

Audit Committee

Tuesday, 30 September 2025 at 5.00 pm
Phoenix Chambers, Phoenix House, Tiverton

Next meeting
Tuesday, 9 December 2025 at 5.00 pm

Please Note: This meeting will take place at Phoenix House and members of the public and press are able to attend via Teams. If you are intending to attend in person please contact the committee clerk in advance, in order that numbers of people can be appropriately managed in physical meeting rooms.

The meeting will be hybrid and an audio recording made and published on the website after the meeting.

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Meeting ID: 375 253 668 104
Passcode: T9zj6Px7

Membership

Cllr D Broom
Cllr E Buczkowski
Cllr G Czapiewski
Cllr M Farrell
Cllr B Fish
Cllr B Holdman
Cllr L Knight (Chair)
Cllr R Roberts
Cllr A Stirling (Vice Chair)

A G E N D A

Members are reminded of the need to make declarations of interest prior to any discussion which may take place

1. **Apologies**
To receive any apologies for absence.
2. **Public Question Time**
To receive any questions from members of the public and replies thereto.
3. **Declaration of Interests under the Code of Conduct**
To record any interests on agenda matters.
4. **Minutes of the previous meeting** (*Pages 5 - 14*)
To consider whether to approve the minutes as a correct record of the meeting held on 24th June 2025.
5. **Chairman's Announcements**
To receive any announcements that the Chairman may wish to make.
6. **Corporate Risk Report** (*Pages 15 - 36*)
To receive a report from the Corporate Performance & Improvement Manager and the Head of People, Performance & Waste providing Members with a quarterly update on the Corporate Risk Register.
7. **Cyber and Information Security Update** (*Pages 37 - 40*)

To receive a report from the Head of Digital Transformation & Customer Engagement providing a high-level update on Cyber and Information Security activities over the last 12 months. The report aims to assure the Audit Committee of ongoing vigilance and remediation work around Cyber and Information Security risks.
8. **Devon Assurance Partnership (DAP) Internal Audit Progress Report** (*Pages 41 - 62*)
To receive a progress report from the Devon Assurance Partnership (DAP) on the Internal Audits completed to date.
9. **Interim update from Bishop Fleming**
To receive a verbal update on the interim position from the external auditors, Bishop Fleming.

10. **Identification of items for the next meeting**

Members are asked to note that the following items are already identified in the work programme for the next meeting:

- Corporate Risk Report
- Final accounts 2024/2025
- Annual Governance Statement for 2024/2025
- Bishop Fleming – Audit Findings Report
- Devon Assurance Partnership (DAP) Progress Report

Note: This item is limited to 10 minutes. There should be no discussion on the items raised.

Stephen Walford

Chief Executive

Monday, 22 September 2025

Guidance notes for meetings of Mid Devon District Council

From 7 May 2021, the law requires all councils to hold formal meetings in person. The Council will enable all people to continue to participate in meetings via Teams.

If the Council experience technology difficulties at a committee meeting the Chairman may make the decision to continue the meeting 'in-person' only to conclude the business on the agenda.

1. Inspection of Papers

Any person wishing to inspect minutes, reports, or the background papers for any item on the agenda should contact Democratic Services at Committee@middevon.gov.uk

They can also be accessed via the council's website [Click Here](#)

Printed agendas can also be viewed in reception at the Council offices at Phoenix House, Phoenix Lane, Tiverton, EX16 6PP.

2. Members' Code of Conduct requirements

When considering the declaration of interests and their actions as a councillor, Members are reminded of the requirements of the Members' Code of Conduct and the underpinning Principles of Public Life: Honesty; Integrity; Selflessness; Objectivity; Accountability; Openness; Leadership.

The Code of Conduct can be [viewed here](#):

3. Minutes of the Meeting

Details of the issues discussed, and recommendations made at the meeting will be set out in the minutes, which the Committee will be asked to approve as a correct record at its next meeting. Minutes of meetings are not verbatim.

4. Public Question Time

Residents, electors or business rate payers of the District wishing to raise a question and/or statement under public question time are asked to provide their written questions to the Democratic Services team by 5pm three clear working days before the meeting to ensure that a response can be provided at the meeting. You will be invited to ask your question and or statement at the meeting and will receive the answer prior to, or as part of, the debate on that item. Alternatively, if you are content to receive an answer after the item has been debated, you can register to speak by emailing your full name to Committee@middevon.gov.uk by no later than 4pm on the day before the meeting. You will be invited to speak at the meeting and will receive a written response within 10 clear working days following the meeting.

Notification in this way will ensure the meeting runs as smoothly as possible

5. Meeting Etiquette for participants

- Only speak when invited to do so by the Chair.
- If you're referring to a specific page, mention the page number.

For those joining the meeting virtually:

- Mute your microphone when you are not talking.
- Switch off your camera if you are not speaking.
- Speak clearly (if you are not using camera then please state your name)
- Switch off your camera and microphone after you have spoken.
- There is a facility in Microsoft Teams under the ellipsis button called “turn on live captions” which provides subtitles on the screen.

6. Exclusion of Press & Public

When considering an item on the agenda, the Committee may consider it appropriate to pass a resolution under Section 100A (4) Schedule 12A of the Local Government Act 1972 that the press and public be excluded from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, as defined under the terms of the Act. If there are members of the public and press listening to the open part of the meeting, then the Democratic Services Officer will, at the appropriate time, ask participants to leave the meeting when any exempt or confidential information is about to be discussed. They will be invited to return as soon as the meeting returns to open session.

7. Recording of meetings

All media, including radio and TV journalists, and members of the public may attend Council, Cabinet, PDG and Committee meetings (apart from items Media and Social Media Policy - 2023 page 22 where the public is excluded) you can view our Media and Social Media Policy [here](#). They may record, film or use social media before, during or after the meeting, so long as this does not distract from or interfere unduly with the smooth running of the meeting. Anyone proposing to film during the meeting is requested to make this known to the Chairman in advance. The Council also makes audio recordings of meetings which are published on our website [Browse Meetings, 2024 - MIDDEVON.GOV.UK](#).

8. Fire Drill Procedure

If you hear the fire alarm you should leave the building by the marked fire exits, follow the direction signs and assemble at the master point outside the entrance. Do not use the lifts or the main staircase. You must wait there until directed otherwise by a senior officer. If anybody present is likely to need assistance in exiting the building in the event of an emergency, please ensure you have let a member of Democratic Services know before the meeting begins and arrangements will be made should an emergency occur.

9. WIFI

An open, publicly available Wi-Fi network is normally available for meetings held in the Phoenix Chambers at Phoenix House.

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MINUTES of a **MEETING** of the **AUDIT COMMITTEE** held on 24 June 2025 at 5.00 pm

Present

Councillors

L Knight (Chair)
E Buczkowski, C Connor, G Czapiewski,
L G J Kennedy, R Roberts and A Stirling
(Vice-Chair)

Apologies

Councillors

D Broom, M Farrell, B Fish and B Holdman

Also Present

Councillor

C Harrower

Also Present

Officers

Andrew Jarrett (Deputy Chief Executive (S151)), Matthew Page (Head of People, Performance & Waste), Kieran Knowles (Accountant) and Sarah Lees (Democratic Services Officer)

Councillors

Online

J Buczkowski and J M Downes

Also in

Attendance

Jo McCormick (Devon Assurance Partnership) and Jennifer Whitten (Independent Person)

1. **ELECTION OF CHAIR FOR 2025/2026**

RESOLVED that Cllr L Knight be elected Chair of the Audit Committee for the municipal year 2025/2026.

2. **ELECTION OF VICE CHAIR FOR 2025/2026**

RESOLVED that Cllr A Stirling be elected Vice Chair of the Audit Committee for the municipal year 2025/2026.

3. **APOLOGIES**

The following apologies were received:

- Cllr D Broom who was substituted by Cllr C Connor.
- Cllr M Farrell who was substituted by Cllr L G J Kennedy
- Cllr B Fish
- Cllr B Holdman

4. **PUBLIC QUESTION TIME**

The following questions were received from members of the public:

Mr Barry Warren

My questions are prompted by item 9 on your agenda.

According to paragraph 1.1: 'It is reviewed at least quarterly by Heads of Service and the Leadership Team and updated as required.'

Question 1.

Are any elected Members involved in deciding what is included in the 'risk matrix, and any comments attached to any item?

A relevant bullet point in paragraph 2.3 is 'CR9a: Reputational Impact of 3 Rivers was removed in May 2025. The company undertook no operational activities in 2024/25 and was formally dissolved on the 26 November 2024 and all assets/liabilities were transferred to the Council during the 2023/24 financial year. As such it has been decided that this corporate risk can now be removed. Any updates on the assets transferred to the Council will be made in the standard financial performance reports received by the Cabinet.'

Question 2.

Who decided this removal please?

Question 3.

Is there a written minute or note of a meeting when this decision was made?

At the Audit Committee Meeting on the 3rd of December 2024 it is minuted "It was felt that the reputational damage regarding 3 Rivers would last for a long time. Dissolution of the company was but one event in a long series of events. There were still unsold properties to deal with.'

It was agreed that the Head of Finance, Property and Climate Resilience would report back the comments made by the Committee to the Leadership Team and that the risk would be reviewed, removing reference to the closedown risk and focusing on the remaining reputational risk.

Question 4.

The matrix in Appendix 2, page 28 of your bundle shows that the 'Risk Owner' is the Chief Executive. Is it considered that the actions now being proposed or undertaken are in accord with the intention or spirit of the agreement recorded on the 3rd of December 2024?

Question 5.

Are Members really convinced that the reputational damage caused by 3 Rivers can be removed by transferring properties to the Council? They were bought by the Council for millions of pounds – not transferred.

Question 6.

Properties at Bampton have not been all sold and there are price reductions. Land at Knowle Lane was overpriced and remains unused. St. George's Court is still not completed and let with questions around structural surveys. All these monies could be earning interest for the Council but are not. Are Members satisfied that this is not causing 'reputational damage' to the Council?

Mr Paul Elstone

Question 1

This Administration has spent and intends to spend tens of millions of pounds on modular social housing but there is no entry on the Corporate Risk Register covering this.

I have provided all Audit Committee Members with a document that reveals other Councils have been "bitten" by failing modular build companies.

The consequences have been raised in both House of Commons and House of Lords Select Committees.

This Council has placed large orders and made large stage payments to their MMC Supplier ZED PODS, but I could not find any reference to any risk assessments or possible failure mitigation.

I understand that ZED PODS have never built any modules, they subcontract out both module construction and installation.

ZED PODs until relatively recently had major modular build contracts with a company called Impact Modular.

A company now in Administration - with the Administrator attempting to recover their outstanding debts including from the ZED PODs shareholders.

ZED PODS are now using a company called Dragon Heart Homes to build the modules. This is a newly formed - start up - Company and which took over Impact Modular's factory facilities in Peterborough.

In view of the size of the monetary commitment and the apparent lack of risk/mitigation assessment; will this Audit Committee firmly recommend that this Councils MMC Social Housing plans be added to the Corporate Risk Register?

Question 2

The removal of the 3 Rivers Reputation Risk item from the Corporate Risk Register is premature.

This Council purchased a number of assets from 3 Rivers in March 2024 for vast sums of public money and has had to impair a lot of that money.

This Administration approved the purchase of 5 Haddon Heights properties, for £3.135 million, which have not sold and are now being written down by £264,000 and the purchase of land at Knowle Lane, for £3.66 million, which was immediately impaired by £2 million and lies unused.

The loss of investment interest income on the total of £6.8 million for the past 15 months is around £424,000.

A total loss so far to this Councils General Fund near to £700,000 - and currently increasing by around £28,000 per month.

In simple terms if this loss had not been incurred, it would have meant there was no need for this Administration to increase leisure centre or car parking fees or Council Tax at all this year - let alone to the maximum 3 percent.

3 Rivers is still impacting Council finances and reputation.

Will this Audit Committee accept that it would be a major reputational issue to try and hide this by removing this from the Risk Register?

Mr Nick Quinn

Agenda Item 10: Draft Statement of Accounts:

Specifically the Annual Governance Statement, which starts on page 197 of your papers.

Question 1

Paragraph 1.2 states "Previous weaknesses highlighted within prior Value for Money conclusions have been addressed through the closure of the arm's length company and the ongoing work to refund the overpayment of rent arising from the historic error in the calculation". The Council had previously said it intended to limit the refund of overpayments to a maximum of 6 years; does this unqualified statement on the refund indicate that the Council now intends to refund tenants with all of their rent

error overpayments, or should the statement be altered to read “some of the overpayments”?

Question 2

Paragraph 4.2 sets out a number of principles. Principle A states: “Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law”. Will Audit Committee agree that limiting the refund of tenant overpayments does not demonstrate adherence to the main principle of “Behaving with Integrity and a Strong Commitment to Ethical Values”?

Question 3

I believe paragraph 5.2 deliberately understates the size and impact of the Housing Rent Errors. The use of the phrase “for a number of years” does not adequately describe the considerable 22 year period that this had been going on, and describing it as “this isolated error” really does not come near to properly describe wrongly setting the rent of 2,800 properties for every week of those 22 years. This was not an ‘isolated’ error - it was 3,203,200 errors, amounting to millions of pounds! Will Audit Committee please ask that paragraph 5.2 is reworded in order to properly reflect the seriousness of this error?

The Chair provided a response to Mr Quinn’s questions by stating the following:

Thank you for your questions Mr Quinn – obviously these are the draft accounts and Annual Governance Statement (AGS) which have been made public and will be subject to rigorous audit by our external auditors prior to returning back to the Committee for formal approval. I am currently content with how our officers have prepared these documents in compliance with the necessary financial and legal requirements governing the completion of local authority accounts. I can confirm that we will consider your comments either during this evening’s debate on our draft accounts and the AGS or at a subsequent meeting when we finally approve them.

