



NOTICE OF MEETING

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.

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

(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 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.*
15. Procurement Management Information report	1, 2 and 3
16. Data Security Breaches Report	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).

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.

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Agenda Item 3

GOVERNANCE & AUDIT & STANDARDS COMMITTEE

MINUTES OF THE MEETING of the Governance & Audit & Standards Committee held on Friday, 4 November 2016 at 10.30 am in Conference Room A - Civic Offices

(NB These minutes should be read in conjunction with the agenda for the meeting which can be found at www.portsmouth.gov.uk.)

Present

Councillor Ian Lyon (in the chair)
Councillor Scott Harris (Vice-Chair)
Councillor John Ferrett
Councillor Frank Jonas
Councillor Leo Madden
Councillor Rob Wood (deputising for Councillor Hugh Mason)

Officers

Michael Lawther, Deputy Chief Executive, City Solicitor and Monitoring Officer
Jon Bell, Director of HR, Legal and Performance
Julian Pike, Deputy Section 151 Officer
Elizabeth Goodwin, Chief Internal Auditor
Paul Somerset, Audit Manager
Greg Povey, Assistant Director Contracts
David Moorman, Contract Management Business Partner

External Auditor

Adam Swain (Ernst & Young)

60. Apologies for Absence (AI 1)

Apologies for absence were received on behalf of Councillor Hugh Mason. Councillor Rob Wood deputised for him. Councillor Scott Harris sent apologies that he would be late for the meeting.

61. Declarations of Members' Interests (AI 2)

Councillor Rob Wood declared a personal non prejudicial interest in agenda item 7 as he was the vice-chair of Portsmouth Race Equality Network.

62. Minutes of the meeting held on 16 September 2016 (AI 3)

RESOLVED that the minutes of the meeting held on 16 September 2016 be confirmed and signed by the chair as a correct record subject to

- a) minute 55 – Corporate Complaints received in Quarter 1 of 2016/17 should not have been recorded as "noted", but "deferred" and**
- b) minute 56 - Local Government Ombudsman Complaints 2015/16 should not have been recorded as "noted", but "deferred"**

63. Updates on actions identified in the minutes (AI 4)

- It was agreed that the advice concerning Neighbourhood Forums would be re-circulated to members of the Committee.
- The City Solicitor advised that the amended complaints procedures are now on the website
- With regard to the report on Data Breaches, members raised the issue of Cyber Security which is not covered in that report. Members were advised that this is a specialist item. Members requested that a presentation on this subject be brought to a future meeting of this committee so that members could then decide if a report was necessary. The presentation should cover Business continuity and Disaster recovery.

64. Annual Audit Letter for the year ended 31 March 2016 (AI 5)

(TAKE IN REPORT)

Adam Swain introduced the report and said that an unqualified opinion had been given in September. He drew members' attention to page 15 of the document pack and advised that on 19 September 2016 the E U Commission issued a press release announcing that the commission had opened an in-depth investigation into alleged state aid to MMD Shipping Services Ltd by Portsmouth City Council. The information came to the auditors' attention before they had issued their opinion on the 2015/16 financial statements. The external auditors had therefore delayed issuing the opinion to allow them time to consider if this had an impact on the financial statements and required additional disclosures.

From the additional work external auditors performed they concluded there was no requirement for the council to add any disclosure to the 2015/16 financial statements. However the external auditors would consider this as part of their planning for the 2016/17 audits, both in terms of the outcome of the investigation and in understanding the nature of the relationship between the council and MMD.

The City Solicitor advised that specialist external lawyers and accountants had been appointed to deal with this. The City Solicitor said that he was keeping a close eye on costs but that there was no reason for concern at the moment.

Following discussion, Members agreed that although this is a Cabinet matter, this committee should receive updates from time to time particularly in relation to expenditure. Members also requested that a general statement should be

made to councillors concerning how the council intends to proceed - perhaps at the November or December council meeting?

Members went on to discuss the objections received as set out on page 30 of the document pack. Two objections were received to the 2015/16 accounts from a member of the public. The first objection related to the council's use of capital grant funding relating to the City Deal awarded to Portsmouth and Southampton in 2013. The objection was received on 12 August which is outside the prescribed 30 working days for the lodging of objections under the regulations. That objection was not accepted as it did not meet the criteria for consideration.

The second objection asked whether a lender option borrower option (LOBO) loan that the council entered into in 2003 (with renegotiated terms in 2007) represents value for money. Adam Swain advised that this is a common objection across a number of local authorities. This objection was accepted as it met the criteria for consideration. The council was asked to provide information relating to the loan which has recently been received. The external auditors will review the information provided and determine the objection as soon as practicable. However the external auditors were able to conclude that the objections raised did not have an impact on the external auditors' Financial Statement opinion. This is because they did not believe that it represented a risk of material misstatement in relation to items in the 2015/16 statement of accounts. The value for money conclusion considers whether the council has made proper arrangements for securing economy efficiency and effectiveness in its use of resources in 2015/16. The external auditors did not consider that either objection indicates that the council had improper arrangements in 2015/16.

The audit opinion and value for money conclusion has been issued but the certificate cannot be issued until all objections are resolved. Work on the second objection is currently ongoing.

It was confirmed that the council only had one lender option borrower option loan.

RESOLVED that the annual audit letter be received and noted by the committee

65. Consideration of the political balance rules in relation to the constitution of Sub-Committees considering complaints against Members (AI 6)

(TAKE IN REPORT)

The City Solicitor advised that the purpose of the report is to ask the committee to consider whether it wishes to dis-apply the political balance rules in respect of its sub-committees which consider complaints against members and to agree that the same rule shall apply to the initial filtering panels where applicable. He further advised that as there has been a change in the political make-up of the committee, members have to reconsider their decision. If they decide to dis-apply the political balance rules then this shall be in force until the end of the municipal year in May 2017 - unless there is a further change in the political make-up of the committee when the decision would again have to be reconsidered.

RESOLVED that the political balance rules are dis-applied in respect of Governance and Audit and Standards Sub-committees which are considering complaints against members and also the same arrangement should apply in respect of initial filtering panels where applicable.

66. Monitoring of Equality Impact Assessments through the committee decision process (AI 7)

(TAKE IN REPORT)

The City Solicitor explained that this report was to suggest introducing a minor change to procedures. Since 2000 a three year rolling program of EIAs consisting of the main functions of the service has been in force. Services would be required to review these every three years but if the service or function was being changed an EIA would need to be completed to ensure these changes did not disproportionately impact negatively on the protected characteristics as described by the Act. The current practice of monitoring EIAs on a three year rolling program has not always resulted in meaningful outcomes. Consequently Cabinet and Committees can make decisions that could result in adversely impacting on our customers or residents. It is considered that a more effective way forward would be for this committee to monitor Cabinet and Committee reports on a regular basis to check they have EIAs where required. This would ensure that potential adverse impacts on the community can be highlighted before decisions are made. The expectation was that the change in approach would result in EIAs being more effective. The intention would be to bring a summary report to this committee showing the levels of compliance with EIAs.

Members agreed that this would change the process from being reactive to being proactive and requested that an annual summary report be brought to this committee.

RESOLVED

- (1) That the committee noted the contents of the report**
- (2) that the committee agreed to the new process to monitor equality impact assessments set out in paragraph 5.1 to ensure continued compliance of the council services with the equality duty and that annual reports be received by this Committee and**
- (3) that the city solicitor continued to report on such compliance to the committee as required.**

67. Compliance with the Gifts and Hospitality Protocol (AI 8)

(TAKE IN REPORT)

The City Solicitor introduced the report which was to update Members on any issues regarding compliance with the Gifts and Hospitality protocol and to advise on remedies. There followed a discussion about possibly increasing

the levels of hospitality that could be accepted by staff and whether the register itself should be reviewed in terms of how the information was recorded and what information was recorded. The majority of members felt that the current levels should be unchanged as there was no evidence that the present amounts should be uplifted.

In response to a query, the Chief Internal Auditor said that PCC's practice was to prevent council employees from accepting bequests and this was adopted by many councils. This raised queries about the accuracy of the register as there was no mention of any bequests having been refused although it was suggested that this had happened. The City Solicitor said that he would look into this and report back. He would also arrange for staff to be reminded of expectations around the Gifts and Hospitality register

RESOLVED

- (1) that the report be noted and**
- (2) that city solicitor would arrange for the register to be reviewed with a view to what information was recorded and how IT recorded that information.**

68. Audit Performance Status Report for Audit Plan - to 7 October 2016 (AI 9)

(TAKE IN REPORT)

Paul Somerset introduced the report saying that there were no new critical risk exceptions or "No Assurance" audits from the 2016/17 audit plan highlighted in this report. In addition to the 136 planned audits for 2016/17 there are 11 areas of ongoing work and 4 continuous audits which contribute to risk assurance. Areas of assurance are shown in appendix A. Results of completed follow-up audits can be found in appendix B.

Appendix C represented a breakdown of audits and exceptions by directorate and year as requested by the committee at the last meeting.

A discussion took place about what exactly this committee wants to be recorded in the audit reports going forward as many changes have been requested recently. The Chief Internal Auditor said that the report would be written to reflect whatever the committee wanted.

Members agreed that an extra paragraph should be included in the report to explain which director was responsible for what action and to record that director's response and that an extra recommendation should be added to that effect

The committee felt that new appendix C was useful.

RESOLVED that

- 1) Members noted the audit performance for 2016/17 to 7 October 2016**
- 2) Members noted the highlighted areas of control weakness for the 2016/17 Audit Plan**

- 3) A paragraph be included in future reports stating to which officer the individual items have been referred and what action has been/is to be taken and including a suitable timescale.

69. Exclusion of Press and Public (AI 10)

RESOLVED that in view of the contents of the following items on the agenda, the committee adopted the following motion
"That under the provisions of Section 100 A 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 appendices contain information defined as exempt in Part 1 of Schedule 12 A to the Local Government Act 1972" exemptions paragraphs 1, 2 and 3

70. Procurement Management Information (Report Format) (AI 11)

(TAKE IN "Information only" REPORT)

David Moorman introduced the report saying that its purpose is to propose a format for future procurement management information reports which meets the reporting requirement of members. He explained that owing to the fact that the last procurement report was brought less than 6 weeks ago, and that the purpose of this report was to agree a future report format, the data used is the same as for the September report.

Greg Povey and David Moorman explained to members what was in each section of the report. The chair of the committee said he would like the procurement process to be as transparent as possible. Mr Povey advised that the directors could approve their own waivers up to £100,000. This meant that procurement had no oversight on those contract waivers. However it was possible for a program to be run to provide information on the number of contract wavers that directors have made up to the £100,000 limit.

The City Solicitor advised that in order to change this provision, the Contract Procedure Rules would have to be amended. He said that PCC could look into doing this.

In response to a query, Mr Povey said that although it was possible at the beginning of a contract to put in a contract term about for example where contractors should park their vehicles, many contracts - such as the COLAS contract - still had a number of years to run and so this would not have the desired effect very quickly .

Mr Povey advised that there was nothing overly concerning in the procurement report this time

A query was raised on section 6.5 of Appendix 1 of the exempt papers relating to an emergency condition survey. The City Solicitor said that he would find out more detail on that section and would circulate it to members.

With regard to the exempt minutes from the Strategic Contract Management Board, Members felt that giving a précis on the most important contracts is fine but the committee would like more on what happened at the meeting - not just matters arising. If this is not possible then it is probably not useful to bring this to the committee

Members thanked the officers for revising the report format and the report was noted.

The meeting concluded at 1.35 pm.

Councillor Ian Lyon
Chair

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Agenda Item 5

Certification of claims and returns annual report 2015-16

Portsmouth City Council

December 2016

Ernst & Young LLP



EY

Building a better
working world

The Members of the Governance & Audit & Standards Committee
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Civic Offices
Guildhall Square
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PO1 2BG

2 December 2016
Ref: HB1

Direct line: 07974 007332
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Dear Members

Certification of claims and returns annual report 2015-16 Portsmouth City Council

We are pleased to report on our certification work. This report summarises the results of our work on Portsmouth City Council's 2015-16 claim.

Scope of work

Local authorities claim large sums of public money in grants and subsidies from central government and other grant-paying bodies and must complete returns providing financial information to government departments. In some cases these grant-paying bodies and government departments require appropriately qualified auditors to certify the claims and returns submitted to them.

Public Sector Audit Appointments Ltd (PSAA) made arrangements for certifying claims and returns in respect of the 2015-16 financial year. These arrangements required only the certification of the housing benefits subsidy claim. In certifying this, we followed a methodology determined by the Department for Work and Pensions and did not undertake an audit of the claim.

Statement of responsibilities

The 'Statement of responsibilities of grant-paying bodies, authorities, Public Sector Audit Appointments and appointed auditors in relation to claims and returns', issued by PSAA, serves as the formal terms of engagement between ourselves as your appointed auditor and the Council as audited body.

This report is prepared in the context of the statement of responsibilities. It is addressed to those charged with governance and is prepared for the sole use of the Council. As appointed auditor we take no responsibility to any third party.

Summary

We checked and certified the housing benefits subsidy claim with a total value of £109,774,853. We met the submission deadline.

Fees for certification work are summarised in section 2. The fees for 2015-16 are available on the PSAA website (www.psaa.co.uk).



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We welcome the opportunity to discuss the contents of this report with you at the Governance & Audit & Standards Committee on 27 January 2017.

Yours faithfully

Helen Thompson
Executive Director
Ernst & Young LLP
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1. Housing benefits subsidy claim

Scope of work	Results
Value of claim presented for certification	£109,774,853
Amended/Not amended	Amended – minor amendments made to the claim to adjust for errors identified. Cell 031 reduced by £20, and cell 033 increased by the same amount. The amendment resulted in an increase in subsidy claimed of £8.
Qualification letter	Yes
Fee – 2015-16	£17,797
Fee – 2014-15	£22,928

Local Government administers the Government's housing benefits scheme for tenants and can claim subsidies from the Department for Work and Pensions (DWP) towards the cost of benefits paid.

Our testing identified a number of errors in the calculation and classification of benefits awarded to claimants during the year, as presented in the subsidy claim. The findings are summarised below.

Rent Allowances

Testing of the initial sample identified one case where benefit was underpaid as a result of the Authority continuing to apply the 2014/15 Local Housing Allowance rate for a 2 bedroom property from April 2015 instead of the updated 2015/16 rate. The claimant moved house on 1 April 2015 and the assessor incorrectly entered a hold date of 31 March 2015 instead of 1 April 2015 on the system, which resulted in the LHA rate being held at the 2014/15 rate throughout 2015/16.

As there is no eligibility to subsidy for benefit, which has not been paid, the underpayment identified does not affect subsidy and was not, therefore, classified as an error for subsidy purposes. Because this error will always result in an underpayment of benefit, additional testing was not undertaken.

Non-HRA Rent Rebates

Testing of the initial non-HRA rent rebate sample identified one case where the benefits assessor failed to enter the necessary indicator on the system to identify that the claim was received and paid within the same week. The system erroneously treated the initial period of the claim as a backdated expenditure.

The impact of the error was on an analysis cell identifying the value of backdated expenditure in 2015/16 and has no impact on the amount of benefit paid or subsidy claimed. Because this does not affect the subsidy claimed, we have not performed further testing.

We reported these observations to the DWP in a qualification letter.

2. 2015-16 certification fees

Public Sector Audit Appointments (PSAA) determine a scale fee each year for the audit of claims and returns. For 2015-16, these scale fees were published by the PSAA in April 2015 and are now available on the PSAA's website (www.psa.co.uk).

Claim or return	2014-15	2015-16	2015-16
	Actual fee £	Indicative fee £	Actual fee £
Housing benefits subsidy claim	22,928	17,797	17,797

3. Looking forward

From 1 April 2015, the duty to make arrangements for the certification of relevant claims and returns and to prescribe scales of fees for this work was delegated to PSAA by the Secretary of State for Communities and Local Government.

The Council's indicative certification fee for 2016-17 is £17,196. This was prescribed by PSAA in March 2016, based on no changes to the work programme for 2016-17.

Details of individual indicative fees are available at the following web address:
<http://www.psaa.co.uk/audit-and-certification-fees/201617-work-programme-and-scales-of-fees/individual-indicative-certification-fees/>

We must seek the agreement of PSAA to any proposed variations to these indicative certification fees. We will inform the Director of Finance & Information Services before seeking any such variation.

Ernst & Young LLP

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Portsmouth City Council

Governance and Audit and Standards Committee

External Audit Progress Report

January 2017



Members of the Governance and Audit and Standards Committee
Portsmouth City Council
Civic Offices
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PO1 2BG

5 January 2017

Dear Committee Members

External Audit Progress Report

We are pleased to attach our External Audit Progress Report.

The purpose of this report is to provide the Committee with an overview of the final position against the Council's 2015/16 audit plan, and our initial plans for the 2016/17 audit. This report is a key mechanism in ensuring that our audit is aligned with the Committee's service expectations.

Our audit is undertaken in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2015 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards and other professional requirements.

We welcome the opportunity to discuss this report with you as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

Helen Thompson
Executive Director
For and behalf of Ernst & Young LLP

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Public Sector Audit Appointments Ltd (PSAA) has issued the ‘Statement of responsibilities of auditors and audited bodies’. It is available from the Chief Executive of each audited body and via the PSAA website (www.psaa.co.uk)

The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The ‘Terms of Appointment’ (updated September 2015) issued by PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This progress update is prepared in the context of the Statement of responsibilities. It is addressed to the Governance Committee, and is prepared for the sole use of the audited body. We, as appointed auditor, take no responsibility to any third party.

Our Complaints Procedure – If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with your usual partner or director contact. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.

2015/16 work program

Our 2015/16 Annual Audit Letter was presented to the Governance and Audit and Standards Committee in November 2016.

This letter communicated to Members and external stakeholders, including members of the public, the key issues arising from our audit work. We had already reported the detailed findings from our audit work in our 2015/16 Audit Results Report to the September 2016 Governance and Audit and Standards Committee.

Our 2015/16 Annual Audit Letter also informed Members that our work on the certification of the Council's claims and returns was ongoing in November 2016. We are presenting our annual report on the certification of claims and returns to the Governance and Audit and Standards Committee today. This work is now complete.

Our overall work program in relation to the 2015/16 financial year will be completed when we conclude on one outstanding objection from a member of the public regarding Portsmouth City Council's use of a lender option borrower option loan. At the time of writing this progress report, we are in the process of drafting a Statement of Reasons in response to the objection. Our conclusions will be shared with the objector and the Council when our work in connection with the objection is completed.

2016/17 audit

Fee letter

We issued our 2016/17 fee letter to Portsmouth City Council on 5th April 2016. This was reported to the July 2016 Governance and Audit and Standards Committee.

Financial Statements

We adopt a risk based approach to the audit and, as part of our continuous planning, we have held a number of meetings and exchanges with key officers to ensure the 2016/17 audit runs as smoothly as possible and to identify any risks and technical accounting issues that require our early consideration. Recent exchanges include:

- November 2016 – Teleconference calls with Portsmouth City Council’s Financial Accountant; the Technical and Finance Planning Team manager; and the head of internal audit to reflect on what went well in 2015/16 and to update our understanding of the challenges and for 2016/17.
- December 2016 – Teleconference call with the Head of Information Resources to identify any key changes to systems (none identified). A meeting on-site at Portsmouth City Council with the Financial Accountant and the Technical and Finance Planning Team manager to discuss early preparation for the 2016/17 audit.

From last year’s audit and our initial meetings we note that an EU investigation is currently underway into whether transactions between Portsmouth City Council and MMD (Shipping Services) Ltd have breached state aid regulations. MMD (Shipping Services) Ltd is wholly owned by the Council and, as the 2015/16 draft Council accounts disclose, has received loan advances of £5.8 million from the Council. We will monitor progress and developments in this case; management responses; and disclosure in the Council’s 2016/17 Governance Statement and Accounts.

We are scheduled to complete our initial planning work, including the walkthrough of key financial systems, during the week commencing 30 January 2017. The testing of controls and early substantive testing is scheduled for February 2017. A copy of our overall audit plan, together with an update on progress, will be provided to the Governance and Audit and Standards Committee in March 2017.

Internal Audit

Internal Audit is a key part of Portsmouth City Council’s internal control environment that we review during our assessment process. This process helps us to assess the level of risk of material errors occurring in the financial statements and informs the level of testing that we are required to complete in support of the audit opinion. We consider Internal Audit’s progress with their annual audit plan and the results of their testing of financial systems and, where it is appropriate to do so, we will undertake procedures to enable us to place reliance upon this testing. As previously noted, we have already begun to liaise with the Head of Internal Audit.

Post statements visit

Our post statements visit and testing is planned to take place between 3 July and 29 July 2017. We have commenced early discussions on the working papers required in support of the audit.

We will continue to use our computer-based analytics tools to enable us to capture whole populations of your financial data, in particular payroll and journal entries. These tools facilitate our analysis of these data sets and allow us to focus our testing in areas of highest risk.

Value for money

Our initial risk assessment is ongoing. From our November and December 2016 meetings with management, we are aware that there are areas where the Council is seeking to develop more innovative and commercial ways of working and to reduce its dependency on central government grants. As the Council itself noted in the Governance Statement for 2015/16, this will present on-going governance challenges. At the same time, we are aware that the Council budgeted to make significant savings during 2016/17 (and the three years thereafter); faces rising costs in a number of areas; and has also recently streamlined some risk management processes.

We will report any value for money risks we identify and a proposed work program to address them in our audit plan which is scheduled for the March 2017 Governance and Audit and Standards Committee meeting.

Changes to the audit team

We have recently reviewed our manager portfolios in light of staff changes, and this has resulted in a change for the 2016/17 audit at Portsmouth City Council. Jo Taylor will take over the audit manager role from Adam Swain, and has already met some staff at the Council. We have discussed with your officers how we will manage the transition of responsibilities over the coming months to ensure a smooth handover. Both Adam and Jo will attend the Committee in January 2017 as part of this transition process.

Other issues of interest

Sector briefings

In addition to our formal reporting and deliverables we provide practical business insights and updates on regulatory matters through our Sector Briefings.

Timetable

We set out below a timetable showing the key stages of the audit, including the value for money work, and the deliverables we will provide to you through the 2016/17 Governance and Audit and Standards Committee cycle.

Audit phase	EY Timetable	Deliverable	Report to Committee	Status
High level planning	Ongoing	Audit Fee Letter	Issued 5 th April 2016 Reported July 2016	Completed
Risk assessment and setting of scope of audit	Dec 2016 - January 2017	Audit Plan	March 2017	In progress
Testing of routine processes and controls	February 2017	Progress Report	March 2017	Work is planned to start in February 2017.
Year-end audit	July 2017	Audit results report to those charged with governance. Audit report (including our opinion on the financial statements and a conclusion on your arrangements for securing economy, efficiency and effectiveness in your use of resources) Whole of Government Accounts Submission to NAO based on their group audit instructions. Audit Completion certificate	To be confirmed	Work is planned to occur in July 2017.

EY | Assurance | Tax | Transactions | Advisory

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Agenda Item 6



Title of meeting:	Governance and Audit and Standards Committee City Council
Date of meeting:	3 February 2017 (Governance and Audit and Standards Committee) 14 February (City Council)
Subject:	External Audit Arrangements After 2017/18
Report by:	Director of Finance and Information Services (Section 151 Officer)
Wards affected:	All
Key decision:	No
Full Council decision:	Yes

1. Purpose of report

To secure the appointment of an external auditor for the 2018/19 and subsequent years accounts.

2. Recommendation

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.

3. Background

In July 2016 PSAA were specified by the Secretary of State as an appointing person under regulation 3 of the Local Audit (Appointing Person) Regulations 2015. The appointing person is sometimes referred to as the sector led body and PSAA has wide support across most of local government. PSAA was originally established to operate the transitional arrangements following the closure of the Audit Commission and is a company owned by the Local Government Association's Improvement and Development Agency (IDeA).

The date by which authorities will need to opt in to the appointing person arrangements is 9 March 2017.

4. Reasons for recommendations

The main advantages of using PSAA are:

- Assure timely auditor appointments
- Manage independence of auditors
- Secure competitive prices
- Save on procurement costs
- Save time and effort needed on auditor panels
- Focus on audit quality
- Operate on a not for profit basis and distribute any surplus funds to scheme members.

An alternative option available to the Council is to establish an auditor panel and conduct our own procurement either on its own, or through a joint procurement with a group of other local authorities. This is not recommended as it will be a far more resource intensive process and, without the bulk buying power of the sector led procurement, would be likely to result in a more costly service.

