

DEVON AUDIT PARTNERSHIP COMMITTEE

17 March 2023

Present:-

Councillors L Finn (Vice-Chair), R Craigie, M Hartnell, Kennedy, R Loxton, R Scott, B Spencer and D Thomas

Apologies:-

Councillors I Roome, Ball, Davies and A Luggar

* **44** **Minutes**

RESOLVED that the Minutes of the meeting held on 1 December 2022 be signed as a correct record.

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* **45** **Items Requiring Urgent Attention**

There was no item raised as a matter of urgency.

* **46** **Nine Month Update Report**

The Committee noted the Report of the Director of Finance and Public Value (DF/23/36) on an update which covered activity in the first nine months of 2022/23 which related to finance/budget position, new business, adding value, Customer Service Excellence and continued external assessment, Internal Audit Performance and counter fraud.

The Report recognised the continuing challenges brought about by national and global events, and the impact this was having on local authorities and their work.

Members' discussion points with the Head of the Devon Audit Partnership included:

- the challenges presented by a relatively high staff turnover (13%) due in part to early retirements and external competition, reflective of the wider picture; and currently there was a full complement including apprentices who it was hoped would lead to permanent roles;
- the positive comments and feedback from clients and the added value provided by the Partnership;

- external assessment as part of the CSE process and a report on this would be made to a future meeting;
- confirmation that the “percentage of work commenced” was on track despite pressures on clients as they responded to the ongoing national and local issues;
- the statistics relating to Counter Fraud investigations and reasons for the disparity within the reactive work statistics, which was reflective of whether a Unitary authority or not; and the number of referrals from the authorities was partially dependent on whether an Authority had its own counter fraud team for example; and Members asked for more information on the total monetary values involved; and Head of Service undertook to provide more information for a future meeting with the Counter Fraud Team Manager; and
- the objective in fraud investigation to achieve a positive outcome with better compliance processes.

* **47** **Budget Monitoring 2022/23 - Month 8**

The Committee considered the Report of the Director of Finance and Public Value (DF/23/37) on a summary of the budget position on activity in the first eight months of 2022/23. The report recognised the challenges brought about by the wider economic context, in which DAP along with Partners continued to face pressures in balancing the budget.

The overall position was expected to be balanced by the end of the financial year, in part due to one off savings.

A Member asked for information in regard to the variance in regard to the budget line relating to Supplies, Services and Transport.

It was **MOVED** by Councillor Thomas, **SECONDED** by Councillor Loxton

RESOLVED that the 2022/23 revenue position and the impact of wider events on the work to achieve a balanced budget in 2022/23, be noted.

48 **Devon Audit Partnership Budget 2023/24**

The Committee considered the Report of the Director of Finance and Public Value (DF/23/38) on the proposed budget for 2023/24 which reflected changes to the Partnership base in 2022/23, including the Devon and Somerset Fire and Rescue Service joining in October 2022.

In setting the budget for 2023/24, there was still uncertainty on pay levels within the public sector for the year ahead and both National and International issues could have an impact.

The funding pressures on Partners was recognised and that income from other, external partners would need to rise. The successful generation of new

business and clients would enable the staff base to be retained providing for a high quality, cost effective assurance services, including internal audit, counter fraud and risk management, for all partners and clients.

The Partnership continued to explore opportunities to expand into other not-for-profit sectors, including the charities sector, to generate further income. The overall position was expected to be balanced by the end of the financial.

Members' discussion points with the Head of the Partnership included:

- the daily rate which was relatively low compared to the private sector noting that excellent value for money services was provided for partners offset by a slightly higher charge for external clients; and the Partnership was a 'not for profit' organisation and aimed to achieve a balanced budget; and
- confirmation from a Partner Member that relative to their former experience with private sector providers, the Service represented excellent value for money.

It was **MOVED** by Councillor Scott, **SECONDED** by Councillor Finn and

RESOLVED that the proposed budget for 2023/24 be agreed in principle.

* **49** **Partner and Client Services 2022/23**

The Committee received and noted a list of Partners and Clients and services provided: Internal Audit; Counter fraud; Risk Management; and Consultancy/Non assurance work.

* **50** **Future Meeting dates**

13 July 2023 and 23 November 2023.

Confirmation at: [Browse meetings - Devon Audit Partnership Committee - Democracy in Devon](#)

Members discussed whether other days could be considered for future meetings (rather than Thursdays). The Head of the Partnership offered to brief members if they were unable to attend a meeting

* **DENOTES DELEGATED MATTER WITH POWER TO ACT**

The Meeting started at 10.30 am and finished at 11.25 am