In respect of the questions raised by Mr Warren and Mr Elstone, the Chair stated that as the questions had not been received in advance, a written response would be provided within 10 working days and appended to the minutes of the meeting.

5. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 25 March 2025 were confirmed as a true and accurate record and **SIGNED** by the Chair.

6. DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT

No interests were declared under this item.

7. CHAIR’S ANNOUNCEMENTS

The Chair thanked his colleagues for electing him.

8. **START TIME OF MEETINGS**

It was **AGREED** to continue to commence Audit Committee meetings at 5.00pm for the remainder of the municipal year 2025/2026.

9. **CORPORATE RISK REPORT (00:21:00)**

The Committee had before it, and **NOTED**, a report * from the Corporate Performance and Improvement Manager and the Head of People, Performance & Waste reviewing the Corporate Risk Register.

The following was highlighted within the report:

- The report presented the Council's current corporate risks with their updated position as of May this year. These were the risks which were most likely to impact the Council meeting its objectives.
- At paragraph 2.1 of the report, there was a summary table of the 16 corporate risks that the Council was currently managing. The risk matrix or heat map showed the relative position of the corporate risks. Appendix 2 of the report provided further details for each risk in a standard template.
- Any significant changes to the risk register since it was last reported to the Committee were listed in the covering report at paragraph 2.3.
- An audit conducted by Devon Assurance Partnership had reached the opinion of 'Reasonable Assurance' when considering the Council's approach to risk management.
- Risk reference CR9A: 'The reputational impact of Three Rivers', had been removed in May 2025. The company undertook no operational activities in 2024/25 and was formally dissolved on the 26th of November 2024. All asset liabilities were transferred to the Council during the 2024 financial year. As such, it has been decided that this corporate risk could now be removed. Any updates on the assets transferred to the Council would be made in the standard financial performance reports that were received by the Cabinet.

Discussion took place regarding:

- The appendices detailed the mitigating actions in relation to each risk. The Committee was encouraged to add to the Risk Register if they considered it necessary.
- The risk rating in relation to Local Government Reorganisation (LGR) was currently quite high at 20. It was explained that this was due to the fact that LGR was not in the Council's control to determine. A number of proposals were emerging and these would be evaluated by the Government. The Council was blind to what the final outcome would be. Consequently there was a risk to ongoing service delivery.
- The importance of engaging with town and parish council's at every step of the LGR journey.
- Cyber Security was perhaps the most significant risk the Council faced. The Council had recently received a national Government Cyber Security Audit which had resulted in a detailed action plan in terms of what the Council needed to do. The Deputy Chief Executive (S151 Officer) stated that he would be happy to share the details of this action plan with the Committee but it would need to be under Part II arrangements due to the obvious nature of the

subject matter. The Council was also networking with national and local partners regarding this issue to ensure best practice.

- Whether it had been too premature to remove the 'Reputational Risk of 3 Rivers' from the Risk Register? It was explained that the company was now dissolved and now presented the Council with a property risk that could be managed by regular quarterly reports to the Cabinet where the risks were discussed in depth. The question was asked as to whether those reports could come to the Audit Committee. It was stated that they could or at least the relevant paragraphs could be appended to the Corporate Risk Register which was presented to the Audit Committee at every meeting.
- The Risk Register 'belonged' to Members and could be amended or added to as appropriate.
- The risk rating in relation to the Cullompton Relief Road had been lowered slightly due to the recent receipt of funding and the commencement of works albeit in the very early stages.
- Regarding the Social Housing Rent Error the Committee were informed that a meeting had been held with the Regulator for Social Housing that day and that they had seemed very reassured with the direction of travel.
- As a general rule, if something was outside of the Council's control, it increased the risk rating.

Note: * Report previously circulated.

10. **DRAFT STATEMENT OF ACCOUNTS FOR 2024/2025 (00:48:00)**

The Committee had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) presenting the draft version of the annual Statement of Accounts to Members which had been published on the website and presented for external audit.

The Committee were provided with a presentation which provided a high level introduction to understanding the Financial Statements and the Annual Governance Statement. It also included pertinent points with regard to the role and function of the Audit Committee in discharging its duty with regard to the annual accounts. It also referenced, timeframes, key accounting policies and the annual audit.

Discussion took place regarding:

- Figures in the draft accounts in relation to Property Services and Public Health areas. It was explained that there had been a significant underspend in these areas due to maintenance plans having slipped and some large unbudgeted S106 receipts. However, these monies would be transferred to reserves until those projects were ready to be delivered.
- The level of reserves had increased. It had been a very good year in terms of Business Rates collection. This 'smoothing reserve' provided the Council with a helpful buffer should the Government change the rules regarding Business Rates in the future.
- The Social Housing Rents Error showed a loss in the draft accounts of £1.8m which had been well recorded. It was confirmed that this did not include the officer costs of the team appointed to manage the action plan in relation to this. At the moment these costs were able to be managed within budget.
- The way vehicle leases were required to be shown had changed therefore this looked very different from last year.

- It was confirmed that the Council held a detailed Assets Register and assets were required to be valued externally every year so that the correct values were recorded.
- There appeared to be quite a big swing in the provision of services figure in the cash flow statement. The Deputy Chief Executive (S151 Officer) stated that he could append detailed information on this to the final accounts brought before the Committee at their next meeting.
- It had been a good year as far as the accounts were concerned in that there had been no key changes, the Council had not taken on new business and there had been an underspend on the General Fund. There had been close to budget monitoring reports given to the Cabinet which had allowed the Council to build up of reserves. This was against a backdrop of uncertainties and challenges ahead with regard to Government funding and LGR.

Note: * Report previously circulated.

11. **DEVON ASSURANCE PARTNERSHIP INTERNAL AUDIT END OF YEAR REPORT 2024/2025 (01:32:00)**

The Committee had before it, and **NOTED**, a report * from the Devon Assurance Partnership (DAP) presenting the Annual Internal Audit Report for 2024/2025.

The following was highlighted in the report:

- The report provided a summary of their work for the year.
- Their overall opinion for the year was one of 'Reasonable Assurance'.
- Follow up work had been necessary in the Building Control area as the opinion had still been one of 'Limited Assurance'.
- Much progress had been made since their report had been written in May.
- Some work which had been planned for 2024/25 had had to be deferred until 2025/26, some of the reasons for this were down to the level of available resources within DAP itself.
- Appendix 1 contained a summary of the audits which had taken place since the last Audit Committee in March 2025.
- One 'high' audit recommendation remained outstanding and 9 'medium' recommendations had also slipped the timescales for completion.

Discussion took place regarding:

- Audit recommendations needed to be followed up and progressed by the Council not DAP.
- Up to date explanations needed to be provided and the Deputy Chief Executive (S151 Officer) stated he would chase this up with the relevant managers.
- It was extremely rare for DAP to give a 'Substantial Assurance' Audit Opinion. There had not been one in recent years. 'Reasonable Assurance' opinions were the most common.
- Where dates had been revised for completing an audit recommendation this needed to be shown in an extra column so that it was clear for the Audit Committee to see what the latest position was.

Note: * Report previously circulated.

12. **DEVON ASSURANCE PARTNERSHIP ANNUAL COUNTER FRAUD RESILIENCE AND ASSESSMENT REPORT (01:48:00)**

The Committee had before it, and **NOTED**, a report * from the Devon Assurance Partnership (DAP) providing the Annual Counter Fraud Resilience and Assessment Report.

The following was highlighted:

- DAP were currently in the process of recruiting a new fraud expert and the successful candidate would be introduced at a future meeting of the Audit Committee.
- DAP had recommended that the Council go through a self-assessment process in relation to fraud. That process had now taken place and no issues of concern had been identified.

It was requested by the Independent Person (IP) that the revised Fraud Policy be shared with the Committee and that the Code of Conduct also made reference to fraud. This was **AGREED**. Reciprocally, it was requested that the IP shared any good practice she was aware of with the Committee so that processes and policies could be tightened up where necessary.

Note: * Report previously circulated.

13. **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING**

The items already listed in the Work Programme for the next meeting were **NOTED**.

In addition it was requested that a standing item be added to the agenda for each meeting regarding an update on the Social Housing Rents Error situation.

(The meeting ended at 6.56 pm)

CHAIR

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Date of Meeting:	30 September 2025
Subject:	Corporate Risk Report
Cabinet Member:	Cllr Luke Taylor, Council Leader
Responsible Officer:	Steve Carr, Corporate Performance and Improvement Manager. Matthew Page, Head of People, Performance & Waste.
Exempt:	N/A
Wards Affected:	All
Enclosures:	Appendix 1: Corporate Risk Matrix Appendix 2: Corporate Risk Register

To provide Members with a quarterly update on the Corporate Risk Register.

That Members review the Corporate Risk Register and feedback any areas of concern.

1.0 Introduction

- 1.1 The Corporate Risk Register (CRR) contains the strategic risks which are most likely to impact the corporate priorities of the Council. It is reviewed at least quarterly by Heads of Service and the Leadership Team and updated as required. It is then presented to the Audit committee and to Cabinet. Risks are managed on the Council's corporate performance and risk management system, SPAR.
- 1.2 The corporate risks are presented on a risk matrix (heat map), Appendix 1. Information on each risk is presented in a standard template, Appendix 2.

These risks have been determined by the Council's Leadership Team in consultation with Heads of Service and other Council officers.

2.0 Summary of Corporate Risk

2.1 There are currently 17 risks on the CRR. Risks are presented with both their current and target risk ratings. Also included is a trend symbol indicating any change to the risk rating since the previous review.

Risk Name		Risk Owner	Risk Rating		
			Current	Trend	Target
CR1a	Culm Garden Village – Loss of capacity funding	Group Manager for GED	9	↔	9
CR1b	Culm Garden Village – Delay/ impact to project arising from infrastructure delays	Group Manager for GED	15	↔	15
CR2	Cyber Security	ICT Operations Manager	20	↔	15
CR3	Failure to meet Climate Change Commitments by 2030	Head of Finance, Property & Climate Resilience	15	↔	9
CR4	Homes for Ukraine Scheme	Head of Housing & Health	4	↔	9
CR5	Information Security	Head of Digital Transformation & Customer Engagement	12	↔	8
CR7	Financial Sustainability	Head of Finance, Property & Climate Resilience	25	↑	12
CR8	Quality of Planning Committee Decisions	Director of Place & Economy	9	↑	3
CR10	Cullompton Town Centre Relief Road	Group Manager for GED	15	↔	15
CR11	Cost of Living Crisis	Head of Revenues, Benefits & Leisure	16	↔	16
CR12	Housing Crisis	Head of Housing & Health	12	↔	9
CR15	Corporate Property Fire Safety	Chief Executive	9	↔	6
CR16	Building Control Service viability	Building Control Manager	12	↔	2
CR17	Emergency Recovery	Head of Housing & Health	8	↓	4
CR18	Housing Rent Error Correction	Head of Housing & Health	8	↔	3
CR19	Devolution and Local Government Reorganisation	Chief Executive	20	↔	15
CR20	Emergency Planning Response	Head of Housing & Health	8	New	4

Risk rating change since previous update:

↑ Increased

↔ No change

↓ Decreased

2.2 For each risk the following information is given in Appendix 2:

- Risk name
- Risk description
- Current risk severity and likelihood
- Current risk rating
- Risk Owner
- Risk Type
- Mitigating actions (including name, description, responsible officer, current effectiveness and when it was reviewed)
- Notes.

2.3 Since this report was last published in June 2025, the following significant changes have been made to the CRR:

- CR7 Financial Sustainability: Risk Rating has increased from 16 to 25 in light of local government funding announcements.
- CR8 Quality of Planning Decisions: Risk Rating has increased from 6 to 9, reflecting the fact that the Local Plan is out of date.
- CR17 Severe Weather Emergency Recovery has been redrafted and widened out to Emergency Recovery. Risk Rating reduced from 12 to 8.
- CR20 Emergency Planning Response was added to the CRR in August 2025.

Financial Implications

There are no direct financial implications arising from this report. However, risks which are not mitigated may have financial implications for the council. Equally, the treatment of risk may require resources to be (re)allocated. Having a robust approach to risk management will continue to help the council minimise future financial risks and implications. A number of the corporate risks being managed contain financial risk, such as CR7 Financial Sustainability.

Legal Implications

Risk management is an integral part of the Council's Corporate Governance arrangements and there is a statutory responsibility under the Account and Audit Regulations (2015) to put in place risk management arrangements.

Risk Assessment

Failure to take advantage of opportunities and mitigate risks could impact on the Council's ability to deliver its strategic objectives. Assessment of the effectiveness of the framework for identifying and managing risks and for demonstrating clear accountability is a key element of the Council's governance arrangements.

Impact on Climate Change

Corporate Risk 3 relates directly to the council meeting its climate change targets.

Equalities Impact Assessment

Having a council which is resilient to risk means that it is better positioned to support its communities. A number of corporate risks which relate to equalities are detailed on the Corporate Risk Register. This includes CR4 Homes for Ukraine; CR11 Cost of Living Crisis; and CR12 Housing Crisis. Actions to mitigate these risks will support the council meet its equality duties.