5. Equality impact assessment (EIA)

The contents of this report do not have any relevant equalities impact and therefore an equalities assessment is not required.

6. Legal Implications

The Section 151 Officer is required by the Local Government Act 1972 and by the Accounts and Audit Regulations 2015 to ensure that the Council's budgeting, financial management, and accounting practices meet the relevant statutory and professional requirements. Members must have regard to and be aware of the wider duties placed on the Council by various statutes governing the conduct of its financial affairs.

7. Director of Finance and Information Services (Section 151 Officer) comments

All financial considerations are contained within the body of the report.

.....
Signed by Director of Finance and Information Services (Section 151 Officer)

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
1 Information pertaining to the appointment of external auditors	Financial Services
2	

Title of meeting:	Governance and Audit and Standards Committee
Date of meeting:	3 February 2017
Subject:	Treasury Management Monitoring Report for the Third Quarter of 2016/17
Report by:	Chris Ward, Director of Finance and Information Services (Section 151 Officer)
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Executive Summary

This report outlines the Council's performance against the treasury management indicators approved by the Council on 22 March and 11 October 2016. This report highlights two areas where treasury management activities were at variance with the policy. In all other aspects the policy was complied with.

2. Purpose of report

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.

3. Recommendations

That the following actual treasury management indicators for the third quarter of 2016/17 be noted:

(a) The Council's debt at 31 December:

Prudential Indicator	Limit £m	Actual £m
Authorised Limit - the maximum amount of borrowing permitted by the Council	618	563
Operational Boundary - the maximum amount of borrowing that is expected	600	563

(b) The maturity structure of the Council's borrowing was

	Under 1 Year	1 to 2 Years	3 to 5 Years	6 to 10 Years	11 to 20 Years	21 to 30 Years	31 to 40 Years	41 to 50 Years
Lower Limit	0%	0%	0%	0%	0%	0%	0%	0%
Upper Limit	10%	10%	10%	20%	30%	30%	30%	40%
Actual	4%	1%	4%	7%	22%	11%	18%	33%

(c) The Council's sums invested for periods longer than 364 days at 31 December 2016 were:

	Limit £m	Quarter 3 Actual £m
Maturing after 31/3/2017	196	189
Maturing after 31/3/2018	123	98
Maturing after 31/3/2019	90	10

- (d) The Council's fixed interest rate exposure at 31 December 2016 was £286m, ie. the Council had net fixed interest rate borrowing of £286m. This is within the Council's approved limit of £358m.
- (e) The Council's variable interest rate exposure at 31 December 2016 was (£278m), ie. the Council had net variable interest rate investments of £278m. This is within the Council's approved limit of (£444m).
- (f) The investment counterparty limit for Places for People of £20m was exceeded by £20m as a consequence of its acquisition of Derwent Housing Association (since prior to acquisition the Council had investments in accordance with the Council's policy of £20m in each).
- (g) Between 7 October and 15 November the Council invested £5m in an enhanced money market fund managed by Royal London Asset Management with a single AAA credit rating. To comply with the Treasury Management Policy two credit ratings of at least AA are required.

4. Background

The Council's treasury management operations cover the following:

- Cash flow forecasting (both daily balances and longer term forecasting)
- Investing surplus funds in approved investments
- Borrowing to finance short term cash deficits and capital payments
- Management of debt (including rescheduling and ensuring an even maturity profile)
- Interest rate exposure management

The key risks associated with the Council's treasury management operations are:

- Credit risk - ie. that the Council is not repaid, with due interest in full, on the day repayment is due
- Liquidity risk - ie. that cash will not be available when it is needed, or that the ineffective management of liquidity creates additional, unbudgeted costs
- Interest rate risk - that the Council fails to get good value for its cash dealings (both when borrowing and investing) and the risk that interest costs incurred are in excess of those for which the Council has budgeted
- Maturity (or refinancing risk) - this relates to the Council's borrowing or capital financing activities, and is the risk that the Council is unable to repay or replace its maturing funding arrangements on appropriate terms

- Procedures (or systems) risk - ie. that a treasury process, human or otherwise, will fail and planned actions are not carried out through fraud, error or corruption

The total borrowings of the Council are £563m. The Council has investments lodged with 58 institutions that amount to £474m. The cost of the Council's borrowings and the income derived from the Council's investments are included within the Council's treasury management budget of £23m per annum. The Council's treasury management activities account for a significant proportion of the Council's overall budget. As a consequence the Council's Treasury Management Policy aims to manage risk whilst optimizing costs and returns. The Council monitors and measures its treasury management position against the indicators described in this report. Treasury management monitoring reports are brought to the Governance and Audit and Standards Committee for scrutiny.

5. Reasons for Recommendations

To highlight any variance from the approved Treasury Management Policy and to note any subsequent actions.

To provide assurance that the Council's treasury management activities are effectively managed.

6. Equality impact assessment (EIA)

The contents of this report do not have any relevant equalities impact and therefore an equalities impact assessment is not required.

7. Legal Implications

The Section 151 Officer is required by the Local Government Act 1972 and by the Accounts and Audit Regulations 2011 to ensure that the Council's budgeting, financial management, and accounting practices meet the relevant statutory and professional requirements. Members must have regard to and be aware of the wider duties placed on the Council by various statutes governing the conduct of its financial affairs.

8. Director of Finance and Information Services (Section 151 Officer) comments

All financial considerations are contained within the body of the report and the attached appendices.

.....
Signed by Director of Finance and Information Services (Section 151 Officer)

Appendices:

Appendix A: Treasury Management Monitoring Report

Appendix B: PWLB Certainty Rates April 2008 to December 2016

Appendix C: Debt Maturity Profile

Appendix D: Libor rates 2016/17

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<u>Title of document</u>	Location
1 Treasury Management Records	Financial Services

TREASURY MANAGEMENT POSITION FOR THE THIRD QUARTER OF 2016/17

1. GOVERNANCE

The Treasury Management Policy Statement, Annual Minimum Revenue Provision for Debt Repayment Statement and Annual Investment Strategy approved by the City Council on 22 March 2016 and amended by the City Council on 11 October 2016 provide the framework within which treasury management activities are undertaken.

2. COMBINED BORROWING AND INVESTMENT POSITION (NET DEBT)

On 31 December 2016 the Council had gross debt including finance leases and private finance initiative (PFI) schemes of £563m and gross investments of £474m giving rise to a net debt of £89m. The current high level of investments has arisen from the Council's earmarked reserves and borrowing in advance of need to take advantage of low borrowing rates thus securing cheap funding for the Council's capital programme. The current high level of investments does increase the Council's exposure to credit risk, ie. the risk that an approved borrower defaults on the Council's investment. In the interim period when investments are high in advance of capital expenditure being incurred, there is also a short term risk that the rates (and therefore the cost) at which money has been borrowed will be greater than the rates at which those loans can be invested. The difference between current borrowing and investment rates is 1.25%. This should provide longer term savings through reduced borrowing costs.

3. BORROWING ACTIVITY

The Council employs Capita Asset Services to provide interest rate forecasts. The forecast overall longer run trend is for gilts and Public Works Loans Board (PWL) rates to rise, albeit gently, with 25 year rates expected to rise from their current 3.0 % to 3.4% by March 2020.

Borrowing rates were particularly low in the summer of 2016 (see Appendix B) and the Council borrowed £94.0m from the Public Works Loans Board (PWL) repayable in equal instalments of principal over 25 years at an average rate of 2.37%.

The Council also rescheduled a £10.5m loan in September 2016. The effect of the rescheduling was to replace a 15 year equal instalment of principal loan with a 50 year maturity loan and to reduce the interest rate from 4.52% to 2.09% in return for the payment of a premium of £3.2m. This has generated an annual saving of £47,000 per annum after taking account of the cost of financing the premium and in overall terms resulted in a total saving (in net present value* terms) of £1.1m.

* Net present value is a method of making a like for like comparison of different cash flows over time

The Council's gross debt at 31 December 2016 of £563m is within the Council's authorised limit (the maximum amount of borrowing permitted by the Council) of £618m and the Council's operational boundary (the maximum amount of borrowing that is expected) of £600m. The Council aims to have a reasonably even maturity profile so that the Council does not have to replace a large amount of borrowing in any particular year when interest rates might be high. The maturity profile of the Council's borrowing (Appendix C) is within the limits contained in the Council's Treasury Management Policy (see recommendation b).

4. INVESTMENT ACTIVITY

Investment rates followed a falling trend in the first four months of 2016/17 with a sharp fall of around 0.25% in line with the reduction in the base rate in August. Base rate is not forecast to rise from 0.25% until June 2019 and then to only rise slowly. Since August investment rates have been broadly stable (see Appendix D).

The Council's investment portfolio has increased by £102.4m from £371.8m at 1 April to £474.2m. The average return on the Council's investments for the first nine months of 2016/17 was 1.12%. This compares with 1.09% for the first four months of 2016/17. The Council's investment returns are benchmarked by Capita Asset Services and at the end of September 2016 the average return on the Council's investments of 1.06% exceeded the risk adjusted benchmark return of 0.89% by 0.17%. The Council's budgeted investment return for 2016/17 is £3.2m and performance for the year to date is £1.6m above budget. This was due to obtaining better interest rates and having more cash to invest than had been anticipated largely due to borrowing £94.0m in 2016/17 to take advantage of low PWLB rates. The additional investment returns are partly offset by additional borrowing costs of £1.3m. The duration of the Council's investments was within the limits set in the Council's Treasury Management Policy (see table in recommendation c).

The Council's approved Investment Strategy sets an investment limit of £20m for Housing Associations. On 16 December the formerly independent Derwent Housing Association became a subsidiary of Places for People Group. At this time the Council had £20.0m invested with both Derwent Housing Association and Places for People. The acquisition to form a single entity has resulted in the investment counter party limit of £20.0m for Places for People Group being exceeded by £20.0m. £5.5m of investments in Places for People matured on 27 December 2016 so that on 31 December 2016 the investment counterparty limit for Places for People Group was exceeded by £14.5m. Other investments in Places for People Group will mature in June and July 2017 so that on 29 July 2017 the counterparty limit for Places for People Group will be exceeded by £4.5m. The Council's investments with Places for People Group will fall below the investment counterparty limit on 2 June 2018 following a £5m maturity. The investments in Places for People are based on a contractual agreement that does not provide for early repayment. No further investments will be placed with Places for People Group until the Council's investments with Places for People Group are below their investment counter party limit.

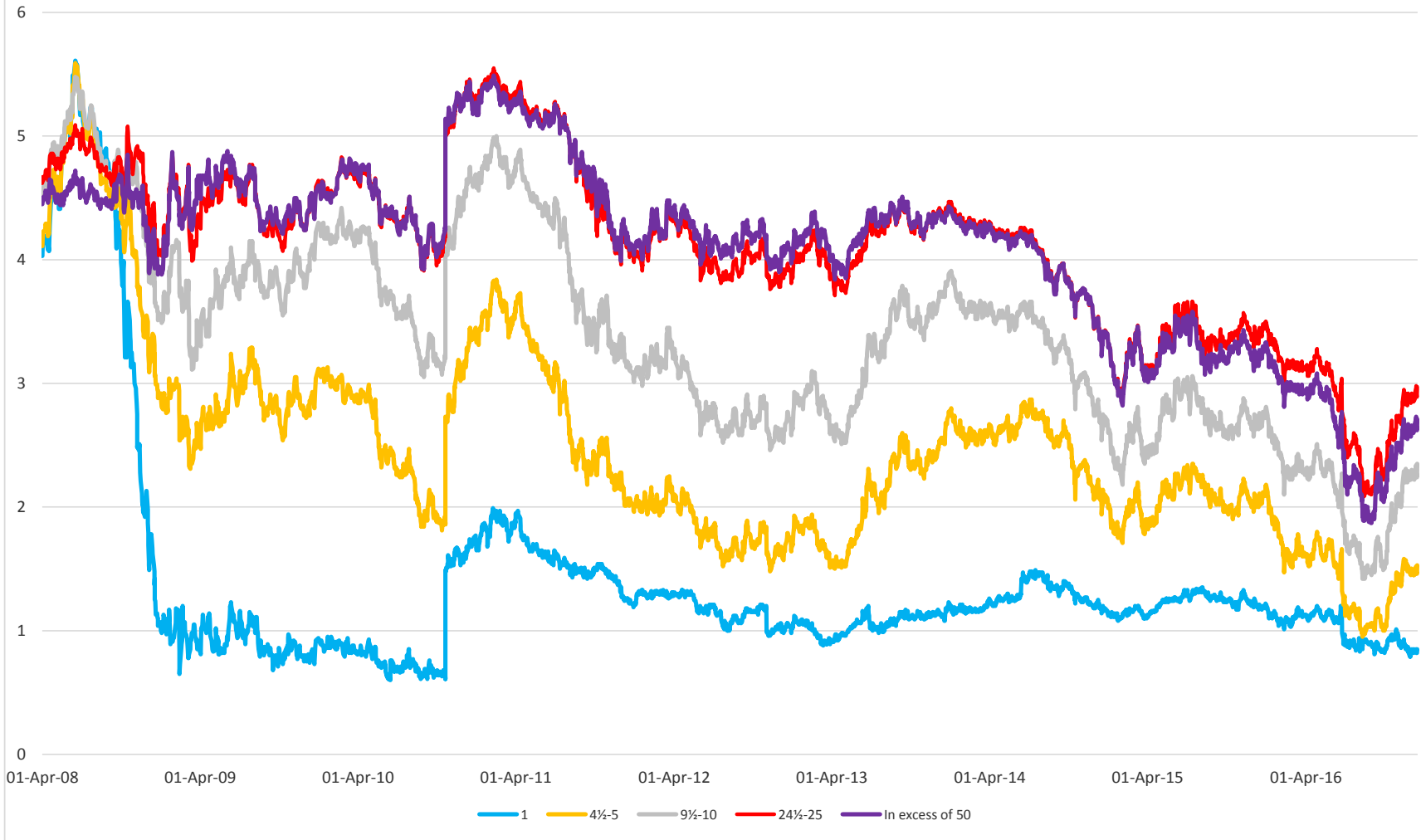
Between 7 October and 15 November £5m was invested in an enhanced money market fund managed by Royal London Asset Management with a single AAA credit rating. Industry practice is for enhanced money market funds to have a single credit rating. The Council's Treasury Management Policy requires two credit ratings of at least AA and is therefore at variance with industry practice. It is intended to update the Treasury Management Policy in March to reflect the necessary changes to bring the Council's policy into line with industry practice.

5. INTEREST RATE EXPOSURES

Fixed interest rates avoid the risk of budget variances caused by interest rate movements, but prevent the Council from benefiting from falling interest rates on its borrowing or rising interest rates on its investments. The Council's net fixed interest rate borrowing at 31 December was £286m which was within the limit set in the Treasury Management Policy of £358m. Variable interest rates expose the Council to the benefits and dis-benefits of interest rate movements and can give rise to budget variances. The Council's net variable interest rate investments at 31 December was £278m which was within the limit set in the Treasury Management Policy of £444m.

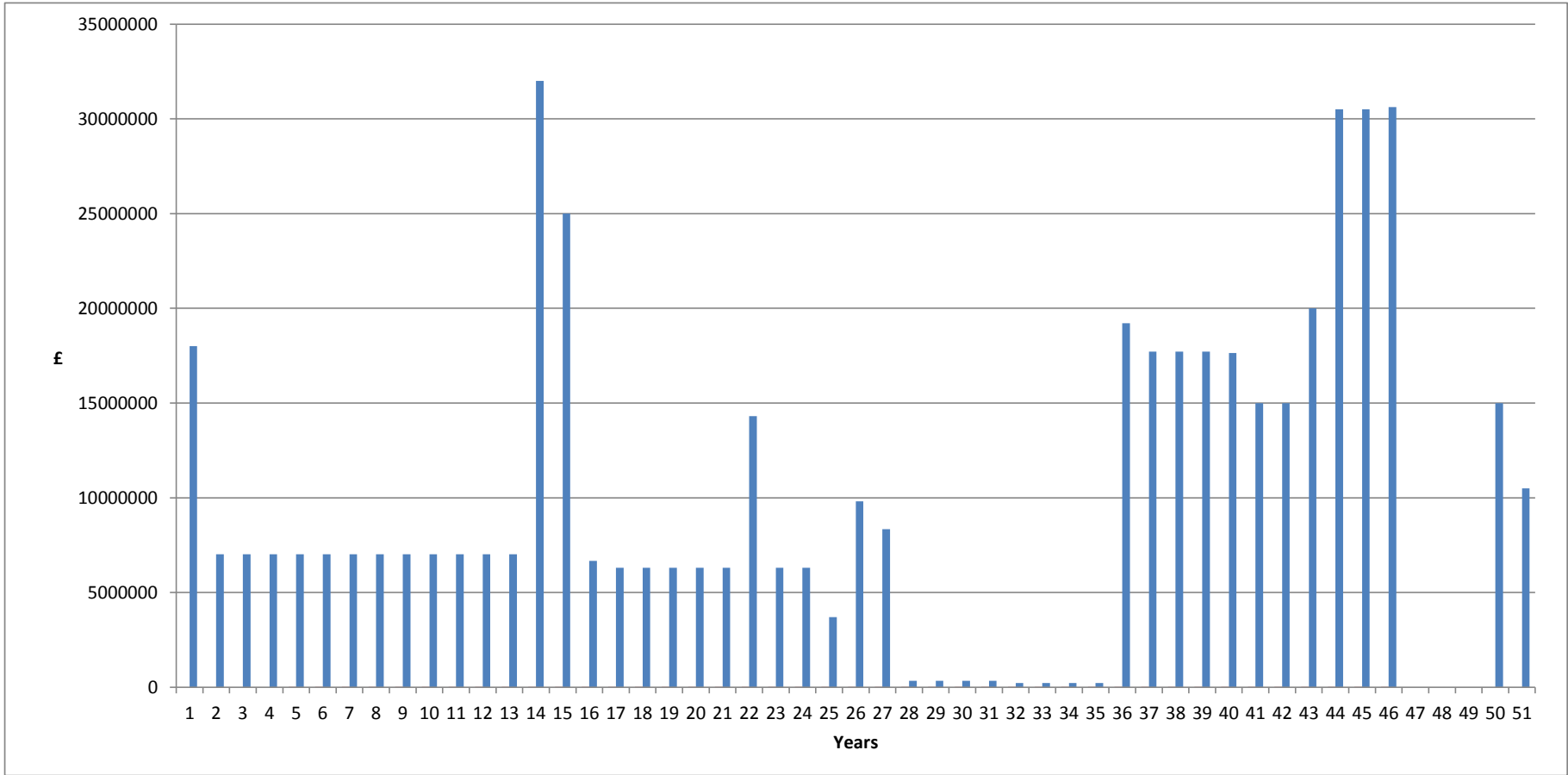
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PWLB Certainty Rates 1-Apr-2008 to 15-Dec-2016



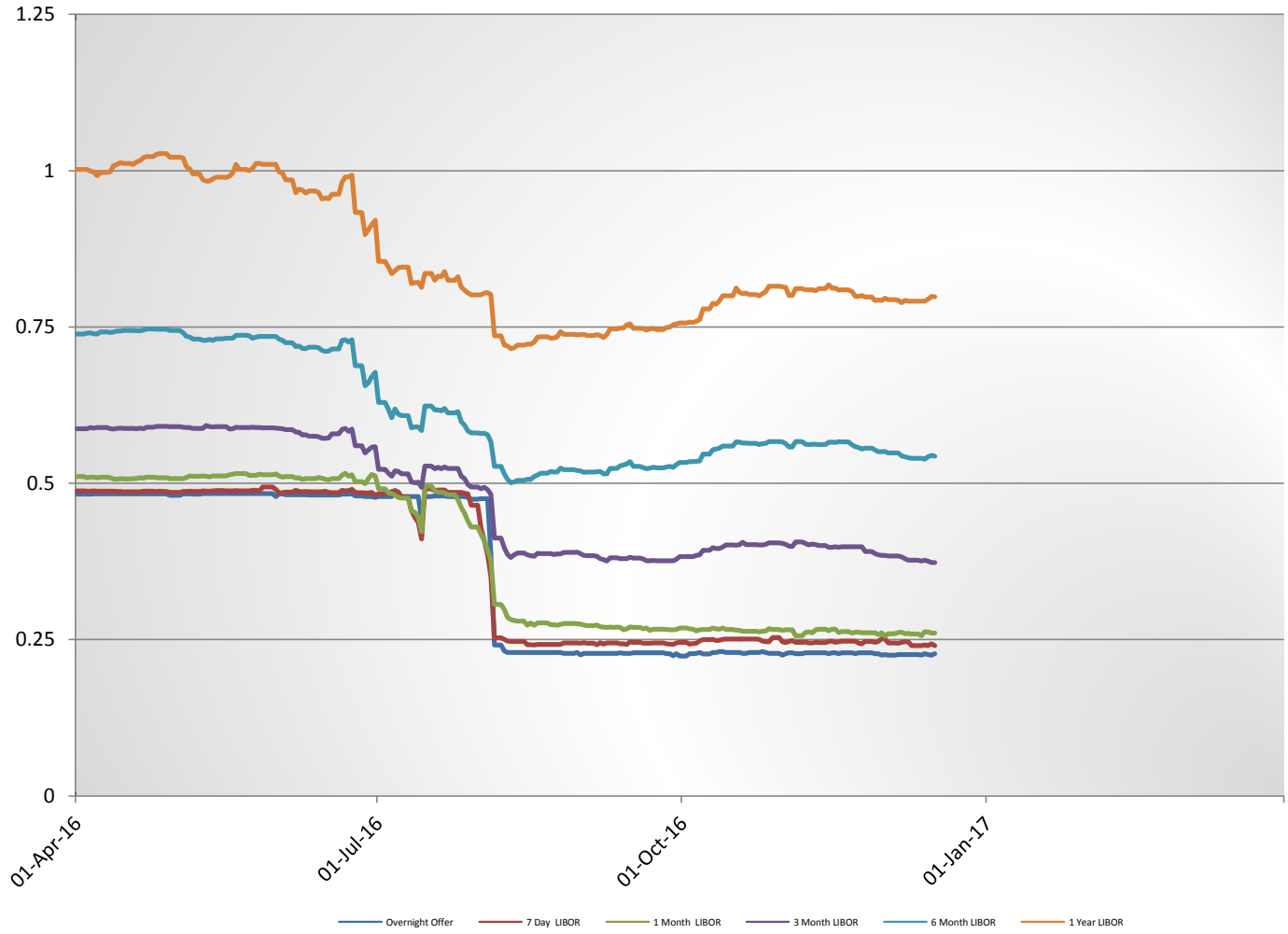
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DEBT MATURITY PROFILE



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Libor rates 2016-17



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THIS ITEM IS FOR INFORMATION ONLY

Title of meeting: Governance and Audit and Standards Committee

Subject: Local Government Ombudsman Complaints 2015/2016.

Date of meeting: 3 February 2017

Report by: Director of Community and Communications

Wards affected: All

1. Requested by

Director of Community and Communications

2. Purpose

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.

3. LGO complaint review information

3.1. The local government ombudsman's annual review provides a national summary of the complaints they have dealt with. This years Annual Review shows an increase in the number of detailed investigations upheld. 51% of detailed investigations were upheld in 2015/16, compared to 46% in the previous year

3.2. The LGO received 19,702 complaints and enquiries about local authorities for the year ending 31 March 2016, which is a similar level to the previous year.

3.3. This year's review saw a 13% increase in complaints and enquiries about education and children's services.

3.4. The Local Government Ombudsman also saw the biggest increase in percentage terms (13%) in complaints and enquiries about education and children's services.

THIS ITEM IS FOR INFORMATION ONLY
3.5 Complaints about Portsmouth City Council

Directorate	Number of complaints received 2015/16	Number of complaints received 2014/15
Adult Social care	13	10
Benefits and Council Tax	8	3
Corporate and Other Service	3	4
Education and Children's Services	15	11
Environmental Services and Public Protection	5	3
Highways and Transport	5	9
Housing	2	4
Planning and Development	1	1
Total	47	45

Decisions made

	2015/16	2014/15
Upheld	2	9
Not Upheld	3	6
Advice given	1	1
Closed after initial enquiries	12	7
Incomplete/Invalid	4	3
Referred back for local resolution	25	23
Total	47	49*

* 4 outcomes related to complaints received in the period 2013/14

3.6 The Local Government Ombudsman received 47 complaints and enquiries about Portsmouth City Council during 2015/2016, compared with 49 in 2014/2015. During the same period 47 decisions were made regarding Portsmouth City Council. Please see the breakdown of these cases shown above.

