

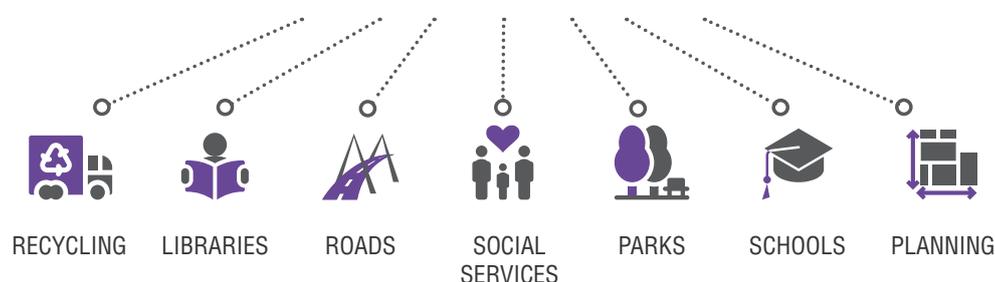


This is our audit summary for City & County of Swansea Council. It shows the work completed since the last Annual Improvement Report, which was issued in October 2018. Our audit summary forms part of the Auditor General for Wales' duties.



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

Some of the Services the Council provides:



About the Council



Our duties

We complete work each year to meet the following duties:

- **Audit of Accounts**

Each year we audit the Council's financial statements to make sure that public money is being properly accounted for.

- **Value for money**

The Council has to put in place arrangements to get value for money for the resources it uses, and we have to be satisfied that it has done this.

- **Continuous improvement**

The Council also has to put in place arrangements to make continuous improvements and we also check if it has done this.

- **Sustainable development principle**

Public bodies need to make sure that when making decisions they consider the impact they could have on people living in Wales now and in the future. We have to assess the extent to which they are doing this.



To meet our duties we complete specific projects, but we also rely on other audit work, and the work of other regulators such as Care Inspectorate Wales and Estyn (the education inspectorate). The findings from our audit work are summarised below.



Audit of City & County of Swansea Council's 2018-19 Accounts

Each year we audit the Council's financial statements.

For 2018-19:

- ✓ The Council provided the 2018-19 draft financial statements for audit on 20 May 2019 which was significantly ahead of the statutory deadline of 15 June 2019. The earlier delivery of the financial statements for audit has been achieved without any impact on the quality of the draft statements or the supporting documentation we have been provided. As such Council officers should be commended for this excellent achievement.
- ✓ The key matters arising from the accounts audit were reported to members of the Audit Committee in my Audit of Financial Statements report on 13 August 2019 and subsequently to Full Council at its meeting on the 29 August 2019. We gave an unqualified opinion on the Council's financial statements on 30 August 2019, 16 days ahead of the statutory deadline.
- ✓ 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.
- ✓ In addition to our responsibilities for auditing the Council's financial statements, we also have responsibility for the certification of a number of grant claims and returns. Our work has not identified any significant issues.

Value for Money

We are satisfied that the Council has put in place proper arrangements to secure value for money from the resources it uses. Significant challenges remain particularly in terms of delivering timely transformation against the backdrop of a challenging financial position.

Our review of all 22 Welsh Councils financial sustainability in 2019-20 sought to assess the sustainability of councils' short to medium-term financial position. We undertook this assessment because we identified financial sustainability as a risk to councils putting in place proper arrangements to secure value for money in the use of resources. In part, this was informed by the recent experiences of some councils in England, our knowledge of the financial situation in councils in Wales, and the general trend of decreasing resources for local government combined with rising demand for some services. In Swansea, we concluded that the Council continues to face a significant financial challenge and needs to deliver its savings plans at the pace and scale required whilst controlling service spending within budgets, thus removing reliance on one off central financing measures to otherwise successfully balance the overall budget.

Our recent work with the Council has provided us with increased assurance that, through its Reshaping Board, senior management is providing a focused strategic input to support the transformation agenda and the delivery of associated financial savings. In addition, the better than anticipated Welsh Government funding settlement will to some extent ease, but not address the financial pressure facing the Council in the 2020-21 financial year. The Council recognises the extent of the continuing financial challenge and the transformation required to its service delivery over the immediate and longer term. Accordingly, it is undertaking a fundamental review and refresh of its programme for transformation to ensure that planned actions are of sufficient scale and pace. We will be further reviewing these new transformation arrangements during our 2020 Audit Programme.

Our audit work in 2018-19 included a follow-up review of the Auditor General for Wales 2015 national report Delivering with Less – Leisure Services. Following a commissioning review of the Council’s Cultural services, on 1 October 2018, seven Council leisure centres transferred to Freedom Leisure, a not-for-profit organisation to manage and operate these facilities for a period of 19.5 years. Our review looked at the Council’s Cultural services commissioning review and decision-making arrangements in transferring these leisure centres to a not-for-profit organisation. Our audit concluded that: the Council has contracted out the future management of its leisure centres, but lacks a full strategic plan to evaluate the leisure service’s contribution to achieving the Council’s objectives.

Our audit work in 2018-19 also included a follow-up review of our 2014 report into the Council’s arrangements to support safeguarding of children. We also considered the Council’s progress in implementing the recommendations contained in the Auditor General’s report, ‘Review of Corporate Safeguarding Arrangements in Welsh Councils’ (July 2015). Overall, we found that: The Council has addressed most of the recommendations in our previous national and local safeguarding reports but should strengthen some aspects of its corporate safeguarding arrangements. We have made further proposals for improvement to the Council in this regard.

Continuous Improvement

We are satisfied the Council has met its legal duties for improvement planning and reporting and is likely to meet the requirements of the Local Government Measure (2009) during 2019-20.

Well-being of Future Generations Examinations

The examination that we undertook in 2018-19 considered the extent to which the Council has acted in accordance with the sustainable development principle in developing its new approach to employability, called ‘Swansea Working’. We concluded that the Council is acting in accordance with the sustainable development principle in developing and implementing the ‘step’ (‘Swansea Working’ is an explicit element of Council strategies to tackle poverty and prevention), but there are opportunities to further embed the five ways of working.

Our examination in 2019-20 considered the extent to which the Council is acting in accordance with the sustainable development principle in effecting the successful transfer of leisure facilities to the Council’s delivery partner. We concluded that the Council has taken appropriate steps to ensure the current service is sustainable but has yet to develop its strategy and intended outcomes for the future provision of leisure services in Swansea.

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 reported on its inspection of services for children living in Swansea in [October 2018](#). CIW also issued a [Local Authority Performance Review](#). Estyn did not inspect local government education services at Swansea during the period.

The Auditor General is independent of government, and is appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office Board, 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 National Assembly.

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

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

The Auditor General and staff of the Wales Audit Office aim to provide public-focused and proportionate reporting on the stewardship of public resources and in the process provide insight and promote improvement.

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.