Relationship to Corporate Plan

Effective risk management is crucial to enable the council to mitigate risks to achieving Corporate Plan priorities.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Maria de Leburne

Agreed on behalf of the Monitoring Officer

Date: 16 September 2025

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 16 September 2025

Performance and risk: Steve Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 04 September 2025

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Steve Carr, Corporate Performance and Improvement Manager

Email: scarr@middevon.gov.uk

Telephone: 3CX: 4217

Background papers:

Appendix 1: Corporate Risk Matrix

<div><div></div><div></div><div></div><div></div><div></div></div> <div>Risk Severity</div>	5	5	10	15 CR1b; CR10	20 CR2	25 CR7
	4	4	8 CR17; CR18; CR20	12 CR5; CR12;	16 CR11	20 CR19
	3	3	6	9 CR1a; CR8; CR15	12 CR16	15 CR3
	2	2	4 CR4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5

Appendix 2: Corporate Risk Register

CR1a	Culm Garden Village – Loss of capacity funding	Current Severity: 3	Current Likelihood: 3	Current Risk Rating: 9	
Risk Description: Possible discontinuance of Government funding support for Culm Garden Village activities, thereby affecting Mid Devon District Council Culm Garden Village team capacity and leadership function, resulting in project/programme slippage.					
Risk Owner: Group Manager for GED		Latest Review: 15/08/2025		Risk Type: Economic/ Financial	
Mitigating Actions				Responsible Officer	Current Effectiveness
CR1a.1	Funding opportunities: Lobby for further rounds of Homes England garden communities capacity funding		Group Manager for GED	Satisfactory	
CR1a.2	Identify alternative opportunities to secure funding to support the project – including from landowners/ developers involved in the Culm Garden Village project.		Group Manager for GED	Satisfactory	
Notes: This risk relates to the funding sources in place for the Culm Garden Village, rather than the overall delivery of the Culm Garden Village project. Capacity funding was secured for this financial year; however we do not currently have any assurances of funding for the next financial year. Although recent developments in relation to funding of the relief road, are welcomed along with the capacity funding for this financial year, the risk remains higher than the target risk as longer term capacity funding remains uncertain.					

CR1b	Culm Garden Village – Delay/ impact to project arising from infrastructure delays	Current Severity: 5	Current Likelihood: 3	Current Risk Rating: 15	
Risk Description: Lack of Government funding for enabling infrastructure – Cullompton Town Centre Relief Road/ Junction 28/ Cullompton station re-opening – resulting in delays to scheme progression and housing delivery.					
Risk Owner: Group Manager for GED		Latest Review: 15/08/2025		Risk Type: Economic/ Financial	
Mitigating Actions				Responsible Officer	Current Effectiveness
CR1b.2	Junction 28, M5: Continue to work closely with Devon County Council on Strategic Outline Business Case with the aim of securing funding to upgrade Junction 28 – Devon County Council to submit bid to Government in March/ April 2024 following Devon County Council Cabinet approval.		Group Manager for GED	Fully Effective	
CR 1b.3	Cullompton station re-opening: Continue to work closely with Network Rail to ensure the timely submission of the Final Business Case to Government.		Group Manager for GED	Completed	

Notes:

Funding now secured for provision of the Relief Road from Homes England. Significant progress with regard to land assembly. The Outline Business Case for J28 improvements has been submitted to Department for Transport and awaiting a decision – this is now expected in the Autumn.

Positive news announced with regard to funding for the Railway Station and Network Rail is mobilising a team to take forward its delivery. CR1b.3 marked as complete in August 2025.

CR2	Cyber Security	Current Severity: 5	Current Likelihood: 4	Current Risk Rating:20	
Risk Description: Inadequate Cyber Security could lead to breaches of confidential information, damaged or corrupted data and ultimately Denial of Service. If the Council fails to have an effective ICT security strategy in place. Risk of monetary penalties and fines, and legal action by affected parties.					
Risk Owner: ICT Operations Manager		Latest Review: 12/08/2025		Risk Type: Data Protection/Information Security	
Mitigating Actions				Responsible Officer	Current Effectiveness
CR2.5	Regular Vulnerability scans on network devices: ICT use 'Nessus' vulnerability scanner to access and detect vulnerabilities on all network devices. Mitigation is then completed to remove or reduce the risk due to the vulnerability. Although this has only been added now as an action, it has been running for a number of years.		ICT Operations Manager	Satisfactory	
CR2.6	Active Directory review: The current Active Directory (AD) (the address book for all users in MDDC to use computers) has been around for over 20 years. it has been managed, updated by ICT Staff and has a lot of clutter. A project is underway to review the configuration of AD to simplify the hierarchy and review the policies applied to the users, PCs and server on the MDDC Network. It will also provide a mean to fully incorporate the Microsoft and NCSC security baselines, to ensure full compliance and improve security.		ICT Operations Manager	Satisfactory	
CR2.7	Establish Supply Chain Risk Management: There is no risk on the IT risk register to highlight supplier failure. It would be beneficial to include a risk regarding supplier failure to ensure that all associated supplier risks & potential controls are considered, e.g. a Standard Operating Procedure and/or minimum requirements to obtain assurance e.g. from regular meetings etc.		Head of Digital Transformation & Customer Engagement	Satisfactory	
Notes: Managed Security Operations Centre has now gone 'Live'. Monitoring of alerting rules and additional rules will be ongoing.					

Microsoft M365 licences have been upgraded from E3 to E5, to provide better monitoring and control of security and compliance. Multi-Factor Authentication has now been implemented for logon to M365 and access to the corporate Virtual Private Network. Supply chain monitoring and assurance solution has been procured. Implementation will commence 20th August, with training for Officers that will be using the system.

CR3	Failure to meet Climate Change Commitments by 2030	Current Severity: 3	Current Likelihood: 5	Current Risk Rating: 15
Risk Description: Due to a variety of factors, there is a risk that the Council will not meet its goal of becoming carbon neutral by 2030. There is also a risk that the Council will not achieve district-wide progress to meet obligations under the Climate Act 2008 for climate adaptation (resilience) and mitigation (emission reductions).				
Risk Owner: Head of Finance, Property & Climate Resilience		Latest Review: 15/08/2025		Risk Type: Environmental
Mitigating Actions			Responsible Officer	Current Effectiveness
CR3.1	Policy and Strategy: Policy and strategy relevant to the climate emergency includes: <ul style="list-style-type: none">• Corporate Plan 2020-2024 sets a number of relevant aims;• Climate Strategy and Handbook 2020-2024;• Housing Strategy 2021-2025;• Procurement Strategy (March 2023);• Cabinet adopted a new Climate Emergency planning policy statement (March 2023);• Local Plan 2013-2033 review; Plan Mid Devon sets the Climate Emergency as the top overarching priority for the next Local Plan.		Climate and Sustainability Specialist	Satisfactory
CR3.2	Oversight and decision-making: To embed a consistent approach to committee reports, project reports and decision-making, considering the potential climate impacts and opportunities and adaptation needs linked to the climate crisis.		Climate and Sustainability Specialist	Action Required
CR3.3	Climate Change Strategy and Climate Action Plan: Cabinet approved the new Cabinet Climate Change Strategy (2025-2028) and a Climate Action Plan (CAP) in December 2024. Themed alignment of strategic, policy and operational activity. CAP to be reviewed annually to reflect the pipeline of planned projects, budgets, etc. The Strategy serves as a starting point for engagement with communities, businesses and other partners, to co-create a vision.		Climate and Sustainability Specialist	Satisfactory
Notes: Local Government Reform - with restructure due by the end of 2028 - presents implications for the 2030 milestone.				

The Council has a themed alignment of strategic, policy and operational activity through the Climate Change Strategy 2024-2028. A Climate Action Plan (CAP) will be implemented to reduce emissions, aiming achieve corporate Net Zero at the soonest opportunity; the CAP is to be reviewed annually to reflect the pipeline of planned projects, budgets, etc. and progress is reported regularly to PES PDG. The Strategy has also served as a starting point for engagement with communities, businesses and other partners, to co-create a vision and plans for community-led activity.

The Council's carbon footprint (assessed independently on an annual basis) has fluctuated since the 2018/2019 baseline result. Reports are published on the Sustainable Mid Devon website <https://sustainablemiddevon.org.uk>. Emissions are measured in tonnes of carbon dioxide equivalent (tCO2e).

Nett emissions for the 2024/25 financial year were 18,364 tCO2e. This was 2% higher than the previous year, and only marginally lower than the 2018/19 baseline. However, the Council has achieved tangible progress in reducing emissions for elements in its direct control comprising Council Offices and Facilities; Transport; and Offset. The 1,589 tCO2e figure for 2024/25 is circa 35% lower than the 2,427 tCO2e figure for the 2018/19 baseline year. These contributed just under 9% of the 2024/25 overall total footprint.

Aspects within the Council's 'organisational boundary' yet outside direct control are harder to reduce, but these present vital opportunities for the Council to invest in and / or influence ways to reduce climate impacts, as recognised in the Climate Change Strategy 2024-2028.

CR4	Homes for Ukraine Scheme	Current Severity: 2	Current Likelihood: 2	Current Risk Rating: 4
Risk Description: There is a risk of the 'Homes for Ukraine scheme' failing should the host relationship breakdown and re-matching is not an option. Where refugees cannot afford to pay for private accommodation the Council has a Homelessness Duty.				
Risk Owner: Head of Housing & Health		Latest Review: 15/08/2025		Risk Type: Social
Mitigating Actions		Responsible Officer		Current Effectiveness
CR4.9	End of hosting arrangements: There is currently uncertainty over whether the thank you payments for hosting arrangements will continue beyond three years. Once the hosting comes to an end the Ukrainian guests will need to find alternative accommodation and this could be within Mid Devon or further afield. Mid Devon housing options will be required to assist with housing this group.	Operations Manager - Public Health		Satisfactory
CR4.10	Funding for guest grants: Mid Devon provides grants to Ukrainian guests so they can access the private rented sector when their hosting ends. Grants may not be available in 2025/26. The current Ukraine funding is being kept under review with a view to any underspend being earmarked for 2025/26 to continue grants. This	Operations Manager - Public Health		Satisfactory

	will help mitigate pressures as a result of hosting arrangements ending. Mid Devon has nine houses available as temporary accommodation if they are unable to find private rented accommodation at the time the hosting ends.		
Notes: No change since previous risk review. Additional arrivals under the scheme continue to be very low. Local Authority Housing Fund (Round 1) funding spend complete and ten temporary accommodation (TA) properties in use. These substantially support TA where required for Homes for Ukraine guests. Ongoing support for transition into private rental sector continues to be effective.			

CR5	Information Security	Current Severity: 4	Current Likelihood: 3	Current Risk Rating: 12
Risk Description: Inadequate data protection could lead to breaches of confidential information and ultimately enforcement action by the ICO.				
Risk Owner: Head of Digital Transformation & Customer Engagement		Latest Review: 15/08/2025	Risk Type: Data Protection/Information Security	
Mitigating Actions			Responsible Officer	Current Effectiveness
CR5.2	Compliance Tools: Improvement of monitoring activity and implementation of tools assessing near misses or user education opportunities. May include better alerts on data sharing within/without MS tenant, information tagging.	Head of Digital Transformation & Customer Engagement		Action Required
CR5.3	Supply Chain Management: Inadequate supply chain management decreases organisational resilience and information security. Manual review is slow and unresponsive. Procurement practice has been strengthened. Market testing and business case being pursued for software solution to manage supplier risk overview. This will be done via ITIG board during summer 2025. A risk review is also being initiated by the Head of Service on cyber risk in conjunction with Cyber Assessment Framework assurance findings.	Head of Digital Transformation & Customer Engagement		Satisfactory
Notes: New risk assessment completed and through IT and Information Governance Board – to be reviewed by Leadership Team. Supply chain risk management system implementation commences w/c 18 August 2025. Procurement of phishing simulation and training tool in progress. Scoping document and business case for assistance implementing info tagging and use of MS Purview next to be done.				

CR7	Financial Sustainability	Current Severity: 5	Current Likelihood: 5	Current Risk Rating: 25
Risk Description: The council faces a range of financial challenges. We are subject to ongoing budget reductions whilst the cost of providing services continues to increase due to a range of inflationary pressures. We are also subject to single year budget settlements which impacts on the ability for medium term financial planning. We need to be able to plan and meet these challenges so that we can continue to deliver effective services and achieve the priorities we wish to.				
Risk Owner: Head of Finance, Property & Climate Resilience		Latest Review: 08/08/2025	Risk Type: Economic/Financial	
Mitigating Actions			Responsible Officer	Current Effectiveness
CR7.2	Identify Efficiencies: Taking proactive steps to increase income and reduce expenditure through efficiencies, vacancies that arise and delivering services in a different way.		Head of Finance, Property & Climate Resilience	Satisfactory
CR7.5	Medium term planning: Work to close the budget gap is on-going. A range of options are being considered but Covid, business rates and uncertainty over fair funding review make the situation extremely challenging. To close the budget gap and maintain services: We continue to work with managers to reduce costs and explore new income streams.		Head of Finance, Property & Climate Resilience	Satisfactory
Notes: Risk Rating increased from 16 to 25 in August 2025. During the Government's current fair funding review we have been singled out with about 50 other Councils (Districts and London Boroughs) for the largest funding reductions, currently estimated at overall cuts of between 5-7%. In addition, there are the changes associated with the elimination of all Business Rates growth back to a baseline created in 2013/14. These 2 inter-related issues may result in the Council losing circa £2.5m in funding p.a. All set against a back drop of Local Government reorganisation making any medium term financial planning extremely challenging. CR7.2: Meeting with all service managers in early August to discuss various savings targets and income maximisation potential. CR7.5: Senior finance officers are attending Ministry of Housing, Communities and Local Government and District Council Network meetings to understand what is currently being modelled and then assess the direct impact on the Council. Unfortunately, it remains likely that individual Council figures will not be available until November/ December which will make the 2026/27 budget setting process extremely difficult.				

