
NOTICE OF MEETING

GOVERNANCE & AUDIT & STANDARDS COMMITTEE

THURSDAY, 30 JANUARY 2014 AT 3.00 PM

CONFERENCE ROOM A - CIVIC OFFICES

Telephone enquiries to Vicki.plytas@portsmouthcc.gov.uk

Email:

Membership

Terry Hall (Chair)
Councillor David Fuller (Vice-Chair)
Michael Andrewes
Councillor John Ferrett
Councillor Donna Jones
Phil Smith

Standing Deputies

Peter Eddis
Aiden Gray
Les Stevens
Sandra Stockdale
Alistair Thompson

(NB This Agenda should be retained for future reference with the minutes of this meeting.)

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: www.portsmouth.gov.uk

Deputations by members of the public may be made on any item where a decision is going to be taken. The request should be made in writing to the contact officer (above) by 12 noon of the working day before the meeting, and must include the purpose of the deputation (for example, for or against the recommendations). Email requests are accepted.

AGENDA

- 1 Apologies for Absence
- 2 Declarations of Members' Interests

3 Minutes of the Meeting held on 7 November 2013 (Pages 1 - 8)

To confirm the minutes of the meeting held on 7 November 2013 as a correct record.

RECOMMENDED that the minutes of the meeting held on 7 November 2013 be confirmed and signed by the Chair as a correct record

4 Updates on actions identified in the minutes

5 External Audit Progress Report - Ernst & Young (Pages 9 - 24)

1) Certification of claims and returns - annual report 2012-13 (summary of results of work done on Portsmouth City Council's claims and returns) - for noting

2) Audit Progress Report to December 2013

The purpose of this report is to provide the Audit Committee with an overview of progress against the milestones set out in your 2012/13 Audit Plan and is the first step in ensuring that our audit is aligned with the Committee's service expectations.

RECOMMENDED that:

- 1) the certification of claims and returns 2012-13 annual report be noted and**
- 2) the Audit Progress report from the External Auditor to December 2013 be received and that the Chief Executive be requested to take any action required.**

6 Update on the council's compliance with its Equality Duty and Equality Impact Assessment Process (Pages 25 - 30)

The purpose of the report is to update the Committee on the compliance of council services with the Equality Duty and the Equality Impact Assessment process since the last report dated 26th September 2013

RECOMMENDED

- 1) That the Committee notes the contents of the report**
- 2) That the Committee continues to monitor the compliance of the council services with the Equality Duty and the Equality Impact Assessment process adopted by the Council, on a quarterly basis**
- 3) That the City Solicitor continues to report on such compliance to the Committee on a quarterly basis**

7 Treasury Management Monitoring Report for the Third Quarter of 2013/14
(Pages 31 - 48)

The purpose of the report in Appendix A is to inform members and the wider community of the Council's Treasury Management position at 31 December 2013 and of the risks attached to that position.

RECOMMENDED that the actual treasury management indicators for the third quarter of 2013/14 as set out in item 4 of the report be noted.

8 Performance Management Update - Quarter 2 - 2013/14 (Pages 49 - 62)

The purpose of the report is to inform members of performance issues arising in the second quarter of the 2013-14 reporting period, and update on work relating to cost benchmarking.

RECOMMENDED that the Governance and Audit and Standards Committee are asked to note the report and comment on:

- 1) The performance issues highlighted in section 4; and
- 2) The cost benchmarking activity outlined in section 6.

9 Progress on actions to address the 2012/13 significant governance issues and review of the internal corporate governance controls (Pages 63 - 88)

The purpose of this report is to:

- a) Update the Governance and Audit and Standards Committee on the actions relating to the 2012/13 Annual Governance Statement.
- b) Inform Members of steps taken to review the current internal corporate governance controls and put forward a set of revised controls for 2014

RECOMMENDED that the Governance and Audit and Standards Committee:

- a) Note the progress made in addressing the significant governance issues highlighted in the 2012/13 Annual Governance Statement.
- b) Approve the new internal corporate governance controls

10 Agenda Item re Standing Order 17 - Questions by Councillors (Pages 89 - 90)

At the request of the Committee Chair, to consider the following item with a view to recommending its adoption at Full Council:

That current Standing Order 17 (1), which is as set out below:-

"(1) At any meeting a Councillor may, subject to the six-month rule, ask"

be revised to delete those words and replace them with the following:-

"Questions by Members will be permitted to be asked at any meeting to those identified in Standing Order 17 (1) (a), subject to the six month rule and on the following basis -

Members submitting the question /seeking a resolution must at the point of submission demonstrate to the Monitoring Officer's satisfaction that they have already contacted the relevant Council officer(s) or Cabinet member(s) to seek the information/resolution, but do not consider that they have received a satisfactory response".

The current wording of Standing Order 17 is attached with the papers.

RECOMMENDED that the Committee determines the matter.

