

Phil Norrey
Chief Executive

To: The Chairman and Members of
the Devon Audit Partnership
Committee

County Hall
Topsham Road
Exeter
Devon
EX2 4QD

(see below)

Your ref :
Our ref :

Date : 8 November 2016
Please ask for : Wendy Simpson, 01392 384383

Email: wendy.simpson@devon.gov.uk
Fax :

DEVON AUDIT PARTNERSHIP COMMITTEE

Wednesday, 16th November, 2016

A meeting of the Devon Audit Partnership Committee is to be held on the above date, at 10.30 am in the Committee Suite, County Hall, Exeter EX2 4QD to consider the following matters.

PHIL NORREY
Chief Executive

AGENDA

PART I - OPEN COMMITTEE

1 Apologies

2 Minutes

Minutes of the meeting held on 31 August 2016 (previously circulated).

3 Six month Update Report 2016/17 (Pages 1 - 14)

Report of the County Treasurer (CT/16/94), attached.

4 Budget Monitoring 2016/17 - Month 6 (Pages 15 - 16)

Report of the Head of Partnership (CT/16/95), attached.

5 Updated Risk Register - October 2016 (Pages 17 - 22)

Report of the County Treasurer (CT/16/96), attached.

6 CIPFA Benchmark Exercise Results 2015/16 (Pages 23 - 28)

Report of the County Treasurer (CT/16/97), attached.

7 Future Meetings

Wednesday 15 March 2017 and Wednesday 21 June 2017.

Please use link below for County Council Calendar of Meetings:

<http://democracy.devon.gov.uk/ieListMeetings.aspx?Committeeld=175>

**PART II - ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF
PRESS AND PUBLIC ON THE GROUNDS THAT EXEMPT
INFORMATION MAY BE DISCLOSED**


Nil

Part II Reports

Members are reminded that Part II reports contain exempt information and should therefore be treated accordingly. They should not be disclosed or passed on to any other person(s).

Members are also reminded of the need to dispose of such reports carefully and are therefore invited to return them to the Democratic Services Officer at the conclusion of the meeting for disposal.

MEMBERS ARE REQUESTED TO SIGN THE ATTENDANCE REGISTER

<p>Membership – Comprising two members from Devon, Plymouth and Torbay</p> <p>County Councillors Councillors J Clatworthy and R Edgell Torbay and Plymouth Councils Councillors A Tyerman, J O'Dwyer, P Hackett, S Leaves and J Mahony Non-Voting Member with right to speak Torridge District Council – Councillor P Hackett</p>
<p>Declaration of Interests</p> <p>Members are reminded that they must declare any interest they may have in any item to be considered at this meeting, prior to any discussion taking place on that item.</p>
<p>Access to Information</p> <p>Any person wishing to inspect any minutes, reports or lists of background papers relating to any item on this agenda should contact Wendy Simpson on 01392 384383. Agenda and minutes of the Committee are published on the Council's Website</p>
<p>Webcasting, Recording or Reporting of Meetings and Proceedings</p> <p>The proceedings of this meeting may be recorded for broadcasting live on the internet via the 'Democracy Centre' on the County Council's website. The whole of the meeting may be broadcast apart from any confidential items which may need to be considered in the absence of the press and public. For more information go to: http://www.devoncc.public-i.tv/core/</p> <p>In addition, anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chairman. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairman or the Democratic Services Officer in attendance so that all those present may be made aware that is happening.</p> <p>Members of the public may also use Facebook and Twitter or other forms of social media to report on proceedings at this meeting. An open, publicly available Wi-Fi network (i.e. DCC) is normally available for meetings held in the Committee Suite at County Hall. For information on Wi-Fi availability at other locations, please contact the Officer identified above.</p>
<p>Emergencies</p> <p>In the event of the fire alarm sounding leave the building immediately by the nearest available exit, following the fire exit signs. If doors fail to unlock press the Green break glass next to the door. Do not stop to collect personal belongings, do not use the lifts, do not re-enter the building until told to do so.</p>
<p>Mobile Phones</p> <p>Please switch off all mobile phones before entering the Committee Room or Council Chamber</p>
<p>If you need a copy of this Agenda and/or a Report in another format (e.g. large print, audio tape, Braille or other languages), please contact the Information Centre on 01392 380101 or email to: centre@devon.gov.uk or write to the Democratic and Scrutiny Secretariat at County Hall, Exeter, EX2 4QD.</p>
<p> Induction loop system available</p>

Agenda Item 3

CT/16/94
Devon Audit Partnership Audit Committee
16th November 2016

DEVON AUDIT PARTNERSHIP – SIX MONTH UPDATE REPORT 2015/16 **Report of the County Treasurer**

Please note that the following recommendations are subject to confirmation by the Committee before taking effect.

Recommendation: that the Committee

1. **Notes** the six month update report from the Head of Devon Audit Partnership

Summary

The attached report from the Head of Devon Audit Partnership summarises activity in the first six months of 2016/17.

The report recognises the challenging stretch targets that the partnership needs to accomplish and that the management team and staff are working in a professional way to achieve these.

The Team have recently undertaken a "Lean" review to ensure that systems and processes are effective, efficient and add value to our clients.

Mary Davis

Electoral Divisions: All
Local Government Act 1972

List of Background Papers

Contact for Enquiries: Robert Hutchins
Tel No: (01392) 382437 Larkbeare House

<u>Background Paper</u>	<u>Date</u>	<u>File Ref</u>
Nil		

There are no equality issues associated with this report

Internal Audit

Progress Report – April 2016
to October 2016

Partnership Committee

Page 3

November 2016



Auditing for achievement

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Devon Audit Partnership	Confidentiality and Disclosure Clause
<p>The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay and Devon councils. We aim to be recognised as a high quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards.</p> <p>The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at robert.hutchins@devonaudit.gov.uk .</p>	<p>This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the Council, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation’s disclosure policies.</p> <p>This report is prepared for the organisation’s use. We can take no responsibility to any third party for any reliance they might place upon it.</p>

Report of the Head of Audit Partnership

Please note that the following recommendations are subject to confirmation by the Committee before taking effect.

