

Swansea Bay City Deal

Internal Audit Terms of Reference 2024-25



1.0 Introduction and Objectives

As part of the 2024-25 annual internal audit plan, an audit review of the Swansea Bay City Deal will be undertaken.

The objectives of the Internal Audit review are:

- to provide assurance that the Swansea Bay City Deal has adequate governance, internal control, risk management and financial management arrangements in place, which are operating effectively and assisting it to achieve its objectives.
- To identify areas of weakness and risk, good practice and opportunity.

The Internal Audit work programme for 2024-25 has been prepared in accordance with the requirements of the Public Sector Internal Audit Standards.

2.0 Scope

The audit review will consider whether robust arrangements are in place for the management and administration of the Swansea Bay City Deal and assess the adequacy and effectiveness of the controls in place. The review will cover the following key areas:

Follow Up of previous recommendations

- Review of progress towards completion of previous Internal Audit recommendations.

Governance

- Joint Committee Agreement
- Governance Boards & Decision Making Arrangements
- Assurance, Audit and Scrutiny
- Portfolio Management Office Structure and Support

Project Management & Monitoring

- Project Management Process
- Monitoring and Evaluation Arrangements for Outputs, Outcomes and Benefits Realisation
- Change Control Process
- Post Completion Reviews

Financial Management

- Budgetary Control
- Forward Financial Planning
- Private Sector Investment
- Grant Claims Process

Risk Management

- Risk Management Arrangements

Internal Audit resource will focus on the areas of risk identified in the scope above. Emerging risks and other issues identified during the Internal Audit review may result in a change of focus, and as such lower risk areas may be excluded from the review. Any proposed changes in scope will be discussed with the Portfolio Director and the Swansea Bay City Deal Section 151 Officer.

3.0 Audit Approach

The work will be performed following our standard audit methodology in conformance with the Public Sector Internal Audit Standards (PSIAS).

Principal activities will include:

- Interviews with the relevant officers.
- Examining relevant documents.
- Recording the system in operation.
- Evaluation of the adequacy of internal controls.
- Compliance and substantive testing.
- Reporting to management and making recommendations where appropriate.

4.0 Reporting Arrangements

The draft report will be issued to the Swansea Bay City Deal Section 151 Officer, Portfolio Director, Finance Manager, and Monitoring Officer. Discussions will then take place to approve the report and agree action in respect of any recommendations for improvement that may be made. Upon approval of the draft report, the final report will be issued to the Swansea Bay City Deal Section 151 Officer, Portfolio Director, Finance Manager, and Monitoring Officer (and will be reported to the Programme Board and the Joint Committee).

Matthew Holder, Swansea Bay City Deal Head of Internal Audit
29 October 2024