70	Annual Review of Performance 2021-22		
		The following be added to the 2022/23 report: - <ul style="list-style-type: none"> • Consider methods & methodologies for 2022/23 in parts 1, 2, 3. • Linking the performance and risk assessments for 2022/23. • Recognizing improvements that would need to be articulated within the report around stronger analysis. • Improving the links between consultation engagement and stakeholder reference. 	Richard Rowlands	Ongoing To be included in the 2022/23 report.
	66	The Oracle Fusion project and identifying clear completion dates in order to hold Officers to account.	Ness Young	Closed Update to be provided on 14 June 2023.
27/09/22		The Chair requested that an evaluation of the effectiveness of Occupational Health be completed.	Rachael Davies	Ongoing A review of sickness management and the end-to-end absence management process including Occupational Health will be completed by September 2023.
08/02/22	74	Internal Audit Recommendation Follow-Up Report - Quarter 3 2021/22		
		The Chair highlighted that a suitable solution in respect of External Audit Recommendation Tracking should be found as soon as possible in order for the Council to have a far better control of the situation.	Ness Young / Richard Rowlands	Ongoing Reports being tracked using a corporate email folder.

Agenda Item 14



Report of the Head of Democratic Services

Governance & Audit Committee – 14 June 2023

Governance & Audit Committee Work Plan

Purpose:	This report details the Governance & Audit Committee Work Plans to May 2024.
Report Author:	Jeremy Parkhouse
Finance Officer:	N/A
Legal Officer:	N/A
Access to Services Officer:	N/A
For Information	

1. Introduction

- 1.1 The Governance & Audit Committee Work Plan to May 2024 in Terms of Reference Order is attached at Appendix 1.
- 1.2 The Additional Work programme Governance and Audit Committee as a result of the Local Government and Elections Act is attached at Appendix 2.
- 1.3 There is no Scrutiny Programme Committee Work Plan 2023/24 to report as the Work Plan has not been agreed yet.
- 1.4 The Scrutiny & Monitoring of External Audit / Inspection / Regulatory (AIR) Reports (2023/24) is attached at Appendix 3.
- 1.5 The updated Governance & Audit Committee Terms of Reference is attached at Appendix 4.
- 1.6 The dates included for the meetings in 2023/24 were approved at the Council's Annual Meeting on 18 May 2023.

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 2015 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.

2.2 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 - Governance & Audit Committee Work Plan to May 2024 in Terms of Reference Order.
- Appendix 2 - Additional Work Programme - Governance and Audit Committee as a result of the Local Government and Elections Act.
- Appendix 3 - Scrutiny & Monitoring of External Audit / Inspection / Regulatory (AIR) Reports (2023/24).
- Appendix 4 - Governance & Audit Committee Terms of Reference.

Governance & Audit Committee Workplan 2023/24

Appendix 1

Terms of Reference	14 June 2023	19 July 2023	13 September 2023	25 October 2023	6 December 2023	17 January 2024	28 February 2024	10 April 2024	June 2024 (24/25)
Training									
Governance & Assurance	Election of Chair & Vice Chair Appointment of Committee Member on Annual Governance Group	Complaints Update Report 2022/23	Public Services Ombudsman for Wales Annual letter to the Council for the period 2022-23	Scrutiny Annual Report 2022-23. The Governance and Assurance Arrangements of Swansea Council's Strategic Partnerships – 6 Month Update		Annual Complaints Report	The Governance and Assurance Arrangements of Swansea Council's Strategic Partnerships. Update on the Council's Transformation Programme, including Governance	Draft Committee Work Programme 2024/25	Annual Governance Statement 2023/24 Draft Governance & Audit Committee Annual Report 2023/24
Internal Audit	IA Quarter 4 2022/23 Monitoring Report IA Quarter 4 2022/23 Recommendation Tracker Report Fleet Maintenance Update Accounts Receivable Update DBS Update	Annual Report of School Audits 2022-23	A Quarter 1 2023/24 Monitoring Report IA Quarter 1 2023/24 Recommendation Tracking Report	Employment of Agency Staff Update Management of Absence Update IA Quarter 2 2023/24 Monitoring Report IA Quarter 2 2023/24 Recommendation Tracker Report Fundamental Audits 2022/23 – Recommendation Tracker Report			Employment of Agency Staff Update Management of Absence Update IA Quarter 3 2023/24 Monitoring Report IA Quarter 3 2023/24 Recommendation Tracker Report IA Annual Plan Methodology Report 2024/25 Draft IA Annual Plan 2024/25	IA Charter 2024/25 IA Strategy & Annual Plan 2024/25	Internal Audit Annual Report 2023/24
Risk Management & Performance			Q1 Risk Monitoring Report The Annual Review of Performance 2022-23 (including Self-Assessment Report) (Provisional)		Q2 Risk Monitoring Report		Q3 Risk Monitoring Report		Q4 Risk Monitoring Report
Counter Fraud		Corporate Fraud Annual Report 2022/23 and Corporate Fraud Annual Plan 2023/24			Corporate Fraud – Six Month Update				