CR8	Quality of Planning Committee Decisions	Current Severity: 3	Current Likelihood: 3	Current Risk Rating: 9
Risk Description: Planning decisions are monitored at Government level nationally – the risk is to stay significantly below 10%. Over 10% could put a Local Planning Authority into special measures. Links to Performance Indicator measures 11a, 11b, 12a and 12b.				
Risk Owner: Director of Place & Economy		Latest Review: 11/08/2025		Risk Type: Reputation
Mitigating Actions			Responsible Officer	Current Effectiveness
CR8.3	Regular informal planning committee meetings: Keeping planning committee informed of all appeals and upcoming planning policy, and any actions the Council is making.		DM Manager / Director of Place & Economy	Satisfactory
CR8.4	Additional Training Sessions: Three training sessions have been provided to the Planning Committee. Given the need to apply the "Tilted balance" to decision making training on the wider context for decision making as well as a practical exercise in applying the tilted balance have been provided to the committee to assist their understanding of the new obligations upon them.		DM Manager	Completed
Notes: Risk Likelihood has increased from 2 to 3 in August 2025, and as a result the overall risk rating has increased from 6 to 9. With the Local Plan now being out of date, the Council may receive speculative applications for housing development that do not accord with the Adopted Plan. This will lead to significant local opposition to the applications, notwithstanding the increased housing requirements we must deliver against. CR8.4 Added in Summer 2025. Three sessions completed.				

CR10	Cullompton Town Centre Relief Road	Current Severity: 5	Current Likelihood: 3	Current Risk Rating: 15
Risk Description: Inability to deliver the Cullompton Town Centre Relief Road				
Risk Owner: Group Manager for GED		Latest Review: 15/08/2025		Risk Type: Economic/Financial
Mitigating Actions		Responsible Officer		Current Effectiveness
CR10.4	Land Assembly: Continue land assembly discussions so as to de-risk the project, assist in unlocking scheme delivery and increase the likelihood of securing funding.	Group Manager for GED		Satisfactory
CR10.5	Complementary projects: Continue to develop and deliver complementary projects such as the Railway Station and the Heritage Action Zone public realm scheme.	Group Manager for GED		Satisfactory

	This will support the case for investment in the town and demonstrate the capacity to deliver.		
Notes: Works are progressing well with the delivery of the relief road, which is anticipated to start in summer 2026. Land assembly is going well. Works continue to relocate the sports clubs that are effected by the road. Risk is expected to reduce further as further progress is made with delivery.			

CR11	Cost of Living Crisis	Current Severity: 4	Current Likelihood: 4	Current Risk Rating: 16
Risk Description: The high rates of inflation experienced in 2022 and 2023 have the potential to impact on council employees, residents, communities and businesses in Mid Devon. In turn this may affect the council in terms of increased costs, reduced council income, and put additional pressure on council services.				
Risk Owner: Head of Revenues, Benefits & Leisure		Latest Review: 07/08/2025	Risk Type: Financial, Social	
Mitigating Actions			Responsible Officer	Current Effectiveness
CR11.1	Benefit administration: The council delivers a range of benefits which support the financial position of our residents. This includes the Housing Support Fund, Discretionary Housing Fund, and the Exceptional Hardship Fund.		Operations Manager - Revenues Benefits and Recovery	Fully Effective
CR11.2	Council Tax Reduction Scheme: The council has introduced a new scheme (from 1 April 2023) which provides a more generous level of support.		Operations Manager - Revenues Benefits and Recovery	Fully Effective
CR11.3	Shared Prosperity Fund (SPF): The SPF and Rural England Prosperity Fund Investment Plans have a number of projects designed to support businesses and community organisations over Jan 2023 – March 2025. This includes grant schemes to support innovation and decarbonisation projects including those that reduce energy costs and increase productivity.		Growth and Regeneration Officer	Fully Effective
Notes: Housing Support Fund 7 is now live and is well subscribed as were the previous schemes. Government are creating a new scheme from April 2026 and it will be for Local Authorities, such as MDDC, to deliver.				

CR12 Housing Crisis		Current Severity: 4	Current Likelihood: 3	Current Risk Rating: 12
<p>Risk Description: Failure to supply sufficient housing to meet Mid Devon's needs leading to increased homelessness and increased temporary accommodation (TA). There may be insufficient TA to meet demand and financial pressure is placed on the Council through increasing volume of and dispersed provision of TA. Co-linked failure to prevent homelessness occurring through increasing demand on resources, poor existing housing and failure to meet prevention duty/deliver mitigating actions including support to vulnerable residents.</p> <p>It is a statutory duty on the Council to prevent and provide relief/assistance to people threatened with or actually presenting as homeless. There is a local, regional and national shortage of affordable housing including social housing at the most affordable social rent level with a significant, growing waiting list of those registered on Devon Home Choice. Together with the current, ongoing cost of living crisis and other pressures this is leading to a growing housing crisis.</p>				
Risk Owner: Head of Housing & Health		Latest Review: 15/08/2025		Risk Type: Financial, Social
Mitigating Actions			Responsible Officer	Current Effectiveness
CR12.1	MDDC Housing Strategy 2021-2025: Coherent, corporate approach to providing affordable homes and maintaining housing quality	Head of Housing & Health		Fully Effective
CR12.2	MDDC Homeless Prevention & Rough Sleeping Strategy 2020-2025: Focus on rough sleeping, prevention, accommodation options and client support	Head of Housing & Health		Satisfactory
CR12.3	Strategic lobbying on social housing funding, flexibilities and homelessness pressures: Continued membership of DLUHC LA Strategic Housing Advisory Group	Head of Housing & Health		Fully Effective
CR12.4	Devon Housing Forum: Regional engagement and collaboration on affordable housing delivery and supported housing – continued engagement	Head of Housing & Health		Satisfactory
CR12.5	Local Plan housing delivery: Market provision of affordable homes	Forward Planning Team Leader		Action Required
CR12.6	Mid Devon HRA Development Programme: 500 new homes 2022/23 – 2026/27	Head of Housing & Health		Satisfactory
CR12.7	Temporary Accommodation: Opportunities to purchase HMO or similar shared market accommodation to meet TA needs/successful business cases made into capital programme. Two HMOs recently purchased, available 2023/24	Head of Housing & Health		Fully Effective
CR12.8	Empty Homes: Bringing empty homes back in to use/local leasing scheme for TA (link to CR12.7) or to alleviate wider	Head of Housing & Health		Action Required

CR12.9	Long-term development voids: Effective use of long-term development voids in Mid Devon Housing stock as TA where safe	Head of Housing & Health	Fully Effective
CR12.10	Ivor Macey House: Ongoing provision of Ivor Macey House supported TA accommodation (MDH HRA lease to G/F)	Head of Housing & Health	Completed
CR12.15	Private Sector Homes for Ukraine: Team Devon Homes for Ukraine scheme Private Sector Housing transition support	Head of Housing & Health	Satisfactory
CR12.16	Residents Financial Support: Cost of living pressure, grants and signposted support, help with/access to benefits (https://www.middevon.gov.uk/residents/residents-financial-support/)	Head of Revenues, Benefits & Leisure	Satisfactory
CR12.17	Housing Assistance Policy (Better Care Funding): living well at home/homeless prevention and Home Start grants/loans	Head of Housing & Health	Satisfactory

Notes:

CR12.10 marked as complete in August 2025.

Onboarding new cabinet lead continues regarding Housing Strategy for 2025 onwards. Homes Policy Development Group (PDG) Value for Money and best practice report on Modern Methods of Construction modular building in Mid Devon Housing for Cabinet decision approved at Cabinet in July following Homes PDG and Scrutiny support. Developing Devon Strategic Housing Pipeline (MDDC sites) further with Director of Place and Homes England. Ongoing successful bids into Homes England Affordable Homes Programme and Ministry of Housing, Communities and Local Government PBP with a number of new Housing Revenue Account development projects live/supported. Successful draw down of Devon Care Leaver funding to support specific accommodation. Successful bid for additional Local Authority Housing Fund 3 funding to support further temporary accommodation (TA) acquisition. Belmont Rd TA fully occupied, planning approval granted for St Pauls TA property for conversion to additional TA. Cabinet decision confirmed for purchase of further additional Tiverton property for TA - surveys complete and completion/ acquisition is likely end of August 2025.

CR15	Corporate Property Fire Safety	Current Severity: 3	Current Likelihood: 3	Current Risk Rating: 9
Risk Description: Upcoming changes in legislation will place more stringent demands on the council in terms of fire safety across its corporate property estate. Failure to meet these standards could lead to penalties being imposed by the Fire Service including fines, which would be an additional cost to any investment required to complete repairs. The corporate property estate requires investment to ensure that significant fire safety risks, identified through external fire safety health checks, are mitigated. There are a number of sites which require fire safety checks. It is likely that these will identify fire safety risks that will require remediation. These will be addressed on a priority basis. As with any risk associated with fire, there is a potential for damage or loss to property and/or life.				

Risk Owner: Chief Executive		Latest Review: 11/08/2025		Risk Type: Physical, Reputational, Financial	
Mitigating Actions				Responsible Officer	Current Effectiveness
CR15.2	Investment Programme: Ensure that funding has been allocated and is drawn down to implement fire safety improvements.			Contracts and Services Manager	Satisfactory
Notes: The initial tranche of work is completed at Phoenix House/Exe Valley/Lords Meadow. There are some minor snags to be finished at Culm Valley. A specification is being worked up to go to the market for the next tranche of work required.					

CR16	Building Control Service viability	Current Severity: 3	Current Likelihood: 4	Current Risk Rating: 12
Risk Description: The NMD Building Control Partnership has been struggling with maintaining staffing levels for the past two years owing to a national shortage of skilled Building Control officers and skilled support staff. The service has continued to meet obligations by utilising agency staff. But changes presented through the Building Safety Act 2023 and the creation of the Building Safety Regulator are likely to result in further pressures in terms of attracting and retaining skilled permanent staff and in terms of service viability owing to additional duties placed upon the service in an increasingly challenging economic climate.				
Risk Owner: Building Control Manager		Latest Review: 03/09/2025	Risk Type: Reputational	
Mitigating Actions			Responsible Officer	Current Effectiveness
CR16.2	Recruitment and retention: Address staffing and skills shortage and reliance on agency surveyors by continuing to seek to recruit new staff to the service, building on recent successes.		Building Control Manager	Satisfactory
CR16.4	Reporting obligations: Continue to utilise interim reporting mechanisms to meet reporting requirements. Pursue long term reporting solution, dependent upon new reporting systems being created by external suppliers/others.		Building Control Manager	Satisfactory
Notes: Continue to trade with three vacant Inspecting positions, with one of these being filled with an agency inspector. CR16.4 Text updated from “Prepare for new reporting obligations: Continue to preparation for the introduction of the new reporting obligations for the BSR, due to commence in April 2024 – including ensuring appropriate systems are in place.				

CR17	Severe Weather Emergency Recovery		Current Severity: 4	Current Likelihood: 2	Current Risk Rating: 8
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Risk Description: When there is an event/incident which has potential to harm people or property a multi-agency response may be required in the form of declaring an “Emergency” through the Local Resilience Forum (LRF). This process is split into two phases; 1: The Response which is chaired predominantly by the police and is often heavily focused on the blue light services during/immediately following the event/incident. 2: Recovery which is chaired by the Local Authorities and is more focused on Local Councils working with communities to achieve a state of new normality. Because of this, MDDC has a large role to play within the Recovery Phase as a Category 1 responder of which there are many risk to the organisation from Financial, Reputational and Legal. This risk assessment is specifically looking at our most common event that escalates to an emergency which is Severe Weather including extremes in heat/cold, floods and wind etc. Currently there has been little training on Recovery and MDDC’s Recovery Plan is out of date. In addition to this, low staff resources would make Recovery very difficult as it can be a very time consuming and costly endeavour with some Recovery groups sitting years after the initial incident.			
Risk Owner: Head of Housing & Health		Latest Review: 14/08/2025	
		Risk Type: Economic/Financial/Capacity/Reputation	
Mitigating Actions		Responsible Officer	Current Effectiveness
CR17.1	<p>CMT Capacity: There is a member of CMT on rota. This role covers incident manager (response) or can be specifically assigned to the recovery phase including chairing/ co-chairing the LRF recovery group. This will be in addition to their regular responsibilities.</p> <p>There will be a member of CMT on rota specifically assigned to the recovery phase including the chairing/co-chairing LRF recovery group. This will be in addition to their day to day job requirements and will add additional stress and pressures. Due to this, the Resilience Officer or another Corporate Manager can be brought in to assist with the multi-agency duties as required.</p> <p>With CMT now being five people, there is increased pressure and meeting this mitigation will be dependent on the CMT having no vacancies and being available during the recovery phase of an incident. This action will be kept under review.</p>	Head of Housing & Health	Satisfactory
CR17.2	Adequate Continuity Planning: Each service area needs up to date Business Continuity Plans to effectively retain critical services during and after an emergency. Training will be provided and plans reviewed by the Resilience Officer.	Resilience Officer	Action Required
CR17.3	Overall Staff Capacity: Each business area will understand their critical functions and ensure they are functioning during recovery. Above this each service area will manage their own capacity to deal with recovery plus their business as usual	Resilience Officer	Action Required

	through agency, overtime and mutual aid as detailed within their Business Continuity Plan.		
CR17.4	<p>Out of Hours Capacity: Only Emergency Duty Officer, Housing, Homeless/Housing Options and Customer Service CMT, Housing and Waste have Out of Hours within their contracts and so other services would need to rely on goodwill/ civic duty to cover any out of hours work during response and recovery. Recovery is often completed within office hours however the services with an Out of Hours service will be trained to ensure that any initial assessments and actions can be completed to a sufficient level until which point a full Recovery co-ordination group can be stood up. This will be detailed within the renewed Recovery plan.</p> <p>Paper detailing current out of hours gaps to be produced alongside a clear outline of which critical roles need some level of out of hours cover.</p>	Resilience Officer	Action Required
CR17.9	<p>Reputational damage: During the recovery phase of an emergency there will be a lot of differing priorities and expectations from our communities and Councillors at all levels. This can lead to potential conflicts, disputes and confusion. The Communications Team will work to give clear messaging which is in line with the multi-agency communications plan. Sufficient media training will be given to the Leadership Team and key members of the Council to ensure the correct information is being released to the media and communities.</p>	Head of Digital Transformation & Customer Engagement	Action Required
CR17.10	<p>Financial Availability: Due to the circumstances, vulnerable people may require additional financial assistance due to the damages caused by an incident. In addition there may be other additional costs incurred through the recovery stages and there is no central fund for the recovery phases of an emergency. The finance team will review other instances of Recovery within other districts to understand what potential funding streams there may be should MDDC be required to chair or assist in Recovery.</p>	Head of Finance, Property & Climate Resilience	Action Required
CR17.11	<p>Competency Training: To ensure staff that may be involved in the Recovery phase are competent, Recovery Training will be rolled out as detailed within the Devon Emergency Planning Partnership Competency Framework. This will be led as a joint project between MDDC and Devon County Council.</p>	Resilience Officer	Action Required
CR17.12	<p>Competency Exercises: Once training is completed, exercises will be developed to ensure that the processes and procedures are tested and fit for purpose.</p>	Resilience Officer	Action Required
Notes:			

The risk has been widened out, and no longer just focuses on the recovery from severe weather. Risk rating reduced from 12 to 8. Any changes made to the text are in red. CR17.10 to CR17.12 added in August 2025.