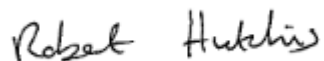
Recommendation: that the Committee notes the current status of the Partnership and current issues.

Devon Audit Partnership Progress made since April 2016

In June 2016 the Management Board and Partnership Committee gave their approval for a continuation of the Partnership for a further seven years, with a review after five years. This is a welcome vote of confidence in the work of the Partnership and will give us the stability and confidence to press forward with our plans to further develop the Partnership, improve quality and efficiency, and grow our client base.

We realise that all our partners, and indeed the wider public sector, are facing considerable budget challenges and that funding for internal audit is under scrutiny. We know that we must not only provide assurance in times of considerable change, but also add value and help organisations safely and effectively transform their services. We will plan our work so that we can provide that much needed independent assurance that risks are being managed and that organisations can continue to deliver "service as normal" to their customers.

We continue to monitor the quality of our service and our cost effectiveness. The results from the CIPFA benchmarking exercise confirm that our costs are slightly below average, and that our productivity remains high.



Robert Hutchins
Head of Devon Audit Partnership
November 2016

Partnership Membership and Client Development

Torrige District Council

Torrige have joined the Partnership as a non-voting member for 2016/17. We very much value working with Torrige colleagues and trust that we will be able to deliver an effective service in this and coming years. It is hoped that Torrige will look to become a member of the Partnership in future years.

Academies

Since April we have secured internal audit services for three more academies:-

- Genesis Academy Trust;
- Kingsteignton Free School;
- John Kryle High School.

In addition, the Learning Academy Partnership (Torbay based) currently has 4 schools, however, they are expanding to 7 schools: We recently provided a quote to LAP is based on 7 schools.

Isles of Scilly

We submitted a bid to the Council of the Isles of Scilly for internal audit services for a five year period commencing 2016/17. We were disappointed to be informed that our bid was slightly more than the winning submission (£1.5k over the five year period) and as a consequence we were unsuccessful with our proposal. However, we have, through the process, developed contacts and it may be that we will be able to support the organisation in other ways in the future.

Adding Value

We know that “doing an audit” is not enough for our customers these days; we know that senior management and those charged with governance very much value our independent assurance, & welcome our identification of untreated risk or control weaknesses, but they also want an audit service that “adds value”.

Added value will mean different things to different people at different times; it is not about a “buy one get one free” approach, but it is about using our professionalism and ability to apply a unique and independent approach to help organisations and managers provide their services in the best possible fashion. We employ staff who can make a difference and encourage them to “add value” at every step in the audit process. We set out below some comments from customers who agreed that we have achieved this aim.

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Integrated Health and Social Care, October 2016

“How refreshing it was to see an internal audit team who were not only obviously well-schooled in the art of audit but also able to offer frank and honest views.....I found the meeting very open, frank and certainly added value – it gave another independent view of what we are trying to achieve”.

Risk Management, April 2016

“Thank you very much for another excellent report, especially given the tight timescale, much appreciated. Really useful to have your independent view

Information Governance, April 2016

The audit was delivered with complete professionalism backed by a high level of subject knowledge and an evident passion and commitment to improving our information governance resilience. Very much a partnership effort and the auditors understanding of our agenda and the key areas for improvement that will elicit maximum added value was very welcome and constructive at all times.

All the findings and recommendations were very balanced and constructiveand delivery of the resultant action plans have added value as these will be key to the achievement of improved information governance resilience for the Council.

ACS Extra care housing, May 2016

It was particularly positive in that the team provided us with support with an external provider when we raised a concern and requested input. Their expertise, approach and support were extremely helpful.

The audit added value by providing additional capacity in terms of our skill set and made positive suggestions for service improvement”.

QMS system, June 2016

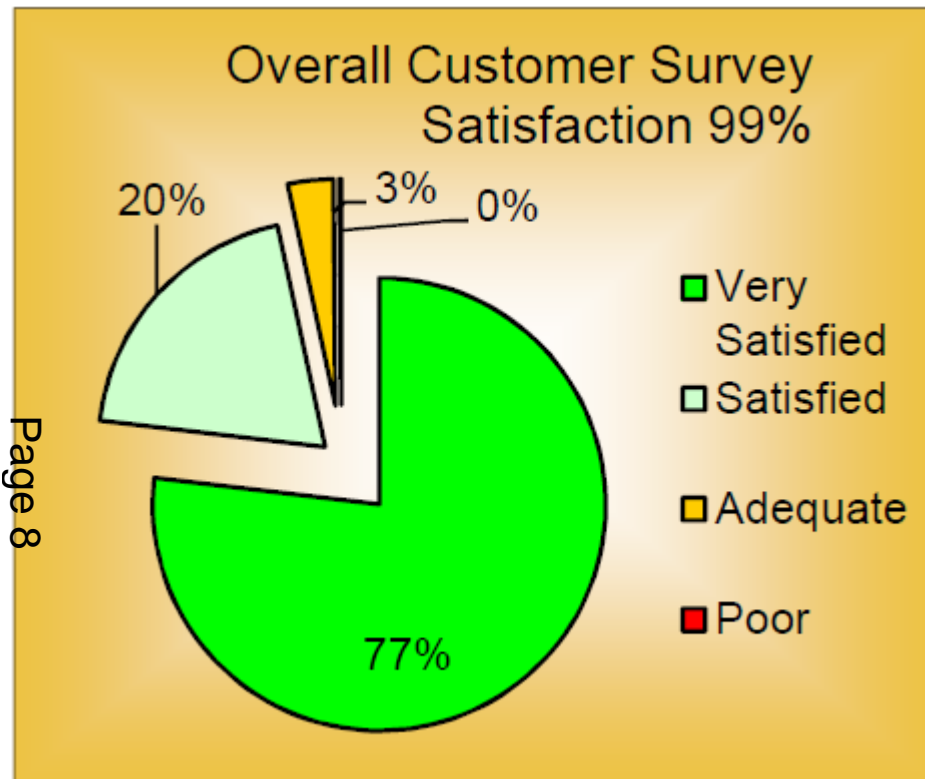
I was pleasantly surprised how thorough the audit was. I can confirm that the auditor had taken the time to look through all our shared procedures and came to the audit well prepared. Delighted with the result.