Governance & Audit Committee Workplan 2023/24

Appendix 1

Operational matters / key risks			Update on Internal Control Environment – Director of Education	Update on Internal Control Environment - Director of Social Services	Update on Internal Control Environment - Director of Finance		Update on Internal Control Environment – Director of Place	Update on Internal Control Environment – Director of Corporate Services	
External Audit	Audit Wales Report - City & County of Swansea Annual Audit Summary	Audit Wales Work Programme and Timetable – City and County of Swansea Council. Audit Wales – 2023 Audit Plan	Audit Wales Work Programme and Timetable – City and County of Swansea Council. Audit Wales - Audit of Accounts Report - City & County of Swansea - Draft.		Audit Wales Work Programme and Timetable – City and County of Swansea Council.		Audit Wales Work Programme and Timetable – City and County of Swansea Council.	Audit Wales - Assurance and Risk Assessment - Financial Position Update Audit Wales Report - City & County of Swansea Annual Audit Summary Audit Wales - 2024 Audit Plan	
Financial Reporting			Draft Statement of Accounts 2022/23						

Additional Work programme Governance and Audit Committee
As a result of the Local Government And Elections Act.

Across all areas of the work programme, consideration and acknowledgement will be given to the views, feedback and assurance from the scrutiny and performance committees that robust overview and scrutiny has taken place of decisions, policies and proposals and the assurance then given to Audit committee when they are reviewing the area of work in relation to Assurance, risk environment, Regulatory compliance and overall governance.

Area of work	Owner	Frequency <i>The frequencies are a guide and additional reviews may take place as and when the committee feel necessary.</i>	Month to present to committee
To review the Council's corporate governance arrangements against the good governance framework	Ness Young / Richard Rowlands	Every 2 years	See Annual Governance Statement
To review the Council's draft annual Self-Assessment Report,	Richard Rowlands	Annual	December
To review the Council's draft response to the Panel Performance Assessment Report	Richard Rowlands	Once every 4 years	TBC
To review the Council's draft response to any Auditor General's recommendations arising from a special inspection in respect of the Council's performance requirements	Ness Young	As and When required	TBC
To review the programme of work from regulators	Richard Rowlands	Annually	Quarterly

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To review and assess the authority's ability to handle complaints effectively	Sarah Lackenby	Annual	January
To review the Annual Governance Statement prior to approval	Richard Rowlands	Annual	May
To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.	Richard Rowlands / Ness Young	Annual	Possibly covered to a degree in the self-assessment report but too early to say.
To consider the Council's framework of assurance	Richard Rowlands / Ness Young	Annual	See Internal Audit Assurance Map
To monitor the effective development and operation of risk management	Richard Rowlands	Each meeting	Quarterly Overview of Risk Reports
To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions	Simon Cockings	As and when required	Quarterly Monitoring Reports throughout the year.
To review the assessment of fraud risks and potential harm to the Council from fraud and corruption	Simon Cockings	Every 6 months	Fraud Function Annual Plan – March Fraud Function Annual Report – July Fraud Function Half-Year Update Report - December
To monitor the counter fraud strategy, actions and resources	Simon Cockings	Every 6 Months	Fraud Function Annual Plan – March Fraud Function Annual Report – July

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			Fraud Function Half-Year Update Report - December
To Receive proposals in relation to the appointment of external providers of internal audit services and to make recommendations	Simon Cockings	as and when	n/a
To review the governance and assurance arrangements for significant partnerships or collaborations	Deputy Chief Executive / Richard Rowlands / Relevant Director	Annual / as and when new Partnerships or collaborations are established	June/July
To approve the internal audit charter and resources	Simon Cockings	Annual	Internal Audit Charter Report – April
To consider the Chief Internal Auditor'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	Simon Cockings	Annual	Internal Audit Annual Report – May
To consider reports from the Chief Internal Auditor on Internal Audit's performance during the year including the performance of external providers of internal audit services	Simon Cockings	Every 6 months	Quarterly Monitoring Reports throughout the year.
To consider a report on the effectiveness of internal audit to support the Annual Governance Statement, where required to do so by the Accounts and Audit Regulations	Simon Cockings	Annual	Internal Audit Annual Report – May

