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# NOTICE OF MEETING

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## GOVERNANCE & AUDIT & STANDARDS COMMITTEE

FRIDAY, 3 FEBRUARY 2017 AT 11.30 AM

### CONFERENCE ROOM B - CIVIC OFFICES

Telephone enquiries to 023 9283 4058  
Email: Vicki.plytas@portsmouthcc.gov.uk

If any member of the public wishing to attend the meeting has access requirements, please notify the contact named above.

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#### Membership

Councillor Ian Lyon (Chair)  
Councillor Scott Harris (Vice-Chair)  
Councillor John Ferrett  
Councillor Frank Jonas  
Councillor Leo Madden  
Councillor Hugh Mason

#### Standing Deputies

Councillor Ken Ellcome  
Councillor Paul Godier  
Councillor Darren Sanders  
Councillor David Tompkins  
Councillor Matthew Winnington  
Councillor Rob Wood

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(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](http://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 recommendation/s). Email requests are accepted.**

### AGENDA

- 1 Apologies for Absence

**2        Declarations of Members' Interests**

**3        Minutes of the Meeting held on 4 November 2016 (Pages 7 - 14)**

**RECOMMENDED that the minutes of the meeting held on 4 November 2016 be confirmed and signed by the Chair as a correct record.**

**4        Updates from previous meeting**

**5        Reports from External Auditors - Annual Certification Report 2015/16 and Progress Report Jan 2017 (Pages 15 - 32)**

Two reports from the External Auditors will be presented for information.

**6        External Audit Arrangements after 2017 - 18 (Pages 33 - 36)**

The purpose of the report is to secure the appointment of an external auditor for the 2018/19 and subsequent years accounts.

**RECOMMENDED that Governance and Audit and Standards Committee consider the report and recommends to Council that it opts in to the appointing person arrangements made by Public Sector Audit Appointments (PSAA) for the appointment of external auditors.**

**7        Treasury Management Monitoring Report (Pages 37 - 52)**

The purpose of the report is to inform members and the wider community of the Council's Treasury Management position at 31 December 2016 and of the risks attached to that position.

In March 2009 the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Panel issued a bulletin on Treasury Management in Local Authorities. The bulletin states that "in order to enshrine best practice it is suggested that authorities report formally on Treasury Management activities at least twice yearly and preferably quarterly". The report in Appendix A covers the first nine months of 2016/17.

**RECOMMENDED that the actual treasury management indicators set out in the report in paragraph 3 (a) to (g) for the third quarter of 2016/17 be noted.**

**8        Local Government Ombudsman Complaints 2015/2016 (Pages 53 - 58)**

The purpose of the report is to bring to the attention of the Governance & Audit & Standards Committee the Annual Review of Complaints by the Local Government Ombudsman dated July 2016 regarding the complaints it has considered against Portsmouth City Council for the year 2015/2016.

This report is for information only.

**9 Corporate Complaints Received (Pages 59 - 62)**

The purpose of the report is to provide the Governance & Audit & Standards Committee with information regarding complaints received by Portsmouth City Council during quarter 1 2016/17.  
This report is for information only.

**10 Audit Performance Report to 3 January 2017 (Pages 63 - 94)**

The purpose of the report is to update the Governance and Audit and Standards Committee on the Internal Audit Performance for 2016/17 to 3rd January 2017 against the Annual Audit Plan, highlight areas of concern and areas where assurance can be given on the internal control framework.

**RECOMMENDED that Members**

- (1) Note the Audit Performance for 2016/17 to 3rd January 2017**
- (2) Note the highlighted areas of control weakness for the 2016/17 Audit Plan**
- (3) Approve the proposed Audit and Counter Fraud Strategy for the use of Audit resources for 2017/18**

**11 Performance Management Update (Pages 95 - 202)**

The purpose of the report is to bring significant performance issues, arising from Q2 performance monitoring, to Governance and Audit and Standards committee and highlight areas for further action or analysis.

**RECOMMENDED that the Committee**

- 1) Notes the report;**
- 2) Notes the overall improvement in quality of reports , and the commentary from the Deputy Chief Executive at section 5**
- 3) Comments on the performance issues highlighted in section 3, including agreeing if any further action is required**
- 4) Agrees the actions proposed in section 4.**

**12 Whistleblowing Report (Pages 203 - 206)**

The purpose of the report is to update Members of the Committee on the nature and handling of any whistleblowing concerns which have been raised in the past year.

**RECOMMENDED that Members of the Committee**

- (1) note the report
- (2) consider whether any further action is required by them.

**13 Annual Complaints against Members Report (Pages 207 - 212)**

The purpose of the report is to update Members of the Committee on current progress in relation to complaints which allege that Councillors may have breached the Code of Conduct.

**RECOMMENDED that Members of the Committee**

- (1) note the report.
- (2) Consider whether any further action is required by them.

**14 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.)

Item	Exemption Para No.*
<b>15. Procurement Management Information report</b>	<b>1, 2 and 3</b>
<b>16. Data Security Breaches Report</b>	<b>1 and 2</b>

- 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).

**15 Procurement Management Report - Information** (Pages 213 - 234)

(NB Appendices 1, 4 and 5 are exempt and provision has been made on the agenda for the meeting to be moved into exempt session if required)

The purpose of the report is to provide evidence to allow the committee to evaluate the extent that Portsmouth City Council is achieving value for money in its contracts for goods, services and works.  
This item is for information only.

**16 Data Security Breaches Report** (Pages 235 - 236)

(NB Appendix 1 is exempt and provision has been made on the agenda for the meeting to be moved into exempt session if required)

The purpose of the report is to inform the Committee of any Data Security Breaches and actions agreed/taken since the last meeting.

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

**Information**

Members of the public are now permitted to use both audio visual recording devices and social media during this meeting, on the understanding that it neither disrupts the meeting or records those stating explicitly that they do not wish to be recorded. Guidance on the use of devices at meetings open to the public is available on the Council's website and posters on the wall of the meeting's venue.