Business Continuity Plans continue to be developed with most now just awaiting review from IT before signoff. This will then allow for service areas to understand their risks and plan for potential responses and longer term recovery. Media training has been discussed and dates are being arranged to include the Cabinet and Leadership Team.

CR18	Housing Rent Error Correction	Current Severity: 4	Current Likelihood: 2	Current Risk Rating: 8	
Risk Description: That the Council doesn't effectively manage the correction and repayment process associated with the recently identified housing rent error.					
Risk Owner: Head of Housing & Health		Latest Review: 15/08/2025		Risk Type: Reputational, Financial	
Mitigating Actions				Responsible Officer	Current Effectiveness
CR18.1	Officer Review Groups: These have been operating since the error was identified and regular update meetings are held with: the Regulator for Social Housing; the Department for Work & Pensions; and our external auditors Bishop Fleming		Head of Housing & Health and Head of Revenues, Benefits & Leisure	Satisfactory	
CR18.2	Key stakeholders: We also are communicating regularly with key local stakeholders: Churches Housing Action Team (CHAT); Citizens' Advice Bureau; Involve, etc.		Head of Housing & Health and Head of Revenues, Benefits & Leisure	Satisfactory	
CR18.3	Progress Updates: Regularly provided to the two relevant Cabinet Members and formal update reports will be made to Cabinet as and when required.		Deputy Chief Executive	Satisfactory	
Notes: Regulatory decision published by Regulator of Social Housing (RSH) who are satisfied with actions taken to address historic error. Regular monitoring arrangements in place between RSH and Council on plan implementation. Officer resources/team in place. "No benefit" refunds have commenced July 2025, and Housing Benefit refunds will be processed by end of August. Universal Credit/ Department for Work and Pensions (DWP) refunds still await national policy decision by DWP via Treasury. Work has commenced on the review of historic evictions and may also start soon on former tenant cases in Sept, in lieu of a DWP update/ guidance. Regular tenant, Homes PDG, Cabinet and Scrutiny updates being provided.					

CR19	Devolution and Local Government Reorganisation	Current Severity: 4	Current Likelihood: 5	Current Risk Rating: 20
Risk Description: The Government published its English Devolution White Paper in December 2024, which set out its intended directions for the future arrangements of local government service provision in England. It introduced the concept of ‘Strategic Authorities’ (SA), which it is intended will be large entities of circa 1.5m people – to be headed politically by a directly elected Mayor. It is not yet clear what expanded grouping will cover Devon, since our current Combined County Authority (CCA) covering Devon and Torbay is only around 975k (this could be a peninsula geography, expanded to include Plymouth and Cornwall, but this is not yet confirmed). How Mid Devon’s influence is brought to bear in any new SA of this scale is not yet clear.				
In addition, the Government has made it clear that beneath these new Strategic Authorities, their desire is to see new councils created of a unitary structure and of a scale suitable to withstand future service pressures. This is described as being of 500,000 population, although exceptions below this are possible. In Devon, this would mean the restructuring of all current councils, with the likelihood that Devon County, the 8 districts, Torbay (unitary) and potentially Plymouth City council will all cease to exist in their current form by 2028, to be replaced by larger restructured council(s) covering the Devon area. Clearly, such a change will impact significantly upon corporate delivery and objectives as work is undertaken to identify what the future looks like and how to best restructure and realign service provision across Devon with a view to seeking to use this as an opportunity to enhance outcomes for our residents and businesses.				
Risk Owner: Chief Executive		Latest Review:		Risk Type: Political, Legal, Financial
Mitigating Actions			Responsible Officer	Current Effectiveness
CR19.1	Effective collaboration: To continue to work with other system leaders across Devon to maximise collaboration and share effort/resource where possible		Chief Executive (and Council Leader)	Satisfactory
CR19.2	Performing during transition: To use the well-established relationships across Devon to continue to meet strategic aims over the coming years while change is managed.		Chief Executive (and Leadership Team)	Satisfactory
CR19.3	Staff communication: To communicate regularly with staff to provide reassurance, explanation, updates and context, in order to minimise concern and maximise effective operational delivery across this changing organisational context.		Chief Executive	Satisfactory
CR19.4	Engage with all council members ahead of key decision points; 21 st March and 28 th November 2025 being notable known dates at this time.		Chief Executive (and Council Leader)	Satisfactory
Notes: Resident consultation closed on the 31/08/2025 Update to Scrutiny Committee on 08/09/2025				

CR20	Emergency Planning Response	Current Severity: 4	Current Likelihood: 2	Current Risk Rating: 8
<p>Risk Description: Mid Devon District Council has a Statutory Duty as a Category 1 organisation to respond to Major Incidents. By their definition, Emergencies can happen at any time however much of Mid Devon District Council Services do not have Out of Hour functions and so some rely on best endeavours response and in some cases due to resourcing only have a small number of competently trained personnel that could respond. This then has the risk that certain services within MDDC will be unavailable out of hours even if requested by the Devon, Cornwall and the Isles of Scilly Local Resilience Form (DCIOS LRF) which may result in reputational damage of MDDC as aspects of Response may take longer. MDDC has the following services that contain 24/7 cover: Emergency Duty Officer; Housing (for MDDC Stock but could diversify if required); Housing Options/Homeless; Customer Service.</p> <p>Notable services without 24/7 cover which are on best endeavours which may be requested in a Major Incident: Communications; Building Options; Environmental Health; Strategic Emergency Duty Officer.</p> <p>In addition, MDDC's ability to staff a rest centre will be difficult due to large scale changes within the Rest Centre plan from DCC including its staffing requirement. Because of this, there is no up to date contact list of staff volunteers that could aid in the setting up of a rest centre in the unlikely case that we are asked to do so.</p>				
Risk Owner: Head of Housing & Health		Latest Review: Added in August 2025		Risk Type: Economic/Financial/Capacity/Reputation
Mitigating Actions			Responsible Officer	Current Effectiveness
CR20.1	Competency Training: To ensure that staff are capable, MDDC will be following the Devon Emergency Planning Partnership Competency Framework for training. This includes Tactical and Strategic training to ensure that MDDC is competent but also to identify and manage the risk of Out of Hours resource demand during a Major Incident.	Resilience Officer		Action Required
CR20.2	Competency Exercises: Once training is completed, exercises will be developed to ensure that the processes and procedures are tested and fit for purpose.	Resilience Officer		Action Required
CR20.3	Capability: To ensure that the DCIOS LRF is aware of the capability of MDDC, a document will be created that can be shared which clearly shows what services are available 24/7 and which are not to ensure that partners are aware of this capability and do not over promise or expect actions from MDDC that we are simply unable to complete until within hours.	Resilience Officer		Action Required
CR20.4	Communications: To ensure communications and warning and informing can be maintained in an emergency, a "Crisis" Communications plan has been developed.	Communications and Engagement Manager		Satisfactory

	This includes some pre-approved messaging that can be sent out. We will increase these pre-approved messages and review who has access to communications channels which in turn increases the likelihood of communications being sent out, out of hours. This review can include potential of allowing on-duty staff access to share messages from other partner agencies.		
CR20.5	Rest Centres: Once the DCC review of Rest Centres is complete, MDDC will quickly embed that plan and ensure that its staff are trained and ready to mobilize as per the plan.	Resilience Officer	Action Required
CR20.6	Out of Hours Capacity: Only Emergency Duty Officer, Housing, Homeless/Housing Options and Customer Service have Out of Hours within their contracts and so other services would need to rely on goodwill/ civic duty to cover any out of hours work during response and recovery. MDDC out of hour's capacity will be addressed within the emergency plan and capability review which will both undergo periodic reviews to ensure that the organisation is assessing the risk that our capacity limitations create, and that new mitigating actions are created if the risk is deemed too high.	Corporate Management Team	Satisfactory
Notes: Risk Added in August 2025.			

Report for:	Audit Committee
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Date of Meeting:	30 September 2025
Subject:	Cyber & Information Security Update
Cabinet Member:	Cllr David Wulff, Cabinet Member for Quality of Living, Equalities and Public Health
Responsible Officer:	Lisa Lewis, Head of Digital Transformation & Customer Engagement
Exempt:	N/A
Wards Affected:	N/A
Enclosures:	None

Section 1 – Summary and Recommendation(s)

The following report provides a high-level update on Cyber and Information Security activities over the last 12 months. The report aims to assure the Audit committee of ongoing vigilance and remediation work around Cyber and Information Security risks.

Recommendation(s):

1. Recommendation – That the committee note the report.

1.0 Introduction

- 1.1 The council's ICT and Information Management teams are responsible for ensuring that cyber and information security risks are appropriately mitigated. These operational activities are overseen by the IT and Information Governance (ITIG) board which meets every two months.
- 1.2 Significant risks and outputs from ITIG are referred to the leadership team for information and further strategic direction.

2.0 Audit Activities

- 2.1 In 2024 the Ministry of Housing, Communities and Local Government (MHCLG) launched the initial stages of the Cyber Assessment Framework (CAF) for local government.
- 2.2 Mid Devon District Council (MDDC) took part in a 'Get CAF Ready' project alongside other councils to commence assurance work around our cyber and information security risk management. We successfully completed the project which resulted in a £15k grant to invest in improvements in our cyber posture as an organisation.
- 2.3 After the 'Get CAF Ready' project, MHCLG offered participating councils the opportunity to obtain independent assurance in this area. This was being offered free of charge and MDDC took that opportunity.
- 2.4 During the first quarter of 2025 MDDC participated in an external audit with MHCLG's chosen partner Bridewell. The result was a CAF improvement plan identifying areas where further improvements could be made to mitigate risks.
- 2.5 Devon Audit Partnership (DAP) provided project assurance on the above activities and were an active partner in the process providing invaluable help and guidance during the process.
- 2.6 In addition to the above DAP is in the process of conducting further internal audits on Firewalls and Patch Management which will be reported to this committee.

3.0 Improvement Projects

- 3.1 As part of the CAF assurance work it was found MDDC had good governance around cyber and information security, and no further work was required.
- 3.2 One of our recent activities included a full risk review and assessment. This was supported by the Performance and Risk manager and ratified by ITIG. The findings will be reviewed by Leadership team. Additionally, DAP will be conducting an internal audit on risk management in this area later this year.
- 3.3 The revised risk register is an operational document that is reviewed every two months by ITIG and/or quarterly as part of the risk management cycle of the council. This may, or may not, affect the corporate risk management score over time. It is a live document and will be updated depending on our ability to mitigate current and emerging threats.

3.4 Other recent activities include:

- The purchase and implementation of a 24/7 managed extended detection and response service for threat detection, monitoring, and incident response services.
- Full roll-out of Multi Factor Authentication (MFA) on end-point devices.
- The recent procurement and current implementation of a system for managing risks around our supply chains for cyber and data.
- Market research on improved cyber and data protection awareness training and phishing simulations.

4.0 Conclusion

Officers and management of the council continue to be vigilant about cyber and information security. The nature of cyber risks means that we will never be able to fully mitigate risks and that those risks will change over time. However, plans exist for continuous monitoring and mitigation as part of the operational management of the council's infrastructure and systems as a priority.

Financial Implications - The report does not have any specific financial implications. Future decisions on investment, e.g. Disaster Recovery provision or resourcing will be made via senior leadership or the ITIG Board as operationally appropriate.

Legal Implications - The report does not have any specific legal implications. Appropriate levels of governance around cyber and data security help to mitigate potential liability or legal action from data loss.

Risk Assessment - This report details activities against the current Corporate Cyber and Information Security risks.

Impact on Climate Change – There are no impacts or opportunities around climate change because of this report.

Equalities Impact Assessment - This report does not have any impact under Equalities.

Relationship to Corporate Plan - ICT and Information Management underpins all corporate activity. It is therefore essential that our cyber and data security practices and protections are robust to ensure business continuity and the delivery of all services.