- 11 Consideration of the political balance rules in relation to the constitution of Sub-committees considering complaints against Members (Pages 91 - 92)**

The purpose of the report is to ask the Committee to consider whether it wishes to "disapply" the political balance rules in respect of its Sub-Committees which are considering complaints against Members. This would consequently mean that the three member panel shall wherever possible comprise a representative of each of the three groups, all the time those groups are represented on the main committee.

RECOMMENDED that the Committee is asked to consider whether it wishes to disapply the political balance rules in respect of its Sub-Committees which are considering complaints against Members.

- 12 Probate Applications (Pages 93 - 96)**

The purpose of the report is to seek to obtain a council resolution to appoint the City Solicitor as lawful nominee of the council for the purpose of obtaining Grants of Representation from the Probate Registry in order to recover debts owed to the council.

RECOMMENDED that the Governance and Audit and Standards Committee recommend to Council that the City Solicitors delegation be amended by inserting the following additional delegation between paragraphs 30 and 31:

"To act in the capacity of lawful nominee of the council for the purpose of applications to the Probate Registry and, in so doing, to take such steps as shall be considered necessary to obtain a Grant of Representation in order to recover monies owed to the council."

- 13 Audit Performance Status Report to 30 January 2014 for Audit Plan 2013/14 and proposed Audit Strategy (Pages 97 - 144)**

This report is to update the Governance and Audit and Standards Committee on the Internal Audit Performance for 2013/14 to 16th December 2013 against the Annual Audit Plan, highlight areas of concern and areas where assurance can be given on the internal control framework and to advise on the proposed Audit Strategy for the 2014/15 Plan.

RECOMMENDED that members note

- 1) **the Audit Performance for 2013/14 to 16th December 2013.**
- 2) **the highlighted areas of control weakness for the 2013/14 Audit Plan.**
- 3) **the changes in the Audit Plan.**
- 4) **approve the proposed Audit Strategy for the use of Audit resources for 2014/15.**

14 Anti-Fraud and investigations update (Pages 145 - 152)

(NB Please note that the appendix to this report is Exempt and if the Committee wish to refer to this, there is provision to do so following the exclusion of the press and public (see agenda item 18)

15 Procurement Management Information (Pages 153 - 158)

(NB Please note that appendices 2 and 3 of this report are Exempt and if the Committee wish to refer to these, there is provision to do so following the exclusion of the press and public (see agenda item 18)

The purpose of the report is to update Members on steps being taken to demonstrate that PCC is achieving value for money from its contracts for goods and services.

RECOMMENDED that members note

- 1) **we have surpassed the target of 95% conformance and achieved 98% for October 2013.**
- 2) **the performance of our suppliers and contractors and action in progress to address poor performance.**

16 Data Security Breach Reporting (Pages 159 - 160)

(NB Please note that the appendix to this report is Exempt and if the Committee wish to refer to this, there is provision to do so following the exclusion of the press and public (see agenda item 18)

To inform the Committee of any Data Security Breaches actions agreed/taken since the last meeting.

RECOMMENDED that Members of the Governance & Audit & Standards Committee note the breaches that have arisen and the action determined by the Corporate Information Governance Panel (CIGP).

17 Complaints received into alleged breaches of the Code of Conduct by

Members of the Council (Pages 161 - 162)

(NB Please note that the appendix to this report is Exempt and if the Committee wish to refer to this, there is provision to do so following the exclusion of the press and public (see agenda item 18)

18 Exclusion of Press and Public

That in view of the contents of the following items on the agenda the Committee is RECOMMENDED to adopt the following motion:

“That, under the provisions of Section 100A of the Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985, the press and public be excluded for the consideration of the following items on the grounds that the reports contain information defined as exempt in Part 1 of Schedule 12A to the Local Government Act, 1972”.

The public interest in maintaining the exemption must outweigh the public interest in disclosing the information.

Under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012, regulation 5, the reasons for exemption of the listed items is shown below.

Members of the public may make representation as to why the item should be held in open session. A statement of the Council’s response to representations received will be given at the meeting so that this can be taken into account when members decide whether or not to deal with the item under exempt business.

(NB The exempt/confidential committee papers on the agenda will contain information which is commercially, legally or personally sensitive and should not be divulged to third parties. Members are reminded of standing order restrictions on the disclosure of exempt information and are invited to return their exempt documentation to the Senior Local Democracy Officer at the conclusion of the meeting for shredding.)

<u>Item</u>	<u>Exemption Para No.*</u>
14. Anti-Fraud and investigations update (to follow) (exempt appendices)	1, 2 and 3
15. Procurement Management Information - Exempt Appendices 2 and 3	3

16. Data Security Breach Reporting - (to follow)
Exempt Appendix 1 **1,2 and 3**

17. Member Complaints Report (to follow)
Exempt Appendix 1 **1 and 2**

1. Information relating to any individual

2. Information that is likely to reveal the identity of an individual

3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)