

DEVON AUDIT PARTNERSHIP COMMITTEE

17 November 2020

Present:-

Devon County Council:-

Councillors John Clatworthy and George Gribble (Chair)

Other Council Representatives

Councillor Robert Loxton, Torbay Council
Councillor Margaret Corvid, Plymouth City Council
Councillor Lorraine Parker-Delaz-Ajete, Plymouth City Council
Councillor Philip Hackett, Torridge District Council
Councillor Claire Hodson, Torridge District Council
Councillor Stuart Penny, Mid Devon District Council
Councillor Mike Davies, West Devon District Council
Councillor Mandy Ewings, West Devon District Council
Councillor Tom Holway, South Hams District Council
Councillor Jeremy Phillips, North Devon Council
Councillor Ian Roome, North Devon Council
Councillor Karen Kennedy, Torbay Council

Apologies:-

Councillor Andrew Moore, Mid Devon District Council

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Minutes

RESOLVED that the Minutes of the meeting held on 14 July 2020 be signed as a correct record.

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Items Requiring Urgent Attention

There was no item raised as a matter of urgency.

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COVID-19 Fraud Activity & Income Pressures - November 2020

The Committee considered the Report of the County Treasurer (CT/20/85) setting out some of the fraud risks that local government faces in this time of a global pandemic. The Head of the Devon Audit Partnership Counter Fraud Service provided an overview of COVID-19 fraud activity and income pressures.

Members noted:

- the general upturn in fraudulent activity during the COVID-19 crisis.
- the frauds and scams which have adopted a 'COVID-19 camouflage' in order to play on people's fears and lack of knowledge.
- the need for organisations to ensure they have enough checks and balances with many staff working from home for extended periods. Moving forward organisations will not be so 'building based' as they once were, so there needs to be learning from organisations that have been working this way longer.
- the importance of data analytics.
- the relationship with national counter fraud investigation teams and the capacity of the DAP Counter Fraud Service to undertake the increased work and larger frauds.

- a large number of what would appear to be opportunistic crimes relating to the pandemic, rather than organised crime, however it may take a couple of years for outcomes of fraudulent activity to become entirely clear.
- the invaluable role of the Counter Fraud Service in raising awareness about fraud and various scams in operation.
- the Committee congratulated the work of the Counter Fraud Service in such challenging times.

It was **MOVED** by Councillor Gribble, **SECONDED** by Councillor Loxton and

RESOLVED

that the Committee notes the attached report setting out the increased risk of fraud due to the COVID-19 pandemic.

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Redmond Review

The Committee considered the Report of the County Treasurer (CT/20/86) on the Redmond Review, which has made a large number of recommendations to improve audit related activities at local authorities – mainly aimed at External Audit, the closure of the Accounts and the operation of the Audit Committee.

Members noted:

- the idea of a pool of independent members to support Partner audit committees; such members would need the requisite skill set and be provided with local government understanding.
- the implication of the Redmond Review on Finance and Audit teams in terms of additional work for staff and the challenges in achieving this.
- the potential difficulty of finding appropriately experienced and qualified independent members in more rural parts of the County. The Head of Devon Audit Partnership advised that it would be the intention to attract a pool of independent members from the larger cities that could then be used in more rural areas.
- an increase in fees of 25% to external auditors recommended in the Redmond Review.
- recompense to independent members.
- increased transparency.

It was **MOVED** by Councillor Gribble, **SECONDED** by Councillor Ewings and

RESOLVED

that DAP should investigate if it is feasible to attract a “pool” of independent members to support the Audit Committees (or equivalent) of DAP partners (and clients).

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Six Month Update Report 2020/21

The Committee considered the Report of the County Treasurer (CT/20/87) summarising the Partnership’s activity in the first six months of 2020/21.

Members noted:

- 3 new apprentices appointed in terms of medium and long term staffing strategy of the Partnership.
- action by the Partnership to manage costs and the projection of a small surplus of around £1k in this year.
- a reduction in performance against usual indicators as a direct consequence of the pandemic.

- pressure on staff. The Head of the Partnership advised that some staff have thrived in their roles despite the stress COVID-19 has brought, while for others it has been very challenging, and managers continue to play an important role supporting individuals.
- inherent difficulties for the Partnership as a south west based organisation competing with national providers.

It was **MOVED** by Councillor Gribble, **SECONDED** by Councillor Loxton and

RESOLVED

that the six month update report from the Head of Devon Audit Partnership be noted.

* **81** **Budget Monitoring 2020/21 - Month 6**

The Committee received the Report of the Head of Partnership (CT/20/88) monitoring the Budget of the Partnership at month 6, indicating a small surplus at the year end (circa 1k).

It was **MOVED** by Councillor Gribble, **SECONDED** by Councillor Hackett and

RESOLVED

- (a) that the projected financial outturn position of the Partnership be noted.
- (b) that variances and reasons be noted.

* **82** **Updated Risk Register - November 2020**

The Committee considered the Report of the County Treasurer (CT/20/89) setting out the updated strategic and operational risks currently facing the Partnership.

It was **MOVED** by Councillor Gribble, **SECONDED** by Councillor Hackett and

RESOLVED

- (a) the updated Strategic and Operational risk register be noted.
- (b) the actions in place to reduce risks to an acceptable level be noted.

* **83** **Quality Assurance & Improvement Programme**

The Head of Devon Audit Partnership presented the Quality Improvement Action Plan (CT/20/90) setting out the areas for advancement for the Partnership in the coming 12 months.

It was **MOVED** by Councillor Gribble, **SECONDED** by Councillor Corvid and

RESOLVED

- (a) the current Quality Improvement Action Plan be noted.
- (b) the challenges for the future and the action being taken by management to react to these challenges be noted.

* **84** **Future Meetings**

It was agreed that the Clerk would circulate the date for the next Partnership meeting in March 2021.

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

The Meeting started at 10.30 am and finished at 12.10 pm