Appendix 2

To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Chief Internal Auditor. To approve and periodically review safeguards to limit such impairments	Simon Cockings	Annual	Internal Audit Charter Report – April
To receive reports outlining the action taken where the Chief Internal Auditor has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions	Simon Cockings	As and when	Quarterly Monitoring Reports throughout the year.
To consider reports dealing with the management and performance of the providers of internal audit services	Simon Cockings	As and when required	Quarterly Monitoring Reports throughout the year.
To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.	Simon Cockings	Quarterly	Quarterly Monitoring Reports throughout the year.
To contribute to the Quality Assurance and Improvement Programme and in particular the external quality assessment of internal audit that takes place at least once every five year	Simon Cockings	Every 5 Years	Internal Audit Annual Report – May
To consider the external auditor's annual letter, relevant reports, and to those charged with governance.	Ben Smith	Annual	External Auditor's annual letter – July

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To review the annual statement of accounts.	Ben Smith	Annual	Report of S151 officer including Statement of Accounts – July
To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts	Ben Smith	Annual	External Audit Annual Report - July
To publish an annual report on the work of the committee.	Paula O'Connor	Annual	Draft Audit Committee Annual Report – May

Scrutiny & Monitoring of External Audit / Inspection / Regulatory Reports (2023/24)

The Chair of the Governance & Audit Committee and Chair of the Scrutiny Programme Committee decide between them the route that specific reports should take, i.e., whether reported to and monitored by G & A Committee or SPC, as deemed appropriate.

External reports that are relevant for Scrutiny are allocated either to the Scrutiny Programme Committee or referred to relevant Scrutiny Performance Panels and scheduled for discussion, as appropriate.

When a report has been issued to the Council and is available for Scrutiny, the relevant Scrutiny Chair / Convener is made aware, and it can be highlighted to Committee / Panel members within the next available meeting agenda.

Reporting to Scrutiny will typically require relevant Cabinet Members / Officers to attend meetings to discuss implications and present action plans along with statements about progress. Scrutiny Officers will engage with relevant Cabinet Members / Officers to forward plan the scheduling of Committee / Panel discussion at the right time, e.g., with a response / action plan (showing any progress to date), making the best use of time given pressure on scrutiny work plans / workloads.

The Committee / Panel can then receive assurance from Council leads about their response to any external reports and provide challenge to ensure improvement, making observations, and arranging further monitoring as necessary.

Depending on content, every report may not require the same level of involvement and consideration (given degree of importance or interest) therefore it will be up to relevant scrutiny lead member(s) to determine best approach in dealing with relevant reports. In certain cases, the Committee / Panel may take an exceptional approach to reports, e.g., being provided with information outside of meetings and only scheduling for discussion at a meeting with relevant Cabinet Member / Officer where there are specific issues, concerns about action / progress. Flexible approaches will relieve pressure on workloads and ensure best use of time and resources.

The Governance & Audit Committee is provided with a log of reports being dealt with by Scrutiny so that it can maintain an oversight of monitoring and be assured that reports are being effectively followed up.

Report Title	Type of Report	Lead Cabinet Portfolio	Scrutiny Committee / Performance Panel	Report(s) to Scrutiny	Monitoring by Scrutiny Complete (YES / NO?)
A report on education services in City and County of Swansea (September 2022)	Estyn	Education & Learning	Education Panel	27 October 2022 15 December 2022	NO Further monitoring scheduled for 15 June 2023
‘Time for Change’ – Poverty in Wales (November 2022)	Audit Wales (National)	Economy, Finance & Strategy AND Well-being	Scrutiny Programme Committee	17 January 2023	NO Tackling Poverty is an annual item at Committee – actions arising from Audit to be followed up in Dec 2023
‘A missed opportunity’ – Social Enterprises (November 2022)	Audit Wales (National)	Care Services	Adult Services Panel	5 September 2023	
Building Social Resilience and Self-Reliance in Citizens and Communities (January 2023)	Audit Wales (National)	Care Services? Community?	Adult Services Panel	7 August 2023	
Ty Waunarlwydd Care Home Inspection	CIW	Care Services	Adult Services Panel	28 June 2023	
Rose Cross Care Home Inspection	CIW	Care Services	Adult Services Panel	28 June 2023	

NOTE:

Estyn: All individual School Estyn Inspection outcome summaries and links to full reports are included in Education Scrutiny Performance Panel agendas for information / awareness. The Panel will follow up on any where there are concerns and some when good practice has been highlighted.