I would have no hesitation in using DAP again.. I would personally like to thank the auditor for his help and professionalism in undertaking the audit. Thank you very much.

Academies, June 2016

“We found the constructive dialogue which enabled us to manage risks appropriately particularly helpful. he audit was able to add value to us by offering alternative approaches and examples of best practice. It was a very positive customer experience with thorough reviews of the areas identified accompanied by constructive dialogue to improve our processes”.

Customer Service Excellence (CSE)



As mentioned in previous reports, we issue client survey forms with all our final reports.

The results of the surveys returned remain very good and very positive. The overall result is very pleasing, with near 97% being "satisfied" or better across our services, see appendix 1. It is very pleasing to report that our clients continue to rate the overall usefulness of the audit and the helpfulness of our auditors highly.

Customer Testimony.

Some examples of customer testimony are shown below:-

"The Auditor is always very helpful and offers suggestions on how to improve systems".

"We have a good working relationship with the auditor who is always very helpful and not only gives us assurance but also helps to form policy and procedures which will assist us in being compliant with all aspects of audit review".

"We found the constructive dialogue which enabled us to manage risks appropriately particularly helpful. It was a very positive customer experience with thorough reviews of the areas identified accompanied by constructive dialogue to improve our processes".

"I always find DAP staff most engaging and helpful, in particular as a sounding board for ad-hoc issues".

"I found the auditor to be attentive, friendly in his approach and very professional".

DAP Development

Lean

We have always provided a high quality service to our clients, but recent budget reductions have required us to reconsider our processes to ensure that we operate in efficient manner. We invited James Paterson to work with us, look at our ways of working from a LEAN perspective, and help us focus on those key areas where we could make real improvement, both for us, as an audit team, and for our customers.

James worked closely with one of our sub teams, getting to the root causes of our concerns, and then facilitated a workshop day for the whole partnership where we explored the issues and came up with agreed ways forward.

We have developed a series of "quick wins" that will be implemented in the coming weeks and months, and have identified longer term actions that will ensure we continue to be efficient, effective and provide a quality service.

PSIAS review

The PSIAS (Public Sector Internal Audit Standards) require that internal audit teams undertake an assessment process once every five years. Our last review was completed in Oct 2016 by Helen Maneuf, Head of Assurance for Hertfordshire Shared Internal Audit Service (SIAS). Helen concluded that;

"DAP is considered to be operating in conformance with the IIA standards. The service has established a strong reputation with its clients and recent structural changes are proving beneficial. There are opportunities to further develop the business to ensure DAP is strongly placed to progress and to deliver its vision".

Helen has since moved on to a new role, but Terry Barnett, Helen's successor at SIAS has agreed to undertake our review in December. The process is "self evaluation with external verification". We will produce our own self assessment, supported by documents and evidence, and provide this to Terry for him to review.

The process requires that the assessor speaks to a wide range of staff and other contacts about what DAP do to confirm that our processes and expectations are working in practice.

Partner Development

Regional training for Audit Committees

Following on from our successful joint training with our colleagues at the South West Audit Partnership (SWAP) last year, we have provided two training sessions for senior management and audit committee members. The events took place at Buckfast Abbey and Sparkford, near Yeovil.

The focus of the event was on the Future of Audit Assurance and was delivered by speakers from DAP, SWAP, Grant Thornton and the S151 officer of Weymouth and Portland BC.

The events attracted **71** members representing **29** different public sector organisations. The event gave delegates the opportunity to mix, share experiences and to understand how similar organisations are addressing similar risks and challenges. The event covered a wide range of topics including

- Role & effectiveness of the Audit Committee
- Tone at the Top – culture and Ethics
- Changes to the Annual Governance Statement
- Brexit – threats and opportunities
- Transformational Change

Staffing Update

Staff Training Programme

We continue to invest an appropriate percentage of our budget in the development of staff (and in line with the CIPFA benchmark average); we have recognised that, whilst the overall audit budget continues to reduce, the need for high quality assurance services does not. Indeed, with the increasing challenges and complexity facing local government and other public sector services, the need for well trained, motivated and versatile audit staff has never been higher.

Aspects of our training programme:-

- 2 staff have recently passed all their exams, completed and submitted their logs of experience and have been granted membership of the IIA.
- 1 member of staff has completed all five exams and has started work on their experience log
- 1 member of staff has completed 2 exams and continues with her studies.

As two staff have now finished their training, we will be looking to support other staff members as they continue their careers in internal audit.

Staff training needs are identified from staff appraisals and regular 1 to 1 sessions with managers. We are fortunate to be able to access training from our host (Devon CC) for a number of training needs (e.g. use of Microsoft products, diversity awareness, customer care, interview skills etc.). Some senior staff have also recently qualified in Institute of Leadership and Management level 7 (ILM7).

Every nine months or so we have staff development day; this is an opportunity for all DAP staff to come together and learn of issues and challenges that will affect the team and the clients we serve in the coming twelve months. As stated above, in September we met at the Kenn Centre with the main topic of the day being how we operate in a LEAN way.

Staff are encouraged to attend courses and seminars that develop their audit skills, develop skills for the partnership and also further develop network opportunities. Events attended over the first six months of the year have included:-

- IIA Annual conference
- Fraud Awareness
- Organisational Risk Management
- Challenges in Health and Social Care

Internal Audit Performance

Our analysis of performance for the first six months of 2016/17 indicates that, overall, performance is generally in line with expectations. 38.3% of planned audit assignments have been commenced (against a target of 45%) This is slightly below our target, but is partly due to a number of reviews of, for example, transformational projects, having a longer audit involvement period. We remain confident that we will be able to achieve our 90% year end target figure.

Customer satisfaction levels remain very high at 97% across the partnership. A breakdown of performance across all partners is shown in Appendix A.