3.7 The 2 upheld cases were remedied as a result of an investigation by the ombudsman. These are termed as 'local settlements' and are where, during the course of an investigation, the council takes or agrees to take some action which the Local Government Ombudsman considered to be a satisfactory conclusion to the complaint.

3.8 Portsmouth City Council has a 100% compliance rate.

THIS ITEM IS FOR INFORMATION ONLY

4. Comparison to other local authorities

Number of complaints received

Directorate	Brighton and Hove	Bristol City Council	Portsmouth	Southampton	Isle of Wight
Adult Social care	27	14	13	10	19
Benefits and Council Tax	13	33	8	10	7
Corporate and Other Service	5	15	2	7	2
Education and Children's Services	28	23	15	18	9
Environmental Services and Public Protection	4	24	5	12	3
Highways and Transport	12	18	5	5	9
Housing	13	28	2	5	7
Planning and Development	21	28	1	3	4
Total	123	183	47	67	60

Decisions made

Upheld	21	29	2	7	14
Not Upheld	33	16	3	5	5
Advice given	0	15	1	2	0
Closed after initial enquiries	37	45	12	14	11
Incomplete/Invalid	8	5	4	3	0
Referred back for local resolution	38	66	25	34	25
Total no. complaint	137	176	47	65	55
Complaints remedied by LGO	12	12	2	6	11
Complaints remedied by authority	5	3	0	1	1
Compliance rate	100%	100%	100%	100%	100%

THIS ITEM IS FOR INFORMATION ONLY

5. Agreed actions in response to upheld complaints

Complaints below have been anonymised.

5.1 Children's Social Care

5.1.1 The complainant complained that the Council:

- failed to provide care payments as a Family and Friends carer for his two nephews after the Council asked him to care for them;
- failed to provide appropriate support for him whilst he was their carer;
- made false allegations against him and reported them to his employer;
- failed to inform him about care proceedings despite accepting he had parental responsibility.

5.1.2 Outcome: The Council failed to accept its duty to care for two young brothers or to recognise their uncle as being a Friends and Family Foster Carer. This meant their uncle did not receive payments or support while they were in his care and the boys suffered distress and upheaval through having to move several times to different carers.

5.2 Children's Services and Education

5.2.1 The complainant complained that the Council has failed to make the provision specified in his daughter Statement of Special Educational Needs (SEN).

5.2.2 Outcome: The Council failed to make all the speech and language therapy provision the complainant's daughter's Statement of Special Educational Needs. It has agreed to complete the transfer to an Education Health and Care Plan by 15 February 2016 and pay the complainant £250 for his loss of opportunity to appeal to the SEND Tribunal.

6. Summary

The percentage of complaints upheld in 2015/16 was 40%. This was lower than the national average and showed a reduction from 2014/15 (60%). The review also advises that the Council has seen a decrease in the number of complaints that required investigation or complaints being upheld by the Ombudsman. Overall, our statistics compare favourably with those from our neighbouring authorities.

THIS ITEM IS FOR INFORMATION ONLY

.....
Signed by (Director)

Appendices: Nil

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Review of Local Government Complaints 2015/16	http://www.lgo.org.uk/information-centre/news/2016/jul/ombudsman-upholding-more-complaints-about-local-government

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THIS ITEM IS FOR INFORMATION ONLY

(Please note that "information only" reports do not require Equality Impact Assessments, Legal or Finance Comments as no decision is being taken)

Title of meeting: Governance and Audit and Standards Committee

Subject: Corporate Complaints received Quarter 1 2016/17

Date of meeting: 3 February 2017

Report by: Director of Community and Communications

Wards affected: All

1. Requested by

Director of Community and Communications

2. Purpose

To provide the Governance & Audit & Standards Committee with information regarding complaints received by Portsmouth City Council during quarter 1 2016/17.

3. Background

Portsmouth City Council has adopted a three stage corporate complaints policy which allows residents and customers to raise concerns or complaints. Customers may also pass on their comments or compliments through the Corporate Complaints Service.

Should a complainant remain dissatisfied following a response at any stage, they are advised to contact the Council within 20 working days to notify us of their dissatisfaction, and explain why they remain unhappy. A stage one complaint is reviewed and responded to by a manager within the service to which the complaint refers, stage two by a Director, and stage three by the Chief Executive. If the complainant remains unhappy after they have exhausted all three stages of the complaints process, they can contact the Local Government Ombudsman or Housing Ombudsman for independent review.

Stage one of the complaints process allows 10 working days for an investigation to be carried out and for a response to be provided. Stage two allows 15 working days and Stage three, 20 working days. The Local Government Ombudsman recommends that a complaint should take no longer than 12 weeks to complete a council's complaints procedure.

Please note that Adult Social Care and Children's Social Care complaints are recorded separately by the Social Care Complaints Service and have not been included in this report. Also, the figures shown in this report were taken before and after the most recent management restructure in which directorates have changed and taken on more services.

THIS ITEM IS FOR INFORMATION ONLY

(Please note that "information only" reports do not require Equality Impact Assessments, Legal or Finance Comments as no decision is being taken)

4. Compliance

Of the complaints received in quarter one, 119 of the 121 stage one complaints were responded to within the corporate response times; 7 of the 9 stage two complaints and all stage three complaints were responded to within the response times. Please see table one below which shows a comparison in the figures between quarter one of 2015/16 and quarter one of 2016/17.

		Stage 1	Stage 2	Stage 3
2015/16	Number of complaints received	89	11	5
	Complaints responded to outside of timescales	33	5	4
2016/17	Number of complaints received	116	9	3
	Complaints responded to outside of timescales	2	2	0

Table one

5. Breakdown by Directorate

Please see below a breakdown of complaints received by service.

Directorate	Complaints received 2016/17	Complaints received 2015/16
Children Services and Education	4	1
City Development and Culture	17	4
Community and Communication	19	15
Finance and Information Services	4	0
Property and Housing Service	53	50
HR, Legal and Audit	6	5
Regulatory, Community Safety and Troubled Families	1	3
Transport, Environment and Business Services	15	8

Table two

6. Complaints by category

Each complaint is recorded by category. Please find a breakdown of these categories below. This is a recording of complaints received in quarter one 2016/17.

Category	Number of complaints
Complaint about Process/Procedure	89
Complaints about Policy	10
Complaint about a staff member	10
Housing - Maintenance/repair	5
Housing - Service complaint	1
Housing - Sheltered housing	1

THIS ITEM IS FOR INFORMATION ONLY

(Please note that "information only" reports do not require Equality Impact Assessments, Legal or Finance Comments as no decision is being taken)

7. Trends

The subjects of the complaints received in quarter in 1 of 2015/16 are varied and no clear trend in any one particular subject area has been identified. There is, however, a noticeable decline in the number of complaints escalated to stage two and three, when compared to quarter 1 of 2014/15.

.....

Signed by (Director)

Appendices: Nil

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

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Title of meeting:	Governance & Audit & Standards Committee
Date of meeting:	3 rd February 2017
Subject:	Audit Performance Status Report to 3rd January 2017
Report by:	Chief Internal Auditor
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Summary

- 1.1 Four new "No Assurance" audits and 1 Critical Risk exception from the 2016/17 Audit Plan are highlighted in this report.
- 1.2 There are now 130 planned audits for 2016/17 made up of 103 new reviews and 27 follow up audits. Of these, 102 (78%) have been completed or are in progress as at 3rd January 2017. This represents 49 audits (38%) where the report has been finalised, 6 audits (5%) where the report is in draft and 47 audits (35%) currently in progress.
- 1.3 In addition to the planned audits there are 11 areas of on-going work and 4 continuous audits which contribute to risk assurance.
- 1.4 Areas of Assurance are shown in Appendix A. Results of completed follow up audits can be found within Appendix B.

2. Purpose of report

- 2.1 This 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.

3. Recommendations

- 3.1 That Members note the Audit Performance for 2016/17 to 3rd January 2017.
- 3.2 That Members note the highlighted areas of control weakness for the 2016/17 Audit Plan.

- 3.3 That Members approve the proposed Audit and Counter Fraud Strategy for the use of Audit resources for 2017/18

4. Background

- 4.1 The Annual Audit Plan for 2016/17 has been drawn up in accordance with the agreed Audit Strategy approved by this Committee on 29th January 2016 following consultation with the Chief Executive, Deputy Chief Executive, Directors and the previous Chair of this Committee.

5. Audit Plan Status 2016/17 to 3rd January 2017

Percentage of the approved plan completed

- 5.1 78% of the annual audit plan has been completed or is in progress as at 3rd January 2017. Appendix A shows the completed audits since the last meeting. Appendix B shows the completed follow up audits since the last meeting.

The overall percentage figure is made up as follows:

- 42 new reviews (32%) where the report has been issued, 3 in draft form (2.5%) and 40 (31%) where work is in progress
- 7 planned follow ups (5%) where the report has been issued, 3 in draft form (2.5%) and 7 (5%) where work is in progress

- 5.2 As requested by Members of the Committee a breakdown of the assurance levels on completed audits is contained in Appendix A. Where specific parts of the control framework have not been tested on an area (because it has been assessed as low risk for example) it is recorded as NAT (No Areas Tested) within the Appendix.

Changes to the 2016/17 Audit Plan

- 5.3 One audit has changed scope since the last meeting. Five full audits and one follow up audit have been removed.
- 5.3.1 Young Carer's - This audit has been changed to cover the Wellbeing Service. After discussion with the then Director of Public Health it was agreed that an audit of this area would provide more value as it was new service and was of a higher risk than the Young Carer's service.
- 5.3.2 The follow up audit of Pupil Premium funding was removed as this area is now being covered during full school audits. 10 school audits have been completed this year none of which raised any concerns over Pupil Premium funding.
- 5.3.3 The full audit of Emergency Planning (Corporate) has been removed as the service is now managed through a shared manager with Southampton City Council. The shared management started in December 2016 so this area will now be reviewed as part of the 2017/18 Audit Plan and in quarter 1.

- 5.3.4 The full audit of Income Dues at the Port has been removed. The Port have recently undertaken work with the ferry company to put in place new controls as a result of previous issue. To allow these controls to take effect and be fully tested an audit will be carried out as part of the 2017/18 Audit Plan.
- 5.3.5 The full audit of Strategic Project Management has been deferred until 2017/18. A review in 2015/16 was carried out which did not raise any major concerns. In addition project progress is now reported as part of the quarterly performance management reports from Directorates to this committee.
- 5.3.6 The full audit of Work Place Mental Health has been deferred to 2017/18 as this is a new area and an audit would be more meaningful once the service is more established.
- 5.3.6 The full audit of Budget Estimates for Capital Schemes has been removed as the area was covered in the Realisation of Budget Savings audit.
- 5.3.7 Changes have been made to the Audit Plan as Internal Audit has seen a significant increase in external work. An additional 81 days have been secured throughout the year bring a new total of 323 days for 16/17 compared to 120 during 15/16. In addition to this one of the Counter Fraud Officer within team has been absent through long term sickness.
- 5.3.8 Taking into account the changes above the overall audit coverage remains within the acceptable tolerance level in order for the Chief Internal Auditor to provide an annual audit opinion.

5.4 **External Clients**

Internal Audit has now secured 323 days of audit work for external clients during 2016/17. 52% of the days for this work have now been completed.

5.5 **Reactive Work**

Reactive work completed by Internal Audit in 2016/17 includes:

- 27 corporate fraud investigations
- 28 items of advice

As well as the following unplanned reviews/work:

- Channel Shift Programme
- Copyright Audit

Exceptions

- 5.6 Of the full audits completed so far this year the number of exceptions within each category have been:
- 2 Critical Risk
 - 79 High Risk
 - 16 Medium Risk

- 7 Low Risk (Improvements)

5.7 The table below is a comparison of the audit status figures for at this time for this financial year and the previous two years.

	2014/15	2015/16	2016/17
% of the audit plan progressed	72%	81%	74%
No. of Critical exceptions	4	1	2
No. of High risk exceptions	79	53	79

Ongoing Areas

5.8

The following 11 areas are on-going areas of work carried out by Internal Audit;

- Regulation of Investigatory Powers Act (RIPA)- authorisations and training
- Anti-Money Laundering, includes processing of activity reports, review of the policy and staff training.
- Investigations
- Financial Rules waivers
- National Fraud Initiative (NFI) to facilitate national data matching carried out by the Audit Commission
- National Anti-Fraud Network (NAFN) bulletins and intelligence follow up
- Counter Fraud Programme
- Policy Hub project to ensure that all Council policies are held in one place and staff are notified of the policies relevant to them
- G&A&S Committee reporting and attendance and Governance,
- Audit Planning and Consultation
- Risk Management

Continuous Audit Areas

5.9

The following 4 areas are subject to continuous audit (i.e. regular check to controls) and feed into overall assurance;

- Legionella Management
- Asbestos Management
- Key risks management in services
- Performance Management

6. Areas of Concern & Updates

New Areas of Concern

6.1 Property & Housing - Resident Development

6.1.1 The audit of Resident Development was given a "No Assurance" rating as 6 high risk exceptions were raised. Previously known as the Resident Participation Service, the Resident Development team work with Portsmouth City Council residents to help them get back into employment.

6.1.2 The 6 high risk exceptions and agreed actions are summarised below:

Exception	Agreed Action
Inadequate record keeping in regard to Resident Development Plans, i.e. 76% tested held no evidence of the objectives, progress or measures. This makes it difficult to assess whether any actions taken achieve the desired outcome and are beneficial to the resident.	Processes are to be implemented to ensure a consistent approach to both the delivery of resident development plans and their recording.
The service does not have clear business objectives for this service provision or how the work that is undertaken aligns to services provided elsewhere. Without a clear objective or vision the service may suffer from inefficient working practices and duplication of efforts with other Council services.	The service is currently under review, this process will involve setting business objectives to be included within the 2017/18 Property & Housing business plan.
Outcomes for the team's caseload are not reported or measured. This means that management are unable to accurately establish if resources are appropriately allocated and distributed to ensure service delivery is effective.	As part of the process review noted above, outcomes will be measured in future against the defined objectives of the service. Actions taken against each case and evidence to support those actions will now be retained.
Inconsistent approach taken to recording financial information for each case. This makes it difficult to assess the effectiveness of the support provided or assurance that the financial support given was appropriate. 90% of the cases tested showed inconsistencies.	The service will adopt the grant process when administering funds to residents. This will record any financial information between the service and the residents and allowing the documentation to be signed.
Failure to adequately monitor spending against budget allocations, meaning inappropriate or fraudulent spending could go undetected. The budget allocation in this area is £50,000.	The adoption of the grant process will make budget monitoring more transparent and allow for spot checks and reconciliations to take place
No inventory is kept of equipment used by Resident Development Officers or	The whole service has been required to submit the identification numbers for

residents. This is a breach of Financial Rules and without an inventory should any items become damaged, lost or stolen the Authority may not be able to make a claim.	all PC's and equipment in their possession to create an inventory
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6.1.3 A follow up in this area will be carried out as part of the 2017/18 Audit Plan

6.2 External - St. Paul's RC Primary School

6.2.1 The audit of St. Pauls RC Primary School was given a "No Assurance" rating after 8 high risk exceptions were raised.

6.2.2 The 8 high risk exceptions and agreed actions are summarised below:

Exception	Agreed Action
Testing noted a failure to keep an electronic summary of banking documents which can be cross checked with the bank paying in stub. This puts the School and its finance officers in a vulnerable position in the event of loss or theft of money.	A summary of banking sheet will now be produced and checked to the total amount banked. Spot checks will be undertaken on a termly basis
Purchase orders were found to be have been raised retrospectively which is against PCC Financial Rules as expenditure is not being duly authorised prior to commitment.	All staff are to be reminded of the requirement to raise a purchase order before committing the expenditure
The school's Business Continuity Plan was not compliant with best practice. It was not evident who had approved the plan or whether staff were aware of its contents. In the event of an emergency the school may not have the required resources or awareness of a strategy to resolve the issue presented.	A compliant plan will be put in place and approved by the full Governing Body
The school does not have a CCTV policy in place, this is non-compliant with Information Commissioners Office (ICO) Code of Practice and other legislation and could result in a fine for the school.	The Resource Management Governors will review and ratify a CCTV policy at their November 2016 meeting
MIDAS certificates for mini bus drivers could not be evidenced in 2 cases. Using a non MIDAS driver may negate the insurance policy in the event of an accident. In addition and in some instances 52/1963 miles the odometer	A copy of all current MIDAS certificates will be retained on file. The journey log sheets will be checked on a termly basis

readings were not sequential which could be a result of private/unauthorised use of the minibus.	
The inventory of assets did not contain adequate detail in order to identify an asset in the event of an insurance claim. This increases the chance of loss or theft going undetected and may result in any insurance claims being rejected.	Controls will be put in place to ensure the school's inventory complies with PCC Financial Rules. A termly spot check of inventory items will be carried out.
DBS application documents were being held on file in breach of the DBS Code of Practice and Data Protection Act leaving the school open to potential enforcement action from the ICO.	Any disclosure information held in employee's files will be shredded and moving forward the school will only retain documentation which proves the individual's right to work in the UK.
The school's Unofficial, Building and PTA funds were not being submitted annually to the Full Governing Body in accordance with the Scheme for Financing Schools. The Governing Body should have financial oversight over the operation of the PTA Account.	The Governing Body will monitor the operation of the Unofficial, Building and PTA fund moving forward.

6.2.3 At the request of the Head Teacher a follow up audit will take place in Quarter 4 of 2016/17 to ensure that the agreed actions have been fully implemented.

6.3 External - Craneswater Junior School

6.3.1 The audit Craneswater Junior School was given a "No Assurance" rating after 9 high risk exceptions were raised

6.3.2 The 9 high risk exceptions and agreed actions are summarised below:

Exception	Agreed Action
Governors were not being offered the opportunity to declare any pecuniary interests before meetings of the Full Governing Body which contradicts the Schools Financial Value Standards (SFVS).	The clerk will ensure Governors are afforded the opportunity to declare any interests at the beginning of every meeting
Staff have not completed the staff competencies matrix as declared on their SFVS statement. The Governing Body are responsible for ensuring this statement is accurate and that the skills mix is appropriate.	Staff competencies are to be reviewed as part of the Performance Development Review process
No signed hire agreement form was in	A hire form agreement will be

<p>place for an ongoing let of the school hall. In addition there was no evidence that the hirer holds a current public liability certificate. Without an agreement there is no documented evidence of the conditions of the hire should they be needed to resolve a dispute. If the hirer doesn't have insurance any claims may become the responsibility of the school.</p>	<p>completed annually and a current insurance certificate attached to each form.</p>
<p>At the time of audit testing the cash held in the safe exceeded the insurance limit of £3000 (£5394). This could negate the School's insurance policy in the event of a theft/loss.</p>	<p>Controls will be put in place to ensure the limit is not breached. The Finance Officer will undertake spot checks to confirm the balance held within the safe is not over the £3000 limit.</p>
<p>Petty cash reconciliations were not being undertaken on a monthly basis which is a breach of PCC Financial Rules and does not enable the identification of errors or other inaccuracies which may then require correction.</p>	<p>Petty cash statements will now be reconciled on a monthly basis.</p>
<p>The School's 'Emergency Management Plan' was found to be non-compliant with best practice. It was not clear who had written the plan, when it was written, who approved it and how often it would be reviewed. In the event of an emergency the school may not have the required resources or awareness of a strategy to resolve the issue presented.</p>	<p>An appropriate plan will be put in place and signed off by the Full Governing Body on an annual basis</p>
<p>7 of 18 MIDAS certificates required to operate the minibus were found to have expired. Using a non MIDAS driver may negate the insurance policy in the event of an accident.</p>	<p>A summary of the copy of the MIDAS certificates will be retained on file as evidence that all drivers are a member of the scheme and when their renewal is due.</p>
<p>The information held on the asset inventory was found not to comply with PCC Financial Rules. Items were found within a classroom that had not been security marked or added to the inventory. In the event of assets being lost or stolen the insurance company may reject claims submitted.</p>	<p>Controls will be put in place to ensure compliance with PCC Financial Rules in relation to the administration and control of the School's assets including uniquely numbering assets, security marking for identification purposes and spot checks carried out and clearly evidenced by a person who is independent from the administration and control of the inventory.</p>
<p>A review of the governing body</p>	<p>The Governing Body will monitor the</p>

<p>minutes showed that the governors had not been presented with an audited statement of accounts for Parent Teacher Association (PTA) fund as required by Scheme for Financing Schools. The Governing Body should have financial oversight over the operation of the PTA Account.</p>	<p>operation of the PTA Funds to ensure an Audited Statement of Account is submitted within the expected deadline in the future.</p>
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6.3.3 A follow up audit has been scheduled for Quarter 1 of 2017/18

6.4 **Property & Housing - Emergency Procedures**

6.4.1 The audit of Emergency Procedures was given a "No Assurance" rating after 3 high risk exceptions were raised.

6.4.2 Details of the 3 high risk exceptions and the agreed actions can be found below:

Exception	Agreed Action
<p>Testing found that a sample of relevant staff did not have a copy or were aware of PCC's Emergency Planning document. If staff are not aware of the processes and protocols to follow in an emergency situation services may be ineffective or non-operational and staff/residents placed in danger.</p>	<p>The Emergency Planning Master document will be reviewed and disseminated to all staff</p>
<p>The Housing and Property service does not maintain centralised records of actions taken relating to emergency incidents. It is not therefore possible to evaluate whether responses to the emergency were correctly implemented against the Emergency Planning document or whether there are lessons to be learnt. i.e. staff training or revising the Emergency Planning procedures.</p>	<p>The Assistant Housing Manager has advised that the Emergency Planning document is a useful guideline, however that staff are encouraged to be flexible, and would not necessarily be expected to make reference to it in an emergency situation. The Assistant Housing Manager does not believe that it would be of use to the service to evaluate the responses of staff against such a document, and accepts the risk of not doing so.</p>
<p>No central records are kept detailing the type or frequency of emergency incidents that have occurred. Failure to log incidents does not enable patterns or trends to be identified and actioned relating to other properties or buildings, which could help prevent future incidents.</p>	<p>The Assistant Housing Manager has accepted the risk in this area for the same reasons as detailed above.</p>

6.4.3 A follow up audit in this area will form part of the 2017/18 Audit Plan

6.5 HR, Legal & Performance - Staffing Off Contract

6.5.1 A critical risk exception was raised in this audit as testing found issues with regard to the reviewing of Disclosure and Barring Service (DBS) checks of temporary workers provided by Staff 2000 (used by Adult Social Care, although not under contract as part of PCC's temporary appointment framework). Where an employee has had a DBS check carried out in previous employment within the past 12 months this should be reviewed to ensure there are no issues before they commence work for the agency. Once work is commenced the agency will carry out a new DBS check.

6.5.2 Full details of the exception and agreed action can be found below.

Exception	Agreed Action
<p>A sample of 19 workers was tested, of which 14 (73%) had been allowed to commence work on the basis of a DBS check carried out under previous employment. However for 9 of the 14 employees, the agency couldn't evidence that a review of this previous DBS check had occurred prior to employment at PCC. For the remaining 5 employees, these DBS checks were reviewed after employment commenced, which is a breach in policy.</p> <p>Checks were then conducted on the current DBS certificates for the 19 workers. There was no record on file that a DBS check had been done for 4 workers (21%) and the certificate for 1 worker (5%) was not seen until after employment with PCC started even though they had not previously had a DBS check carried out.</p> <p>If an incident was to occur and it was found that the temporary employee had not been DBS checked a claim could be made against both the agency and the Authority which could result in a financial loss and reputational damage.</p>	<ul style="list-style-type: none"> • Residential Homes have been instructed to check DBS and record the certificate number for all agency staff entering the home for the first time. • Contract officers to follow up on the checks by carrying out a minimum of 2 follow-up visits between January and March 2017. If Staff 2000 continue to be used then further visits will be carried out from April 2017. • Reduce use of agency staff through continuing appointment of apprentices and the development of a peripatetic team to cover absence of care staff.

6.5.3 A follow up audit of this area will be conducted as part of the 2017/18 Audit Plan.

Updates to previously raised concerns

6.6 Information Governance - Security Sweeps - Unresolved

6.6.1 Two security sweeps were conducted by Internal Audit. The first took place in October at the Somerstown Hub, whilst the second took place in November and covered the Civic Offices.

6.6.2 Across the two sweeps the following was found. The results from the initial 2015/16 sweep of the Civic Offices and Chaucer House are in brackets.