Section 3 – Statutory Officer sign-off/mandatory checks:

Statutory Officer: Maria de Leburne

Agreed on behalf of the Monitoring Officer

Date: 16 September 2025

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 16 September 2025

Performance and risk: Steve Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 17 September 2025

Cabinet member notified: yes

Report: Exclusion of the press and public from this item of business on the published agenda on the grounds that it involves the likely disclosure of exempt information. No

Appendix: Exclusion of the press and public from this item of business on the published agenda on the grounds that it involves the likely disclosure of exempt information. No

Section 4 - Contact Details and Background Papers

Contact: Head of Digital Transformation & Customer Engagement

Email: llewis@middevon.gov.uk

Telephone: 01884 234981

Background papers: None

Internal Audit

Internal Audit – Progress Report 2025-26

Mid Devon District Council Audit Committee

September 2025

Official



Darren Roberts
Assurance Manager

Jo McCormick
Deputy Head of Devon Assurance
Partnership

Tony Rose
Head of Devon Assurance Partnership

Agenda Item 8.

Introduction

This report provides a summary of the performance against the Internal Audit plan for the 2025/26 financial year to date, highlighting the key areas of work undertaken and summarising our main findings and recommendations aimed at improving controls. The Internal Audit plan for 2025-26 was presented and approved by the Audit and Governance Committee in March 2025

The level of risk associated with each of the areas in Appendix 1 has been determined either from the Local Authority's Risk Register (LARR), or the Audit Needs Assessment (ANA) carried out at the planning phase. Where the audit was undertaken at the request of the client it has not been risk assessed. Assurance and recommendations should be considered in light of these risk levels and the impact this has on the achievement of corporate / service goals.

The Global Internal Audit Standards require the Head of Internal Audit to provide an annual report providing an opinion that can be used by the organisation to inform its governance statement. This progress report provides a summary of work completed to date that will help inform the annual assurance opinion.

These documents combine to set out the framework for Internal Audit that must be followed as per Section 5 of the Accounts and Audit Regulations 2015. During 2025/26 DAP will be undertaking a GAP Analysis of existing processes in relation to the above for each DAP Partner. The outcomes will result in action plans that will be worked through with the Partners to ensure compliance, this is likely to require actions from both DAP and Partners to ensure compliance with the revised governance arrangements and other applicable activities. Further information will be provided in due course.

Expectations of the Audit Committee from this report are to consider

- The assurance statements within this report for any work finalised in this period.
- The completion of audit work against the plan.
- The scope and ability of audit to complete the audit work.
- Audit coverage and findings provided, including amendments to the audit plan.
- The overall performance and customer satisfaction on audit delivery.

In review of these the Audit Committee are required to consider the assurance provided alongside that of Corporate Risk Management and satisfy themselves from this assurance that the internal control framework continues to be maintained at an adequate level to mitigate risks and inform the Executive for governance requirements.

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Overall Opinion Statement

The Head of Internal Audit is currently unable to provide an Opinion on the adequacy and effectiveness of the Authority's internal control framework at this stage of the year. This will be provided later in the year when the plan is further progressed.

Our audit planning process is both risk based and agile, as such our resources, and consequently our interim and annual reports will inevitably focus upon higher risk areas

The Authority's internal audit plan for the year includes specific assurance, risk, governance, and value-added reviews which, with prior years audit work, provide a framework and background within which we assess the Authority's control environment.

In carrying out reviews, Internal Audit assesses whether key and other controls are operating satisfactorily and an opinion on the adequacy of controls is provided to management as part of the audit report. All final audit reports include an action plan which identifies responsible officers, and target dates, to address control issues identified. Implementation of action plans rests with management, and these are reviewed during subsequent audits or as part of a specific follow-up.

Substantial Assurance Page 45	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Assurance Mapping

The Institute of Internal Auditors provides a summary of the benefits of Assurance Mapping:

- An assurance map brings an organisation's risk appetite to life. At the same time as highlighting assurance gaps, it also shows where there is duplication or too much assurance. It is a simple way of aligning assurance resource, risk and internal control.
- It improves awareness of the control environment by looking across the organisation rather than at individual reports which can lead to siloed thinking.
- It drives positive behaviors by enabling robust discussions about risk, educating on the value of assurance and aiding collaboration between functions.
- Collectively, the assurance community of an organisation often has a more powerful voice when it works together; an assurance map is a practical platform benefiting all parties.

During the year we update an assurance map to reflect audit work and input from management including the Council's risk register, and cumulative audit knowledge of the authority. We will be compiling the assurance map for the Committee once all reports have been finalised. The assurance map process is used to support creation of the audit plans to ensure that we are focusing our resource on the areas of most risk and assurance value.

Summary Assurance Opinions

Service Area						
Key Financial Systems	Property, Climate, Leisure	Legal, HR & Governance	Performance, Operations	ICT, Communication, Customer Engagement	Place, Economy, Planning	Housing & Environmental Health
Procurement - <i>Reasonable</i>	Housing Rents - <i>Reasonable</i>	Corporate Plan - <i>Substantial</i>	Waste & Recycling	Patch Management - <i>Fieldwork</i>	Listed Buildings & Conservation Areas	Repairs & Maintenance - <i>Reasonable</i>
Payroll	Commercial Rents - <i>Fieldwork</i>	Legal Services - <i>Reasonable</i>	Grounds Maintenance (Parks & Open Spaces)	Secure Configuration	Planning Projects - e.g. Culm Garden Village	Service Charges - <i>Fieldwork</i>
Income Collection	Leisure Centres	Staff Performance & Appraisals - <i>Reasonable</i>		IT Risk Management		Care Service (Alarm Income) - <i>Fieldwork</i>
Creditors		Skills & Training		Internal Communications		Stores
Council Tax/NNDR		Corporate Information Management - Information Assets ,Data Protection, FOI		Customer Care/Complaints - <i>Deferred to 26/27 Q1</i>		Health & Safety Management Arrangements - Council Assets incl Estate Inspections
Main Accounting		Governance - inc Ethics & Culture				Health & Safety Management Arrangements - incl Stock
Housing Benefits		Electoral Registration & Elections				
Debtors		Safeguarding				
VAT		Local Land Charges - <i>Deferred to 26/27 Q1</i>				
Contract Management		Equality & Diversity (Internal) - <i>Deferred to 26/27 Q1</i>				
		Recruitment, Selection & Retention - <i>Deferred to 26/27 Q1</i>				

Value Added

We know that it is important that the internal audit service seeks to "add value" whenever it can. We believe internal audit activity can add value to the organisation and its stakeholders by:

- providing objective and relevant assurance,
- contributing to the effectiveness and efficiency of the governance, risk management and internal control processes.
- Integrating Audit, Risk Management and Counter Fraud knowledge and experience in our work.

Senior Management has found our engagement, support as a "trusted advisor" effective and constructive in these significantly changing times.

Our work has identified specific added value benefits in key areas and in mitigating key risks.

Annual Follow Up Activity

As part of adding value, we undertake a follow up review to provide updated assurance to Officers and Members. This follow up activity is an opportunity to facilitate, review and expedite progress for individual audits, to inform Management of the current position and to integrate the outcomes into the organisation's strategic management arrangements.

We carried out one Limited Assurance review noted from 2023/24 on Building Control, this still remains at Limited Assurance. For those audits where Limited Assurance has been provided in the table on page 4, we will be undertaking follow up work in 2025-26 to confirm that these have been addressed.

Audit Recommendations

Appendix 2

There are currently 2 Medium and 6 Low actions overdue (See **Appendix 2**). This compares to the 1 High, 9 Medium and 9 Low recommendations reported at the last Audit Committee.

The agreed policy is that only High priority recommendations require Audit Committee agreement to extend target dates, and that management can decide to extend Medium and Low recommendation target dates.

Audit Performance

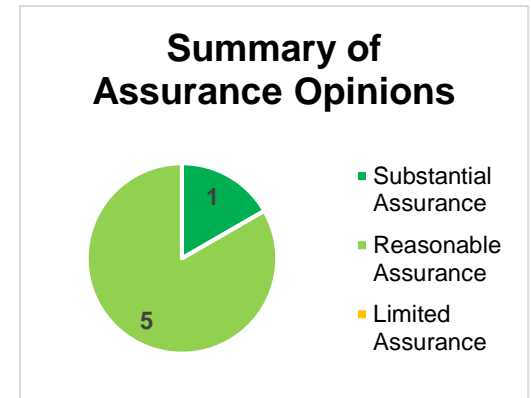
As at 1st September 2025 we have issued 6 reports (Corporate Plan, Legal Services, Staff Performance & Appraisals, Repairs & Maintenance, Housing Rents and Procurement). In addition, we have 4 pieces of work at Fieldwork stage (see High Level Summary on page 5 for further details).

There has been a growing trend in the sector towards more flexible audit plans to enable internal audit to be more responsive to changing risks, in turn maximising resource focus to clients' needs as and when needed – Agile Auditing. The audit plan will be reviewed during the year to ensure it remains responsive to changing risks.

The chart to the right shows the breakdown of Substantial, Reasonable, Limited and No Assurance opinions provided to date this financial year (as reflected in the table on page 4), as well as any non-opinion-based work.

This report provides a summary of some of the key issues reported that are being addressed by management and we are pleased that management are appropriately addressing these issues.

It should also be noted that some audits required a richer mix of staff resource due to the complexity / sensitivity of the area under review.



Irregularities Prevention and Detection

Counter-fraud arrangements are a high priority for the Council and assist in the protection of public funds and accountability. The Chartered Institute of Public Finance and Accountancy (CIPFA) code of practice [Code of practice on managing the risk of fraud and corruption | CIPFA](#) states that "Leaders of public sector organisations have a responsibility to embed effective standards for countering fraud and corruption in their organisations. This supports good governance and demonstrates effective financial stewardship and strong public financial management". Assessments state that there is an epidemic of fraud cases. Fraud now accounts for over 40% of all crimes; it is anticipated that this will further increase in the coming years ([see Fraud and the Justice System](#)).

The Government responded with formation of the Public Sector Fraud Authority. It is important that councils have effective measures to reduce the risk and impact of fraud. Management can refer any suspected issues to the DAP Counter Fraud Team or Internal Audit.

The Cabinet Office now run the national data matching exercise (National Fraud Initiative – NFI) every two years and the latest exercise is ongoing during 2025. Further detail will be provided as appropriate on any investigation or irregularity work that DAP undertakes, however no such work is in progress at this time.

The Home Office have now produced the guidance on the new Criminal Offence of [Failure to Prevent Fraud](#). It is important that councils have effective measures to reduce the risk and impact of fraud.

Appendix 1 – Summary of audit reports and findings for 2025/26 (Completed since our last report in June 2025)

Key Financial Systems	
Risk Area / Audit Entity	Audit Report
	Residual Risk / Audit Comment
Procurement Reasonable Assurance Status: Final	<p>We consider there to be a sound control framework around process and procedures for procurement. There are some areas where further training would strengthen process and control.</p> <p>There is a procurement strategy in place which covers the period 2023 – 2027. The strategy aligns with Devon’s strategy and sets out procurement priorities for 2023 – 2027. There are a small number of aims in the strategy which aren't being fully met. This is due to resource and preparing for the new procurement Act. Gradual progress is being made towards meeting these aims and some of the changes being introduced with the new Act are helping to achieve these aims.</p> <p>Procurement process and procedures are published on the Council’s Intranet and are available for all officers. Procurement is pro-active in providing assistance to ensure that goods and services are procured in line with legislation and Council policy.</p> <p>The Government provided new regulations for procurement called the Procurement Act 2023. This was due to go live on 28 October 2024. Due to Government delay the Procurement Act 2023 eventually came into force on 24 February 2025. This is the biggest change in procurement legislation for some time and is intended to improve the way supplies, services and works are procured for the public sector. This change has provided a large piece of work for the Procurement team to facilitate to be compliant in time. As expected there have been some a couple of initial complications. Procurement have worked alongside DCC (Devon County Council) to ensure that all their templates and processes are in accordance with the new Act. This has been an extensive piece of work, and the team has worked hard to make sure that the Council is compliant with the new Act.</p> <p>An area where Procurement has not had capacity to review is the contract pipeline to assess which contracts will continue on the Public Contracts Regulations 2015 and for those for which the Procurement Act 2023 will immediately apply. Procurement is aware of this and have made provision to carry out this work.</p> <p>There is a legal requirement for the Council to maintain and publish a contracts register. This is published on the Council's website. The Procurement Team Leader has recently reviewed the register with services and Pro-contract to ensure the contracts register is up to date. The Operations Manager for Financial Services is confident that the register is up to date. However, through discussion with the service there is a risk that services could obtain a contract directly with a supplier without going through the correct procurement process. It is difficult to identify cases where this may have occurred previously without engagement with the Procurement team. A process to capture these cases would be beneficial to ensure compliance with the legislation.</p> <p>The following areas are a good example of where further training and changes due to the new Act will strengthen process and control;</p>

