

Mid Devon District Council

Questions for Potential Partners

Response from Devon Audit Partnership December 2016

Please find set out below our answers to the questions you have raised.

We trust that the responses we have given below meet your needs, but if you would like any further information, or wish to clarify any of our responses, please do not hesitate to contact us.

1. Do you have any KPIs? (I have 2014/15 for DAP)

Yes. We operate with quite a large suite of performance indicators to reflect both the delivery of internal audit at our partners and clients, and on the performance of DAP as a partnership.

- a) Performance indicators on delivery of internal audit are reported to each of our clients; we attach a link to the Devon County Council annual internal audit report which summarises our performance (please refer to item 3 “Annual Internal Audit Report 2015-16” pages 7, 8, 15 and 32) <http://democracy.devon.gov.uk/ieListDocuments.aspx?CId=161&MId=281&Ver=4>
- b) The performance for DAP is reported six monthly and annually to the Partnership Committee. We attach links to our performance reports for the first six months of 2016/17

<http://democracy.devon.gov.uk/ieListDocuments.aspx?CId=161&MId=281&Ver=4>

(Please see Item 9, “Six Month Update Report 2016/17” pages 4, 7, 8 and 9)

We recognise that the “numbers” are important, but we are also very keen to understand if we have added value to organisations and what our customers think about the service we provide.

Page 3 of the above report (Qb) captures some of the ways in which our customers consider we have added value to them.

We also post on our website feedback from customers on how our audit staff have met their expectations. <https://www.devonaudit.gov.uk/why-choose-dap/customer-testimonials/>

2. Can you offer Audit management (only) as a service?

Yes. We currently provide such a service to South Hams and West Devon councils and have done so since April 2015.

We consider that this arrangement has worked very well; the two team members continue to be employed by South Hams, but are very much seen as part of the wider DAP team. The members of staff make use of our audit management system, MKi, (which has been installed on South Hams machines) and attend DAP development days where they meet the wider team and exchange ideas.

3. What is your daily rate for this?

We would expect to offer Audit Management Services at a rate of **£275** per day. (Please note that in earlier conversations we had referred to a rate of £250 per day, but have been told that from 1 April 2017 our costs will increase to reflect an increase in employer's pension contribution and other cost rises).

4. Unison tell me that we could be in partnership without transferring the staff across, is this an arrangement you can/have used?

Yes. Currently, Torridge District Council works with us as a "non voting member" of the Partnership. This means that they have not transferred staff to us, but are still represented at the Management Board and at the Partnership Committee where Torridge thoughts and views are greatly appreciated.

In reality there are only a limited number of issues that the Committee vote on (mainly the budget and accounts) and so this arrangement does appear to work well. (Please note that from April 2017 Torridge have requested to join DAP as a full partner).

Further, and as mentioned above, we currently work with South Hams and West Devon Councils; although neither council is a partner of DAP, we do ensure that the staff are considered as "part of the partnership" by involvement on training days and other areas of development.

5. Who would be responsible for providing IT equipment/licence for MKI/support?

We would work with you to determine how IT should be set up to work most effectively.

For staff to work most effectively at Mid Devon they will need access to Mid Devon systems. Such access can either be through Mid Devon equipment (i.e. a laptop or desktop on the Mid Devon network) or by using DAP equipment and using remote working arrangements to then access Mid Devon systems.

In the latter arrangement DAP staff are generally provided with RSA (or equivalent) tokens to enable access to systems. We know that not all systems are fully accessible via remote working, and for internal audit to complete work to the depth and detail required direct access arrangements often provide the most effective option.

If staff are provided with Mid Devon machines then we would expect these to be provided by Mid Devon (i.e. the cost would fall to Mid Devon), but if a "remote access" approach is used then we would supply the laptops.

If staff use the DAP laptops then the IT costs will be covered by DAP.

In respect of MKi this can also be provided in a number of ways and we would welcome the opportunity to discuss which would be the best option.

For example, if you wish the team to continue with Mid Devon machines, then we would look to work with your IT section to have MKi installed on these machines (we use this approach at South Hams and West Devon). It is worth noting that MKi is externally hosted, and so the Mid Devon machines will require access to the internet to securely access MKi.

Alternatively, if staff are using DAP laptops, then MKi will be supplied with these laptops, but we would still need a way to access the internet from Mid Devon offices.

6. Who would pay for the premises cost?

We would expect Mid Devon to provide adequate premises for the Audit team to use. The cost of this accommodation would fall to Mid Devon.

7. Would you require a permanent desk for a Manager when at MDDC?

No. We would expect that Audit Manager to be on site at Mid Devon at least one day per week and they will need a place to work from; however we would not expect to “tie up” a desk for a whole week for this purpose; use of a hot desk arrangement would be appropriate.

8. Would there be capacity to absorb “spare hours” if MDDC wanted to reduce their plan?

Yes. We are aware of the need for all public sector organisations to make savings. Often an organisations wishes to make a small, but important saving in their internal audit budget, say 10% to 15%. This can be difficult to do as it may require staff reducing hours; something that may not be welcomed or achievable.

We have worked with a wide range of organisations who have wanted to reduce their audit plans. We have helped them identify possible spare capacity and have then worked with the affected staff to ensure we can use their valuable experience to add value to other clients.

We are aware of your current team and feel confident that we could absorb any “spare hours” that may arise from Mid Devon requiring a reduction in their audit coverage.

9. Would there be capacity to increase hours if MDDC wanted to increase their plan?

Yes. We have a wide range of staff who have worked across a large range of public sector organisations and we would be able to allocate such staff to increase your audit plan.

You may also want to adjust your audit plan to address current risks with the requirement to use “specialist” staff to support these risks; we have staff who are experienced in a wide range of risk and topic areas who could provide this additional capacity for you.

10. Do you currently have fixed term/agency staff?

Yes. The majority of our staff are permanently employed, but we do make use of agency staff to supplement our plans as and when required.

This enables us to respond to requests for additional pieces of work in a positive manner; the agency staff may pick up the additional work request, or may be used to “backfill” freeing up a member of the team to complete the extra work.

11. Will you need to take part/prepare the audit plan for 2017/18 (Due Mar 2017)?

We would welcome the opportunity to be involved in discussions around the plan for next year.

We would be pleased to support you in whatever way would be of most help; we could lead on the task for you, or support, what we know to be an already effective process, by adding in our experience and knowledge of the sector and by bringing to your attention specialist knowledge / skills that may be of benefit to Mid Devon.

However, if Mid Devon would rather prepare an audit plan for us to then deliver, then we would be pleased to ensure that this plan is completed.

12. Will you need to take part/prepare the audit charter (Due Jan 2017)?

As per our comments above, we would welcome the opportunity to be involved in discussions around the Audit Charter for next year, and would be pleased to support you in whatever way would be of most help.

We trust that the above has been useful ,but please do let us know if any further information would be of benefit.

Rob Hutchins and all at

Devon Audit Partnership.