- 32 (52) unsecured laptops
- 1 (0) unlocked room containing keys to PCC Housing properties at the Hub
- 3 (22) instances of sensitive data
- 1 (1) unlocked controlled stationery cupboard
- 2 (1) unlocked key cabinets

The results show an improvement from previous year in the two key areas of sensitive data and unsecured laptops.

6.6.3 Emails were sent to each Director with a breakdown of the results for their area of responsibility. A request was made that they respond to the Deputy Chief Executive detailing what action would be taken to resolve the issues highlighted during the sweeps.

6.6.4 The Deputy Chief Executive has not requested any further security sweeps to take place this financial year. The assurance rating for the audit has moved from "No Assurance" to "Limited Assurance"

6.7 Finance & Information Service -Data Archiving Modern Records & Application Archiving - Unresolved

6.7.1 An audit of Data Archiving Modern Records was conducted in 2014/15 and subsequently an audit of Application Archiving was conducted in 2015/16. Both audits highlighted risks relating to the corporate management of data in Portsmouth City Council. The agreed actions to mitigate the risks identified in both audits were to be included in a project relating to data management. A follow up audit reviewing the 4 high risk exceptions raised across the two audits was completed in 2016/17.

6.7.2 The exception from the Application Archiving audit was raised after testing found that data from 4 key applications (Oracle EBS, Northgate Revs and Bens, Northgate Housing and W2) was not being archived or deleted meaning that the Authority could be in breach of the Data Protection Act 1998.

6.7.3 Follow up testing confirmed that research has been conducted to try to resolve the issue of holding data longer than required. However, no solutions have been

identified as PCC do not have the in house skills to create a solution and require the assistance of the software manufacturer. As a result the exception remains open and the relevant teams will continue to look for solutions in this area.

- 6.7.4 The first high risk exception from the Data Archiving Modern Records audit was raised as testing found that the Corporate Retention Schedule was not dated and did not contain sufficient detail as to why data was being retained for the periods noted.
- 6.7.5 Follow up testing confirmed that a part time Archivist and Records Manager has been appointed to lead a project in relation to improving the Authority's data management. The Authority is also using a consultant to update the Corporate Retention Schedule and they are working with the Archivist and Records Manager to ensure legislative changes are reflected. The aim is for this project to be completed by the summer of 2017.
- 6.7.6 The second high risk exception from the Data Archiving Modern Records audit was raised as testing found that files were being stored on the W:/ drive corporate filing system that were past their retention dates. This could result in a breach of the Data Protection Act 1998.
- 6.7.7 This is another area that the data management project ending is 2017 is due to cover. Follow up testing found that research had been completed as to how many files are contained on the corporate W:/ drive (12m some as old as 1990). In order to reduce this figure individual departments would need to cleanse their area of the drive but this is not planned at the current time. Moving forward a file naming convention was to be rolled out to staff in the first quarter of 2017 which will aid with future monitoring of files. The issue of mass deletion of files is to be tabled at the next meeting of the Corporate Information Governance Panel for discussion.
- 6.7.8 The final exception from the Data Archiving Modern Records audit was raised as testing found that files were being kept in Modern Records past their retention dates. This could result in a breach of the Data Protection Act 1998.
- 6.7.9 Follow up testing confirmed that the process the Modern Records service follows when files reach their retention date has now changed. Permission from the data owner to dispose of the files is no longer sought. Instead data owners are asked if they wish to retain the documents and why. If no response is received the files are disposed of. This exception has been closed.
- 6.7.10 The assurance level for the audit remains at "No Assurance".
- 6.8 **MMD - Navision Access - part resolved**
- 6.8.1 The 2015/16 audit of MMD Main Accounting highlighted an issue with the Navision financial system that had been previously raised in earlier audits. Navision is unable to produce a report which details the permission settings and

levels for staff. As a result Internal Audit could not provide any assurance that staff had appropriate access permissions within the system.

- 6.8.2 This issue was revisited as part of the follow up audit of MMD Accounts Payable. Meetings with the Port's IS service confirmed that reviewing and reporting on individual accesses within Navision was a large and complicated undertaking. During these discussions it was noted that Navision keeps an audit log of changes made by users within the system.
- 6.8.3 In order to provide some assurance in this area the audit log for 6 months (01/04/2016 - 06/10/16), which contained 440,000 lines of data where each line represented a change in Navision were extracted for review. Areas reviewed included invoice and credit note creation, supplier records, user records and supplier bank details. The results of the analysis were checked with the Systems Development Manager in order to highlight any irregular or unexpected entries. Overall testing found there had not been any irregular entries for the areas tested. Therefore whilst testing cannot provide assurance that access within Navision is suitably restricted, reasonable assurance can be given that within the last 6 months there have not been any changes made to records by anyone without the authority to do so. However this is not an ongoing control and assurances cannot be provided for any period prior to or after the 6 months between 1/4/16-6/10/16.
- 6.8.4 Moving forward MMD will now review the Navision Audit log on a quarterly basis to ensure that no inappropriate access has occurred. As assurance is built up the frequency of those checks can then reduce. This area has therefore moved from "No Assurance" to "Limited Assurance".
- 6.9 **Human Resources, Legal & Performance - Assessed and Supported Year in Employment (ASYE) - part resolved**
- 6.9.1 The 2016/17 audit of ASYE resulted in one critical risk exception being raised. An in year follow up has now been completed to confirm the agreed action has been carried out.
- 6.9.2 The critical risk exception was raised with regard to the financial controls surrounding the funding provided for newly qualified Social Workers, in order for them to complete their professional training. The funding (provided externally) should be used to purchase resources for the Social Workers, as additional support such as bespoke courses or core training and to pay for the certification of 'Developing Professional Specialist Practice' from Bournemouth University once the ASYE programme has been completed. Testing was unable to identify how the funding is being monitored and found no management trail to confirm what the funding was being used to purchase. An action was agreed whereby Social Worker's progress through the supported year in employment would be documented on a tracking spreadsheet so spend could be recorded and monitored. The option of the ASYE Co-ordinator applying for a purchase card would also to be explored.

6.9.3 An action was agreed whereby Social Worker's progress through the supported year in employment would be documented on a tracking spreadsheet so spend could be recorded and monitored. The option of the ASYE Co-ordinator applying for a purchase card would also be explored.

6.9.4 Follow up testing confirmed that expenditure data is now being captured within the tracking spreadsheet. In addition monthly budget meetings have been taking place since October 2016 in order to facilitate the accurate allocation of funds and expenditure. The option of using a purchase card was explored but was not deemed a viable option due to capacity concerns. At the time of testing funding amounts were not being input into the tracking spreadsheet, this is to be resolved in early 2017. As a result of testing reasonable assurance can now be given in this area.

7. Comments on the plan to date

7.1 The 2016/17 Audit Plan is on course to be completed by 31st March 2017. The percentage completed or in progress (74%) is lower than the 2015/16 level. However this is due to the increased number of audits in the 2016/17 plan and higher levels of income generating external work being undertaken.

8. Equality impact assessment (EIA)

8.1 The contents of this report do not have any relevant equalities impact and therefore an equalities assessment is not required.

9. Legal Implications

9.1 Legal Services have considered the report and are satisfied that the recommendations are in accordance with the Council's legal requirements and the Council is fully empowered to make the decisions in this matter.

9.2 Where system weaknesses have been identified he is satisfied that the appropriate steps are being taken to have these addressed.

10. Finance Comments

10.1 There are no financial implications arising from the recommendations set out in this report.

10.2 The S151 Officer is content that the progress against the Annual Audit Plan and the agreed actions are sufficient to comply with his statutory obligations to ensure that the Authority maintains an adequate and effective system of internal audit of its accounting records and its system of internal control.

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Signed by: Elizabeth Goodwin, Chief Internal Auditor

Appendices:

- Appendix A – Completed audits from 2016/17 Audit Plan
- Appendix B - Completed Follow Up Audits
- Appendix C - Audit & Counter Fraud Strategy 2017/18

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
1 Accounts and Audit Regulations	http://www.legislation.gov.uk/uksi/2011/817/contents/made
2 Audit Strategy 2016/17	http://democracy.portsmouth.gov.uk/documents/s9962/Final%20Audit%20Performance%20Report%20to%2016th%20December%202015.pdf
3 Previous Audit Performance Status and other Audit Reports	Refer to Governance and Audit and Standard meetings –reports published online http://democracy.portsmouth.gov.uk/ieListMeetings.aspx?Committeeld=148

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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 Signed by:

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Appendix A1 -Results from 2015/16 Municipal Year (No Assurance and Critical Audit Summary)

Audit Title - NO ASSURANCE AUDITS	Critical Risks	High Risks	Original Audit Assurance	Key Risk	Summary	Follow Up Due	Follow Up Audit Assurance	Follow Up Summary
1516-052 Information Services Application Archiving Finance & IS (Director Chris Ward)		1	No Assurance	Data Protection Breach - Financial & Reputational	One high risk exception arose within the audit of application archiving. The exception highlights that of the 4 databases sampled, no archiving or deletion of data is occurring which could potentially lead to a breach of the Data Protection Act 1998	2016/17 Audit Plan Quarter 3	No Assurance	Included within the main body of the report
1516-034 - Information Governance/ Data Protection/ Data security Corporate		2	No Assurance	Data Protection Breach - Financial & Reputational	Testing conducted during two security sweeps of the Civic Offices showed that staff were not complying with the clear desk policy and were failing to adequately secure PCC assets	Annual audit date unspecified	Limited Assurance	Included within the main body of the report
1516-029 - Portsmouth Craft & Manufacturing Industry Transport Environment & Business Support (Director Alan Cufley)		5	No Assurance	Injury to staff due to lack of training - Financial & Reputational	Five high risk exceptions arose within this audit which has resulted in no assurance overall. The exceptions relate to mandatory training, cash handling, copyright regulations, transparency of pricing and stock control.	2016/17 Audit Plan Quarter 2 September - In Draft		Follow up testing has been completed and the report is in draft stage
1516-009 - Through Care Team Children's Social Care (Director Alison Jeffery)		5	No Assurance	Financial loss to the Authority	Five high risk exceptions and one medium risk exception have been raised as a result of audit testing. Testing identified Leaving Care Assessment of Needs were not being completed within the timescales stipulated and Pathway Plan were not in place by the time the young person was 16 years and 3 months old and the 6 monthly reviews of the Pathway Plans were delayed. Testing also showed that the systems in place to manage care leavers grants and	2016/17 Audit Plan Quarter 4		Actions have been agreed with the Director. These will be followed up in Q4
1516-098 Mainland Marketing Distributions (Shipping Ltd) - Main Accounting	0	0	No Assurance	Financial loss to the company due to lack of controls	No assurance can be given regarding the access controls to the main accounting system Navision. This was previously raised in the 2013/14 Accounts Receivable audit at MMD	2016/17 Audit Plan Quarter 3	Limited Assurance	Included within the main body of the report
1516-082 - Closed-circuit Television (CCTV) Corporate		4	No Assurance	Non compliance with legislation - Financial & Reputational	Four high risk exceptions highlighted in this report. The CCTV Policy not including all CCTV usage across the Authority and services not having their own. Breach of Data Protection Act (DPA) Principle 7 and European Convention on Human Rights (ECHR) & Human Rights Act (HRA) Article 8 by some Housing tenants having access to CCTV images. Non-compliance with significant areas of the Codes of Practice, DPA and ECHR & HRA by services that utilise CCTV especially around defining a pressing need/ privacy impact assessment. Non-compliance with the Protection of Freedoms Act (POFA) Code of Practice regarding regular oversight of CCTV usage to ensure compliance with Codes of Practice and relevant Acts.	2016/17 Audit Plan Quarter 4		Actions have been agreed with the Director and these are due to be followed up in Quarter 4

Appendix A1 -Results from 2015/16 Municipal Year (No Assurance and Critical Audit Summary)

Audit Title - NO ASSURANCE AUDITS	Critical Risks	High Risks	Original Audit Assurance	Key Risk	Summary	Follow Up Due	Follow Up Audit Assurance	Follow Up Summary
1617-016 - Single Assessment Framework - Children's Social Care (Director Alison Jeffery)		3	No Assurance	Children's needs may not be fully met	Three high risk exceptions were raised from this review. 25 assessments were tested and it was found that: 4 were not fully complete, 14 contained little or no information so it was not possible to determine what their views were on the assessment, for 12 there was no evidence that they had been reviewed at the 10 day stage or authorisation given for the 10 day completion timescale to be exceeded, and there were no signed assessments in the Children's Case Management system.	2016/17 Audit Plan Quarter 4		Actions have been agreed with the Director and these are due to be followed up in Quarter 4
1516-086 - Individual Service Contracts for Adult Social Care (Director Innes Richens)		2	No Assurance	Contracts become obsolete or ineffective - Operational & Financial	Two high risk exceptions were raised as a result of audit testing. It was found that no officer has responsibility for ensuring that Individual Service Contracts remain in line with the Authority's requirements. Ineffective use of resources was found as follows: i) information being sent out twice to care providers, ii) manual contracts being posted to care providers and the signed copies being scanned into Swift when returned, when it could be possible to send these out electronically.	2016/17 Audit Plan Quarter 4		Actions have been agreed with the Director and these are due to be followed up in Quarter 4
1617-070 - Resident Development - Housing & Property - Owen Buckwell	0	5	No Assurance	Service not meeting the needs of residents	Six high risk exceptions have been raised as a result of testing. These were in relation to policy or procedures in place detailing the purpose and function of the Resident Development Service. The outcomes of the Resident Development service were not being captured or reported. Exceptions were also raised in relation to recording information on resident development progress forms, these forms are used to record details of meetings with the residents and incomplete financial information on some of the progress forms and the Resident Development 2016/2017 spreadsheet. In addition testing was unable to for a sample of 10 payments from the 2016/2017 spreadsheet, reconcile to the Transaction Report for the Resident Development Service. At the time of testing there was no inventory in place for equipment being used by the Resident Development Officers and residents.	2017/18 Audit Plan		Actions have been agreed with the Director. These will be followed up as part of the 2017/18 Audit Plan
1516-045 - Accounts receivable Finance & IS (Director Chris Ward)		2	No Assurance	Financial loss to the Authority	Two high risk and one medium risk exceptions arose. 1 High and 1 Medium are ongoing exceptions from previous years audits dating back to the last 3 financial years. These relate to the authorisation of credit notes and debt collection targets.	2016/17 Audit Plan Quarter 3 - Work In Progress		Actions have been agreed with the Director, the follow up audit is currently in progress

Appendix A1 -Results from 2015/16 Municipal Year (No Assurance and Critical Audit Summary)

Audit Title - NO ASSURANCE AUDITS	Critical Risks	High Risks	Original Audit Assurance	Key Risk	Summary	Follow Up Due	Follow Up Audit Assurance	Follow Up Summary
1617-114 - Assessed and Supported Year in Employment - HR, Legal & Performance (Director Jon Bell)	1	6	No Assurance	Duplicate or unapproved payments are made in the administration of the scheme	A critical risk exception had been raised as part of the 2016/17 Audit with regard to the financial controls surrounding the funding provided for newly qualified Social Workers, in order for them to complete their professional training.	Quarter 3 November 2016	Reasonable Assurance	Included within the main body of the report
1617-102 St Paul's RC Primary - External	0	8	No Assurance	Weak financial management within the school	The Full Audit resulted in eight high risk exceptions relating to; retention of DBS supporting documentation, non generation of electronic banking sheet summary, retrospective raising of purchase orders, incomplete Business Continuity Plan, incomplete record of assets, no CCTV Policy, non reporting of Unofficial / PTA / Building Fund accounts to the Governing Body and a weakness in controls for mini bus usage.	2016/17 Audit Plan Quarter 4		Actions have been agreed with the Head Teacher. These will be followed up in February 2017
1617-116 Craneswater Junior - External	0	9	No Assurance	Weak financial management within the school	The Full Audit resulted in nine high risk and one medium risk exceptions relating to; Incorrect statements on the SFVS document in relation to; no opportunity to declare interests at FGB meetings, no evidence of staff competency matrices, no evidence of a current hire agreement form or liability insurance for the Karate Club, non display of the whistle blowing policy on the staff room notice board and an incomplete Business Continuity Plan - in addition , irregular reconciliation of the petty cash account, uncounted cash in the safe which exceeded the permitted insurance holdings, incomplete record of assets, non reporting of PTA accounts to the Governing Body and a weakness in controls for mini bus usage.	2017/18 Audit Plan Quarter 1		Actions have been agreed with the Head Teacher. These will be followed up in 2017/18

Appendix A1 -Results from 2015/16 Municipal Year (No Assurance and Critical Audit Summary)

Audit Title - NO ASSURANCE AUDITS	Critical Risks	High Risks	Original Audit Assurance	Key Risk	Summary	Follow Up Due	Follow Up Audit Assurance	Follow Up Summary
1617-083 Spend on Staffing Off Contract - HR, Legal & Performance - Jon Bell	1	0	No Assurance	Failure to adequately vet staff DBS checks before commencing employment	A critical risk exception has been raised as part of the audit with regard to the checking of DBS certificates before temporary workers commence employment at PCC	2017/18 Audit Plan		Actions have been agreed for one of the high risk exceptions the other two have been accepted by the Director.
1617-072 Emergency Procedures - Housing & Property - Owen Buckwell	0	3	No Assurance	Lack of record keeping regarding emergency incidents. Staff unaware of Emergency plan	Three high-risk exceptions have been raised in relation to the Property & Housing Service's emergency procedures, resulting in a no assurance rating. One high-risk exception was raised as four out of five (80%) of respondents from staffed PCC buildings did not have knowledge of the Emergency and Major Incident Planning Document, and had not disseminated it to staff. Another high-risk exception has been raised as the service does not maintain a central record of emergency incidents, or actions taken in response to them. A final high-risk exception was raised as, due to lack of records, it was not possible to ascertain staff adherence to the guidance within the emergency planning document. It was therefore not possible to comment on the effectiveness of either the guidance, or of the staff response.	2017/18 Audit Plan		Actions have been agreed for one of the high risk exceptions the other two have been accepted by the Director.

APPENDIX A2 - Audits Completed Since The Last Meeting

Audit Title	Critical Risk	High Risk	Medium Risk	Low Risk - Improvement	Total Exceptions	Internal Control Environment	Compliance	Safeguarding of Assets	Effectiveness of Operations	Reliability & Integrity	Audit Assurance	Summary
1617-083 Spend on Staffing Off Contract - HR, Legal & Performance - Jon Bell	1	2			3	NAT	NAT	NAT	3	NAT	No Assurance	The details for this audit are contained within the main body of the audit report.
1617-072 - Emergency Procedures - Housing & Property - Owen Buckwell		3			3	1	1	NAT	1	NAT	No Assurance	The details for this audit are contained within the main body of the audit report.
1617-070 - Resident Development - Housing & Property - Owen Buckwell		5	1		6	1	2	1	2	NAT	No Assurance	The details for this audit are contained within the main body of the audit report.
1617-102 St Paul's RC Primary - External		8			8	0	5	1	1	1	No Assurance	The details for this audit are contained within the main body of the audit report.
1617-116 Craneswater Junior - External		9	1		10	3	5	1	0	1	No Assurance	The details for this audit are contained within the main body of the audit report.
1617-099 Goldsmith Infants & Brambles Nursery - External		4			4	0	2	1	1	0	Limited Assurance	Four high risk exceptions relating to retention of a DBS certificate, the petty cash bank account being overdrawn, recipients not signing to confirm receipt of petty cash reimbursement and the administration and control of assets were raised as a result of testing
1617-115 Attendance Monitoring - Children's Services & Education - Alison Jeffrey		2			2	NAT	0	NAT	2	0	Limited Assurance	Two high risk exceptions were raised as a result of this audit. One was in relation to the retention of copies of DBS certificates and one was in relation to the allowance of late payments for penalty notices.

APPENDIX A2 - Audits Completed Since The Last Meeting

Audit Title	Critical Risk	High Risk	Medium Risk	Low Risk - Improvement	Total Exceptions	Internal Control Environment	Compliance	Safeguarding of Assets	Effectiveness of Operations	Reliability & Integrity	Audit Assurance	Summary
1617-031 Information Governance/ Data Protection/ Data security - Community & Communication - Louise Wilders		1			1	0	1	NAT	0	NAT	Limited Assurance	The details for this audit is contained within the main body of the audit report.
1617-078 Municiple Waste Management - Housing & Property - Owen Buckwell		2			2	1	1	0	0	NAT	Limited Assurance	Two exceptions were raised as a result of this audit. One related to up-to-date documentation for 2016 such as BIFFA's insurances, vehicle maintenance documents, waste carrier and operating licences had not been seen by the Waste Service when they were requested by Audit in September 2016. The other exception was raised due to the fact the vehicle lease agreement between BIFFA and PCC had expired. Although there is a full contract is place which sets out the general requirements that BIFFA have to comply with, the lease agreement sets out the vehicle terms and conditions in more detail.
1617-086 Pilotage - Port - Mark Willcox		1			1	NAT	1	0	0	NAT	Reasonable Assurance	One high-risk exception was raised as KPIs for the port's pilotage contract with ABP had not been completed since February 2016, contrary to the Contract Management Rules.
1617-109 Solent Junior - External			2		2	0	2	0	0	0	Reasonable Assurance	Two medium risk exceptions in relation to the currency of the liability insurance document held on the School Site for the Gymnastic Club and a weakness in the control and administration of the mini bus have been raised as a result of testing
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APPENDIX A2 - Audits Completed Since The Last Meeting

Audit Title	Critical Risk	High Risk	Medium Risk	Low Risk - Improvement	Total Exceptions	Internal Control Environment	Compliance	Safeguarding of Assets	Effectiveness of Operations	Reliability & Integrity	Audit Assurance	Summary
1617-039 Transport Assessment - Children's Services & Education - Alison Jeffrey			2		2	0	0	1	1	NAT	Reasonable Assurance	Two medium risk exceptions were raised as a result of this audit. These related to payments being received after transport provision had started, and no checks being carried out of the eligibility for transport provision assessments done by the Access and Entitlement Officer.
1617-047 Budget Monitoring - Finance & Information Service - Chris Ward			1	2	3	0	1	NAT	2	NAT	Reasonable Assurance	One medium risk has been raised in relation to Financial Services approach to forecasting and the use of the new forecasting toolkits whilst two low risk improvement exceptions have been raised in relation to general ledger coding statuses and posting errors.
1617-090 Community Learning - Transport, Environment & Business Support - Alan Cufley		1		1	2	0	1	1	0	NAT	Reasonable Assurance	One high risk exception has been raised as a result of audit testing. A sample of 10 items was chosen from the inventory at the Learning Place and checked to ensure that they could be located on site, no issues were found. In addition; a sample of 5 electrical items were selected for testing directly from the equipment cupboard located in the office at the Learning Place. Testing was unable to evidence compliance with Financial Rules, specifically, date of purchase and purchase price were not being recorded, some items were not identifiable by unique reference number and where items were labelled with stickers these could be easily replicated.
1617-092 Accounts Receivable - MMD - Mark Willcox			2		2	0	2	NAT	0	NAT	Reasonable Assurance	Two medium risk exceptions were raised in relation to the authorisation of credit notes and the timeliness of invoicing
1617-046 - Treasury Management - Finance & Information Service - Chris Ward				2	2	NAT	0	1	1	NAT	Assurance	Two low-risk exceptions were raised as a result of this audit. One was in relation to confidential documents stored insecurely out of office hours and one was in relation to management oversight of rollover loans.
1617-021 Community Infrastructure Levy - City Development & Culture - Stephen Baily					0	0	0	NAT	0	NAT	Assurance	No exceptions raised

APPENDIX A2 - Audits Completed Since The Last Meeting

Audit Title	Critical Risk	High Risk	Medium Risk	Low Risk - Improvement	Total Exceptions	Internal Control Environment	Compliance	Safeguarding of Assets	Effectiveness of Operations	Reliability & Integrity	Audit Assurance	Summary
1617-111 Realisation of Budget Savings - Corporate					0	0	NAT	NAT	0	NAT	Assurance	No exceptions raised

APPENDIX B

2015/16 Followed Up Audits since the last meeting -Critical Risk Exceptions	Critical Risk Open		Critical Risk Closed		Total Critical Risk	Comments
	Audit Title					
F1516-097 - Accounts Payable & Navision - MMD Mark Willcox	1	100%	0	0%	1	MMD are still unable to produce a report from Navision which shows what permissions different users have. It can however produce an Audit Log of changes made to records for a defined period of time. An initial review of 6 months data found no innapropriate access in key areas. MMD will now conduct the same checks on a quarterly basis

2015/16 Followed Up Audits since the last meeting - High Risk Exceptions	High Risk Open		High Risk Closed		Total High Risk	Comments
	Audit Title					
F1516 - Application Archiving & Modern Records (Combined Follow Up) - Finance & Information Service - Chris Ward	3	75%	1	25%	4	A part time Archivist and Records Manager has been recruited to lead a project in this area which is due to be completed in the Summer of 2017
F1516-074 - Adventure Playgrounds - Property & Housing - Owen Buckwell	0	0%	3	100%	3	
F1516-097 - Accounts Payable & Navision - MMD Mark Willcox	2	100%	0	0%	2	Follow up testing found that purchase orders are still being raised after expenditure has been incurred. Steps have been taken to rectify this and are in progress. Work is continuing on securing value for money on purchases at MMD. A review of large expenditure and a contracts register are currently being produced
Total	5	56%	4	44%	9	

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INTERNAL AUDIT & COUNTER FRAUD STRATEGY 2017/18

Purpose

1. The purpose of the Audit & Counter Fraud Strategy is to set out the strategic approach which allows the Chief Internal Auditor to manage the service in a way that will facilitate:
 - A sufficient review of the Authority's functions in order to form an annual opinion on the effectiveness of the control framework. This opinion forms part of the Annual Governance Statement, a statutory requirement and must incorporate a statement on Internal Audits conformance with the Public Sector Internal Audit Standards.
 - An assurance on the organisations governance and control arrangements, including risk management, through the annual audit plan in a way that gives suitable priority to the organisations objectives and risks
 - Improvement of the organisations governance, control and risk management, by highlighting exceptions to line management and agreeing mitigating actions
 - The identification of audit and counter fraud resources and that they are suitably qualified and experienced as required by either the Public Sector Internal Audit Standards in the UK or the Police & Criminal Evidence Act 1984.
 - Effective co-operation with external auditors
 - Value for money including selling of specialist and non-specialist skills to fee paying customers and joint working/shared arrangements
 - Proactive counter fraud activities including continuous fraud testing, publicity, lead on monitoring for compliance with counter fraud policies, advice and training of staff.
 - Reactive work such as general advice, consultancy services and investigations that add value to the organisation in meeting its objectives and aims to improve governance and risk management
 - Horizon scanning to ensure the inclusion in the audit risk analysis of key areas likely to impact on the organisation, including emerging areas of fraud and theft.
2. The Chief Internal Auditor is required to produce an Annual Plan for each financial year that translates into a schedule of audit assignments. It defines the area and duration of each audit based on each audit's programme, risk assessment, national or local impacts, any problems encountered and level and skill of staff involved.
3. In addition to the audit plan a counter fraud programme of activities is drafted and agreed following discussions with both the Section 151 Officer and the Monitoring Officer. This programme covers both proactive and reactive elements as previously identified under section 1 above. With progress reported on an annual basis to the Governance & Audit & Standards Committee.
4. All of these activities assist Services and the Organisation to manage

INTERNAL AUDIT & COUNTER FRAUD STRATEGY 2017/18

governance, risk and assurance as a contribution to achieving the objective of creating a great waterfront city.

