

## DEVON AUDIT PARTNERSHIP COMMITTEE

2 March 2016

Present:

Devon County Council

Councillors Clatworthy (Chairman) and Edgell

Plymouth City Council

Councillor Parker-Delaz-Ajete

Torbay Council

Councillor Tyerman

Office of the Police & Crime Commissioner

Mrs H Donnellan

Also in Attendance

Ms M Davis, County Treasurer

Mr R Hutchins (Devon Audit Partnership)

Apologies for Absence

Councillor O'Dwyer (Torbay Council) and Councillor Davey (Plymouth City Council)

**\*63      Announcements**

The Chairman welcomed Alderman Sir Simon Day who was attending the meeting in his capacity as a co-opted, independent Member of the County Council's Standards Committee to observe and monitor compliance with the County Council's ethical governance framework.

**\*64      Minutes**

**RESOLVED** that the Minutes of the meeting held on 18 November 2015 be signed as a correct record.

**\*65      Budget Monitoring 2015/16**

The Committee received the Report of the Head of Devon Audit Partnership (CT/16/21) on budget monitoring at month 9 which indicated a slight projected underspend at the year-end (1.08%), attributable mainly to a small increase in income from extra work undertaken by the Partnership. The Head of Devon Audit Partnership advised that it was likely that the underspend, at the year end, was likely to increase through other savings.

**\*66      Devon Audit Partnership Budget 2016/17**

The Committee considered the Report of the Head of Devon Audit Partnership (CT/16/22) on setting the budget for 2016/17 for the Partnership and the required saving of 10% on the expected level of income expected from Devon, Plymouth and Torbay Councils. The Business Plan recognised this reduction and predicted that income from other external partners would need rise to compensate for this loss.

In response to Members' questions the Head of Devon Audit Partnership advised on:

- the prudent approach adopted in terms of income generation and reasons for the loss of income from partners listed and uncertainty relating to future income generation
- the level of income set by the County Council, the reduction being proportionately less than the other authorities in the Partnership.

It was **MOVED** by Councillor Clatworthy, **SECONDED** by Councillor Tyerman and

**RESOLVED** that the proposed budget for 2016/17 be approved and the areas of the areas of uncertainty within the budgeted income figures be noted.

**\*67**

**The Office of The Police & Crime Commissioner for Devon & Cornwall – The Provision of Internal Audit Services to The Strategic Alliance**

The Committee considered the report of the Head of Devon Audit Partnership (CT/16/23) on the current progress and future provision of internal audit services to the new Strategic Alliance joint internal audit function (both Devon & Cornwall and Dorset Constabularies and respective Offices of the Police and Crime Commissioners). From 1 April 2016 the Strategic Alliance would require a "single provider" to deliver the internal audit function across all four organisations.

The Devon Audit Partnership and the South West Audit Partnership (SWAP, with a focus in the Dorset area) was jointly proposing that, from April 2016, the bought in internal audit support for the Strategic Alliance would be best met through a single contract arrangement with SWAP and it then calling upon the skills and resources of DAP to support the plan in the most effective way.

In response to Members' questions the Head of Devon Audit Partnership and the representative from the Police & Crime Commissioner advised on:

- the level of local delivery of services by the DAP which would be called upon by the SWAP to aid the Strategic Alliance to progress in an effective way
- the level of detailed and complex negotiations which had led to the current proposals and the positive outcome of retaining skilled and experienced staff within DAP to deliver services locally in Devon
- the need for the DAP to continue to provide a consistent and high level of service to mitigate the risk of loss of income to the 'lead partner' SWAP.

It was **MOVED** by Councillor Clatworthy, **SECONDED** by Councillor Tyerman and

**RESOLVED**

(a) that the change in delivery arrangement for internal audit at the Office of The Police and Crime Commissioner for Devon and Cornwall be accepted;

(b) that the resignation from the Devon Audit Partnership of the Office of the Devon and Cornwall Police & Crime Commissioner and its representative (non-voting) from this Committee be accepted.

**68**

**Partnership Update**

The Committee considered the Report of the Head of Devon Audit Partnership (CT/16/24) on the performance of Devon Audit Partnership during the period April 2015 to February 2016 and some of the key achievements during this period including the successful bid for DAP services to the Stenna line and three of its ports, staffing updates and award of a Customer Service Excellence accreditation and positive feedback from customers.

The Head of Audit Services also reported on expressions of interest from Torridge District Council as a client partner requesting representation on this Committee (one member – non-voting) subject to formal approval.

It was **MOVED** by Councillor Clatworthy, **SECONDED** by Councillor Tyerman and

### **RESOLVED**

(a) that the continued development of arrangements with partners be noted along with the high level of customer satisfaction achieved by the Partnership.

(b) that the request by Torridge District Council to the appointment of a representative (non-voting\*) to this Committee be accepted in principle, subject to the approval of the County Council.

**\*69**

### **External Audit Requirements 2015/16 Onwards**

The Committee considered the Report of the Head of Devon Audit Partnership (CT/16/25) on the cessation of a requirement for an external audit of the Small Bodies Return and on the agreement for the South West Audit Partnership (SWAP) to continue as the Internal Auditors for the Partnership. The requirement for an internal audit had now also been removed, however, it was considered by the Management Board that external scrutiny by internal audit was beneficial and that a current quid pro quo agreement with SWAP should be continued.

It was **MOVED** by Councillor Clatworthy, **SECONDED** by Councillor Tyerman and

### **RESOLVED**

(a) that it be noted that external audit of the Partnership's accounts (Small Bodies Return) is not required for 2015/16 onwards;

(b) that although there is no requirement for an internal audit, DAP continue to use SWAP to provide an internal audit function as part of a quid pro quo arrangement.

**\*70**

### **Future Meetings**

Wednesday 22 June 2016 and Wednesday 16 November 2016, all beginning at 10.30am at County Hall, Exeter.

Link below for County Council Calendar of Meetings:

<https://new.devon.gov.uk/democracy/calendar/>

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

The meeting started at 10.30 am and finished at 11.20 am

*The Minutes of the Committee are published on the County Council's Website at:-*  
<http://www.devon.gov.uk/dcc/committee/minutes.html>

*[\*NB: In accordance with this decision, Torridge District Council shall be deemed to have been invited to nominate a representative to attend and speak (but not vote) future meetings of the Committee for an initial 12 month trial period: thereafter and if a request for full membership of the Partnership and Committee is received and confirmed that Council shall be eligible to appoint a full member with voting rights in accordance with paragraph 23 of the Partnership Agreement]*