Devon Audit Partnership - Performance monitoring 2016/17 - Six month performance (end of Sept 2016) Inc. Schools					
Local Performance Indicator (LPI)	Full year Target	6 mth Target	Quarter 2 2016/17	Quarter 2 2015/16	Direction of Travel (where applicable)
Percentage of Audit plan Completed	90%	45%	38.3%	39.23%	↔
Percentage of chargeable time	65%	65%	66.7%	67.28%	↔
Customer Satisfaction - % satisfied very satisfied as per feedback forms	90%	90%	97%	99.00%	↔
Draft Reports produced within target number of days (currently 15 days)	90%	90%	88%	73.53%	↑
Final reports produced within target number of days (currently 10 days)	90%	90%	98%	94.13%	↑
Average level of sickness absence	2%	2%	5.64%	2.12%	↓
Percentage of staff turnover	5%	5%	17% (three leavers, one apprentice started, one person on secondments to another role)	6% (two people currently on secondments to other roles)	↓
Out-turn within budget	Yes	Yes	Projecting small overspend (£2k)	Projecting small overspend (£7k)	↓

Sickness in the first part of 2016/17 has been high at 198 days or 5.64% of available time; equates to around 6.5 days per FTE.

One employee has recently returned from long term sickness on a phased return basis. We trust that this employee will be able to work up their hours in the coming weeks and will soon be working back at full speed.

Another employee suffered a fall resulting in knee and hip problems, but is now back at work, and another employee had a sinus operation.

Excluding the above episodes, DAP sickness in the period has been 45 days, or 1.5 days per FTE.

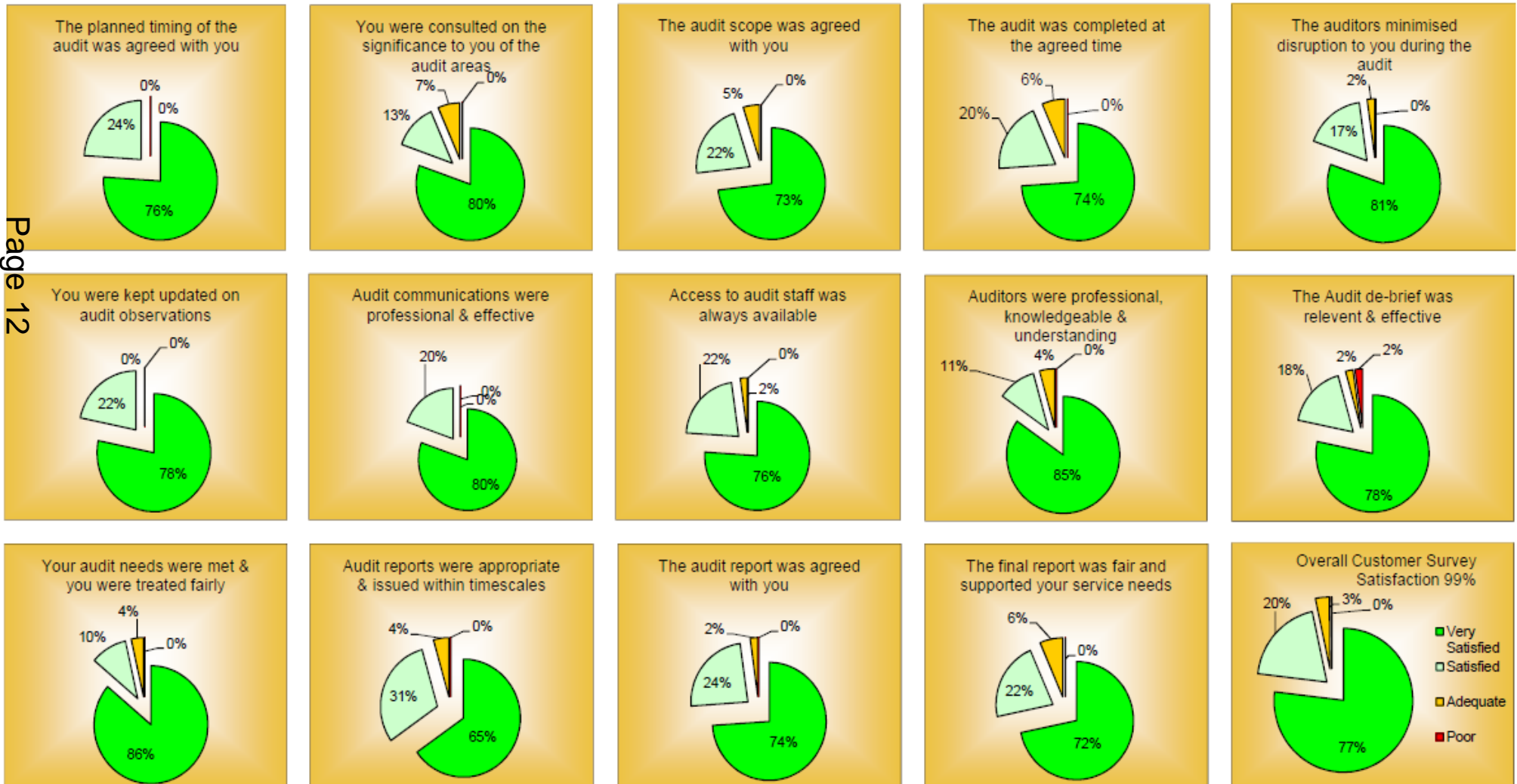
As always, we are work with staff to ensure that attendance at work is maximised; the assistance of HR support organisations such as Wellbeing @ work also assist us.

We recently asked HR colleagues to provide detailed absence management training for managers and expect that this will ensure all episodes are dealt with consistently and in line with the DCC managing absence arrangements.

Appendix 1 - Customer Service Excellence

Customer Survey Results April - October 2016

The charts below show a summary of 46 responses received.



Appendix 2 – Local Performance Indicators to be completed.

Breakdown of Performance by Client – Q2 2016/17

<i>Local Performance Indicator (LPI)</i>			
	Plymouth %	Torbay %	Devon %
Percentage of Audit plan Completed	40.8	39.3	34.8
Percentage of Audit Days delivered	39.8	53.3	50.1
Percentage of chargeable time	67.8	64.2	66.9
Customer Satisfaction - % satisfied or very satisfied as per feedback forms	97	97	96
Draft Reports produced within target number of days (currently 15 days)	98.1	76.5	88.5
Final reports produced within target number of days (currently 10 days)	97.6	100	97.5

BUDGET MONITORING 2016/17 – Month 6

Report of Head of Partnership

Recommendations:

That members:

1. Note the projected outturn
2. Note variances and reason

Budget Monitoring Month 6

The Budget monitoring at month 6 indicates a potential for a slight **underspend** at the year end. The variance is mainly because of increase income being generated from partners and clients.