Scope and Responsibilities

5. The scope and responsibilities relating to Internal Audit are specified in Financial Rules as well as in the Audit Charter and Code of Ethics. All officers within the Audit and Counter Fraud Section are responsible for ensuring compliance with this charter and code.

Audit Opinion

6. The overall Annual Audit Opinion will be delivered in the Annual Report and will be based on the adequacy and effectiveness of controls tested within the control framework.
 - Internal control environment;
 - Reliability and integrity of financial and operational information;
 - Effectiveness and efficiency of operations and programmes;
 - Safeguarding of assets; and
 - Compliance with laws, regulations and rules, policies, procedures and contracts.
7. Evidence for this opinion will be based on the coverage of the Audit Plan and the overall level of critical and high exceptions found on each of the Audits.
8. Critical exceptions are those exceptions seen as “show stoppers” i.e. control failures or weaknesses that could lead to prosecution or the imminent collapse of a system or service that would result in reputational and financial damage These will be reported to Members along with the managers proposed actions or actions that have been taken.
9. High risk exceptions are where action needs to be taken to address significant control weaknesses but over a reasonable timeframe rather than immediately. These issues are not “show stopping” but are still important to ensure that controls can be relied upon for the effective performance of the service or function. If not addressed, they can, over time, become critical. If there are several high risk exceptions in one area Internal Audit will highlight these to Members as 'no assurance' audits along with the managers response.
10. Depending on the level of critical and high risk exceptions in comparison to the number of reviews carried out the opinion could range from no assurance, limited assurance, reasonable assurance to full assurance. The levels and control framework areas of critical and high risk exceptions will also be compared to previous year's levels to give an indication of improvement, or otherwise, in the effectiveness of the control framework.

INTERNAL AUDIT & COUNTER FRAUD STRATEGY 2017/18

Service Provision

11. There is an in-house team of 11 FTE for the provision of the Internal Audit, Counter Fraud and related services (6 specifically on PCC audits only), 5 with a proportion being sold to other local authorities and external organisations or for non-statutory audit duties such as investigations and compliance with National Fraud Initiative.
12. The Public Sector Internal Audit Standards for Internal Audit in the UK requires that staff are suitably qualified and experienced. All current staff in Internal Audit either have a relevant qualification (MIIA or CCAB) or are in training to become qualified, in addition senior staff have several years internal audit experience. Staff specialise in specific areas and mentor other staff as successors; for example the Audit Manager specialising in IT Audits mentors a junior member of staff in that specialism, as part of their development.
13. Audit skills and resources are matched to the areas to be audited and any high risk audits that will not be covered are brought to the attention of the Corporate Governance Group which consists of the Chief Executive, Monitoring Officer, S151 Officer and Director of Legal HR and Performance as well as the Members of the Governance & Audit & Standards Committee, for them to make a decision on Audit resourcing.
14. In order to maximise resources between the External Auditors and Internal Audit, the Chief Internal Auditor and the External Audit Manager try to take into account where their resources can be shared. External Audit are allowed to place reliance on Internal Audit work, where they can, in order to form their opinion on the Authority's accounts. It may in some cases be more cost effective for Internal Audit to carry out some of the system work. However, this depends on Internal Audit priorities and resources available at the time. To this end the Audit Plan risk assessment takes into account (amongst other things) the External Audit interest in the Authority's financial systems.
15. The responsibility for fraud detection and investigation rests with managers. However, investigations have always been part of the audit function because of the independence of the function and the possession of the investigative and evidence gathering skills required and in order to identify weaknesses in control to prevent re-occurrences. All officers are appropriately trained in accordance with the Department of Works and Pensions (DWP) Investigation framework known as Professionalism in Security (PinS). This also includes training in the Police and Criminal Evidence Act 1984 (PACE) with experience in carrying out interviews under caution. Two audit staff are qualified in Internal Investigations, two are qualified in forensic PC investigations and one is an accredited Financial Investigator.
16. There are some non-audit duties that are carried out because they sit within the audit and counter fraud skill mix and these are RIPA (Regulation of Investigatory Powers Act), and Anti Money Laundering investigations and

INTERNAL AUDIT & COUNTER FRAUD STRATEGY 2017/18

reporting.

Consultation

17. The Chief Internal Auditor consults with the Chief Executive, Deputy Chief Executive, Directors and the Chair of Governance & Audit & Standards prior to the start of the new financial year, requesting any additional items or other comments.
18. In order to preserve the independence of Internal Audit the final risk assessment and inclusion in the Annual Plan rests with the Chief Internal Auditor.

Assignments

19. The determination of the audit universe and scope of Internal Audit is defined in the Audit Charter and Code of Ethics. The Annual Audit Plan is derived from the audit universe based on risk however the Plan must also make provision for the following areas regardless of any risk assessment;
 - **Data matching exercise** – a compulsory exercise matching records between authorities to identify any fraudulent claims. This is carried out every year with specified mandatory areas carried out bi-annually,
 - **External services** - including the provision of internal audit services for Langstone Harbour Board and other Local Authority's for either core operational audits or to provide specialist areas such as IT Audit.
 - **Internal services** - MMD and Schools where Internal Audit is purchased under an SLA or contract.
 - **Follow-up Audits** – To ensure that critical and high exceptions have been implemented as agreed,
 - **Reactive work (Advice and unplanned work)** – To allow for; changes in priorities and issues that arise during the year; extensions to reviews where further testing may be required because of control weaknesses; advice on general control issues and Financial Rule Waiver requests,
 - **Investigations** – To provide an independent investigation service on internal irregularities and service abuse by external parties that require investigative and evidence gathering skills. This may also result in a review of controls post investigation as part of the core audit function,
 - **Fundamental Financial Systems** – including Payroll, main accounting and others as agreed with the External Auditors,
 - **Audit slippage-** Audits started at the year end will often be completed in the early part of the new financial year.
 - **Counter fraud activities** – including on-going fraud checks, and completion of the counter fraud program as agreed with the s151 Officer and Monitoring Officer,
 - **Spot checks on Governance Arrangements,**
 - **Certification of some grant claims,**
 - **Emerging high risk areas** (These are generally activities that are identified as high risk from another audit review during the year but due to limited audit resources are deemed priority for the following year's audit plan).

INTERNAL AUDIT & COUNTER FRAUD STRATEGY 2017/18

20. The Financial Management Standard in Schools has undergone significant change and is no longer subject to external assessment. As well as this some schools are no longer under PCC jurisdiction. Therefore, the establishment audits of schools will no longer form part of the Audit Plan unless requested.

Priority

21. The Accounts and Audit Regulations require that Internal Audit provide independent assurance on the control framework (the Audit Opinion) for inclusion in the Annual Governance Statement (AGS) therefore, the priority for the Audit Service must be to carry out and achieve the planned work as contained in the Annual Audit Plan. This currently equates to approximately between 21 to 25% of the audit universe. This percentage will only decrease in agreement with the s151 Officer.
22. Once the items listed in paragraph 18 have been taken into account all other areas identified as being within the Audit remit will be subject to an Audit Needs Risk Assessment (ANRA).
23. The Audit Needs Risk Assessment takes into account the significant risks facing the organisation and assurance required which includes the drivers behind activities e.g. financial/ legal/ Government and the threats facing achievement of those objectives as well as tested control assessments. These are weighted by the number of years since a previous audit or whether or not it is a mandatory requirement.
24. The Section is resourced to cover only high-risk audits with an allowance for reactive and investigation work.
25. Investigation work in relation to potential service user abuse is prioritised on a case by case basis depending on the allegation or concern raised and the level of supporting intelligence. All internal investigations where concerns are raised against members of staff or contractors etc will be agreed by the Investigation Steering Panel (ISP). The members of which are Monitoring Officer, Section 151 Officer, Director of HR Legal & Performance and Chief Internal Auditor.

Horizon Scanning

26. On-going horizon scanning is carried out to identify any new areas of emerging risk that may impact upon the Authority achieving its aims and objectives. The areas of concern identified are:
- Budget savings which could impact on existing system controls and adding risk because of loss of experienced staff, removing layers of management, reducing scope for separation of duties, pressures on service delivery etc.
 - Reduction in capacity of senior managers.
 - Change control as a result of system redesign and reorganisation.
 - Public Health Duties (Health and Social Care bill) which may bring risks because of increase in workloads or differences in such things as, risk and insurance treatment as well as due diligence, commissioning risks and

INTERNAL AUDIT & COUNTER FRAUD STRATEGY 2017/18

value for money

- Reduction in inspection and performance regimes resulting in a possible loss of governance and/or increased work pressures for Internal Audit for example on assisting with assurance reports to support the accounts.
- Recessional difficulties as well as the austerity measures introduced by the Government could impact on the financial stability and contingency arrangements of third parties that contract with the Council,
- Alternative delivery models for example shared services, outsourcing and partnership arrangement where issues such as monitoring, governance, right of access, financial and contingency arrangement along with the management of these projects may be encountered
- The risks to property assets in particular landlord responsibilities and maintenance due to budget cuts,
- Cyber security and the potential impact on systems / services should a cyber-attack occur.

Flexibility

27. The Audit Plan will be reviewed quarterly and in consultation with the Section 151 Officer to take account of any significant changes in priority that has occurred during the year.

Elizabeth Goodwin
Chief Internal Auditor

References:

Audit Charter and Code of Ethics and Audit Manual;
Public Sector Internal Audit Standards in the UK;
Accounts and Audit Regulations;
Money Laundering Regulations.



Title of meeting:	Governance and Audit and Standards Committee
Date of meeting:	3 rd February 2017
Subject:	Performance Management update - Q2, 2016-17
Report by:	Director of HR, Legal and Performance
Wards affected:	n/a
Key decision:	No
Full Council decision:	No

1. Purpose

- 1.1 To report significant performance issues, arising from Q2 performance monitoring, to Governance and Audit and Standards committee and highlight areas for further action or analysis.

2. Recommendations

- 2.1 The Governance and Audit and Standards Committee are asked to:
- 1) note the report;
 - 2) note the overall improvement in quality of reports , and the commentary from the Deputy Chief Executive at section 5
 - 3) comment on the performance issues highlighted in section 3, including agreeing if any further action is required
 - 4) Agree the actions proposed in section 4.

3 Background

- 3.1 This report is part of the regular series of quarterly report highlighting significant performance issues across the organisation, and the first compiled against the areas identified in the previous baselines report, presented to committee in June 2016.
- 3.2 In compiling reports, directors were asked to consider:
- 1) Priority performance areas
 - 2) Risks
 - 3) Projects
- 3.3 Previous meeting of GAS identified that the reports being received were falling short of the expectations of members, and Directors have been reminded of the expectations. There was a request for more contextualizing information, to allow

members to make informed judgements about the information presented. It was also made clear that the expectation is that reports cover the full breadth of Directorate activity. These messages were communicated to Directors, along with templates tailored to be more specific and ensure that there is broader coverage of activity. Directors have been asked to make use of readily understood RAG (red; amber; green) terminology to describe perspectives where:

- Green is improving; exceeding or on plan
- Amber is no change or some degree of uncertainty about performance
- Red is deterioration; failing to achieve plan; or a high level of concern.

- 3.4 In order to provide more assurance to members around the management of performance, projects and risk, and to enable discussion on these areas, the report is now presented with three appendices, focused on business as usual performance, projects (both business transformational and capital scheme) and risk.
- 3.5 It is clear that from the reports attached at Appendices 1-3 that there have been improvements in quality of reporting, and much more detail and analysis is provided. What is notable is that even where service performance can be described more easily in qualitative rather than quantitative terms, there is clear work to place parameters around what the service area is seeking to achieve, and to describe what this looks like, to enable informed discussion.
- 3.6 As is usual, as well as very specific indicators, there are some common themes emerging from the reports, and it worth noting that in some cases these link strongly with areas highlighted in the Annual Governance Statement. Consistent with the reports in Quarter 1, these are:
- The implications of reducing capacity are noted in respect of a number of areas where performance levels may be reducing; but it is worth noting too that in many cases this is highlighted as a price worth paying in order to achieve a reduction in expenditure - there are very few cases where it appears that performance, even when reducing, is far away from plan; or where there is not a recovery plan.
 - There is clearly a need to ensure that there are clear plans for the resilience of the business; a number of directorate reports make reference to this, including in terms of skills and workforce, and are reviewing services to achieve these. This work also includes reviewing service delivery to ensure statutory provision and provision for the most vulnerable is protected.
- 3.7 What is also notable from the report is the clarity provided around projects. There are some clear issues highlighted in respect of some capital schemes, particularly under the Transport, Environment and Business Services directorate and the committee should seek appropriate assurance on these matters.
- 3.8 Directorates have provided detail around the major risks that they are concerned with and this is the basis of the Corporate Risk Register. In future iterations of the report, we will provide more detail around the perceived assessment of risk, in terms of likelihood and impact.

- 3.9 Governance and Audit and Standards Committee are asked to consider the issues above, and also the summary highlight reports attached at Appendices 1-3, and agree where any further information or action is required.

4. Next steps

- 4.1 As reported, improvements to reporting have been made since the last quarter. The summaries now focus much more strongly and analytically on the core performance indicators, and include a sharper focus on risks and projects. This will continue to be developed for the next quarter. It has not been possible to include graphic representations such as Gant charts in the report, as this would make the report unwieldy - however, if this is information that members would like outside of the meeting, then this can be provided.
- 4.2 There are unfortunately still some gaps in the reports across areas of the council's activity. The reports for Adult Social Care continue to be developed alongside the measure development following the systems thinking intervention and a management review required to address capacity gaps. This work has progressed, and is represented in the attached appendices, and it is expected that this will develop further in Q3, particularly in respect of thinking around risks.
- 4.3 Previous discussion has taken place with colleagues in Property services to seek information, and this has included an overview of the methods used for managing service performance. This is well understood; but the critical point for the GAS committee is to understand the outcomes being achieved across the breadth of the directorate activity. There are also significant projects led in the directorate, and risks borne - including in respect of areas such as asbestos, legionella and fire safety for the organisation. This is a significant gap in terms of the assurance the committee can derive around the management of performance, projects and risk in the organisation.

5. Comments from the Deputy Chief Executive

- 5.1 Reports that have been received continue to improve in quality and provide greater assurance around organisational performance than has previously been the case. The clarity of expectation from members of GAS in achieving this has been very helpful for all concerned.
- 5.2 These enhanced reports also support "smarter" ways of working in the organisation by bringing together reporting on risk and projects into one place and process.
- 5.3 The content of the reports clearly highlights service specific issues and allows wider themes to be discerned, which is helpful for the committee in identifying issues relating to the wider governance of the organisation.
- 5.4 Specifically in relation to the organisational entity, it is notable that a wide ranging portfolio of services and transformational projects are maintained, and that there are no major concerns in relation to workforce indicators, with sickness remaining steady (although not further reducing after a period of sustained improvement). We

have also seen no critical exceptions reported through audit. This again suggests that the organisation is managing well through a period of contraction, and prioritising successfully.

- 5.5 For future reports, we will continue to monitor the extent to which our increasing activity in providing services and support for other partner organisations and authorities is impacting on performance (positively or negatively) and considering what implications this will have for organisational governance.

6. Equality impact assessment (EIA)

- 6.1 Any equality matters arising through performance or value for money consideration will be considered as a discrete process, as separate EIAs will be completed for these areas of work.

7. Legal Implications

- 7.1 The report has incorporated legal implications and accordingly there are no other immediate legal implications arising from this report.

8. Finance Comments

- 8.1 There are no financial implications to bring to members' attention at this stage. However, it should be noted that there could be further financial implications following further exploration of any of the performance issues raised in this report, and related future reports could result in financial implications. These will be flagged to members at the appropriate time.

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 Signed by: Jon Bell, Director of HR, Legal and Procurement

- Appendices:**
- Appendix 1- Summary of directorate performance issues, Q2**
 - Appendix 2 - Summary of projects**
 - Appendix 3 - Summary of risks**

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
1.Summary business plans	Individual directorates

Appendix 1: Directorate Performance Reports Q2 2016 – 2017 (July 2016 – September 2016)

Children's Services Q2 (July 2016 – September 2016)

Children's Services : Quarterly progress report (1)

Function : Early Help and System Transformation (including Troubled Families)

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Commissioning and outcomes framework in place and delivered		In Progress	On track for completion			Work well advanced and to be complete for end of 2016/17: new detailed performance framework agreed for both health visiting and early help services; clear commissioning responsibilities established
Increase in Single Assessment Frameworks	618 SAFs in 2015/16	207	135 (28 x SAF assessments and 107 x SAF reviews)	Declining	Not expected to achieve 2015/16 level	We are concerned about the drop in SAFs. DCS has written to all partners and new monitoring and performance reporting is now in place to ensure services allocate support. This is being kept under close review.
Number of trained family key workers	15	15	30.1	n/a	n/a	Q1 position reflected only Barnardo's Project Workers. Q2 includes FNP Nurses, Children's Centres' Early Intervention Project Workers and MABS staff working with parents/carers.
Number of families receiving targeted Early Help	n/a	Data in Development as part of Early Help performance framework				
% of ongoing social care cases with previous targeted Early Help Support	20%	Six monthly data				
At least 973 families attached to the Troubled Families programme by 31/03/17	387 families (March 16)	434 families (June 16)	478 families (Sept 16)	Steady	A	Target number of attachments remains achievable, although this is dependent on increasing the rate of attachment. Progress has been made (in the first five weeks of Q3, families have been attached at the rate of 7.2 a week compared to 3.3 in Q2), but further improvement is required - over the 21 weeks to 31 March 2017, we will need to attach families at the rate of 21.8 per week. This links to the indicator on numbers of SAFs above.
At least 309 Troubled Families PbR claims in total to have been made by 31/3/17	15 PbR claims made (March 16)	No PbR claims made in Q1	15 PbR claims made (Aug 16)	Steady	R	Work is in progress to maximise the number of claims we make in 2016/17, but it is now highly unlikely that we will reach the target. A strategy is in place to ensure that we meet our target number of attachments and maximise our PbR claims.

Culture and City Development : Quarterly progress report (2)

Function : Children's Social Care – assessment and intervention

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Audit activity confirms compliance with MASH "front door" arrangement	Limited assurance	Reasonable assurance	No new measurement	Continued audit activity in MASH confirmed measured decision making against threshold criteria.		
Audit activity confirms that views of/feedback from service users are informing shape of service delivery	90%	90%	No new measurement			
Statutory tasks completed in timely way and to high quality eg.						
Initial child protection conferences convened in 15 day timescale	62%	51%	88%	Improving	Sustained improvement	Administrative processes are now in place to improve timeliness of ICPC. It is expected that improvement will be sustained
Case in the Public Law Outline and court proceedings are progressed in a timely way, measures through % court cases progressed within 26 week timescale	47%	67%	44%			This is an internal measure that needs to be compared with the data collated by the Court. There is generally an improvement in the figures reported by colleagues from CAFCASS and the Court

Children's Services : Quarterly progress report (3)

Function : Children's Social Care – Youth Offending Team

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Transformation of YOT – reducing caseloads	77	80	73	Within range and reducing	Remaining within range	Caseload fluctuates between 65 and 80
Transformation of YOT – reducing costs	£749,757 annual outturn	£636,800 projected annual outturn	£618,600 Projected annual outturn	Reducing	Reduced	
Address first-time entrants to youth justice system (number of first time entrants in the quarter)	13	16	17	Rising	Tbc on investigation	Work is underway to investigate rise – albeit that numbers are still relatively small.
Reduce reoffending (data from Youth Justice Board – historical periods)	46% (April 13 –March 14)	47.2% (Jul 13- Jun 14)	45.5% (Oct 13 – Sep 14)			Re-offending rate is reducing very slightly, but small cohort and older data
Reduce use of custody	1	1	2			Custody rate has increased but numbers still very small.

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Children's Services : Quarterly progress report (4)

Function : Looked after children and care leavers

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Increase number of in-house foster carers	178	190	181	Within range	Within range	Figures provide a snap shot at the end of each quarter.
Reduce reliance on external foster carers (independent providers)	49	51	51	Within range	Within range	Need to ensure reliance in IFA placements doesn't rise following increase in UASC
Ensure relevant and robust sufficiency plan in place	Sufficiency plan updated May 2016					
Increase stability in placements	Short-term 15.53% Long-term 54%	Short-term 14.33% Long-term 56.62%	Short-term 14.94% Long-term 60.00%	Improving	Improved	Work has been completed to understand stability indicator – which reflects positive activity in terms of children returning home and IFA carers transferring to PCC
Number of children subject to child protection plans (and compared to statistical neighbours)	267	219	216	Improving	Improved	The number of children subject to protection plans is reducing in line with statistical neighbours
Reduced care periods (measured by average days in care)	0-5 439 days 6-13 1263 days 14+ 2051 days	0-5 378 days 6-13 1233 days 14+ 1533 days	0-5 419 days 6-13 1290 days 14+ 1610 days	Care days have risen since last quarter but still a reduction from last year . There is a need to monitor this closely and regular reporting arrangements are in place.		

