

**DEVON AUDIT PARTNERSHIP – Redmond Review**  
**Report of the County Treasurer**

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

**1 Recommendation:** that the Committee agrees

1. 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)

**2 Summary**

2.1 The [Redmond Review](#) into the Oversight of Local Audit and the Transparency of Local Authority Financial Reporting, has made a large number of recommendations to improve audit related activities at local authorities – these are mainly aimed at External Audit colleagues, the closure of the Accounts and the operation of the Audit (or equivalent committee). It should be noted that these recommendations will require a Government Response and legislation to become a requirement. However, and in the meantime, there is nothing to prevent local authorities from considering the recommendations, and making recommended changes in anticipation of government support.

2.2 DAP have prepared an “Action Plan” that has been provided to each Partner to assist them in monitoring the completion of actions against the Redmond recommendations.

2.3 Internal Audit gets a minor mention in the Redmond’s report in that External Audit colleagues should look to work more closely with Internal Audit. In previous years a “managed audit” agreement has been in place with External Audit colleagues, which set out what we would share / how we would do that – it will be good to see this resurrected. CIPFA officers are giving consideration to preparing an explanatory note on Internal Audit / External Audit relationship and may seek steer from IASAB on this.

2.4 In his report Redmond recommends that :-

**Independent Members should be recruited to Audit Committees, with the aim of bringing in specialist, technical knowledge to support the other elected committee members.**

2.5 We see that this could be challenging for councils; in the recent past we know that Partners have tried to recruit such independent members but have been unsuccessful. If the Redmond recommendations become a requirement then there is the possibility that 8 districts, 2 unitaries and 1 County Council, plus Fire, Police and National Parks in the Devon area will all be seeking such independent members – potentially competing against one another in a very small pool.

2.6 We consider that DAP could be used to support and achieve the need for independent members, with the idea that DAP could be used as a vehicle to recruit, say, a small pool of such specialists, and then allocate these to Audit Committees.

2.7 At present the number of committees varies at each organisation (3 to 8 per year) – if we allocated an independent member to 3 / 4 committees then their involvement would be greater and may appeal to a wider audience.

2.8 We would expect to need to provide financial assistance / recompense for this – such a fee could be agreed (possibly £200 per committee?) with fees being paid by DAP but then charged back to partners. DAP would then assist in the training of these members – saving on training costs and officer time in training.

2.9 There could be a risk of “diary clashes” but, with a bit of planning, we think this could be avoided. It may be that an independent member is not required at every committee – we could work with each Partner to meet requirements.

Mary Davis

Electoral Divisions: All  
Local Government Act 1972

List of Background Papers

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

There are no equality issues associated with this report