

Internal Audit reports identifying 'significant' risk or 'of concern':

One Swindon: Governance

Audit Committee

Date: 5th November 2013

Author: Head of Internal Audit

Wards: None

Locality Affected: None

Parishes Affected: None

1. Purpose and Reasons

- 1.1 Members requested that at least one individual audit report be presented to each meeting of the Committee. Members of the Audit Committee requested that the internal audit report on *One Swindon: Governance* is included on the agenda for the November meeting of the Committee.
- 1.2 The Council's Audit Committee has a strategic role to ensure that the Council's assurance framework is operating effectively. To this end it should seek assurance that key areas that contribute to this framework are operating effectively.

2. Recommendations

- 2.1 It is recommended that the contents of the report be noted.

3. Detail

Background

- 3.1 The One Swindon Partnership is a non-statutory, strategic partnership between the public, voluntary and business sectors, to deliver innovative, jointly developed solutions for the residents of Swindon. The partnership builds on the work already undertaken through the Swindon Strategic Partnership and the Local Area Agreement.
- 3.2 A number of Members, Partners and Council officers involved in One Swindon were interviewed to gain their understanding of, and observations on, the Partnership. This was supported by a review of the terms of reference and minutes/documentation from the Leadership Board, Delivery Board, the Overview and Monitoring Group and the Swindon Conference to ascertain their roles and responsibilities and confirm that they were delivering against these. The auditors also attended One Swindon Leadership Board meeting.

Key Findings

- 3.3 The key messages from the review are:
- All those interviewed were enthusiastic about the concept of One Swindon and the benefits it could achieve, as organisations involved in the partnership face similar

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pressures to that of the Council with regards to increasing demand and reducing resources.

- The principles of One Swindon was understood and supported by everyone interviewed during the course of the audit.
- The current governance structure, except for the role of the Overview and Management Group, is considered fit for purpose.
- Members of the Leadership and Delivery Boards all gave examples of where the networking opportunities at Board meetings have allowed them to resolve issues being experienced within their own organisations and saw this as a real benefit.
- However, the track record over the last few years has not yet fully realised the potential in terms of One Swindon intent, nor been in keeping with the benefits previously delivered through the Local Area Agreement. This view was shared by all those interviewed during the audit.
- There is currently no Delivery Plan in place for year two and beyond. This has been identified by the Leadership Board and was very evident from the discussions at the Leadership Board attended and previous minutes/documentation reviewed. All Partners have acknowledged that the need for the Partnership to move on and deliver has become critical if it is to maintain momentum and deliver projects that bring both benefits to the organisations involved and deliver the outcomes needed for residents. Everyone attending the Leadership Board was of the same view and supported the need to be delivery focussed.
- It is nationally recognised that Community Budgets are a way forward for local authorities and partners across the public sector. Partnership working and place shaping will be important for local authorities going forward, especially working with partners across public, private and the voluntary/third sector. The One Swindon Partnership already embodies these ideas and has the potential to make a big, positive contribution towards all Partner organisations and residents through Community Budgets.
- The Council’s Chief Executive has proposed that the Community Budget approach would be an ideal opportunity to allow the Partnership to be focussed on specific outcomes. This has been agreed by the Board and the Council’s Head of Strategy and Research has been commissioned to lead and manage the development and implementation of a One Swindon Community Budget as a Programme. He reported back to the Board as part of their away day in June 2013. This away day was dedicated to discussions on the Community Budget Programme and what it could/would look like for Swindon.
- Swindon has since been selected by the Government as one of only nine local authorities to be included in the next wave of Community Budgets. It was reported

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that Swindon was selected because of the strength of our partnership working and track record of innovation.

- To respond to this approach effectively, it will be necessary for the Leadership Board to now take on the role of a commissioning body, approving projects within the strategic framework they have set, with the Delivery Board taking on the role of a robust performance management function to monitor and ensure projects are delivered.

3.4 The internal audit report is attached as Appendix 1 to this report.

3.5 The Head of Strategy and Research has provided a management update setting out progress made since the audit report was issued (see Appendix 2). He will also be attending Audit Committee to answer any questions that Members may have.

3.6 The Head of Strategy and Research has also reported to October's Cabinet on One Swindon: public service transformation through partnership – joint statement of intent, this has been reproduced as Appendix 3.

4. Alternative Options

4.1 Not Applicable

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

5.1 There are no direct financial implications arising from this report however the detailed audit report addresses the suitability of internal controls within the systems examined

Legal and Human Rights Implications

5.2 Internal Audit is a statutory requirement of the Accounts and Audit Regulations 2011. The Internal Audit service also provides assurance to the Director of Finance regarding the requirements of Section 151 of the Local Government Act 1972.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.3 None

Links to One Swindon, Strategic Objectives, Plans and Policies

5.4 Effective systems of internal control within the Council will help to ensure that the Council's corporate objectives and those set out in One Swindon are achieved.

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Diversity Impact Assessment

5.5 Not Applicable

Risk Management

5.6 Not applicable

6. Consultees

6.1 The Board Director: Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

7.1 None

8. Appendices

8.1 Appendix 1 – Internal Audit report: *One Swindon: Governance*

8.2 Appendix 2 – Management update

8.3 Appendix 3 – Cabinet report: One Swindon: Public service transformation through partnership: joint statement of intent