Children's Services : Quarterly progress report (5)

Function : Looked after children and care leavers

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Increase in numbers of children registered as privately fostered	7	4	3			Number continues to be low. Will need to review publicity material.
Increase in numbers of children returning home from care	28/128 (21.9%)	3/32 (9.4%)	10/65 (15.4%)	Improving	TBC	Q2 position is an improvement on Q1 but more work will be required to exceed 2015/16 figure.
Strength and Difficulties Questionnaire (SDQ) scores indicate increased emotional wellbeing	13.9 (stat neighbour avg 15.0 2014/15)	14.2	14.6			A lower score on the SDQ indicates increased emotional wellbeing and resilience. Higher scores indicate emotional vulnerability. Generally looked after children score higher than the average child
Increase in number of SDQs completed	68.7%	61.8%	72.9%			This shows steady improvement
Adequate move-on accommodation available for care leavers	86%	83%	80%			This shows a slight drop and need to understand this in more detail.
Audit activity confirms strength of care planning and pathway planning arrangements with Through Care Team	96%	94%	No further audit activity this quarter			

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Children's Services : Quarterly progress report (6)

Function : Safeguarding monitoring

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Improved practice demonstrated through audit activity	87%	90%	100%	Improving	Improved	All audits graded amber and green this quarter.
Average number of newly-qualified social workers	19.7	19.5	15.6	This number has reduced slightly – will continue to monitor		
Retention of social work staff, measured by % staff employed for over 2 years	Data to be available from Q3					
Number of referrals to Local Authority Designated Officer	39	40	32			
Number of issues resolved through challenge and escalation process	6	10	5			
Number of staff accessing Social Work Matters Skills Academy and feedback	2	0	19			Course started September 2016 – will monitor trend from next quarter
Appraise options for IT system that supports case management across social care with interface to Early Help	Underway		Accenture analysis has been shared with IT development agencies whilst existing programmes are also being explored. New system will be required from April 2018 thus decision about which system needs to be made in next 6 months	Feasibility work on target for decision		

Children's Services : Quarterly progress report (7)

Function : Education – Inclusion

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
No. of SEN statements/EHC plans (% of SEN statements/EHC plans)	935 3.1%	Data not available	Data not yet available due to delays in Capita ONE SEND module implementation	Steady		Portsmouth is successfully implementing the SEND reforms – all aspects of this work is included in the SEND Strategy. Progress will be externally assessed via a Local Area SEND inspection to be carried out by Ofsted and CQC (within next 4 years).
% of CYP (0-25) transferred from SEN statements to EHC plans	7.7%	Data not available	Data not yet available due to delays in Capita ONE SEND module implementation	Improving		
% of new EHC plans issued within 20 weeks (excluding exceptions)	84%	80%	86%	Improving	G	
% PEPs completed on time	62%	83%	97%	Improving	G	
% Pathway plans completed on time	80%	70%	80%	Improving	G	
Overall absence from primary schools (Number in brackets is national average)	4.3%	Available next quarter	4% (3.9%)	Improving	A	School attendance continues to improve (as overall and persistent absence decrease).
Overall absence from secondary schools (Number in brackets is national average)	6.4%	Available next quarter	5.9% (5.0%)	Improving	A	School attendance remains a key priority, as set out in the Attendance Strategy. Progress is monitored by the Behaviour and Attendance Group (BAG). NB Data provided for Q2 and subsequently will be the data available from the most recent SFR. Q2 data = Autumn & Spring 2015/16
Persistent absence from primary schools (Number in brackets is national average)	2.3%	Available next quarter	9.4% (8.8%)	Improving	A	
Persistent absence from secondary schools (Number in brackets is national average)	7.3%	Available next quarter	17.6% (12.3%)	Improving	A	

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Children's Services : Quarterly progress report (8)

Function : Education – Inclusion

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
No. of Permanent exclusions from school (Previous year's figure in brackets)	5	2	1 (3)	Steady	G	Permanent exclusions remain consistently low. NB Quarter 2 includes August which is always 0 given schools are not in session.
No. of fixed period exclusions from school (Previous year's figure in brackets)	620	454	211 (153)	Increasing	A	Fixed period exclusions remain high. NB Quarter 2 includes August which is always 0 given schools are not in session.

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Children's Services : Quarterly progress report (11)

Function : Education – Sufficiency, participation and resources

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Completion of 1000 place school rebuild of King Richard School by September 2017	Building works on site	Building works on site and on schedule	Building works on site and on schedule	Steady	G	Advance payment of 50% of £250k grant to be confirmed in Q3 in order to meet essential equipment costs for new school which are not covered by the new build (full payment is subject to transfer of surplus land from KRS Trust to PCC)
Rebuilds and refurbishments for Beacon View, Arundel Court and Mayfield School	All with EFA for analysis	All at options appraisal stage	All at options appraisal stage	Steady	A	PSBP Round 2 schemes at Beacon View, Arundel Court and Mayfield remain at options appraisal stage – robust discussions with EFA about the schemes are on-going (e.g. Arundel Court and Mayfield – extent of rebuild) and impact on LA interests (e.g. Beacon View – Children's Centre, production kitchen and Network Centre; (e.g. Mayfield - nursery)
Completion of priority capital works to address urgent condition issues (school modernisation programme 2015/16)	Schemes underway	Schemes underway	Schemes underway	Steady	G	All PCC sufficiency and 2015/16 condition projects are on track
Primary sufficiency Phase 2 – deliver an additional 1500 school places	Underway	Work underway and on track	Work underway and on track	Steady	G	Bid to Members for 2016/17 school modernisation programme to be submitted in Q3
Secondary sufficiency Phase 1 – provision of additional secondary school places to create 2-3% surplus	Feasibility to increase by Sept 17	Work underway and on track	Work underway and on track	Steady	G	
Remodelling of Special School provision at Clifdale and Redwood Park Schools	Feasibility underway	Detailed design is underway	Work underway and on track	Steady	G	
University Technical College completed by September 2017	Work underway	Construction commenced and on track	Construction in progress and on track	Steady	G	
Refurbishment of Vanguard Centre and relocation of Harbour @Fratton and Harbour @Milton by September 2017	Initial feasibility complete	Feasibility being reviewed in discussion with Delta	Detailed design is underway	Improving	A	Further delay to refurbishment of Vanguard Centre. Redesign following review by Delta Education Trust and requirement for more vocational based curriculum to fit with the new model of provision which is being proposed. Likely completion date will now be June 2018.

Children's Services : Quarterly progress report (12)

Function : Education – Sufficiency, participation and resources

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Implementation of NEET and post-16 Strategy, measured by:						<p>The implementation of Priority 3 of the Children's Trust Plan is on track and is continuing to deliver improvements in terms of post-16 participation.</p> <p>The City Deal Youth Programme was due to end in March 2017, but additional funding has been secured to extend the programme for a further year.</p> <p>Funding for a third year of the Youth NEET Prevention Programme in 2017/18 to be confirmed in Q3</p> <p>A restructure of the Youth Advisory Team and the NEET Data Tracking function is being considered to address future budget savings and reduction in external income. Consultation will commence in Q3.</p>
% 16-18 year olds NEET	5.8% (Q4)	5.5% (Q1)	Q2 data not yet available	Improving	A	
% 16-18 year olds unknown	3.8% (Q4)	2.7% (Q1)	Q2 data not yet available	Improving	G	
% participation in education/training at age 16	93.3% (March 2016)	93.0% (June 2016)	93.0% (June 2016)	Steady	A	
% participation in education/training at age 17	86.1% (March 2016)	86.4% (June 2016)	86.4% (June 2016)	Steady	A	
Achievement of Level 2 (including English and Maths) by 19	61.7% (2015)	Annual data not yet available	Annual data not yet available			
Achievement of Level 3 by 19	49.5% (2015)	Annual data not yet available	Annual data not yet available			
Implementation of Apprenticeship Strategy , measured by:						
No 16-18 starts at Intermediate level	370 (2014/15)	290 (Aug 2015-April 2016)	Annual data not yet available	Steady	A	
No. of 16-18 starts at Advanced level	140 (2014/15)	110 (Aug 2015-April 2016)	Annual data not yet available	Steady	A	
Success rates	4.2%	Annual data not yet available	Annual data not yet available			

Children's Services : Quarterly progress report (13)

Function : Education – School Improvement

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Early Years Foundation Stage - % achieving Good Level of Development	69% (2015)	69.6% (2016 provisional)	N/A – annual data	Above national average but gap closed	G	New accountability measures for KS1, KS2 and KS4 mean that comparisons cannot easily be made with previous years. However, the provisional outcomes show that Portsmouth has fallen further behind the national average for both KS1 and KS2 attainment and progress. At KS4 the gap between Portsmouth and the national average has closed for A*-C in English and maths. Through the Portsmouth Education Partnership the shadow operational group will conclude the analysis of the 2016 outcomes against agreed criteria in Q3. This will determine school improvement support in 2016/17 for LA maintained schools and flag areas of concerns for MATs / academies.
Year 1 Phonics Screening % working at the standard	74% (2015)	81% (2016 provisional)	N/A – annual data	Significant improvement, now in line with national	G	
KS1 Reading, Writing and Maths combined - % at least expected standard	New indicator	59% (2016 provisional)	N/A – annual data	1% below national average	A	
KS2 Reading, Writing & Maths - % at least expected standard	New indicator	48% (2016 provisional)	N/A – annual data	Significantly below national average	R	
KS2 Reading Average Progress Score	New indicator	-1.6 (2016 provisional)	N/A – annual data	Significantly below national average	R	
KS2 Writing Average Progress Score	New indicator	-1.4 (2016 provisional)	N/A – annual data	Significantly below national average	R	
KS2 Maths Average Progress Score	New indicator	-1.8 (2016 provisional)	N/A – annual data	Significantly below national average	R	
KS4 % 5 A*-C including English and maths	50.7% (2015)	51.9% (2016 provisional)	N/A – annual data	Improving	A	
KS4 A*-C English and maths	61.4% (2015)	68.1% (2016 provisional)	N/A – annual data	Significant improvement	A	
KS4 Attainment 8	New indicator	46.3 (2016 provisional)	N/A – annual data	Significantly below national average	R	
KS4 Progress 8	New indicator	-0.16 (2016 provisional)	N/A – annual data	Significantly below national average	R	

Adult Social Care Q2 (July 2016 – September 2016)

ASC Measures Context.

In October 2015, the Cabinet member for ASC and Deputy Leader of the Council directed that a systems thinking intervention should begin in the Older Persons/Physical Disability, (OPPD) service of ASC to understand and improve the system for service users. This work was contracted to the Vanguard organisation and a consultant commenced work with a group of staff drawn from varying levels within ASC. The Vanguard Method for Systems Thinking, (VMST) uses a three stage model to; understand what is happening in the work and the thinking behind it, (Check Stage) experiment with how the system could work without steps in the process that do not add value to the client, (Redesign Stage) and bringing about change through 1:1 training for all of its staff to implement work without waste steps, (Roll in Stage).

ASC Measures Context

Up to the point of roll in, (which commenced June 2016) the measures that ASC traditionally use were centrally imposed by the Health & Social Care Information Centre, (now NHS Digital) and were unrelated to any local context. These traditional measures were based on targets and failed all of the 5 tests of a good measure. These are:

Are we gathering the correct information?

- Help us to understand and improve performance
- Derived from the work and indisputably accurate
- Demonstrate variation and capability

Are we deploying the measures correctly?

- In the hands of the people who do the work, to control and improve the work
- Used by leaders to actively act on the system

ASC Measures Context

Adult Social Care has therefore devised measures that fulfil the 5 tests and the 8th principle of work; Measures relate to purpose & what matters to customers. These measures fall within 6 areas: Demand, Capacity, Capability, Quality, Financials and Customer Satisfaction.

The process of collecting these local measures for Adult Social Care commenced in August 2016 and has involved each worker completing a measures form in the assessments section of AIS, (the client record system currently used by ASC). The core measures for ASC have been agreed as understanding the time it takes for the end to end process of support from initial contact by a service user to support being deployed as a result of an assessment. This is broken down into the value steps of getting clean information; understanding the need; arranging the support; deploying the support.

ASC also wishes to understand its failure demand, (demand that comes in as a result of failing to do something or failing to do something right the first time) to enable continual work on the system to improve the system for the service user by driving down failure demand.

It is anticipated that these measures will be available for quarterly reporting by the end of Q3, once there is sufficient detail to make this meaningful.

Learning Disability Day Service Transformation

- Measures in Learning Disability relate to the overarching Transformation programme which is based on a core set of beliefs and values. While work is ongoing in the Intervention we are clear that the targets relate closely to demand and customer satisfaction.
- In practice it means for example that when someone with a learning disability describes their day it should commonly be seen as a 'good day' - in very simple terms this explains the Day Service Transformation. In terms of housing and support we look to go beyond changing models and look to support people to feel a sense of ownership and independence. In all areas of transformation we are engaged in co- production with carers and service users and indeed Collaboration is one of the key areas of the Transformation reflected in the revived Partnership Board.
- The key areas of transformation are shown on the next slide. However, this programme of work commenced during 2016/17 and therefore quarterly data is not anticipated until quarter 3.
- The measures attached are far from comprehensive but reflect an element of activity in each area of Transformation. The nature of the measures is weighted to those to which a numerical value can be attached and it is critical to know that we have a range of measures that are more focussed on stakeholder feedback. We design services in a way that includes customer feedback. The intervention which is focussed on the - Integrated Team will I am sure inform the development of some alternative measures

Adult Social Care : Quarterly progress report LD Day Service Transformation (3)

Function:

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Number of day services options available						
Number of people in work						
% of people with a Health Action Plan						
Number of people accessing Gig Buddies Service						
Statutory Reviews completed within a 12 month period						
Satisfaction surveys carers and service users						
% of people with a named worker						
Percentage of people in Residential Care as opposed to other housing and support options						
Number of res care nights provided as Respite as opposed to alternatives						
The quality of Education Health and Care Plans for those in transition						

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Public Health Q2 (July 2016 – September 2016)

Public Health : Quarterly progress report (1)

Function : Building a healthier city programme

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Develop new workplace incentives to promote employee health and cut sickness related absence Engage local businesses through forum networks to improve employee health and wellbeing and assess workplaces against the WW charter	15 workplaces engaged 1 accredited	20 workplaces engaged 2 accredited	2 further workplaces in line for accreditation for Q3	On track to reach forecast	25 workplaces engaged 5 accredited	<p>Following on from baseline at Q4, the priorities for Building Healthy Cities for 2016/17 are:</p> <ul style="list-style-type: none"> • Active travel • Air pollution • Support for the City Plan development • Workplace health <p>We are also providing PH intelligence for other directorates in PCC and beyond</p>
Ensure impacts on health are considered through implementation of the refreshed Portsmouth plan	Qualitative and quantitative public health evidence for the Placemaking Strategy	Public health evidence to Sustainability Plans	On-going engagement with City Dev Team and Transport to develop PH evidence and joint working			
Support transport initiatives to increase the number of people using active travel for everyday trips; reduce RTAs; reduce air pollution	Evidence on the health impacts of air pollution produced for the refresh of the Air Quality Strategy	Joint bid for LSTF funding to improve transport systems that will increase active travel, reduce RTAs and air pollution	Joint bid for LSTF submitted Coordinated response with City Development and Transport on the Friends of the Earth report, <i>Walking in Portsmouth</i> . 1 st Draft of Air quality strategy			
Develop a health promoting environment that is ecologically and environmentally sustainable	See commentary	-	-			
Strengthen and link green and blue infrastructure in the city	See commentary	-	-			

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Function : Health Protection

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Support local health resilience planning, for example, hot and cold weather	-	-				Cold weather plan and PCC pandemic flu plans updated. Golden Fox supported. Reviewing DPH responsibilities for STAC across LHRP.
Screening and vaccination programme <ul style="list-style-type: none"> • Cervical screening uptake • Breast screening uptake • MMR Uptake at 5 years • Flu uptake in the under 65s • Flu uptake in pregnant women 	68.7% (Dec 2015) 66.8% (Dec 2015) 90.7% 45.7% (15/16) 45.8% (15/16)	Not available Not available Not yet available Annual data due end Feb 2017				Lead and co-ordinating annual PCC staff flu programme

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Public Health : Quarterly progress report (4)

Function : Starting Well

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Improve health of the most vulnerable children and young people in Portsmouth <i>number of families on the Health Visitor Universal Plus and Universal Partnership Plus case</i>	Developing baseline data in 2016/17	2,159 (data has been revised and current data sources indicates Q1 = 1,221)	1,205	Decrease	NA – to consider trend data when available	Q1 - Provider had originally been including the mother and the children in the caseload count. They have revised the data and now provides number of families.
Uptake of the Health in School/College public health programme	Developing baseline data in 2016/17	-	Pilot started with 9 settings will run initially over two terms.		N/A	
Uptake of young carers assessments	Developing baseline data in 2016/17	-	New assessment and referral processes have been put in place from September 1 st for all new young carers coming into the system (local young carers services merged from this point)		N/A	

Public Health : Quarterly progress report (5)

Function : Living Well

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Increase physical activity levels through sports, play, leisure and recreation, with a focus on people who are inactive	To be developed in 2016/17	41 people have changed from inactive to active status	Only 1 referral specifically for Physical activity as primary reason. Physical activity is part of healthy eating and healthy weight support. 12 people have changed from inactive to active status.	Down	Down	
Increase proportion of children and adults who are a healthy weight	Healthy weight pupils: 76.0% Year R 64.8% Year 6 (NCMP, 2014/15) Healthy weight adults 46% of 16+yrs (Lifestyle Survey, 2015)	Reported every 3 to 5 years.	Wellbeing service- 50 people have achieved weight loss of 5% or more	baseline	Unknown	
Support local communities to create a smokefree culture for Portsmouth	None	Promotion of Smokefree sites across the city	Attended one meeting of NHS Solent Smokefree committee. Given Wellbeing Service Smoking cessation leaflets to be included in the take home drugs for MH in patients in Portsmouth. NHS Portsmouth – obtained list of smoking champions in view of offering smoking cessation training. Focus groups with midwives and pregnant women. Smoking cessation training for Respiratory staff and maternity staff planned.			
Ensure mothers are supported around safe infant feeding with a focus on increasing breastfeeding	38% (% of infants being totally or partially breastfed, recorded at 6 to 8 weeks)	47%	47% (% of infants being totally or partially breastfed, recorded at 6 to 8 weeks)	Stable	47%	

Public Health : Quarterly progress report (6)

Function : Living Well

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Reduce smoking prevalence in Portsmouth	Wellbeing Service being implemented and now collecting baseline data	Reported annually. 515 setting quit date; 109 4 week quit and 90 of 12 week quit.	280 people referred for smoking and 111 in active interventions. 177 achieved 4 week smoking quit.	Slight increase	Increase	Reduction in funding and capacity of treatment services is seeing a continued downward trend of the number in and successfully completing treatment. Likely to cause knock on impact on other public sector organisations, e.g. police and NHS, with increased alcohol related crime and hospital admissions.
Make Portsmouth a city with an improved reputation, where alcohol is enjoyed responsibly and harm to individuals, families and communities is reduced	320 receiving alcohol treatment and a successful completion rate of 34.7% Wellbeing Service being implemented and now collecting baseline data	274 receiving alcohol treatment and a successful completion rate of 34.7% Wellbeing service delivered: 182 received Alcohol brief advice and 85 received Alcohol extended advice	234 people receiving treatment, successful completion of 31.6%.	Down	Down	

Public Health : Quarterly progress report (7)

Function : Living Well

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Continue to offer over-40 health checks Page 124	- Number of eligible people who were offered a NHS Health Check 2,894 . - Number of people that received a NHS Health Check 1,158 . - Percentage of people that received an NHS Health Check of those offered 40%	- Number of eligible people who were offered a NHS Health Check 3,219 . - Number of people that received a NHS Health Check 1,034 . - Percentage of people that received an NHS Health Check of those offered 31%	- Number of eligible people who were offered a NHS Health Check 2,809 . - Number of people that received a NHS Health Check 766 . - Percentage of people that received an NHS Health Check of those offered 27%	Down Down Down		

Public Health : Quarterly progress report (8)

Function : Living Well

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
<p>Improve the sexual health and wellbeing of the population of Portsmouth</p> <p><i>All new STI diagnoses (exc Chlamydia aged <25) / 100,000</i></p> <p>Source: PHP.org.uk</p>	2015 count 1,217 (851 per 100,000)	Reported annually	Reported annually	Down since 2012	NA	Although STIs may be reducing overall, some conditions, such as Gonorrhoea have been on the increase.
<p>Make Portsmouth a place where people are supported to choose not to use drugs and people that experience drug problems receive effective help to live drug free</p>	859 people recorded as in drug treatment; 124 successful completions, 14.4%.	858 people recorded as in drug treatment; 116 successful completions, 13.5%.	849 people recorded as in treatment, 107 successful completions; 12.6%	Down	Down slightly – usual for re-tender.	Drug and alcohol services have gone through their second re-tender in 3 years, it is usual during a tender process to see a reduction in performance due to uncertainty and changes to staffing. As part of the re-tender there has been significant savings made, which are likely to mean less people in treatment in future.
<p>Improve the mental health of the residents of Portsmouth and the treatment received by people experiencing problems</p>	Mental Health & Wellbeing strategy signed off by HWB Board	Strategy action plan in development	Development of strategy action plan on hold pending service restructure	Static		On hold due to vacancies at DPH and consultant level to lead development.
<p>Develop programmes of work to reduce the prevalence of diabetes</p>	25.8% (25 out of 97 Health Checks (HCs)) Percentage of people identified as high risk of diabetes from a HC, delivered within Pharmacy*	31.6% (18 out of 57 HCs) Percentage of people identified as high risk of diabetes from an HC, delivered within Pharmacy*	16.9% (10 out of 49 HCs) Percentage of people identified as high risk of diabetes from an HC, delivered within Pharmacy*			

Public Health : Quarterly progress report (9)

Function : Ageing Well

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Support Better Care programme needs analysis	-	-	-			Following a team restructure we are reassessing the way the team supports these areas, in terms of actions and capacity.
Support the Integrated Commissioning Service in the implementation of the dementia strategy and the redesign of services across the pathway	-	-	-			
Increase dementia awareness and diagnosis	Provide dementia awareness to HC patients over 65 years old within Pharmacy. - Number of people 65+ - 6. - Number of people given dementia awareness information - 10	Provide dementia awareness to HC patients over 65 years old within Pharmacy. - Number of people 65+ - 14. - Number of people given dementia awareness information - 10	Provide dementia awareness to HC patients over 65 years old within Pharmacy. - Number of people 65+ - 13. - Number of people given dementia awareness information - 8			

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Regulatory Services and community safety

Q2 (July 2016 – September 2016)

Regulatory services and community safety : Quarterly progress report (1)

Function :Environmental health

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Shellfish: provide weekly specimens to FSA to secure shellfish bed designation	G	A	A	Steady	A	A numbers of uncontrollable variables impact upon our ability to deliver compliance –sampling regime historically problematic during poor weather. Sampling demands in other areas increasing
Food hygiene: produce an annual plan in line with statutory requirements and minimise slippage against the plan	G	A	R	Deteriorating	A	Demand for inspector time outstripping resource in all food related areas. High demands in other service functions deflecting food officers from delivering plan
Port Health – Maintain income levels at £60,000 pa	G	A	A	Steady	A	Currently on target
Pest control – exceed income target of £156,000	G	A	A	Steady	A	Currently on target
Community burials: facilitate timely, dignified burials; aim to recover 80% costs from estates	G	A	A	Steady	A	Each case is unique – unable to accurately predict
Air quality – ensure new DEFRA review and assessment annual reporting requirements are met	G	G	G	Steady	A	2015/2016 ASR delivered (Oct 2016). New equipment taking longer to bring on line than expected. Some data loss has occurred. Currently not dramatic/unlikely to be material
Pollution control: continue to deliver all statutory environmental protection requirements with >95% satisfaction rate	G	G	G	Deteriorating	A	Number of formal service complaints on increase – but remains likely to be within 95% satisfaction rate

Regulatory services and community safety : Quarterly progress report (2)

Function : Trading Standards

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Primary Authority Partnerships – maintain the 10 current partnerships and pursue other opportunities as they arise	G	G	A	Steady	A	It is likely that some PAPs will not continue however we remain hopeful that these will be replaced by new agreements – review required
Investigate consumer crime – intervene using civil and criminal law to assist consumers in recovering loss, and take court action where appropriate	G	G	A	Deteriorating	R	Implementing restructure following review – able to investigate reduced levels of complaint regarding consumer crime - highly unlikely to deliver all that we would like in terms of client assistance
Alcohol and tobacco harm reduction – help businesses comply through visits and training, reduced numbers of test purchase failures, reduced amounts of illicit tobacco supplied in the City	G	G	A	Deteriorating	A	Funding confirmed but awaiting confirmation of continued secondment of current officer. Need to revisit delivery plan and targeting of interventions
Proceeds of crime – maximise amounts of compensation and confiscation recovered and work in partnership with other local authorities	G	G	A	Deteriorating	A	Implementing restructure following review – officer resource 50% decreased as a result – seeking to implement support role as approved within review asap however this will not be delivered until June 2017 at the earliest

Regulatory services and community safety : Quarterly progress report (3)

Function : Civil Contingencies

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Exercise Golden Fox – rewrite plans to address new safety zone	G	G	G complete	S	G	
Business continuity plans						Member of staff leading the work has left and post is gapped till late autumn 16. New manager intending a re-vamp of plans in 2017
Stray Dog Kennels						
Secure £50,000 income generation	£32 000	A	A £22000		A	Unlikely to meet £50,000 target but making budget changes to avoid overspend
Anti-Social Behaviour						
Complete the complex needs review - now linked to Portsmouth Health and Care Blueprint demand management work	NA	R	G underway		G	
Establish city-wide early intervention /problem solving arrangements	NA	A	A -		A	Waiting for Police to arrange NPT briefings
CCTV						
Complete the income generation review			A			Consultant report received. Several options are being considered to increase income opportunities. Some items are cost prohibitive
Implement recommendations as appropriate		A	A			

Regulatory services and community safety : Quarterly progress report (4)

Function : Domestic Abuse

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Promote the UP2U service for perpetrators - success measured through income from sales		G	G	Steady		£22,000 income generated
Increase MARAC referrals from other agencies other than police , so the proportion of police referrals is lower than 81%	81.4% from police	R	R	Steady		While this is 81% in Portsmouth, across Hampshire 84% of referrals are from the police, even higher than the recommendations. This is being discussed across the force. Reporting has been consistent over a substantial period.