Governance & Audit Committee – Terms of Reference

Statement of Purpose

The Governance and 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.

The purpose of the Governance and Audit Committee is to provide independent assurance of the adequacy of the risk management framework, the internal control environment and the performance assessment of the Council. It provides an independent review of the governance, performance assessment, 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.

Membership

The Local Government (Wales) Measure 2011 provides that two thirds of the members of the Committee are to be members of the council and one third must be lay members. Only one member of the Cabinet or Assistant to the Cabinet may sit on the Committee, and that person must not be the Leader. The Chair must be a lay member and the vice chair must not be a member of the Cabinet or an Assistant to the Cabinet.

Governance, Performance, Risk and Control

- a) To review the Council's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.
- b) To review the Council's draft annual Self-Assessment Report, and make any appropriate recommendations for changes to the conclusions or actions the Council intends to make.
- c) To review the Council's draft response to the Panel Performance Assessment Report, and make any appropriate recommendations for changes.
- d) To review the Council's draft response to any Auditor General's recommendations arising from a special inspection in respect of the Council's performance requirements and to make any appropriate recommendations for changes.
- e) To review and assess the authority's ability to handle complaints effectively and to make any associated reports and

recommendations in relation to the authority's ability to handle complaints effectively.

- f) To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances.
- g) To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- h) To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.
- i) To monitor the effective development and operation of risk management in the Council.
- j) To monitor progress in addressing risk related issues reported to the Committee.
- k) To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- l) To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.
- m) To monitor the counter fraud strategy, actions and resources.
- n) To review any proposals in relation to the appointment of external providers of internal audit services and to make recommendations.
- o) To review the governance and assurance arrangements for significant partnerships or collaborations.

Internal Audit

- p) To approve the internal audit charter and resources.
- q) To approve the risk-based internal audit plan, containing internal audit's resource requirements, the approach to using other sources of assurances and any work required to place reliance upon those other sources.
- r) To approve significant interim changes to the risk based internal audit plan and resource requirements.

- s) To make appropriate enquiries of both management and the Chief Internal Auditor to determine if there are any inappropriate scope or resource limitations.
- t) To consider the Chief Internal Auditor'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.
- u) To consider the Chief Internal Auditor's annual report.
- v) To consider reports from the Chief Internal Auditor on Internal Audit's performance during the year including the performance of external providers of internal audit services.
- w) To consider a report on the effectiveness of internal audit to support the Annual Governance Statement, where required to do so by the Accounts and Audit Regulations.
- x) To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Chief Internal Auditor. To approve and periodically review safeguards to limit such impairments.
- y) To consider summaries of specific internal audit reports as requested.
- z) To receive reports outlining the action taken where the Chief Internal Auditor has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
- aa) To consider reports dealing with the management and performance of the providers of internal audit services.
- bb) To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.
- cc) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- dd) To contribute to the Quality Assurance and Improvement Programme and in particular the external quality assessment of internal audit that takes place at least once every five years.

- ee) To provide free and unfettered access to the Governance and Audit Committee Chair for the Chief Internal Auditor, including the opportunity for a private meeting with the Committee.

External Audit

- ff) To consider the external auditor's annual letter, relevant reports, and to those charged with governance.
- gg) To consider specific reports as agreed with the external auditor.
- hh) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- ii) To commission work from external audit.
- jj) To advise and recommend on the effectiveness of relationships between external audit and other inspector agencies or relevant bodies

Financial Reporting

- kk) 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.
- ll) To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Accountability Arrangements

- mm) 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 in meeting its purpose.
- nn) To report to Council on an annual basis and to publish an annual report on the Committee's work, its performance in relation to the Terms of Reference, and its effectiveness in meeting its purpose.
- oo) To raise the profile of probity generally within the Council and to report on matters of concern to the individual Cabinet Member, relevant Scrutiny Committee, Cabinet or to Council as necessary and appropriate.
- pp) To work in synergy with the Scrutiny Committees of the Council and liaise with other Council Committees as and when appropriate to avoid duplication in work programmes.

- qq) To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the Appendix 1 adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions
- rr) To publish an annual report on the work of the committee.

Training and Development

- ss) To attend relevant training sessions including specialist training tailored for Members of the Governance and Audit Committee.