	<p>In exceptional circumstances, there are justifiable reasons to act outside the contract procedure regulations. In such circumstances, prior written approval of the Deputy Chief Executive (S151) is required, and Cabinet will be informed. A review of Cabinet minutes shows that 35 waivers have been reported to Cabinet during the period of 6/2/24 - 4/3/25. There is a risk that services do not allow sufficient time to go through the procurement process. Such occurrences are not recorded. Procurement have advised that with the new Legislations they will monitor contract renewal dates and proactively engage with services to initiate the contract procedure; it is hoped that this will reduce the number of waivers.</p> <p>Review of cumulative supplier spend over a 4-year period found that contracts have not always been obtained where the Public Procurement Threshold of £214,904 has been exceeded. This breaches legislation. Additional training and re-enforcement of the legislation will help to ensure that process is followed to reduce the risk of non-compliance.</p> <p>The service does not currently have active performance indicators. This is something they are currently reviewing.</p>
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Property, Climate & Leisure	
Risk Area / Audit Entity	Audit Report
	Residual Risk / Audit Comment
Housing Rents Reasonable Assurance Status: Draft Page 51	<p>We consider there to be a robust control framework for the management of housing rents. The rent increase for 2024/25 was calculated in accordance with policy and Government Guidance and appropriately approved by members. There is a process in place to double check the rent increase before it is applied to Orchard. As part of this review, we checked a sample of rent accounts on Orchard and found that they were all accurate and processed in line with the guidance. Due to a reduction in staff resource in Finance the notes to the Council's accounts weren't as detailed as in previous years.</p> <p>Over the last six years rent arrears have increased year on year and factors such as the rising number of tenants moving from housing benefit to universal credit (UC)* and the increase of cost-of-living has continued to have an impact on collection of arrears. The weekly rent charge is increased each year in line with inflation which may also have an impact. We reviewed arrears over the last six years and can see that there has been a reduction in arrears over the 2024/25 financial year. Rent is calculated on each Monday of the financial year. During the 2024/25 financial year, there were 53 Mondays. We understand that week 53 was a rent free week and tenants were not charged for this week. This would have had an impact on arrears. Any payments made in that week would have reduced arrears so this has contributed to the reduction in arrears for 2024/25. * Housing benefit is paid the week it is due; universal credit is paid in arrears, so this causes a break in payment to the tenant and delay in payment of rent</p> <p>Arrears at the end of financial year 2023/24 were £529,523.85. At the end of the 2024/25 financial year arrears have reduced to £479,678.53; that's a decrease of £49,845.32. This decrease lies with current tenants where there has been a decrease in both number of accounts and value of arrears. There has been an increase in former tenant arrears, in both the number of accounts and value, although the increase has not been as significant as in previous years. The results relating to the decrease of arrears is positive and the revised way of monitoring former tenant arrears could also further improve the reduction of overall arrears going forward. There has been a change of Manager for the income team since the last audit and an additional team member to help with the management of arrears. Former tenant arrears are now managed alongside the current tenants arrears, previously, former tenant arrears were managed by two officers, whilst the rest of the team managed current tenant arrears. It is considered that the change in management of former tenant arrears and the increase in resource has led to the reduction in arrears. Upon review of a sample of arrears monitoring of the aged debt appears to be robust which is reflective of the change in process.</p>

The Housing Finance and Information Manager provided detail of benchmarking against other housing providers for the 2023/24 year. Benchmarking is submitted to Housemark, which is a data and insight company for the UK housing sector. Housemark uses quartiles to determine performance against other housing providers. The definitions of quartiles are:

- **Upper Quartile (Q1):** The top 25% of performers. If you're in this quartile, you're among the best-performing organisations for that metric.
- **Second Quartile (Q2):** Above average but not the very top. You're performing better than at least 50% of peers.
- **Third Quartile (Q3):** Below average. There's room for improvement.
- **Lower Quartile (Q4):** The bottom 25% of performers. This indicates significant room for improvement.

Mid Devon is in quartile 1 for Write-offs % - LCRA*. Quartile 2 for Current tenant arrears % - LCRA and quartile 3 for former tenant rent arrears % - LCRA. The data for the 2024/25 year is not yet available, this has been delayed due to other priorities, therefore, we are not able to establish where the authority are currently performing against other authorities. This is not a mandatory requirement and there is no penalty for delayed submission of this data. * Low-Cost Rental Accommodation.

There are two system administrators who facilitate access to the Orchard system. All access requests for starters, leavers and movers go through the ICT helpdesk. Quarterly checks are carried out to identify whether users still need access to the system. Users who are able to make parameter changes to the system are restricted. It was found that one of the users with higher level access is not needed, the access was to one of the modules, this access has already been removed. We have suggested that annual checks of user access would be beneficial to ensure access is appropriate.

We noted that a leaver (previous system admin) is still active on the system. We understand that this is required due to the role being linked to one or more of the workflows. This needs to be investigated, to identify where the link is, so that it can be rectified and attached to a role and not the user. The user access can then be disabled.

We understand that reconciliations should be carried out monthly by Finance. There has been a few months where there has been a small delay in carrying out the reconciliation i.e. by one or two months. Six of the months weren't dated so we are not able to confirm if the reconciliations were carried out in a timely manner. Sign off of the 2024/25 reconciliations have only been completed for the month of January 2025.

Legal, HR & Governance	
Risk Area / Audit Entity	Audit Report
	Residual Risk / Audit Comment
Legal Services Reasonable Assurance Status: Final	<p>This review has demonstrated that there is a sound control environment around case management. The Legal Services Manager has advised that the Legal team has been under resourced for approximately 4 years, which has had an impact on resource and/or skill sets available to deal with queries from services. The team has utilised locums to help with resource. Discussions have identified that it has been difficult to recruit a planning lawyer. A locum is currently providing 20 hours per week. The lack of resource and/or skill set has meant that some services have used external legal consultants to deal with their enquires. However, at the beginning of May 2025, the Director of Legal, People & Governance and Monitoring Officer has advised services via their CMT (Corporate Management Team) lead, that they are not to engage directly with external legal consultants. The correct process is to direct the enquiry to the Council's legal team via email and Legal Services will either deal with the enquiry or facilitate the use of an external legal consultant on behalf of the service. The Finance team provided total spend with legal consultants over a 5-year period. The total cost for the 5-year period is £338,794. The review shows that spend with external legal consultancy firms has significantly reduced. We were informed that the main reasons for this were due to there being a few large cases during 2019/20 and 2020/21 which required external legal consultancy, due to the scale of the work required.</p> <p>A planning locum was employed in 2022 and a property solicitor in 2023 which increased resource to deal with service enquiries.</p> <p>Recent recruitment has been positive and Legal Services has appointed two new solicitors who will start in approximately 3 months' time (July/August 2025). This will mean the team will have a full complement of staff, apart from the trainee position. This should further reduce the need for external legal fees. Large cases, such as a planning public inquiry is an example where external legal consultancy may still be necessary. Also, where knowledge and expertise within the legal team means that a barrister's advice is required. Our review of a sample of legal cases, found that overall, procedures have been followed and evidence of communications for each case was available. There are some areas where training/a reminder would strengthen up control/processes, these being, closing cases that are no longer required to remain open and ensuring that all evidence is saved correctly.</p>
Staff Performance & Appraisals Reasonable Assurance Status: Final	<p>The appraisal process at MDDC is managed by People Services. It is well-structured and supported by clear communication, system integration, and effective leadership oversight. The use of the Learning Hub regular reminders, and performance monitoring demonstrates a strong commitment to ensuring staff complete their appraisals.</p> <p>The simplification of the format and responsiveness to feedback further enhance accessibility and engagement. However, the absence of a fixed appraisal window (which is being rectified) and digital access limitations for some staff present ongoing challenges. While escalation procedures are in place, the 15% non-completion rate highlights the need for stronger follow-up and accountability. Addressing these areas alongside standardising one-to-one tracking, could further strengthen the council's approach to staff development and performance alignment.</p> <p>MDDC's performance management framework is robust in many respects. The integration of objective setting with appraisals, the use of the Learning Hub for tracking progress, and the provision of training and support for managers all</p>

contribute to a system that encourages accountability and development. However, its effectiveness in achieving organisational goals could be enhanced by:

- Facilitate consistent access to IT systems across all service areas to support process completion.
- Ascertain the reasons for the 15% non-completion rate among staff.
- Standardise the explanation of how individual roles contribute to the corporate plan.
- Embed a "golden thread" approach more systematically to align individual performance with strategic priorities.
- Including SMART prompts for achievements on appraisal forms, and manager training in how to conduct appraisals to improve inconsistency across departments.

There is also evidence that employees are engaging with the training opportunities provided. The use of staff feedback to refine course offerings, the involvement of a Learning Partnerships Group, and the ongoing demand for face-to-face sessions all indicate a positive reception. Some courses such as the Neuro-Linguistic Programming course received mixed feedback, this has led to constructive adjustments rather than disengagement. The organisation's proactive approach to adapting delivery methods and content based on staff input suggests a workforce that values and actively participates in its development opportunities.

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Corporate Plan
 Substantial Assurance
 Status: **Final**

The Corporate Plan has been in place for about a year and is coming up to the annual review. The plan includes strategic priorities which the Council wishes to achieve in the four-year period from 2024 – 2028. Members, Senior Management and Corporate Management helped to formulate the Corporate Plan with operational management consulted on the draft plan. Members manifesto, strategic priorities including those linked with key partners and the previous corporate plan were taken into consideration when producing the new plan. Other factors considered when producing the corporate plan were, the medium-term financial plan, other Council Strategies and infrastructure planning. The Corporate Plan is linked to Service Performance Indicators (PI's). These are highlighted on the quarterly performance, finance and risk dashboard reports.

The Corporate Performance and Improvement Manager takes data to the Corporate Performance meeting (includes senior officers and operational officers) each month where the PIs are discussed and scrutinised.

We understand that the Corporate Performance and Improvement Manager is preparing the annual review to establish achievement against the Corporate Plan, and this will go to Committee in July 2025.

Other Council strategies (Climate Change and Leisure) are aligned with the Corporate Plan. It is important that this follows through to all other Council strategies.

Each service should have a Business Plan. These were last reviewed about 18 months ago. Management is aware that they have not yet been updated and will initiate a review imminently. Business Plans will need to align with the Corporate Plan and provide the short-term vision working towards achievement of the longer-term vision within the Corporate Plan.

Housing & Environmental Health	
Risk Area / Audit Entity	Audit Report
	Residual Risk / Audit Comment
Repairs & Maintenance Reasonable Assurance Status: Final	<p>The Corporate Property and Commercial Assets team at Mid Devon District Council is structured with one overall service lead and three sector leads. One of these is the acting Corporate Property and Commercial Assets operational Lead, currently covering a long-term absence due to sickness. Another sector lead is expected to be absent for an extended period from October, which will further reduce leadership capacity.</p> <p>The team is currently under significant pressure as it undertakes a major transformation of the estates function. The aim is to move from informal, reactive maintenance practices to a structured, contract-based, and compliance-led model. This transformation is being delivered in a phased and structured manner, with full implementation targeted for the 2026–2027 financial year.</p> <p>Key actions currently underway include:</p> <ul style="list-style-type: none"> • Developing a comprehensive planned maintenance programme informed by recent condition surveys. • Compiling and managing a complete asset register covering approximately 70 buildings. • Mobilising the Meridian compliance system to centralise data and automate compliance tracking. • Transitioning from rolling purchase orders to formalised maintenance contracts. • The Acting Lead is managing critical elements of the project, including the mobilisation of Meridian and the planning and execution of procurement activities. <p>Present operational practices are partially effective but have the following limitations:</p> <ul style="list-style-type: none"> • No formal contracts are currently in place for maintenance services; work is managed through rolling purchase orders, limiting control and accountability. • Budgeting is reactive, based on historical expenditure rather than forward-looking asset condition data. • Compliance tracking and documentation are still largely manual, increasing the risk of oversight and inefficiency. • Performance monitoring is informal and relationship-based, with no contractual KPIs in place. <p>These limitations are expected to be addressed through the planned changes and are therefore not recorded in this report as observations requiring further management consideration. However, they should be re-examined following the implementation of the new processes later in the 2026–27 financial year. The purpose of this re-examination will be to:</p> <ul style="list-style-type: none"> • Assess whether the planned changes have effectively resolved the identified issues. • Ensure that no new risks or inefficiencies have emerged. • Validate that the new processes are functioning as intended and delivering the expected benefits.

- Determine whether further adjustments or management actions are required to support continuous improvement.

The most significant risk to successful delivery remains the current staffing pressure. With key personnel covering multiple roles and further absences anticipated, the team's capacity to implement the required changes within the planned timescale is a concern so therefore is raised as an observation for management consideration and response.

Appendix 2 – Clearance of audit recommendations

The table below shows all recommendations by audit subject. There are 2 Medium and 6 Low recommendations that are overdue

Audit references	H Not Due	H Overdue	M Not Due	M Overdue	L Not Due	L Overdue	Total Due and Overdue
Capital Asset Management	0	0	1	0	3	0	4
Care Services	0	0	1	0	0	0	1
Cemeteries and Bereavement Services	0	0	1	0	0	0	1
Contract Management	0	0	4	0	0	0	4
Corporate Repairs and Maintenance	0	0	2	0	0	0	2
Culm Valley Leisure	0	0	1	0	0	0	1
Cyber Security	0	0	0	1	0	1	2
Firewalls	0	0	2	0	1	0	3
Gifts & Hospitality	0	0	2	0	0	1	3
Housing Health & Safety	0	0	1	0	0	0	1
Information Governance	0	0	2	0	0	0	2
Legal Services	0	0	2	0	0	1	3
Leisure Centre	0	0	0	0	0	1	1
Performance Management	0	0	2	0	0	0	2
Procurement	0	0	1	0	0	0	1
Risk Management	0	0	1	0	1	0	2
Safeguarding	0	0	0	1	0	0	1
Service charges	0	0	0	0	1	0	1
Sickness and other Time off	0	0	1	0	0	0	1
Staff Performance and Appraisals	0	0	2	0	2	0	4
Tiverton Pannier Market	0	0	0	0	0	2	2
Void Business Property	0	0	4	0	0	0	4
Total	0	0	26	2	8	6	42

The table below provides more detail on the overdue Medium Recommendations.