Employees cost – are higher than budgeted for as the partnership looks to deliver additional work requests from partners and clients.

Projected premises costs are where management envisage them to be and are in line with the budget.

Transport costs are on target, and predicted to be in line with the budget.

Income has grown (4.92%) due to the supply of extra audit services to the Police, Academy Schools, South West Audit Partnership, and other local authorities.

The table below analyses the under/over spend:

	2016/17 Base Budget	Projected Outturn	Variance
	£		£
Employees	1,060,600	1,119,800	59,200
Premises	38,000	38,000	0
Transport	28,200	28,200	0
Supplies & Services	80,300	80,300	0
Support	21,600	21,600	0
Income	(1,228,700)	(1,289,100)	(60,400)
Total	0	(1,200)	(1,200)

Agenda Item 4

Variances (items over £1,000):

Employees – Staff Costs £ 74,400.

Income – £ (60,400) - due to increased service provision to Police, Academy Schools, South West Audit Partnership and other local authorities.

Robert Hutchins

Head of Partnership

4th November 2016

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

DEVON AUDIT PARTNERSHIP – UPDATED RISK REGISTER OCTOBER 2016 Report of the County Treasurer

Please note that the following recommendations are subject to confirmation by the Committee before taking effect.

Recommendation: that the Committee notes

1. the updated Strategic and Operational risk register
2. the actions in place to reduce risks to an acceptable level

Summary

The attached document sets out the updated Strategic and Operational risks facing the Partnership.

The risks facing the Partnership are constantly changing; risks are influenced by both “outside” factors (e.g. changes to funding) and internal issues (the way that we operate).

The key risks that we currently face include:-

- Future of the Partnership post arch 2017, which requires legal agreements to pass through the Devon, Plymouth and Torbay democratic process.
- Change in priorities or dissatisfaction of one of the founding partners results in a partner leaving;
- Failure to deliver agreed audit plan in line with current targets resulting in increased control risk to clients and lack of confidence in DAP as a provider; and

Partnership management continue to monitor our mitigating actions to ensure that these risks do not materialise.

Mary Davis

Electoral Divisions: All
Local Government Act 1972

List of Background Papers

Contact for Enquiries: Robert Hutchins
Tel No: (01392) 382437 Larkbeare House

<u>Background Paper</u>	<u>Date</u>	<u>File Ref</u>
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Nil

There are no equality issues associated with this report

Devon Audit Partnership - Strategic and Operational Risk Register Updated October 2016

Ref	Risk Description	Inherent			Mitigating control	Controlled			Further action required	By When
		Impact *	Probability	RISK *		Impact	Probability	RISK		
Strategic Risks										
S1	The Partnership has an end date of 31 March 2017. The Management Board and Partnership Cttee have agreed to a 7 year extension. Need to work with legal colleagues at Devon, Plymouth and Torbay to produce an agreement and then present to full council / mayor for approval.	4	2	8	Partnership agreement being drafted. DCC legal staff have advised.	4	1	4	Agreement to be cleared by Plymouth and Torbay legal colleagues.	By Nov 2016
Page 19	Change in priorities or dissatisfaction of one of the founding partners results in a partner leaving.	4	2	8	Continued development of service. Impact of a single founding partner leaving now reduced due to reduced contribution of partners and increase of funding from other clients. Evidence of "added value".	3	2	6	Continue to work with the Partnership Cttee and explain the benefits that DAP bring to each partner.	Ongoing
									Deliver plan and ensure that we "add value" in a way appreciated by each client.	Ongoing
S3	Loss of data due to IT failure / unable to use secure data transfer arrangements	3	2	6	Part of DCC network – so lots of resilience. Data sharing agreements prepared and shared / agreed with each partner. Use of Mki – hosted software supplier.	2	2	4	Data sharing agreements need to be refreshed / updated to reflect current legal advice / best practice.	Dec 2016

Ref	Risk Description	Inherent			Mitigating control	Controlled			Further action required	By When
		Impact *	Probability	RISK *		Impact	Probability	RISK		
Operational Risks										
O1	Failure to deliver agreed audit plan in line with current targets resulting in increased control risk to clients and lack of confidence in DAP as a provider.	2	2	4	Close and effective management of work against plans. Clear understanding and control of time spent on "overheads" / non productive work.	2	2	4	Make best use of IT to ensure valuable people resource is used as effectively as possible. Strong and effective management to tackle areas of concerning performance.	Ongoing
O2	Inefficient or expensive support arrangements, including IT, accommodation, finance services etc.	2	2	4	Partnership is hosted by DCC who provide majority of support services. Hosted Audit Management system (Mki).	2	1	2	Support arrangements (including ICT arrangements) under constant review to ensure we get best value. Detailed costing review as part of 2017/18 budget setting process.	Ongoing Dec 2016
	Insufficient revenue budgets to deliver service effectively.	2	2	4	IA requirements depend on each organisation (maturity, risks, pace of transformation, effectiveness of control arrangements, management ability etc). Engage partners and clients to determine audit needs and set internal audit level. Signed SLA with main partners. Signed SLA's with other customers (Fire, Police, Torridge etc)	2	2	4	We continue to Work with West of England group in developing models for "determining" audit resource levels – but there is increased risk that resource may be insufficient to enable IA to provide an audit opinion.	Ongoing

O4	Failure to make savings or generate increased efficiencies.	2	2	4	Good notice of what is required. Good understanding of cost base and how we can quickly adjust our cost base.	2	1	2	Continuous monitoring. Continuous need to sell services to other clients.	Ongoing
	Failure to adopt "modern auditing techniques" – resulting in lack of confidence.	2	2	4	Management Team to keep abreast of developments in the wider internal audit world.	2	1	2	Continued team and individual professional development. Annual review of training needs via appraisal process.	Annual review Oct 2017.

