

**Audit Committee Public Questions and Answers (20<sup>th</sup> August 2024)**

Name of person submitting	Questions
<p>Barry Warren</p> <p>Page 1</p>	<p>Mr Chairman, I refer to item 7 on your agenda and very much support the concept of the appointment of a Co-opted Independent Member to sit on this Audit Committee.</p> <p>I have read the comments in Section 5 of the 2020 report by Sir Tony Redmond in particular as to the role of elected members and their skill and understanding of the complexities of Local Authority Accounts. He also identifies that some independent members are hampered by the lack of sector specific knowledge which would need to be addressed before any appointment.</p> <p>I am concerned as to how <b>Independent</b> this person may be and how they will be able to operate effectively within the framework of the current Audit Committee (where virtually all the members of the committee come from the ruling party). Will they be able to speak openly and publicly at a meeting and will their contribution be minuted?</p> <p>I am also concerned as the appointment is to be made through DAP since the bulk of their work is in response to Terms of Reference set by the S151 Officer as previously evidenced and so this may not be perceived as Independent.</p> <p>Paragraph 1.1 of the Committee Report advises that “<i>the Audit Committee provide <b>INDEPENDENT</b> assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the Council’s financial reporting and governance process</i>”.</p> <p>Although paragraph 2.2 of the Committee Report refers to eligibility requirements for an Independent Person - perhaps these ought to have relevance to Members of an Oversight Audit Committee as well.</p> <p>The independence of this Audit Committee from Cabinet is open to question when two of the current Members would fail these eligibility requirements, due to their relationships with the Cabinet Member for Finance, and public questions put to</p>

	<p>the Audit Committee are being answered directly by the Cabinet Member for Finance - who is not a member of the Audit Committee.</p> <p>How does this demonstrate the Committee's 'Independence' to the public?</p> <p><b>Response from the Chairman of the Audit Committee:</b></p> <p>In the opening introduction for this report the Head of Finance, Property and Climate Resilience made the position/role and the appointment of the Independent Person very clear. This role will be a welcome addition to the Committee who will of course be able to speak openly/publicly and their comments will be minuted as per any member contributions. This Committee is represented by Members in a proportionate political allocation based on the make-up of the Council.</p>
<p>Paul Elstone</p> <p>Page 2</p>	<p>My questions relate to agenda item 6 Corporate Risk Report Specially CR9a Reputation Impact of 3 Rivers</p> <p>Question 1</p> <p>It is stated that it is the Leadership Team carried out the risk status reviews. Something questioned previously by a member of this committee. It is also stated that the 3 Rivers reputational risk will be removed from the Risk Register once 3 Rivers is officially closed. Therefore, and by implication the Leadership Team consider there is no further or significant 3 Rivers reputation risk to this council</p> <p>It must be noted that the same Leadership Team freely blame Council Members. EVEN the General Public for these reputational risk. No recognition is given to the angst their own actions or inactions have caused leading to Member and Public concerns.</p> <p>It would seem wishful thinking on the part of the Leadership Team that the 3 Rivers reputation risk will go away. That the reputational risk will disappear into the ether. They will not. This in part due to the much over used 3 Rivers business confidentiality excuse routinely provided by officers and in-order to prevent the public from accessing the facts. An excuse used to block the release of audits, viability assessments and business plans ETC.</p> <p>Even the Information Commissioners Office Is recognising the need for increased transparency.</p>

As a reminder the previous Scrutiny Committee Chair, now an MP, said there is every appearance of cooking the books. This in regards to this council's manipulation of the 3 Rivers true financial losses. A statement she would not retract when asked to do so.

Month on month more information regarding the 3 Rivers debacle is becoming available. Information revealing serious incompetence, even integrity issues, and going back to the formation of the company. Information that deserves to be in the public domain given its nature.

I will not make further comment on the gross failings of the DAP investigation into 3 Rivers at this time.

To remove this 3 Rivers Reputation risk item at this time is grossly premature and would further support the 'cooking the books' statement.

Will this Audit Committee now take full control of this Risk Register including risk scoring and in particular related to 3 Rivers reputation risk?

**Response from the Chairman of the Audit Committee:**

I note your comments and I can confirm that this Committee will continue to take a proactive view on challenging/managing all Council risks and will look to establish how, and the effectiveness of, agreed control measures that can mitigate, where possible, these items.

**Nick Quinn**

My questions relate to Agenda Item 9: Internal Audit Progress Update Report – but may also touch on Item 10: Information Management.

I read the Internal Audit Progress Update Report and was concerned about one of the “medium” recommendations that has only partially been addressed.

This relates to one of the Information Governance recommendations in the table, on page 12 of this report (that is page 66 on your papers). It is the one titled “*Quality Assurance Process*”.

In the “Objective” box, it states: “***Managers now engaging proactively with IG and reviewing processes for passing and sharing data. Which is producing fewer data breaches***”.

In the “Managers Comment” box, it states: “**Will now need to be rescheduled and reviewed due to resignation and capacity**”.

My questions arising from this “*Medium*” Recommendation are:

1 – Do any of the ‘*data breaches*’ involve Personal Data?

**Response from the Head of Digital Transformation & Customer Engagement:**

YES

2 - Since the Review of Processes is now “*producing fewer data breaches*”; what was the number of data breaches, prior to the start of the review, on which to base this conclusion?

**Response from the Head of Digital Transformation & Customer Engagement:**

2022-23 - **40**

2023-24 – **32**

2024-25 – **8 (YTD)**

3 – Since the amount of data breaches is now described as ‘*fewer*’; what number of data breaches was used to arrive at this conclusion?

**Response from the Head of Digital Transformation & Customer Engagement:**

See above

4 – What number of data breaches, at the Council, does the Devon Assurance Partnership consider to be acceptable?

**Response from the Head of Digital Transformation & Customer Engagement and the Senior Assurance Manager at Devon Assurance Partnership (DAP):**

Zero data breaches are acceptable to DAP. However, it is understood that mistakes can happen, and it is DAPs responsibility to monitor the Council's practices and governance to ensure that the appropriate policies and procedures are in place to mitigate any risk/impact.

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