Audit references	Priority	Title	Objective	Target Date	Arising - managers comment
Cyber Security	M	Consider reviewing the BCP	Currently engaged with LGA to inform DR/BCP playbook and documentation	31/05/2025	The resilience Officer and ICT are currently reviewing the new service BCP's.
Safeguarding	M	Modern Slavery and Human Trafficking statement	The statement will be updated and re-published on the website before the end of June following adoption of the updated corporate Safeguarding Policy.	30/06/2024	Has had deprioritised due to the recent exit of Community Safety lead officer and recruitment for replacement whilst immediate work has instead being prioritised across live CSP and ASB hotspot projects. Recruitment has now been completed and the new CS Lead Officer started in August. They are currently familiarising themselves with the wider role and supporting live projects and cases as a continued priority. Nonetheless, they have been tasked with a review of the statement and finalising an update for publication by end of Q3 2025/26.

Appendix 3 - Professional Standards and Customer Service

Conformance with Public Sector Internal Audit Standards (PSIAS) and Global Internal Audit Standards (GIAS)

Conformance - Devon Assurance Partnership conforms to the requirements of the PSIAS for its internal audit activity. The purpose, authority and responsibility of the internal audit activity is defined in our internal audit charter, consistent with the *Definition of Internal Auditing*, the *Code of Ethics* and the *Standards*. Our internal audit charter was approved by senior management and the Audit Committee in March 2025. This is supported through external assessment of conformance with Public Sector Internal Audit Standards & Local Government Application Note.

The Institute of Internal Audit (IIA) are the key body involved in setting out the global standards for the profession which form the basis for the Public Sector Internal Audit Standards (PSIAS) and have been undergoing review and revision. This revision has resulted in the new Global Internal Audit Standards.

The new **Global Internal Audit Standards (GIAS)** took effect for the UK public Sector as of 1st April 2025. There are three key aspects:

- [The GIAS](#); [The CIPFA Code on the Governance of Internal Audit](#); and [The CIPFA Application Note for the GIAS in the Public Sector](#).

These documents combine to set out the framework for Internal Audit that must be followed as per Section 5 of the Accounts and Audit Regulations 2015. During 2025-26 DAP will be undertaking a GAP Analysis of existing processes in relation to the above for each DAP Partner. The outcomes will result in action plans that will be worked through with the Partners to ensure compliance; this is likely to require actions from both DAP and Partners to ensure compliance with the revised governance arrangements and other applicable activities. Further information will be provided in due course.

Quality Assessment - the Head of Devon Assurance Partnership maintains a quality assessment process which includes review by audit managers of all audit work. The quality assessment process and improvement is supported by a development programme.

Internal Assessment - The PSIAS and GIAS state that a quality assurance and improvement programme must be developed; the programme should be informed by both internal and external assessments.

An **external assessment** must be conducted at least once every five years by a suitably qualified, independent assessor. For DAP this was conducted in late 2024 by an IIA qualified ex Assistant Director of an Audit Partnership.

The assessment result was that ***“Based on the work carried out, it is our overall opinion that DAP generally conforms* with the Standards and the Code of Ethics”***. The report noted that ***“As a result of our work, a small number of areas where partial conformance was identified. These were minor observations, none of which were significant enough to affect the overall opinion”***. DAP is actively addressing these improvement areas.

* **Generally Conforms** – This is the top rating and means that the internal audit service has a charter, policies and processes that are judged to be in conformance to the Standards

Improvement Programme – DAP maintains a rolling development plan of improvements to the service and customers. All recommendations of the external assessment of PSIAS / GIAS and quality assurance are included in this development plan which is ongoing. Our development plan is regularly updated and links to our overall strategy, both of which are reported to the DAP Management Board and DAP Committee.

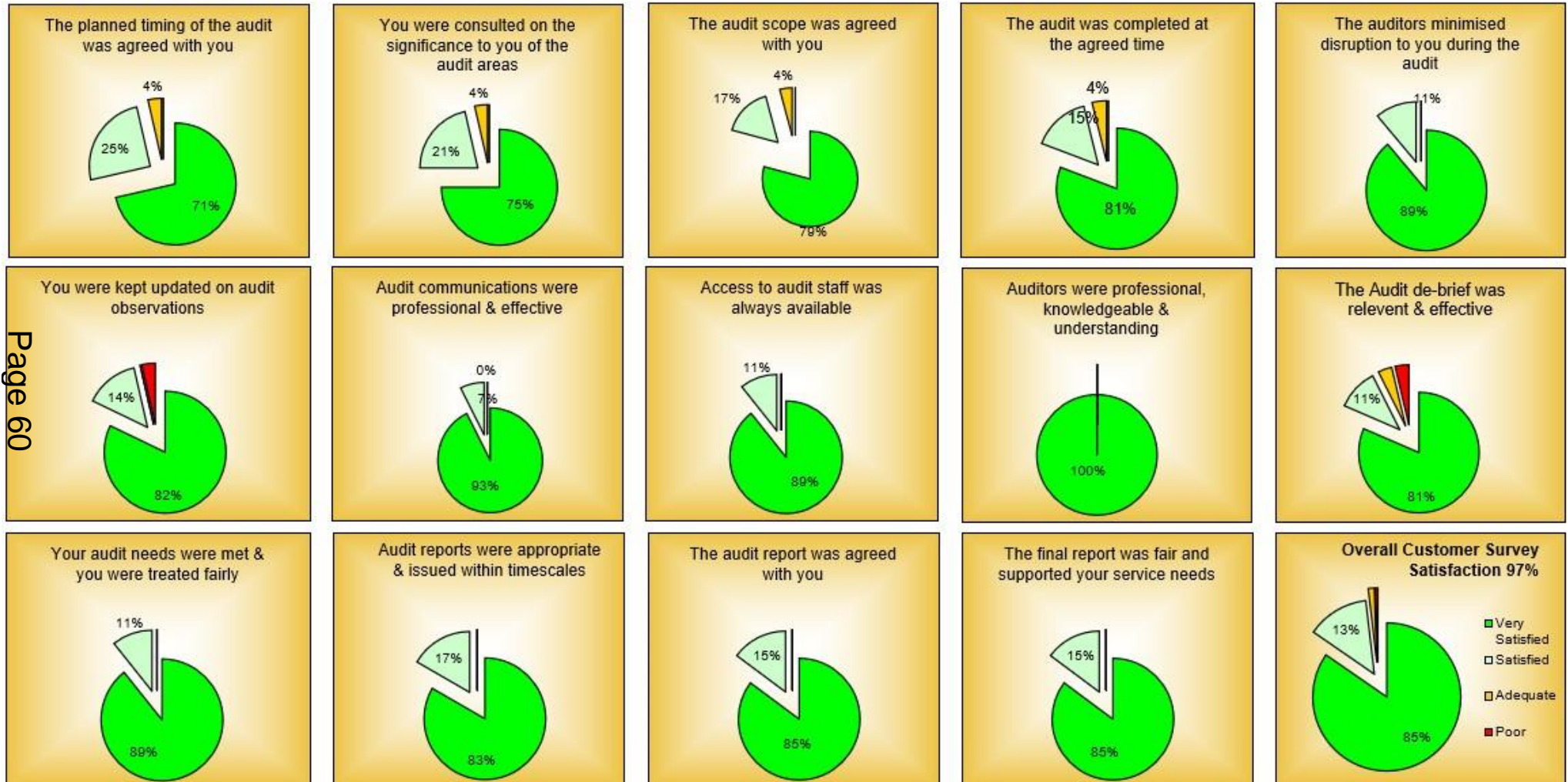
Customer Service Excellence (CSE)

DAP was successful in re-accreditation by G4S Assessment Services of the CSE standard during 2024. This accreditation is a UK-wide quality mark which recognises organisations that prioritise customer service and are committed to continuous improvement.

During the year we have issued client survey forms for some of our reports, and the results of the surveys returned were very good / positive. The overall result is very pleasing, with 97% being "satisfied" or better across our services. It is very pleasing to report that our clients continue to rate the overall usefulness of the audit and the helpfulness of our auditors highly.

Appendix 4

Customer Survey Results April - August 2025



Appendix 5 – Audit Authority

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Appendix 6 - Annual Governance Framework Assurance

The conclusions of this report provide the internal audit assurance on the internal control framework necessary for the Committee to consider when reviewing the Annual Governance Statement.

The Annual Governance Statement (AGS) provides assurance that

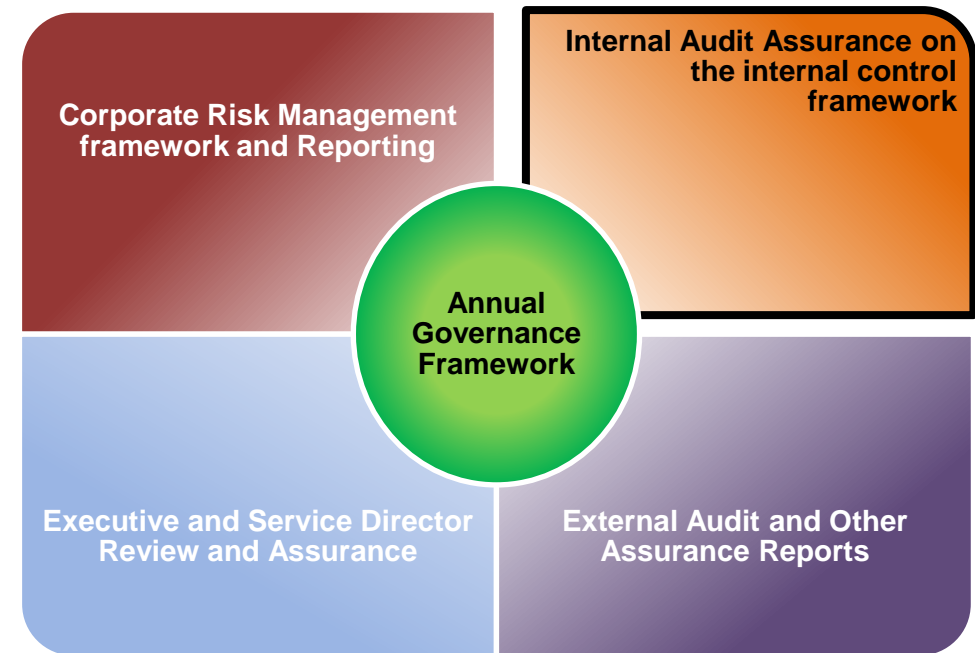
- the Authority's policies have been complied with in practice;
- high quality services are delivered efficiently and effectively;
- ethical standards are met;
- laws and regulations are complied with;
- processes are adhered to;
- performance statements are accurate.

The statement relates to the governance system as it is applied during the year for the accounts that it accompanies. It should:-

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- be prepared by senior management and signed by the Chief Executive and Chair of the Audit (Governance) Committee;
 - highlight significant events or developments in the year;
 - acknowledge the responsibility on management to ensure good governance;
 - indicate the level of assurance that systems and processes can provide;
 - provide a narrative on the process that has been followed to ensure that the governance arrangements remain effective. This will include comment upon;
 - The Authority;
 - Audit Committee;
 - Risk Management;
 - Internal Audit;
 - Other reviews / assurance.

Provide confirmation that the Authority complies with CIPFA / SOLACE Framework *Delivering Good Governance in Local Government*. If not, a statement is required stating how other arrangements provide the same level of assurance.

The Committee should satisfy themselves, from the assurances provided by the Corporate Risk Management Framework, Executive and Internal Audit that the statement meets statutory requirements, and that the management team endorse the content.



The LGA has introduced an improvement and assurance framework, accompanied by [a self-assessment](#) tool. This framework is intended to assist local authorities in evaluating the adequacy of their measures to ensure both service performance and corporate governance.

It is specifically designed for use by corporate statutory officers, in collaboration with members and other key officers. The tool should be utilised to inform the council's annual review of the effectiveness of its internal control system, aid in preparation for external evaluations such as Corporate Peer Challenges or inspections and support corporate statutory officers in their roles to promote good governance within the authority. The [framework](#) and a dedicated guide for [Councillors](#) are available on the LGA's website.

Appendix 7 - Basis for Opinion

The Chief Internal Auditor is required to provide the organisation with an opinion on the adequacy and effectiveness of its accounting records and its system of internal control in the Council.

In giving our opinion, it should be noted that this assurance can never be absolute. The most that the Internal Audit service can do is to provide assurance, formed from risk-based reviews and sample testing, of the framework of governance, risk management and control.

This report compares the work carried out with the work that was planned through risk assessment; presents a summary of the audit work undertaken; includes an opinion on the adequacy and effectiveness of the Authority's internal control environment; and summarises the performance of the Internal Audit function against its performance measures and other criteria.

The report outlines the level of assurance that we are able to provide, based on the internal audit work completed during the year. It gives:

- a statement on the effectiveness of the system of internal control in meeting the Council's objectives;
- a comparison of Internal Audit activity during the year with that planned;
- a summary of the results of audit activity and;
- a summary of significant fraud and irregularity investigations carried out during the year and anti-fraud arrangements.

The extent to which our work has been affected by changes to the audit plan are shown in this document.

The overall audit assurance will have to be considered in light of this position.

In assessing the level of assurance to be given the following have been taken into account:

all audits completed during 2024-25, including those audits carried forward from 2023-24;

any follow up action taken in respect of audits from previous periods;

any significant recommendations not accepted by management and the consequent risks;

the quality of internal audit's performance;

the proportion of the organisations audit need that has been covered to date;

the extent to which resource constraints may limit this ability to meet the full audit needs of the Authority;

any limitations that may have been placed on the scope of internal audit.

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Devon Assurance Partnership	Confidentiality and Disclosure Clause
<p>The Devon Assurance Partnership has been formed under a joint committee arrangement. We aim to be recognised as a high-quality assurance service provider. We work with our partners by providing a professional assurance services that will assist them in meeting their challenges, managing their risks, and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards (for 2024/25) along with other best practice and professional standards.</p> <p>The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at tony.d.rose@devon.gov.uk</p>	<p>This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the Council, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.</p> <p>This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.</p>