* Risk score based upon the DCC approach to Risk Management. <http://staff.devon.gov.uk/riskmanagementstrategy2011.pdf>

DEVON AUDIT PARTNERSHIP – RESULTS FROM CIPFA BENCHMARK EXERCISE 2015/16 Report of the County Treasurer

Please note that the following recommendations are subject to confirmation by the Committee before taking effect.

Recommendation: that the Committee

1. **Notes** the results from the 2015/16 CIPFA benchmark exercise

Summary

The attached report highlights the results from the CIPFA benchmarking exercise for 2015/16. DAP submitted data relating to the internal audit service provided to Plymouth City Council; we selected to use our Plymouth data as this is seen as being representative of DAP overall.

This is the 7th year that we have participated in the club, and so now have good information that helps us identify current and potential future trends and directions of travel.

The results from the survey were provided early June 2015. The results compare information provided from 19 Unitary authorities. As would be expected these authorities range in size and complexity and range from Cardiff City Council Anglesey to Waltham Forest.

Overall the results show that DAP performed very well in 2015/16 and is “below” the bar in the majority of areas, in particular in relation to:-

- Mainline audit cost per £m gross turnover
- Net cost to LA per chargeable day
- Cost per auditor

The CIPFA results are useful to provide reassurance to senior management and members that the Partnership continues to provide a cost effective internal audit service, and that this service is delivering assurance in line with other audit teams.

Mary Davis

Electoral Divisions: All
Local Government Act 1972

List of Background Papers

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Tel No: (01392) 382437 Larkbeare House

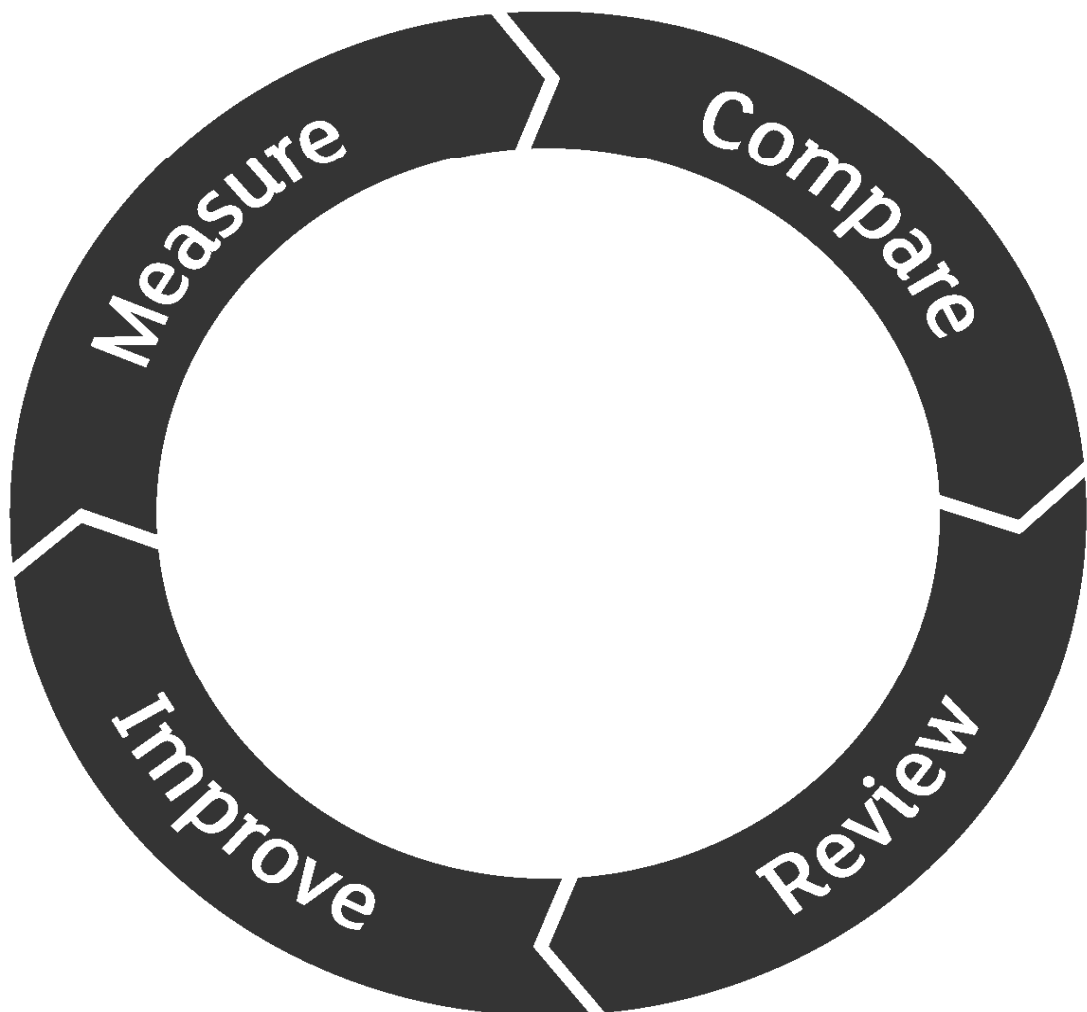
<u>Background Paper</u>	<u>Date</u>	<u>File Ref</u>
Nil		

