

Swansea Council – Annual Audit Summary 2025

Date issued: April 2026



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Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

Introduction



Adrian Crompton

Auditor General for
Wales

I am pleased to share my Annual Audit Summary for Swansea Council. It summarises the main findings from my 2025 audit work undertaken to fulfil my responsibilities under the Public Audit (Wales) Act 2004 and the Well-Being of Future Generations (Wales) Act 2015.

I provided an opinion on whether the accounts were properly prepared and gave a true and fair view, in all material aspects.

My audit team has also assessed whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, and has acted in line with the sustainable development principle. In doing so, my audit team has reviewed the Council's risk management, commissioning and cyber security arrangements. As set out in my audit plan, these reviews have been carried out in line with the [International Organisation of Supreme Audit Institutions \(INTOSAI\) standards](#).

The detailed audit findings for each of my reviews are set out in the respective reports which my audit team have presented throughout the year. The performance audit reports are available on the [Audit Wales website](#) and further links are available in the summary.

The Annual Audit Summary should be shared with those charged with governance. I will then make the summary available to the public on the [Audit Wales website](#).

I would like to extend my gratitude to the Council's officers for their help and cooperation throughout my audit.

Your audit at a glance



I received the draft accounts after the statutory deadline of 30 June 2025. The quality of the draft accounts and working papers were good.



I issued an unqualified opinion on the accounts after the statutory deadline of 31 October 2025. There was one uncorrected misstatement in the accounts. There was one other significant issue reported.



My performance audit work found that the Council has arrangements in place to secure value for money through its risk management, commissioning and cyber security arrangements. However, my team found that there are opportunities for the Council to strengthen aspects of its arrangements.



My audit team made several recommendations to the Council which focus on ensuring compliance with its commissioning arrangements, ensuring that the application and value of its risk appetite and tolerance levels are understood by officers and Members, developing proportionately SMART control measures and assessing the effectiveness of those control actions.



There is still some work outstanding from my Audit Plan dated May 2025. My team expects to complete this work by June 2026.

Audit of accounts findings

Preparing annual accounts is an essential part of demonstrating the stewardship of public money. The accounts show the organisation's financial performance and set out its net assets/reserves, total comprehensive income and expenditure, and cash flows. My annual audit of those accounts provides an opinion on whether the accounts were properly prepared and gave a true and fair view, in all material aspects.

My responsibilities in auditing the accounts are described in my [Statement of Responsibilities](#) publications, which are available on the [Audit Wales website](#).

The draft accounts were presented for audit on 16 December 2025. This was after the deadline of 30 June 2025 set by the Welsh Government. This is the fourth year in succession that the Council has not met the timescales set by the Welsh Government for the preparation of their annual accounts and was significantly later than in previous years. The quality of the draft accounts presented for audit was generally good.

My audit opinion

I must report issues arising from my work to those charged with governance for consideration before I issue my audit opinion on the accounts. I reported these issues within my Audit of Accounts Report to the Governance and Audit Committee on 11 March 2026.

Accuracy of preparation

A number of changes were made to the draft accounts arising from my audit work.

There was one uncorrected misstatement in respect of accounting for a land asset addition before the lease premium was received by the Council. This misstatement was not material to the accounts and will be correctly reflected in the 2025-26 accounts.

There was one other significant issue reported in relation to the Council's difficulties in producing timely accounts and achieving statutory accounts deadlines.

My work did not identify any material weaknesses in internal controls (as relevant to my audit), and I made no recommendations.

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 and with my knowledge of the Council.

I concluded that the Council's accounts were properly prepared and materially accurate and issued an unqualified audit opinion on them.

Audit completion

I issued the certificate confirming that the audit of accounts for 2024-25 was completed on 26 March 2026.

Other accounts work

In addition to my responsibilities for auditing the Council's accounts, I also have responsibility for the certification of a number of grant claims and returns.

The work to date has not identified any significant issues.

Performance audit findings

Commissioning arrangements

My team looked at how the Council's arrangements for commissioning apply value for money considerations and the sustainable development principle.

I found that the Council's commissioning arrangements have most of the elements to assure itself that it secures value for money when commissioning services, although there are opportunities to further strengthen these arrangements.

I made three recommendations focused on strengthening commissioning arrangements, ensuring compliance with commissioning arrangements and introducing a regular review of the Council's commissioning arrangements.

Review of corporate risk management arrangements

My team looked at whether the Council's corporate risk management arrangements support the delivery of its strategic objectives.

I found that the Council has strengthened its approach to risk management over recent years. It evaluated its risk management policy and framework in early 2024. In doing so, the Council identified a need to ensure that the management of risks is an embedded behaviour, and it is in the process of implementing improvements. The Council demonstrates alignment between its risk management activities and strategic objectives.

However, we found some minor inconsistencies in the early application of the revised arrangements. Given its current phase of implementing its revised policy and framework, the Council has yet to assess the effectiveness of its approach.

I made four recommendations covering risk identification, management, monitoring and reporting, as well as the Council's evaluation of its arrangements.

Audit of cyber security arrangements

My team looked at the Council's cyber security and resilience arrangements.

Due to the nature of the topic, our report was considered by the Council's Governance and Audit Committee in private, and the report is not published on our website.

Performance audit work underway

At the time of reporting, the following reviews from the 2025 Audit Plan were underway at the Council:

- thematic review – recruitment and retention;
- local review – counter fraud; and
- local review – housing and homelessness.

Audit quality

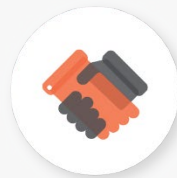
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We use three lines of assurance to show how we achieve this. We have set up an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by the Institute of Chartered Accountants in England and Wales and our Chair of the Board, acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2024](#).



Our People

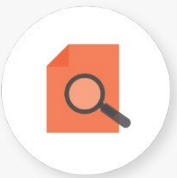
- Selection of right team
- Use of specialists
- Supervisions and review



Arrangements for achieving audit quality

Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



Independent assurance

- EQRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

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