

City and County of Swansea Council Annual Audit Summary 2023

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 April 2023. 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 £654 million on providing services¹ during 2022-23².

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: 2022-23 Statement of Accounts

Key facts

As at 31 March 2023, the Council had £174.4 million of useable financial reserves³. This is equivalent to 31% 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 eighth highest of the 22 unitary councils in Wales⁵.

The population of Swansea is projected to increase by 6% between 2023 and 2043 from 250,000 to 264,900, including a 2% increase in the number of children, a 3% increase in the number of the working-age population and a 17% increase in the number of people aged 65 and over⁶.

The Auditor General's duties

We completed work during 2022-23 to meet the following duties

- **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: 2022-23 Statement of Accounts

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

⁶ Source: [Stats Wales, Population Projections](#)

What we found

Audit of the City and County of Swansea Council's 2022-23 Accounts

Each year we audit the Council's financial statements.



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.

For 2022-23:

- the draft statements were presented for audit on 27 October 2023. This was after the deadline of 31 July 2023 set by the Welsh Government. This is the second year in succession that the Council has not met the timescales set by the Welsh Government for the preparation of their annual accounts.
- the quality of the draft statements presented for audit was generally good.
- the Auditor General gave an unqualified true and fair opinion on the Authority's financial statements on 25 March 2024.
- the Authority'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 Authority and with our knowledge of the Authority.
- a number of changes were made to the Authority's financial statements arising from our audit work, which were reported to the Governance and Audit Committee in our Audit of Financial Statements Report on 14 March 2024.
- the Auditor General issued the Certificate confirming that the audit of accounts for 2022-23 has been completed on 25 March 2024.
- in addition to the Auditor General's responsibilities for auditing the Authority'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 but is ongoing.

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. We produced the following reports from our assurance and risk assessment work:

- Setting of well-being objectives – we looked at the Council's approach to setting its well-being objectives. We found that the Council has applied the Sustainable Development Principle in setting its well-being objectives. Embedding its approach to engagement and performance monitoring will further strengthen this.
- Use of performance information – service user perspective and outcomes – we looked at the service user perspective and outcome data provided to members and senior officers, and how this information is used. We found that performance information provided to senior leaders to enable them to understand the service user perspective and the outcomes of the Council's activities is limited.

Update on the progress the Council is making around its Transformation Programme (October 2023)

We examined whether the Council is effectively planning and monitoring its approach to its organisational transformation programme and the delivery of associated savings. We found that whilst many aspects of the Council's strategic approach to planning, monitoring, and delivering its new Transformation Programme are well defined, some key arrangements could be strengthened to enable the Transformation Programme to adapt to the ongoing financial pressures and achieve its ambitions.

Digital Strategy (November 2023)

We examined the Council's strategic approach to digital, and specifically the extent to which this has been developed in accordance with the sustainable development principle; and that it will help to secure value for money in the use of the Council's resources. We found that the Council has a clear vision for its approach to digital and is developing comprehensive arrangements to support the delivery and monitoring of its digital strategy.

Springing Forward – Workforce (December 2023)

We examined the Council's arrangements for managing its workforce. We looked at whether the Council's strategic approach to its workforce is effectively helping the Council to strengthen its ability to transform, adapt and maintain the delivery of its services in the short and longer term. We found that the Council has a clear vision for its workforce, strengthened by its work with partners, but has not identified the resources required to deliver its strategy.

Springing Forward – Assets (March 2024)

We examined the Council's arrangements for managing its strategic assets. We looked at how the Council strategically plans to use its assets, how it monitors their use and how it reviews and evaluates the effectiveness of its arrangements. We found that the Council is using its assets to deliver its strategic objectives but could improve its understanding of asset conditions and risks.

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.

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.

Our ongoing work for 2023-24 includes:

- Assurance and risk assessment
- Thematic review – Financial sustainability
- Thematic review – Commissioning
- Unscheduled Care (2022-23 audit work). Report being finalised.

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.