There are no equality issues associated with this report

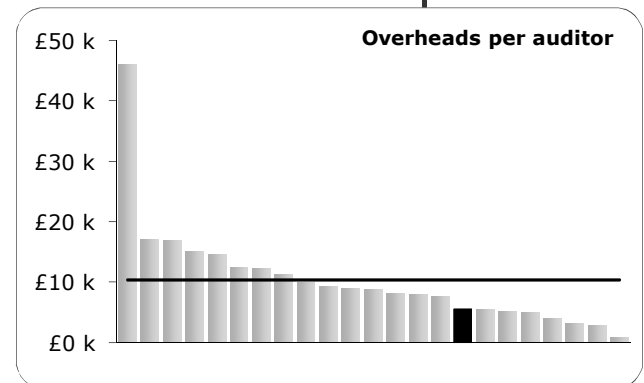
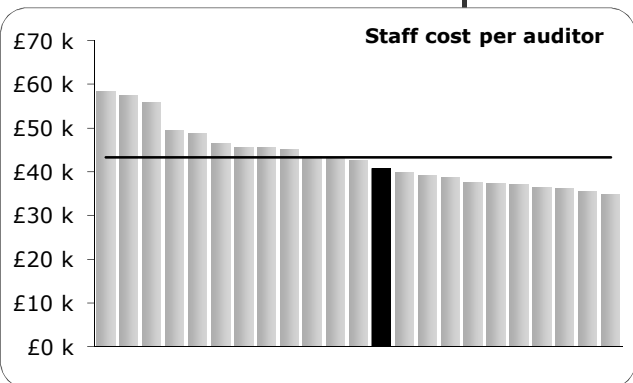
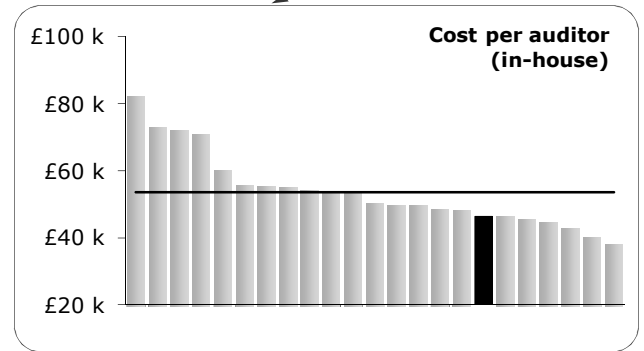
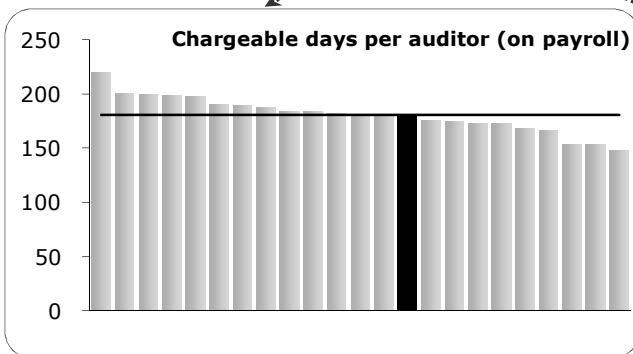
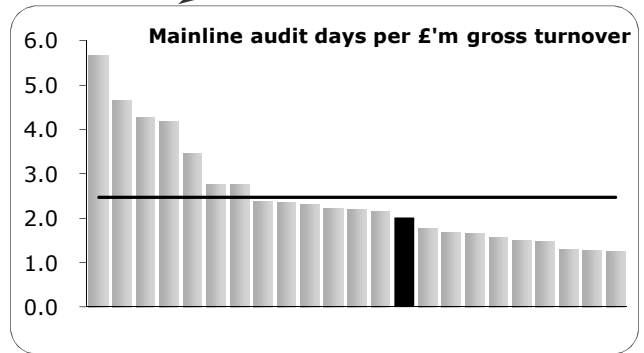
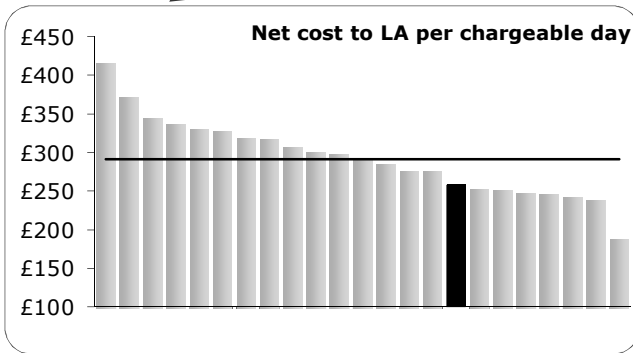
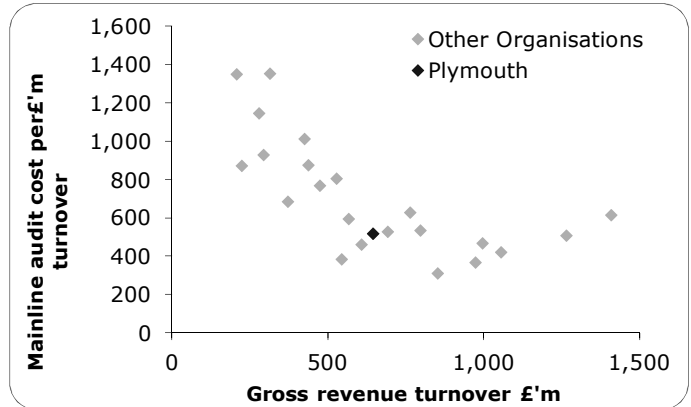
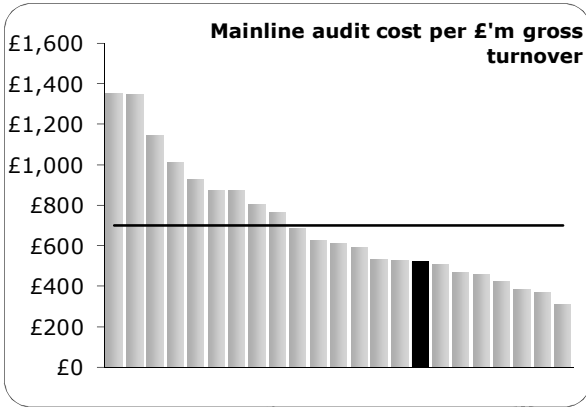
Information Services