Strategy and partnerships

Research on costs of domestic abuse commissioned by LGA	NA	G	G-complete			Research likely to inform the national statement of expectations in relation the Violence against Women and Girls Strategy. LGA invoiced
Complete strategic assessment	G		G- complete			
Complete the community safety survey - achieve a sample in excess of 1000 responses	G	G	G – complete			
Complete the statutory SPP plan – agreed by the SPP and partner agencies including the city council	G	G				On track – strategic assessment must be completed and approved by the SPP first

Prevent

Ensure all activity from the action plan is delivered on time – measured by action plan monitoring		G	G	Steady		
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Transport, Environment and Business Support Q2 (July 2016 – September 2016)

Transport, Environment and Business services: Quarterly progress report (1)

Function : Traffic and network management

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Complete the Traffic Management Centre IT system upgrade.	Upgrade to be completed by April 2017.	Specification and project requirements complete and a supplier identified. Pre- contract preparations underway.	Placing the order is underway and some preliminary work has been undertaken.	Steady	Green	
Delivery of the £1m Traffic Signal optimisation programme across the city.	Programme to be delivered over the next two years.	Feasibility completed. Preliminary designs in progress.	Preliminary designs are now complete . Procurement of the supplier of phase 1 began in Q2. Works are likely to begin in February 2017.	Steady	Green	
Traffic and transport management for the Americas Cup World Series, Victorious, Great South Run, Victorian Festival of Christmas and other special events.	Traffic Management plans for the events reviewed and updated for this year.	Traffic management and plans were in place for for the Americas Cup World Series event and the Victorious Festival.	Plans for events such the Americas World Cup Series and Victorious were successfully executed. Plans were put in place for the Great South Run, November fireworks and Christmas events.	Steady	Green	
Improved journey times on key routes in the city.	Plans to introduce journey time monitoring technology with the Traffic Management Centre system upgrade.	Trials underway for testing journey time measurement technology.	Two bids have been made for Department for Transport funding to add further traffic sensors and make improvements to the data analysis technology. Work continues to create more customer relevant information on different media platforms.	Steady	Green	

Transport, Environment and Business services: Quarterly progress report (2)

Function : Transport planning

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Achievement of the Local Transport Plan (LTP) milestones for Transport Planning projects.	Transport Planning projects are due to be completed by March 2017.	2 projects in planning stage, 1 in implementation stage. Successful bid of £450k external funding for Sustainable and Connected City projects.	1 project is now complete, 2 are in implementation stage and a further 1 is in the planning stage. Delivery of the Sustainable and Connected City projects is progressing well.	Steady	Green	All schemes are being delivered within scope, budget and timeframe.
Progress in reviewing residential parking zones (currently planned to be achieved in 2021)	8/35 schemes reviewed by Q4 2015-16	Consultation is underway on a new parking scheme in Cosham.	A new parking zone was approved for Cosham (BF zone) to commence at the beginning of December 2016. Work continues on the remaining zones to be reviewed as per the programme reaffirmed by the Traffic and Transportation portfolio holder in September 2016.	Steady	Amber	
Increased patronage of the Park and Ride service	Sales and Revenue plan for 2016-17	A number of promotion initiatives have been developed to increase sales.	Q2 revenue was similar to 2015-16. Further work was commissioned on promotion activity and pricing strategy.	Steady	Amber	Anticipating increased patronage in Q3 and Q4 compared to last year.
Implementation of improvements to current driver and fleet management practices	Corporate drivers' licence checking service planned for introduction.	Service launched in May. Non-compliant drivers are being identified and managers informed. 196 drivers' licences checked in Q1.	A further 79 driver's licences were checked in Q2. Plans are in place to issue advice on car insurance in Q3.	Steady	Amber	After the initial high demand at the launch, this reduced over the summer but is likely to increase in Q3.
Integration and commercial success of the Fleet Management Service (income and satisfaction)	650 users of the Home to school and college supported transport service.	Integration of Fleet Management and the passenger transport unit to include Adult Day Services is underway.	Integration of Fleet Management and Adult Day Services is complete and proving successful. With good client feedback.	Steady	Amber	TEBS are currently in discussion with Adult Social Care and Children's services regarding further integration of services. Progress will be reported in the next quarter.

Transport, Environment and Business services: Quarterly progress report (3)

Function : Road safety and active travel

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Traffic safety schemes within the LTP delivered on time, to budget and standard	8 traffic safety projects due to be completed by March 2017.	6 projects are in the planning stage, 2 in implementation stage.	7 projects are now in the implementation stage. 1 project has been put on hold, subject to review.	Steady	Green	
Reduce road casualties. Year on year reduction of casualties compared with the five year baseline.	Q1 2011 to 2015 5 year average baseline is 136.8 collisions.	Q1 2016 collision figure is 116. A reduction of 15.2%.	The Q2 2011 to 2015 5 year average baseline is 163 collisions. In Q2 2016 there were 146 collisions, a reduction of 10%.	Improving	Green	
Delivery of programme of Active Travel events	High participation at events such as Bike Week and Pedal Portsmouth 2016.	Good participation in the Tour Series cycle event in the centre of Portsmouth (80 children). 1,500 at the Pedal Portsmouth event.	Planning began for the next Pedal Portsmouth event in October - Glow Ride. Design work began for the schools walking programme funded by the Sustainable Cities bid and research into Quiet (cycle) routes has begun – expected finalisation in Q3	Steady	Green	Additional projects are now being prepared as a result of successfully bidding for Department for Transport funding for sustainable travel initiatives.
Schools Crossing Patrol shared service launched	The plan for the service to be in place by September 2017.	Feasibility and crossing point data evaluation work is nearing completion. A plan has been drafted for consultation with the schools.	Feasibility has been completed. School Crossing Patrol sites are now appropriately categorised.	Steady	Amber	

Transport, Environment and Business services: Quarterly progress report (4)

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Strategic parking review milestones achieved	At scoping and initiation stage	The project plan is in place to enable phased delivery of the review.	Implementation of the plan is underway. Good progress is being made towards implementation of the plan.	Steady	Amber	This will put in place improvements to the management of parking services in the next financial year.
Channel shift and greater efficiency of parking operational services	Use of Automatic Number Plate Recognition technology began in Q4	Channel Shift for Residents Parking Zone Permits is underway. Automated detection of parking on Zig-zag lines is planned for Q2.	On-line Residents' Parking Zone permits is due to be launched in Q3. Launch of automated detection of parking on zig-zag lines has been postponed until Q4.	Steady	Green	Software issues have delayed the launch of the parking on zig-zag line service, but manual detection is continuing until then.
Additional parking services for business clients	Services provided for the University of Portsmouth, PCC Property Directorate and other local authorities.	Customer satisfaction is high for the current service. The Parking Service is in the process of contracting to supply expertise to a parking training company for the supply of services to further local authorities.	The new contract to supply expertise to a parking training company for the supply of services to further local authorities has been signed.	Steady	Green	
Increased compliance with the Blue Badge schemes through detection of offences and retention (confiscation) of the badge.	124 blue badges retained due to offences 2015-16.	45 blue badges retained in Q1 compared to 37 in Q1 2015-16.	A further 43 badges were retained in Q2 this year compared to 16 in Q2 2015-16.	Steady	Green	National & local publicity for our Blue Badge work may have had an impact on compliance. However, pressure on parking in Portsmouth will continue to give rise to blue badge offences. 38

Transport, Environment and Business services: Quarterly progress report (5)

Function : Highways and Coastal management

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
LTP Highways schemes delivered to budget, quality and on time	Provide design / engineering support for 5 Highways projects within the LTP due to be completed by March 2017.	All 5 projects are in the design stage	1 project is in the design stage. 3 are in the implementation stage. 1 project has been put on hold.	Steady	Green	
All highway alterations carried out by private developers and other non-Highway Authority bodies meet the standards of the Highway Authority	This area of work is demand led responding to the amount of development taking place in the city.	19 Highway schemes related to development are currently in progress. All schemes are compliant or responding to advice/instruction provided by the Highways Design team.	Some schemes have been completed and new ones started . All schemes currently in progress are complying with our requirements as the Highway Authority.	Steady	Green	This area of work is increasing due to the growth in development sites around the city.
Completion of the 2016/17 phases of the North Portsea Flood Defence Scheme and preparation for the Southsea scheme.	See major project progress report (Appendix 2).					

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Transport, Environment and Business services: Quarterly progress report (6)

Function : Enterprise Centres Management

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Commercial success of the Enterprise Centres, measured through occupancy levels	Victory – 78% Portsmouth- 84% Challenge – 99%	Victory – 93% Portsmouth 100% Challenge - 88%	Victory 93% Portsmouth 100% Challenge 90% Occupation figures at the end of Q2.	Steady	Green	
Commercial success of the Enterprise Centres, measured through income	2015-16 Income: £980,000	£248,000 income	£244,417 income	Steady	Green	There has been some churn in Q2 accounting for the marginally lower income compared to Q1.
Increased business support delivery and increased customer satisfaction.	Business networking service introduced. High satisfaction with rent, location and premises. Customer demand noted improved IT connectivity	Land has been rented to an IT connectivity provider and a mast installed that will serve two of the centres. In the feasibility stage for broadband at the third centre.	The monthly networking event with regular speakers has been popular and well attended. The Mast for better IT connectivity is now in place. An offer for business centre management services at other PCC sites has been accepted.	Steady	Amber	

Transport, Environment and Business services: Quarterly progress report (7)

Function : Employment, Learning and Skills Service and PCMI manufacturing

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Delivery of the first phase of the City Deal employment programme	Performance and delivery aims of the programme based on City Deal pilot.	Mainstream programme launched May 2016. 20 participants engaged in Q1.	A further 70 candidates were engaged in Q2.	Steady	Green	All contracts are performing well. New contracts opportunities are being reviewed.
Successful delivery of all ELS contracts to meet the requirements of funding bodies	Contract delivery requirements set by major clients	Currently on target to deliver.	Currently on target to deliver to the requirements set by major clients.	Steady	Green	
Financial viability for ELS and manufacturing service (income v expenditure)	Budget as at Q4 and income projections for the year.	ELS currently on target to achieve income projections. Manufacturing below income projections.	ELS currently on target to achieve income projections. Manufacturing continues to be below income projections	Steady	Amber	
Number of people supported to acquire skills for work	Projections of people to be supported under the contracts to be delivered this year.	92 new starts in period Apr to June	A further 90 new starters commenced the programmes in Q2.	Steady	Amber	The contracts for the Work Programme, Work Choice and Community Work Placement contracts are coming to end so referrals are reducing.
Number of people supported to move into sustainable employment		58 people entered employment	A further 37 people entered employment in Q2.	Steady	Amber	

Culture and City Development Q2 (July 2016 – September 2016)

Culture and City Development : Quarterly progress report (1)

Function : Libraries and Archives

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Delivery of SCL Universal Offer & Promises :						Targets set which show an increases , without additional resource, is ambitious. The increase in virtual engagement whilst physical football is sustained is a positive picture . We continue to explore alternative delivery models moving forwards such as shared services
Reading Total Loans/issues	623,147		Q2 307,791		Green	Trending offset by increase in virtual access
Information enquiries	109,800		Q2 Total will be provided for the year Q4	Steady	Green	
Digital: use of Peoples network	122,820		Q2 47,036	Down	Green	Negative trend at various libraries during the summer which is a seasonal trend
Health & Wellbeing: proposal for health hub	Proposal Report		Proposal Report Costings and Meeting with Adult Social Care	Steady	Stock re-sited	
Learning taster sessions	1049 learners		Q2 382 learners	Down	Amber	Negative trend but more activity in the autumn/winter terms
Cultural: Bookfest participants	819	February	Total available Q4	Steady	Green	
Children Promise: Summer Reading Challenge	2,700 participants		Q2 2,846	Improving	Green	Total for the year – completed and achieved
Six Steps: V1 Helpline Enquiries	4,304		Q2 2,591	Steady	Green	
Continue to Increase virtual visits by 5% from 2014 to 2017 to 5% annually	56,796		Q2 Virtual issues 23,404 Virtual enquiry 24,687 Total 48,091	Improving	Green	

Culture and City Development : Quarterly progress report (2)

Function : Libraries and Archives

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Retain 1m physical visits	973,00		Q2 493,098	Steady	Amber	
ACE funding bid to develop the central library information hubs 1 st Floor	Scope Project		Scope Project Costings obtained	Steady	Green	
Update the archive catalogue to Spydus 10 and develop web access by : Transfer LMS server to hosting civic server Implement E DI invoicing model Develop events booking functions Develop Volunteer access Develop Mobile app	Contract set up Civica Awaiting move to Civica server to deliver functionality	VPN pipe construction	Contract set up Civica Awaiting move to Civica server to deliver functionality Q2 - awaiting construction of VPN tunnel (delay)	Down	Amber	
Retain SLS traded service buy back SLS Reader development participants	97% 8047		8047 Q2 Total in Q4	Steady	Green	

Culture and City Development : Quarterly progress report (3)

Function : Museums

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Continue to deliver the 5 year transformation of the D-Day Museum in– start work on site (now May 17; new museum open revised date Easter 2018)	See Project list					
Delivery of the new Butterfly House for Cumberland House - Demolition phase - Restoration phase	Project manager budget and core funding secured	Project manager in post and developing proposals	-Communication & engagement events held in Q2 and views collated -Contract for Demolition prepared and submitted out for tender including repairs and restoration	Steady	Demolition to be completed March 2017	
Increase cash donations as part of the savings programme : Generate additional £7k through cash donations total £18k	£11,000 secured 2015/16	4,760	6,600	Steady	18k	
External funding secured from HLF for the Edward King collection	Political agreement	Bid on target to be Submitted Q2	Bid submitted Q2 .HLF declined bid and no obvious way forward for alternative as HLF are the main funder of heritage	-	Red	Although bid declined there will be some modest conservation work enabled through cash donation target which will be achieved
Sustain visitor numbers 300,000 across all museums in 16/17	294,590	84,028	204,326	Down	Green	Improving position in group visits, Southsea Castle and Dickens . Q2 performance better then last year but overall numbers decreased by 2.5% but should attain target .

Culture and City Development : Quarterly progress report (4)

Function : Community Centres

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Continuing to broaden the programmes in all centres through the actions plans based on the 2014 bi annual surveys .	Overall usage of 5 to 15 year olds is 11.3% . 5% increase over 2 years by 2017	Identify associations with low use by children and young people	Discussion completed with each association their strategy to increase usage	Steady	5% increase in child users	
Increase the overall centre building utilisation figures	Utilisation ranges from 70% to 30% averaging 46%. Target to increase overall by 5%	Identify associations with low utilisations	Discuss with associations their individual target increases and actions to achieve	Steady	5% increase in overall user numbers	
Develop complete and analyse the 2016 to 2018 bi annual surveys	3,000 annual surveys completed 2014	Survey forms developed and distributed	<ul style="list-style-type: none"> - Feedback forms collated - Associations promoting - Draft report for CLS : summary and action plan 	Steady	Action plan agreed with Community associations	
Achieve 2016/17 savings target (£42,000) by ceasing to second PCC staff, and replace with grant aid for staffing , where appropriate	2015/16 community associations budget was a mix of directly funded staff and grant funding	Savings achieved in April 2016 as no PCC staff in centres managed by associations	Achievement Q1	Steady	Savings delivered and community centres operationally managed by associations	

Culture and City Development : Quarterly progress report (5)

Function : Parks and Open Spaces

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Begin work to implement a new grounds maintenance contract in house by January 1 st 2017	Political agreement secured	Vehicle requirements understood and identified Project team established to support the transfer	<i>Vehicles</i> : order for hire prepared <i>Plant & Machinery</i> : procurement option for hire / purchase/ ex-demo / used exploring all options <i>TUPE</i> : measures letter sent to idverde for comments <i>Training</i> : courses identified	Steady	Green	Staff transfer and new operation will be ready under PCC management on target for 1 st January 2017
Provision of new premises at Northharbour for council and contractor staff to accommodate vehicles, workshop and storage by December 2016	Agreement to move from current site Ave de Caen	In standstill period, award due wk beg. 15 August. On schedule for December occupation.	Current parks staff planned to move from civic end for November 2016 New grounds maintenance staff IT set up on target for set up December Client services planned move from Avenue de Caen site for end of year	Steady	Operational site ready for transfer of site	
Develop options for community-based management model to improve the Parks service and to develop a more dynamic service responsive to local communities opportunities for real localism.	Briefing paper on community-based management model to explore options	Benchmarking continues with in house parks operations in Bournemouth and Southampton	Continue to explore options on: -friends groups -Volunteer model -Enterprise and voluntary sector and with local communities -partnerships with organisations and groups representing people with learning disabilities -potential for improved access to external funding.	Steady	To develop framework for community-based management model	
Review current grass areas and consider meadowland replacements, and undertake ecosystem survey	Will be addressed as part of the Green Review 2017 Property and Housing			Down		
Spending on parks and open spaces to be within all budgets set for 2016/17	The 2015/16 cash limited budget outturn was an overspend of £6,626.	Unexpected income received from the contractor working on the Zurich Building, the budget position is a £18,000 surplus	The parks budget forecast outturn as of the end of Q2 is a projected surplus of £23k but it is anticipated the service will come in within approved budgets	Steady	Anticipated that the service will continue to operate within approved budgets	47

Culture and City Development : Quarterly progress report (6)

Function : Registrars and Coroners

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Achieve 100% birth registrations with 5 working days	100%			Steady	Green	Data available April 2017
Achieve 100% still birth registrations with 5 working days	100%			Steady	Green	
Achieve 100% registrations of death within 20 working days of appointment request	95%		National problem registering deaths as delays in medical certificate cause of death .All registers working closely with general registrars to resolve nationally	Down	Green	
Achieve 100% declaration of marriage and civil partnership within 10 working days of appointment request	100%			Steady	Green	
Customer satisfaction with registrars service	98.2%			Steady	Green	
Implement registrars booking system	Stopford waiver completed	Tested and developer amendments suggested	System Testing continues Training packages developed for staff for cascade training Parallels systems will run for Q4	Steady	Project completion Q3	
Implement replacement coroners IT caseload management system	Feasibility complete			Steady	Project Completion Q4	
Achieve timeliness targets for inquest for those cases that take over 1 year				Improving	Less cases	
Complete options appraisal re mortuary and bereavement service	Agreement to explore options	Investigation and regional benchmarking	Feasibility and costings modelling continues. Meeting planed with Home office pathologist In Q3 to discuss feasibility of in house pathology team	Steady	Launch of the bereavement service late 2017	

Culture and City Development : Quarterly progress report (7)

Function : Seafront Services

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Increase visitor numbers for events by 5%	710855	96,789	Q2 - 452,500 Accumulative 549,289	Steady	Amber	This is 77% of baseline but to achieve the 5% growth, the 200,000 footfall in quieter periods will be challenging . However, new events such as Oktoberfest will support numbers
Review byelaws and review and simplify layers of restriction	BBQ Byelaws Dog orders Byelaws	Benchmarking and research to be completed Q3	Dog Byelaws: instigated legal review to explore options in parks and open spaces including the seafront . Dog bylaws current legislation does not expire until October 2017 BBQ : breifing to portfolio order in Q3	Steady	Green	
Deliver two concessions options in pilot form for delivery and evaluation	Research on possible concessions	New concession/activity option being developed with NMRN for Q 2 delivery	-NMRN concession delivered Q2 for July / August and currently under evaluation -Option for HotWalls studio being developed as a pilot in Q3 -3 rd pilot explored but infrastructure not in place in time for height of season but will be option for 2017	Steady	Green	
Complete beach Huts costs analysis weekly and annual and options for change	Previous full Cost full analysis not completed. Annual income target was £89,447	Full costs will be available end of season Q2	Income target achieved for annual lets in Q2 despite higher than average fees and charges % increase. Weekly lets marketed and income increased but more to do . Full cost appraisal to be completed for portfolio member Q3 to inform fees and charges.	Improving	Green	
Poster sites : Full cost analysis and identify areas to increase income and advertising opportunities packages	Income target: £31k Income actual :£29k No advertising packages	Income Target : 32k Income actual on target 2 advertising packages in place	Income Target : 32k Income actual: 16k 2 advertising packages in place	Steady	Green	
Full cost analyses of splashpool to inform programming and opening times in 2016/17	Previous Cost analysis not completed so baseline not available	Costs analyse to complete in Q2 once spalshpool closed	Successful Q2 season with over 30,00 visits throughout the season ending September . Cost analysis to be completed Q3	Steady	Green	

Culture and City Development : Quarterly progress report (8)

Function : Visitor services

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Increase in visits from “staying visitors” over 3 years of 8% from 2016 to 2019	726,000	As Q4		Steady	G	Data is bi- annual and 2016 data will be presented in September 2017 . Hampshire CC data will be available mid year which will give a regional indication of visits and spend . Continuing to develop options for accommodation in the city is key to encourage overnight stays.
Increase in visitor spend of 10% over 3 years from 2016 to 2019	£463Million	As Q4		Steady	G	As above

Function: Economic Growth

Improve skills levels	Strengthening of post given the importance of the priority for the city	Employment and Skills post out to recruitment	Employment and Skills post selection and interviewing process completed	Steady	In post Q3	The economic growth team is still forming following various post restructure and recruitment
Increase foreign investment in the city	Collection of intelligence of current investment in the city			n/a	n/a	Macro data at Hampshire level will inform trends
Increased business survival by providing business with targeted business support	Signposting to Enterprise First and Solent Growth Hub			Steady	5% Increase in number of business supported by PCC signposting	

Function : Retail and Markets

Review Market offer within the city		Review Christmas market offer	surveying customers and undergoing a wider consultation to inform re-procurement.	Steady	Reprocurement in March 2017	
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Culture and City Development : Quarterly progress report (9)

Function : Development Management

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Ensure applications dealt with in national standard timeframes: major applications (target 60%)	89%	67%	100%	Down	Green	Performance improvement in Q2 is a result of focussing resource on timely validation and registration of the new applications. The result indicate that improvements can be made, the challenge is to keep performance consistently high. The performance is on trend to achieve national and directorate targets for year end.
Ensure applications dealt with in national standard timeframes: minor applications (target 65%)	80%	66%	86%	Down	Green	
Ensure applications dealt with in national standard timeframes: other applications (target 80%)	83%	87%	92%	Improving	Green	

Function: Sports and Leisure facilities management

Procurement of a new leisure facilities contract for the management of our 6 leisure facilities	Q4- Prepare Stage 1 ITT submission deadline on 8th August Q1-Prepare Stage 1 ITT submission deadline on 8th August Q2- Stage 1 approved at the gateway board .Stage 2 bid went forward in September to Gateway 4 . Analysis of 3 bidders to select preferred bidder assessed against the criteria of a Specific Specification to announce the decision in November.			On track	
Develop new Sports Facilities and Playing Pitch Strategy in partnership with stakeholders – approval in municipal year	Fieldwork in progress	Fieldwork in progress	Audits and interviews largely complete	Steady	On track to complete by Q4 as per plan

Function: Building control

Explore expansion of the BC partnership			Fareham & Gosport already combined with Portsmouth Aim : 1 st phase end of December		
Explore establishing a Trading company for Building control	Explore options led by PCC				Options appraisal March 2017

Culture and City Development : Quarterly progress report (10)

