

MDDC SCRUTINY COMMITTEE MEETING 30TH OCTOBER 2023

Written responses to Public Questions not sent in advance of the meeting.

QUESTIONS: PAUL ELSTONE - A Local Resident and Council Taxpayer.

My questions relate to Agenda Item 7 – 3 Rivers – Lessons Learned.

My questions are all directed to the Chair.

Question 1

This administration promised openness, transparency and public engagement in decision making. Can it be explained in detail why 5 documents associated with the 3 Rivers Lessons Learned agenda item are being kept secret from the public?

Yes, they were published in part2 at the request of those who willingly gave their time to make their observations to the committee.

Question 2

It is known that the integrity of various audits and reports on 3 Rivers were being seriously challenged by previous Council Leaders who had detailed knowledge.

Audits that Council Executive Officers have repeatedly used to justify decisions taken.

Additionally, there are emails written and received from the Devon Audit Partnership that show their investigation report to be fatally flawed.

Will the full circumstances of these integrity issues be fully investigated by this committee?

The Audit Committee of 27th June 2023 considered a report which specifically addressed this point. The report stated: 'Those connected to the allegations were requested to supply any / all evidence of criminality to DAP... to assist in the completion of this report in a timely manner. Despite directly approaching Estone/Davey/Deed and Officers of 3RDL no evidence of criminality or fraud has been obtained.'

As such, the repeating of such claims is both misleading and inaccurate.

Question 3

Information is becoming increasingly available regarding the council lending to 3 Rivers. Information it is strongly believed shows what can only be classed as repeat reckless lending being fully promoted by Council Officers and then agreed by this Council.

Will this Committee fully investigate and then seek independent legal advice on this position?

No. No evidence exists to support such a statement.

Question 4

It is known that a former senior councillor with probably most knowledge of the 3 Rivers debacle has called the 3 Rivers Lessons Learned Enquiry an officer orchestrated sham.

How therefore can the Mid Devon public have any confidence at all with the outcome ?

The committee agreed to a draft terms of reference and decided to appoint a working group. Whether this accords with the wishes or beliefs of any former councillor is completely irrelevant.

Question 5

It had become clear to everyone that 3 Rivers was in a desperate financial situation in October 2022. That events had become massively worse at the Cabinet Meeting of the 31st January 2023.

That it took the then Council Leader despite being incapacitated to call a halt. The Fully Independent Cabinet then further intervened to prevent further 3 Rivers reckless investment.

Despite this the Scrutiny Committee failed to undertake their legally defined duties. Also, the Audit Committee.

Both committees were asleep at the wheel.

Will this Committee fully investigate the full reasons as to why?

At that time, the former council leader had been unable to command the support of a quorate cabinet, leading to a cabinet meeting on 14th February 2023 where no appointed member of cabinet attended. Following this, a motion of no confidence in the Leader and to remove him was tabled for consideration by council on 22nd February.

The subsequent cabinet did not 'intervene to prevent investment', the decision had already been made by full council.

The actions of scrutiny and audit committees over the years will no doubt be considered by the working group in due course.

QUESTIONS: GOFF WELCHMAN - A LOCAL RESIDENT AND TAXPAYER

Q2: Were any Council Officers given legal advice at the outset of 3 Rivers Development Company Ltd that they should not be a Director of 3RDL whilst also having a controlling Financial position on the Council and therefore responsible for signing off loans to 3 RDL?

Governance was established having taken advice from external solicitors.

Q3: With regard to apportioning blame, how would anyone like it if their house was burgled and the Police said that they could not investigate it due to cost?

The council has incurred, and continues to incur, cost in managing, checking and assuring the relationship with its company, via both internal and external audit, as well as via external specialists at numerous points. All such information will be made available to scrutiny members as required in order to ensure they can effectively scrutinise and report back as appropriate.

QUESTIONS: BARRY WARREN – RESIDENT AND COUNCIL TAX PAYER

My questions relate to Agenda item 7 on your papers and are addressed to you Madam Chairman for answers please.

On 11th October 2023 I received a letter in the post from the Chief Executive. In the letter it is repeatedly stated that it is written to me on behalf of the Chairman of the Scrutiny Committee. At the end of the letter it is signed as being on behalf of the Chair **and** the Deputy Chair.

1. Did both you and your Deputy Chair approve the wording of this letter?

Yes.

2. Did you set the list of former councillors to receive this letter and who were they?

Yes. Former leaders and the substantive portfolio holders.

3. I am only aware of 2 other former Leaders receiving this letter in addition to myself. Certainly no others from the final Cabinet received copies and one of them had been a member of Cabinet from May 2019. Why were they not contacted?

The views of those with the most knowledge were sought.

4. In the penultimate paragraph, on your behalf, it states: *The District Solicitor will be reviewing all information provided in order to ensure it meets the standards of accuracy and integrity that befits the worthiness of the scrutiny committee's consideration.*

a) I am in a position to provide accurate information supported by evidence – even of officers giving misleading information to members. Why do you suggest that the information I could provide would need filtering by the District Solicitor?

Regular inference is made regarding misleading information, no evidence has ever been provided to substantiate such claims. It is precisely this type of speculative claim that adds no value to the committee's lessons learned process, hence making it clear that that the District Solicitor would review any submissions for accuracy.

b) Are you wishing to apply censorship to the work of the Scrutiny Committee?

This question is an insult to the chairman, and shows a disconcerting lack of respect from a former leader of this council who ought to know better.

5. Mention is made of members having the opportunity to review a 'vast quantity of audit and financial information'.

a) Who is going to select what members will review?

No one. It will not be selected for them – the working group as established at the meeting will review such information as it sees fit.

b) Will members be directed to members' and public questions at the various times or those documents from the Leader and Cabinet that pointed out that some reports only contained information provided by Directors of 3 Rivers – one of whom was also the S151 officer?

See previous; members will not be 'directed'.