audit benchmarking club

2016 - Plymouth Draft Report

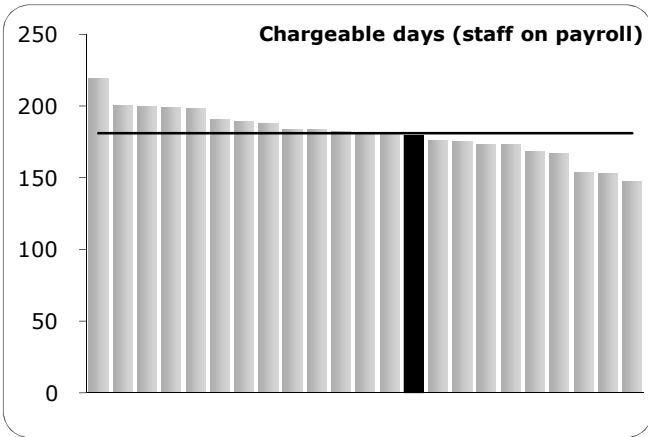


2015/16 Actuals



Chargeable Days per Auditor

2015/16 Actuals



	FTE
Staff (payroll)	7.2
Agency staff	0.0

Chargeable Days - Staff on Payroll

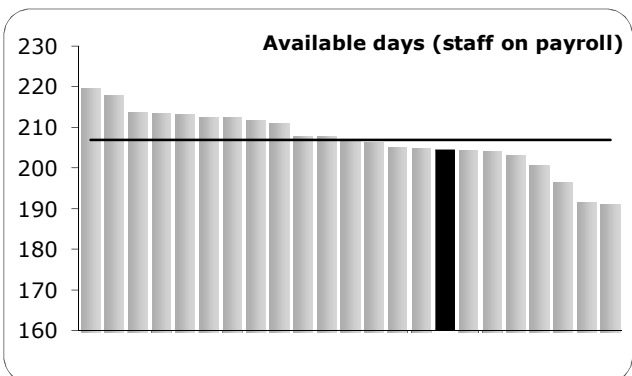
	Days	Days/ FTE	Avg.
Total days pa	1,896	262.0	262.0
Non-productive days:			
Bank holidays	72	10.0	9.8
Annual leave	184	25.4	30.4
Special leave	38	5.3	1.3
Sickness	90	12.4	5.4
Training	32	4.4	8.3
Available days	1,479	204.4	206.9
Other non-chargeable days	181	25.1	27.3
Chargeable days	1,298	179.4	180.8

Agency Staff Days

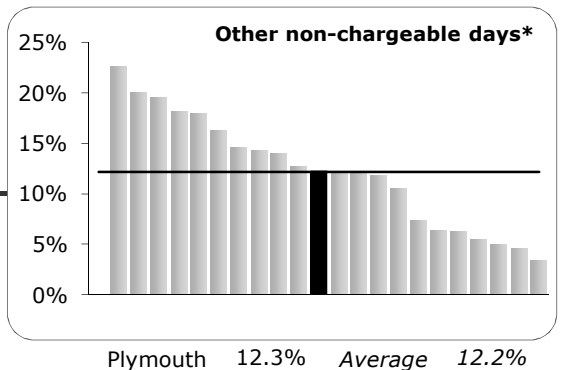
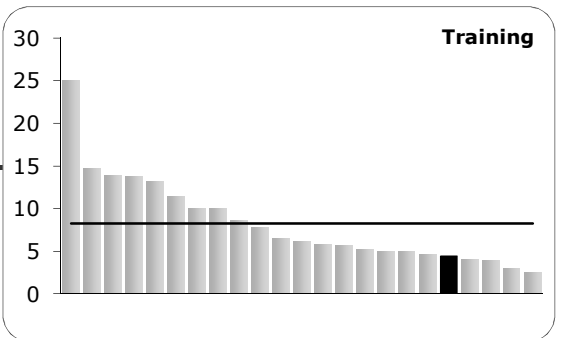
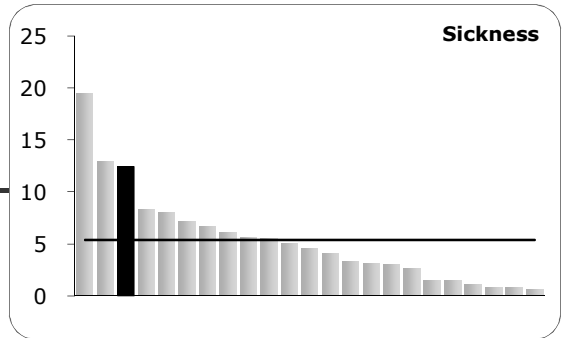
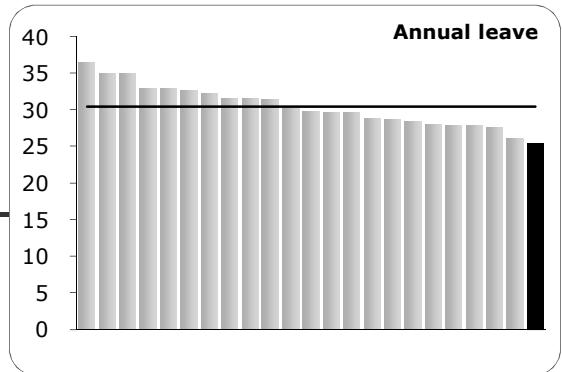
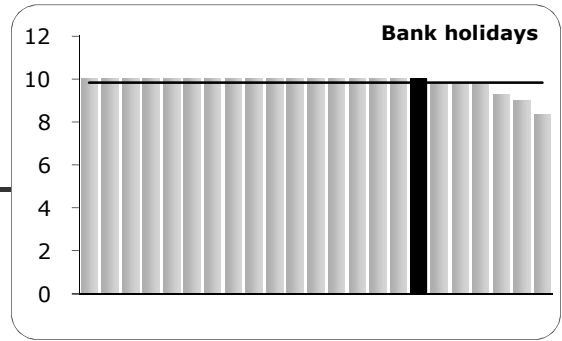
	Days
Total agency staff days	0
Non-chargeable days	0
Chargeable agency staff days	0

Total Chargeable Days (In-House)

	Days
Total days	1,298



"Non-chargeable days"



Plymouth 12.3% Average 12.2%

*This is displayed as a percentage of all available days, including agency staff and bought-in audit.

Overhead Costs - 2015/16 Actuals

£'k per FTE

	£'k	£'k/FTE	Avg.
Transport & travel	9	1.2	0.3
Other running costs	10	1.4	1.3
Accommodation	10	1.4	1.9
IT	11	1.5	1.9
Other central charges	0	0.0	3.3
	40	5.5	10.4

