

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

<p>Risk ID 159</p> <p>Risk Title Financial Control - Budgetary Control, Annual Budget and MTFP Delivery</p> <p>Risk Level Corporate</p>	<p>If we fail to deliver the Council's MTFP, budget and maintain sufficient in year budgetary financial control, and in particular do not ensure we contain service overspending, especially now inflation is embedded at levels far above the expectation of around 2%, then we will not be able to respond appropriately to continuing austerity, demographic pressures, increasing demand and pay and price pressures, potentially reopened equal pay risks across local government, and changing public expectations in both</p>	Very High	Very High	Red	Ben Smith / Jeff Dong	<p>>As part of the quarterly Revenue and Capital Budget Monitoring Reports to Cabinet, continue to monitor and report on slippage in Capital schemes and the effects on Capital schemes of price inflation affecting supplies and materials, including mitigating actions such as agreeing cost increases through FPR7 procedures</p> <p>>Identify uncontainable inflation pressures as variances in the monthly PFM budget reporting cycles and quarterly through to Cabinet.</p> <p>>Compliance within Financial Procedure rules so that spend remains within budget, including permitted Virements</p> <p>>Services to ensure that inflation pressures are managed and contained within cash limits agreed at the time the budget and MFTP are set.</p> <p>>Extant spending restrictions published to all staff and reviewed and many</p>	<p>>Quarterly monitoring reports to Council and Cabinet</p> <p>>Collaborative Officer/ Member budget setting process in place.</p> <p>>Overspend and under delivery of savings openly and transparently escalated and reported to Cabinet and Council by S151 Officer.</p>	<p>>Dedicated Scrutiny Service Improvement and Finance Performance Panel consider and scrutinise the budget on a quarterly basis.</p> <p>> Corporate Services & Financial Resilience Service Transformation Committee established with remit to develop and link all transformation co productions and medium term planning work together</p>	<p>>Quarterly monitoring reports to Audit Committee</p> <p>>Monthly PFM monitoring in place.</p> <p>Transform & Future Council PDC.</p> <p>> Many controls continue to be exercised by CMT in relation to filling vacant posts, regrades and committing contract sums.</p> <p>>Budget holders required to monitor and report any budget variances to monthly P&FM for review.</p> <p>>Reshaping Board launched to challenge delivery/ non-delivery and accelerate timescales.</p>	<p>>Audit Committee provide challenge, oversight and assurance</p> <p>>Periodic budget monitoring reports go to Audit Committee included in the 2022/23 workplan for Audit Committee</p>	<p>>WAO review currently underway in relation to the MTFP aspects of Sustain. Swansea.</p> <p>>AW recently published financial resilience national report and showed clearly Swansea position had strengthened considerably boosted by the £17m addition to reserves in 19-20 outturn.</p> <p>>Risks in current year managed temporarily by drawing down from those increased reserves.</p> <p>> AW about to update financial resilience scores in January</p>	<p>>Saving and other budget mgt to be included as part of the Transformation Plans</p> <p>>Fundamental audits included in the plan</p>	Service Specific / Fundamental Audits - Section 151 Officer Assurance
--	--	-----------	-----------	-----	-----------------------	---	---	---	--	--	--	--	---

Appendix B

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

	current and future years.				controls continue to be directly exercised by CMT in relation to filling vacant posts, restructures, regrades and committing contract sums >Agreed and well established quarterly reporting plan in place to document and record at Cabinet all actions or non actions in services to contain spending >PFM (Performance and Financial Management/Monitoring) process monthly is well established and understood by all officers with appropriate escalation mechanism to S151 Officer, Chief Executive and Cabinet if non compliance >Agree modest virements in conjunction with the S151 Officer and report more sizeable issues for decision through Cabinet on S151 Officer advice around releases from central inflation provision (£4m) and contingency (£3.5m) in year						2024 for 22-23 accounts data and will doing refreshed inspection work on financial resilience locally in 2024		
--	---------------------------	--	--	--	--	--	--	--	--	--	---	--	--

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

Risk ID 394 Risk Title Living within budget annually in overall terms and across main budget headings Risk Level Corporate	If we do not provide for sufficient budget, then contain individual service budget headings by action in year or provide for sufficient contingency plans in central inflation, annual contingency, service earmarked reserves or fail to ensure sufficient general reserves then we are at risk of annually overspending and consequently more rapidly reducing our future years resilience as one-off reserves will be depleted faster.	High	Medium	Amber	Ben Smith \ Ben Smith	> Routine monthly budget monitoring and management action by all Heads of Service through the pfm process and all centrally held budgets by the S151 officer. > Quarterly reporting to cabinet for awareness and decision taking on policy matters that can manage in year overspend risk and agree deployment of centrally held sums on the technical advice of the s151 officer.								
--	---	------	--------	-------	-----------------------	---	--	--	--	--	--	--	--	--