

DEVON AUDIT PARTNERSHIP COMMITTEE

11 March 2021

Present:-

Devon County Council:-

Councillors J Clatworthy and G Gribble (Chair)

Other Council Representatives

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

Apologies:-

Councillor Claire Hodson, Torridge District Council

* 85

Minutes

RESOLVED that the Minutes of the meeting held on 17 November 2020 be signed as a correct record.

* 86

Items Requiring Urgent Attention

There was no item raised as a matter of urgency.

* 87

Nine Month Update Report 2020/21

The Committee received the Report of the County Treasurer (CT/21/30) summarising the Partnership's activity in the first nine months of 2020/21.

Members noted:

- impact of Covid 19 on work and the re-assessment of Internal Audit plans to ensure they are realistic and can be effectively delivered to partners and clients.
- three new apprentices have settled well into their roles, as has the new Audit Manager. Two new auditors have also been appointed to assist with delivery; both employees have been employed on temporary contracts to reflect a level of uncertainty in terms of income streams.
- training and induction has been a remote process, but one that has been successfully addressed.

- a request for an update on having independent / non-elected representatives for each area on the Partnership.

It was **MOVED** by Councillor Gribble, **SECONDED** by Councillor Parker-Delaz-Ajete and

RESOLVED

that the Committee notes the nine month update report of the County Treasurer.

* **88** **Budget Monitoring 2020/21 - Month 9**

The Committee received the report of the County Treasurer (CT/21/31) monitoring the Budget of the Partnership at month 9, indicating a risk of an overspend against the budget for the year.

The report referred to a level of uncertainty with regards activity due to the ongoing Covid pandemic, especially so in work with maintained schools, who are charged one third of the audit charge each year. In 2020/21, delivery will not be at the level expected, and so the intention will be to recognise that the majority of this income should be “carried forward” into 2021/22. The impact in 2020/21 will be a “loss” to DAP on work for schools resulting in a projected potential overspend of around £47k in 2020/21.

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

RESOLVED

that the Committee note the projected outturn, variances and reason.

* **89** **Devon Audit Partnership Budget 2021/22**

The Head of Devon Audit Partnership presented the budget for 2021/22.

Members noted:

- the continuing pandemic inevitably creates uncertainty around the budget.
- the 5% saving Plymouth City Council have asked the Partnership to make in 2021/22 in relation to its internal audit service.
- the budget for 2021/22 has been increased by 1% to reflect general price increases.
- it is a balanced budget, with a small operating surplus factored into it.
- the Partnership currently employs approximately 40 staff, on a mix of permanent and temporary contracts.
- possibility of savings from staff continuing to remote work in the future. The Head of the Partnership advised that there may be a saving over the next year in terms of the £28,000 budgeted travel costs but there would be physical visits moving forward for some auditing services.

Members expressed their thanks to DAP staff for their work over the last 12 months through the pandemic.

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

RESOLVED

that the Committee agrees the proposed budget for 2021/22 and the areas of uncertainty within the budgeted income figure.

* **90** **CIPFA Guidance on Annual Internal Audit Opinions**

The Committee received the Report of the County Treasurer (CT/21/33) highlighting guidance from CIPFA, the Chartered Institute of Public Finance & Accountancy, to Heads of Internal Audit and Audit Committees. In essence, the guidance recognises that internal audit work in 2020/21 is likely to be affected by the Covid pandemic and the risk that internal audit plans will need to be amended to reflect the changing risks that have emerged during the pandemic.

Members noted that working arrangements have been adjusted to try to ensure the Partnership will be in a position to issue an annual assurance opinion to each of the partners by the end of the year. The Committee thanked the Head of the Partnership for his efforts to manager internal audit coverage in challenging times.

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

RESOLVED

that the Committee notes the recently issued guidance by CIPFA on the impact of Covid on the Annual Internal Audit Opinion.

* **91** **Audit Together Newsletter - January 2021**

The Committee received the Report of the County Treasurer (CT/21/34) relating to the Audit Together newsletter which aims to bring to the attention of members some of the key developments in internal audit across the country, and how these may impact on individual internal audit plans.

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

RESOLVED

that the Committee notes the recently prepared and circulated Audit Together newsletter.

92 **Future Meeting**

The Committee agreed to meet next at 10.30am on 8 July 2021.

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

The Meeting started at 10.30 am and finished at 11.05 am