Function : Planning

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Review of Local plan to take plan period to 2034 and identify how employment and growth will be accommodated in the city	Resources now in place to take forward	The former northern quarter and city centre are now being considered in terms of the growth aspirations for 2034.	Draft development sites report is under preparation. On going retention issues regionally and nationally	Steady	Adoption in late 2018	
Adopt a contaminated land strategy to agree the Council's approach to identifying and bringing about the remediation of statutory contaminated land. Its primary aim is to address the legacy of historical contamination and the harm that pollution can cause to health or the environment	Draft 'Part 2a' Strategy available	Circulate draft to Internal Stakeholders Prepare report and strategy for member decision	Agreement for decision report at PRED	Steady	Adoption by March 2017	
Complete a public realm strategy including a strategy for concessions and street trading		Preparation of a draft document	On going preparation of document for public consultation	Steady	Strategy adopted March 2017	
Implement a revised CIL neighbourhood spend process	Spend profiles	PRED report December 2015 agreed framework Delegated powers agree to assess and agree projects	Projects to be agreed on a case by case basis against the agreed framework CIL monies allocated to projects in Milton ,Paulsgrove , Cosham and Hilsea . Ongoing discussions over allocating funds in other wards, for example improvements to venture playground in Charles Dickens.	Steady		
Complete a heritage strategy	Draft strategy in place	Historic England reviewing draft	Discussion held with Historic England to discuss development of an implementation strategy	Steady	Adoption March 2017 to feed into Heritage Zone bid	
Continue to work with landowners and other public bodies to maximise development opportunities in the city			For the local plan , Landowners invited to submit sites for consideration			

Community and Communications Q2 (July 2016 – September 2016)

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Community and communications : Quarterly progress report (1)

Function :Channel Shift Programme and City Helpdesk

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Reduction in PCC spending on post/carriage and print by 5%	Reduction of £258k achieved 15/16	Total spend on print and advertising in Q1 was £74,511	Total spend on print and advertising in Q2 was £59,386	Q2 is 10% down on Q2 15/16	A	Reduction on post, carriage and print likely to have reached saturation, although Q2 is showing a decrease
No reduction in levels of customer satisfaction	94% rated service good or very good	Next survey August 2016	Customer satisfaction survey in July – 91% rated service very good or good with 63% of customers scoring 10/10	Down on 94% baseline	A	Method of measuring customer satisfaction has changed in order to generate more constructive feedback to support improvements – this change has impacted on result
Increase in online payments, direct debits or other automated channels	£8.8m online payments 2015/16 984 online direct debit forms 33% in person payments at quick pay kiosks	£2.487m in Q1	Online income was £2.509m in Q2 – up 11% 1138 direct debit forms in Q2, representing 77% of all direct debit set-ups quick pay handled 5,500 transactions in first six months – 26% of all cashiers transactions 2,836 sign-ups to the new My Portsmouth account in Q2	Overall increase	G	Digital transactions are up overall, but quick pay is likely to end the year on less than 33% - initial take-up of quick pay machines was higher than normal due to support from customer service staff – the likely take-up at year end is around 25%
Increase in web enquiries submitted via online forms	14197 forms submitted in 2015/16	4735 in Q1 (including app forms)	6790 online forms (from web, app and firmstep) submitted in Q2, 64% increase on Q2 15/16	Increase	G	Along with another significant increase in online forms, for direct debit and single person discount forms, we can now see what % of all transactions are done online – for direct debit 77% of all transactions were online and for SPD – 58% of applications were made online – showing clear customer demand for online offer
Reduction in spend on small IT systems	Working to understand position with IT					
Ongoing savings target achieved	Predicted 2015/18 - £1m Actual so far - £1.7m	Awaiting declared savings in budget review				

Community and Communications : Quarterly progress report (2)

Function : Revenues and Benefits

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Council Tax collection rate	95.83%	28.56%	55.23%	Stable	Green	Council tax has collected £2 million more than Q2 position 2015/16. However the overall % collected, due to the increased charge, is likely to be lower at end of 2016/17 compared to end of 2015/16
NNDR collection rate	99.62%	35.15%	58.94%	Stable	Green	
Debt recovery	Annual figure – debt reduced from £16,108,369 to £13,357,459 2015/16	£14,077,783 (Q1 increase relates to increases in prior year debit relating NDR)	£12,597,402	Increased	Amber	
Cycle time for new claims	24 days	21 days	21 days	Stable	Green	Council tax and NNDR annual debt is forecast to be higher at end of 2016/17 as a result of the increase in collectable debit
Cycle time for changes of circumstance	8 days	8 days	8 Days	Stable	Green	
Processing accuracy	98%	97%	97%	Stable	Green	
Overpayments raised	£3,880,202	£829,370	£1,786,507	Increased	Green	
Level of outstanding benefit debt	£8,990,746	£9,003,112	£9,153,326	Increased	Red	
Subsidy received	£109,774,865	£29,568,321	£55,596,072	Stable	Green	The amount of subsidy forecast to receive is down on 2015/16 as the level of housing benefit expenditure is reducing (this is in main due to the welfare reforms). However the % of subsidy claimed against expenditure has improved 98.04% at end of Q2 (97.69% at end of Q2 2015/16) 55

Community and Communications: Quarterly progress report (3)

Function : New business and traded services

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Income generation targets: Design £150,000	£188k for year	£30k	£65,173.38	Reducing	Amber	Review of design services in flight
Commercial Services Benchmark £4.3m in 2015/16	£4.3m for year	£3.233m	£3,386m	Resilient	Amber	Services withdrew TS offer to the sum of £250K. Currently identifying new income from beyond education sector – fiercely competitive market place.

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Function: Democracy

Achievement of statutory timelines in relation to Fol	53%	64%	68%	+3%	Amber	Continued increase in complex FOIs. Being reviewed across the board to try and secure further capacity
Implementation of ModGov	Analysis	Analysis complete review of models	Project moved to plan stage		Amber	

Community and Communication : Quarterly progress report (4)

Function : Communications and Marketing

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 Position	Trend	Year End Forecast	Director Commentary
Value of media coverage generated by PR activity in 2015/16	£905k of media activity generated in 2015/16	£141k compared with £135k in Q1 2015/16	£330,552 compared with £248,154 in Q2 2015/16	Increase	Green	
% staff proud to work for the council	64% proud to work for council	64% proud to work for council	64% proud to work for council	Stable	Green	Annual survey
% staff feel well-informed	60% well-informed responses in staff survey	60% well-informed responses in staff survey	60% well-informed responses in staff survey	Stable	Green	Measured annually in April , next survey April 2017
Measure of return on marketing investment	ROI for adoption and fostering marketing £1.6m 2015/16	Measured twice a year	Evaluation done twice a year, in Q2 measured £1,046,493 ROI from Q1 and Q2	Increase	Green	

Finance and Information Services (July 2016 – September 2016)

Finance and Information Services : Quarterly progress report (1)

Function: Financial Governance and Accountability

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Prepare a Medium Term Financial Strategy	MTRS approved by full Council as part of annual Budget					
Approve a Balanced Budget and associated level of Council Tax	Budget and council tax approved by Full Council for required level of savings					
Approve a minimum level of general reserves	£6.5m	7m	£7m	steady	£7m	
Approve a fully funded 5 year capital programme	Capital programme approved by Full Council					
Statutory timescales achieved for Statutory Financial Statements	The annual target of 30 June has been achieved					
Unqualified Audit Opinion achieved	PCC achieved an unqualified audit opinion for the 2015/16 accounts					
Quarterly financial reporting to council achieved	In progress	Scheduled for September 2016	Scheduled for December 2016	steady	Green	
Pay.net implemented	Project commenced	No sites implemented	5 sites implemented	steady	Green	
Bank reconciliation completed within 4 weeks of month end	Slightly behind	May & June not fully complete	August not fully complete	Improving	Green	Staff vacancy now filled & being trained
Transparency information published on time	Delivered	Delivered	Delivered	Steady	Green	

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Finance and Information Services : Quarterly progress report (2)

Function: Maximising the resource available to the Council

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Additional income generated through mechanisms e.g.. Property Investment Fund, Shared IoW service	See project reports					
Average return on new investment to exceed LIBID rates	Exceeded investment returns target for new investment	Exceeded investment returns target for new investment	Exceeded investment returns target for new investment	Down	Green	
Implementation of Employee Benefit Portal and subsequent savings	See project reports					
Debt recovery indicators (add KPIS) Actual (target) Council Tax Business Rates	95.4%(95.2%) 99.6% (98.5%)	94.21%(97.8%) 103.3%(98.8%)	94.04%(97.8%) 93.9% (98.8%)	Down	Green	

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Finance and Information Services : Quarterly progress report (3)

Function: Maintaining resilience of financial services operations

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Up to date business continuity plan by December 2016	Awaiting update and testing	Awaiting update and testing	Awaiting update and testing	Steady	A	
EBS availability to be within performance standard of 98% availability in working hours	Performance maintained	Performance maintained	Performance maintained	Steady	G	
Completion of Financial Services re-organisation to be positioned for new business	Phase 1 consultation complete	Phase 2 consultation underway	Revised structure implemented	Steady	G	

Finance and Information Services : Quarterly progress report (4)

Function: Support directorates to deliver within agreed budgets and achieve savings targets and objectives

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Spending within allocated budgets – deficits in adults’ social care and children’s social care reducing as per agreed plans Page 160	Budget outturn for 2015/16 of £3.5m underspend. Education and Children’s portfolio deficit reduced to £1m and Health and Social Care portfolio reduced to £1.5m following budget action plans agreed by Cabinet, 3 rd December 2015.	Forecast outturn of £0.66m overspend including forecast deficits in Children’s portfolio of .45m and Health and Social care of £1.5m	Forecast outturn of £33k overspend including forecast deficits in Children’s portfolio of £0.7m and Health and Social care of £1.3m	Improving	Green	Overall financial position considered ‘green’ as the forecast outturn is close to budget

Finance and Information Services : Quarterly progress report (5)

Function: High quality business as usual financial services – continual service transformation

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Implementation of new forecasting and budgeting tools	Rollout underway	Rollout to finance teams	Operational in 3 teams	Improving	Green	
Implementation of Business Intelligence reporting for managers	See project progress reports					
Maintain EBS upgrade and patching programme	Latest Recommended Patch Collections updated	Latest RPCs updated	Latest RPCs updated	Steady	Green	
Invest in EBS hardware requirements	Procurement underway	Hardware purchased and currently being commissioned for Go live Jan 2017	Hardware purchased and currently being commissioned for Go live Jan 2017	Down	Red	Unexpected technical issues experienced in set up have meant the project has had to be rephased for July 2017
Complete roll-in of purchase to pay business intervention	See project progress reports (Appendix 2)					
Payment performance indicators	82%	76%	79%	Improving	Amber	
Payroll and EBS indicators	Achieved	Achieved	Achieved	Steady	Green	
Paid 10,000 internal & external staff on time EBS availability – within performance standard of 98% during working hours	Achieved	Achieved	Achieved			

Finance and Information Services : Quarterly progress report (6)

Function: Operational IT performance

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Metrics Page 162	Civica APP – 100% Capita 1 EMS – 99% Comino W2 – 100% PIMS – 100% Mayrise – 100% Email – 100% Internet – 100%	<ul style="list-style-type: none"> - “Critical” service systems - “Critical” corporate systems - Internet capacity & availability - Core Network availability & throughput - Remote site connectivity - Remote working (VPN) availability 	<ul style="list-style-type: none"> - New metrics going live in 3 phases. - Phase 1 goes live w/c 21.11.16 - Phase 2 goes live by mid Dec. - Phase 3 goes live by end of Jan 			<ul style="list-style-type: none"> - The IS department did not routinely and systematically measure and manage performance. - The department now has a Monday morning performance meeting every week to review KPI’s and performance. - Industry best practise was studied from several other Counties as well as a leading outsourcing company. - PCC have built on these learnings and will be delivering a best in class set of automated metrics. - Soft Cultural change program underway with IS management team to become more performance focused.
Incident resolution measures linked to service level agreement	92%	93%	96%	Improving	Green	

Finance and Information Services : Quarterly progress report (7)

Function: Operational IT performance

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Customer satisfaction	96%	97%. More meaningful metric is the SOCITM Satisfaction survey completed by PCC all users gave us a score of 5.52/7. The median score across all responding organisations is 5.32	95.2%	Static		
PSN accreditation IG Toolkit (Connection to NHS) PCIDSS (Payment Card processing)	Accredited Accredited Accredited	Accredited Accredited Accredited	Accredited Accredited Accredited			

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Finance and Information Services : Quarterly progress report (8)

Function: Strategic IT support and Development

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
1) Produce Category Management Plan 2) Produce IT Strategy 3) Restructure IT	1) N/A 2) Last strategy produced in 2012 3) N/A	1) First draft 3 weeks away 2) Structure agreed. Benchmarking and initial contributions received. Now in drafting phase. 3) Will be determined once strategy agreed. Organic changes are proceeding now	1) Done 2) First draft due week commencing 21.11.15 3) In progress	On time	On time	
4) Adoption of digital strategy	Business Transformation Group established	<ul style="list-style-type: none"> - Being reviewed by the Economic Development Culture and Leisure scrutiny panel. - Digital is approaching first draft stage - Entering consultation with directorates 	<ul style="list-style-type: none"> - Verbal update at EDCL completed. - Presenting at next EDCL - Liaising with TEBS - First draft by Xmas 	No PID	No PID	

HR, Legal and Performance Q2 (July 2016 – September 2016)

HR, Legal and Performance : Quarterly progress report (1)

Function: Human Resources

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Sickness absence	8.4 days per employee per year	8.4	8.4	Stable	8.4	Performance has bottomed-out after a period of continued improvement. Support to managers being re-invigorated and further wellbeing initiatives promoted in order to maintain improvement
All restructures and other organisational change successfully managed	Achieved	Achieved	Achieved	Stable	Achieved	Extensive restructuring and staff transfer activity carried out, partly resulting from budget savings
No successful Employment Tribunal cases as a result of poor HR practice	Achieved	Achieved	Achieved	Stable	Achieved	Currently no pending tribunal cases
Recruitment end-to-end time (i.e. to employment start date)	65 days	62 days	67 days	Declining	65 days	Further analysis being carried out to better understand increase. Likely to be a result of a small number of hard-to-fill posts
Apprenticeship numbers	68 (including pipeline)	75	71 (including pipeline)	Stable	70	Apprentice recruitment continuing across the council. New apprentice levy will create significant increase in numbers

Function: Directorate

Traded Services: reduce dependency on cash-limit finance by developing trading opportunities	50%	48%	48% of service funded through cash limit	Improving	48%	Continuing success in winning external clients. Now 9 for audit and 3 for HR (excluding schools)
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HR, Legal and Performance: Quarterly progress report (2)

Function : Legal Services

Agreed measures of progress	Baseline as at Q4	Q1 position	Q2 position	Trend	Year End Forecast	Director Commentary
Turnaround times on childcare cases (% within 26 week target)	70% within 26 weeks	83%	57%	Declining	70%	Decline due to small number of very complex cases where courts have ordered additional assessments and procedures that extend beyond 26 weeks
No major projects delayed due to failures to provide effective legal support	Achieved	Achieved	Achieved	Stable	Achieved	Timely advice and support provided to a range of major projects
Land Charges – complete searches within 20 working days	100%	100%	100%	Stable	100%	Performance improving following delays caused by new IT system implementation. Most searches now completed in 15 days or less

Function: Internal Audit

% annual audit plan complete	100%	7%	57%	Stable	100%	Progress consistent with expected position at this stage of year
Number of exceptions identified	1 critical, 98 high	0 critical, 9 high	1 critical, 40 high	Stable	N/A	Separately reported to GAS

Function: Corporate Strategy

Maintain schedule of funding opportunities	Monthly updates provided to Leader	Achieved	Achieved	Stable	Achieved	Updates provided as agreed
Achieve statutory deadlines regarding annual governance statement and performance statement	Achieved	Achieved	Achieved	Stable	Achieved	Separately reported to GAS

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Portsmouth City Council Appendix 2:
Directorate Project Reports Q2 2016
– 2017 (July 2016 – September
2016)

Children's Services : Major projects (1)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Stronger Futures Page 170	<ul style="list-style-type: none"> Public consultation on Stronger Futures Programme Creating the single specification for universal and early help services Commissioning options Finalised restorative practice strategy Revised processes for securing Troubled Families attachments and claims 	<ul style="list-style-type: none"> Restorative Practice Strategy complete SF strategy agreed by Cabinet 	<ul style="list-style-type: none"> Completed Children's Trust Early Help Strategy Team Around the Worker model rolled out in MATs New workflow arrangements for early help Revised Performance Framework in place Restorative Practice Training begins Proposals in place for revised management structure for MAT Strategic mapping of early help offer completed. Further work to be completed on detailed pathways through the offer (mental health) – Commissioning options complete. 	On target	On target	There is no dedicated programme budget for the Stronger Futures work as this represents a reshaping of existing business as usual activity , as outlined in the paper to Cabinet on 22 nd September 2016	On track with timelines set out in Cabinet Paper	

Children's Services : Major projects (2)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Portsmouth Education Partnership	Shadow arrangement to be put in place for Q2 (strategic board and operational group), consultation document to go out on 5 th Sept (closing date of 21 st Oct). Launch planned for 4 th Nov. The school improvement function of the LA has been outsourced to the Portsmouth Teaching School Alliance – but will be embedded as part of the PEP arrangements.	All actions for Q2 completed	The shadow operational group will conclude the analysis of the 2016 outcomes against agreed criteria in Q3. This will determine school improvement support in 2016/17 for LA maintained schools and flag areas of concerns for MATs / academies. Early priorities (school improvement, English, maths and teacher recruitment & retention) and action plan to be completed in Q3 + draft education strategy to go to Strategic Board in Q4.	Set up as per milestones	On track with next phase of programme	N/a	n/a	To be monitored through indicators of educational achievement

Children's Services : Major projects (3)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Planning and delivering sufficient school places for the city. Page 172	Primary Phase 2 Sufficiency: Pre school building works at Northern Parade to commence in Q2 (Sept 2016) with completion in Q4 (March 2017).	Work in progress, as expected.	Northern Parade: Progress with pre-school building works and preparation for main works tendering process, due to start in Q4	On track	On track	On track, except Northern Parade A bid has been submitted to the EFA for capital funding to assist with the Northern Parade Pre School project. The current project is overspent and this will relieve pressure if successful	Northern Parade pressure. All other projects are on track.	On track
	Newbridge Junior Academy: Capital works due to start on site at The Portsmouth Academy in Q3 (to establish a Year Annex of the Junior School on TPA site)	Work in progress, as expected	Work will complete at the end of Q3. School to move in at the start of Q4					
	Craneswater Junior: In design Q2, due to go out to tender in Q4	Design progressing	Design finalised and preparation for tendering process, due to start in Q4					
	Moorings Way Infant: In design Q2, due to go out to tender in Q4	Design progressing	Project due to start in Q4					
	Secondary Phase 1 Sufficiency: St Edmund's Catholic School - tenders return due in Q2 (September)	Tenders returned. 3-way funding arrangement confirmed with Diocese, school, LA	Work due to start on site in Q3					
	Miltoncross Academy - final design and PFI negotiations to be agreed	PFI negotiations and design discussions continued – progress made	Plans expected to be finalised during Q3					
	Springfield School - detailed design and procurement route to be agreed in Q2	Procurement routes agreed	Survey work completed in Q3 to inform detailed design (design due to be signed off Q4)					
	The Portsmouth Academy - procurement route to be agreed.	Costs subject to capital bid – submitted.	Formal Project Board meeting in Q3 to start project					
	Special Schools Remodelling (Cliffdale and Redwood Park): Detailed design to be agreed and procurement route to be identified.							

Adult Social Care : Major projects (1)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status					
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome	
LD Day Service Transformation	Measures data not available.								
OPPD Systems Intervention	<p>Redesign stage was in effect in Q1 during which the intervention team worked with live cases and redesigned the work process to remove steps that did not add value to the client. Highlights were:</p> <p>Contact to assessment Reduced to 1.7 days from 96 days; Contact to needs met Reduced to 17.8 days from 203 days Customer satisfaction 9.9/10 Cost per client - staff time £264 reduced from £623 The Roll in stage of the intervention commenced in June 2016.</p>	<p>The intervention team have used the EDIP method – Educate, Demonstrate, Imitate, Practice. With:</p> <p>Hospital Social Work Team – Practitioners EDIP'd. <u>Hospital Leaders</u> working on the system to manage QA generated waste.</p> <p>Community Teams – Occupational Therapy – 2 leaders have EDIP'd OT's. <u>Social Work</u> - 5 leaders in the process of EDIP'ing and 3 of these in the process of EDIP'ing others whilst being close marked</p>	<p>Initial plan for Q3: Complete the Community Social Work roll in Redesign OT and SW duty model. Establish, embed and utilise comprehensive suite of measures. Commence full-scale intervention in Learning Disability services.</p> <p>Over time, conduct interventions (at appropriate scale) across the breadth of ASC and build the capacity of the service to sustain the change at all levels with diminishing external support. This will be achieved by:</p> <p>Re-visit Hospital to adapt approach in light of the IDS. Ensure OP-PD management team is appropriately staffed and skilled to embed VMST at all levels and that all roles add value. Over time, flex and adapt staffing model of OP-PD to design service capacity against predictable demand. Conduct further full-scale interventions in other ASC teams as decided by leaders. Perform rapid check, redesign, and roll-in on other ASC functions to improve flow across service, as directed by leaders. Apply VMST to integration of community health and social care teams, subject to negotiation/agreement with partners. Apply VMST to design of job roles. Review all training provided to staff to ensure consistency with new approach. Redesign the approach to commissioning services for users of ASC, based on VMST principles. Recommission services based on the above approach as existing contracts expire - prioritise domiciliary care and community equipment store (Millbrook). Build VMST principles into tendering process for ASC-related services and make this a requirement for all bidders. Realign ASC's relationship with all relevant PCC support services, based on VMST principles. Prioritise IT, Finance, HR (including training), and, ICU. Work collaboratively with providers and partners to develop a 'pull' model for all mutual referrals</p>						

Adult Social Care : Major projects (2)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Health & Social Care Blueprint	Co-location achieved with Solent NHS Trust Community Nursing Services	Integration forum commences during Q3						
Integrated Discharge Service (QA)	Foundation work for relocation of staff and working arrangements for staff from 5 partners completed.	Co-location achieved.						
LD systems intervention		Working arrangements and cover commenced for LD intervention. Staff recruited to commence check.	Check commenced with LD integrated team October. Check to be completed and presented by mid December 2016.					
Transition between Swift / AIS and System 1		Specification drafted	Board to agree data sharing with provider and confirm "rules" for transitioning data from AIS to System 1.					

Public Health : Major projects (1)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Ensure the Healthy Child Programme (0-19) is recommissioned by 30 June 2017	Plans are currently being reviewed to align with the Stronger Futures Programme. The recommissioning timescales may be amended	DCS took paper to Cabinet to agree change in timescales and that commissioning responsibility will transfer to DCS	Agreeing MOU to enable transfer of commissioning responsibility to DCS			On track	On track	
Develop and implement the Better Care programme Living Well Scheme	To be reviewed in the context of the Portsmouth Blueprint and restructuring of the Public Health Service.	Review currently underway as part of the reassessment of the restructured PH team business plan	We will continue to work with partners to implement the Blueprint as core business of the new team.	On track	Review may take longer than anticipated	On track	On track	Slightly behind time, budget on track.
Service review and consultation	Consultation launched and final structure to be agreed and implemented	Consultation concluded on 26 Sep 16. Staff proposals on new structure acknowledged and some changes implemented.	Voluntary and compulsory notices to be issued. Transition arrangement to new reduced structure to be worked through.	On track	On track	Shortfall against target	Shortfall against target	On time , shortfall on savings target
Recommission Substance misuse services	Award contract and implement new service	Contract awarded to SSJ; implementation on 1 st November 2016	New service commenced and operating effectively.	On track	On track	On track	On track	Delivered to time and budget
Recommission Sexual health services	tender evaluation is underway during August and September 2016.	Contract awarded to Solent NHS Trust, who are the current provider	Complete contract implementation	On track	On track	On track	On track	Delivered to time and budget

Regulatory Services and Community Safety : Major projects

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Domestic Abuse – complete service review with recommendations agreed and partners contributing	Strategic review underway. Updated reports taken to SPP & PSCB	Amber	A (on track)					
Restructure the Early Intervention Project	New service to be in place from 01/04/17	Amber	A (on track)					
Trading Standards – Deliver service review (and savings) – merger of environmental health and trading standards to create a single regulatory service		Green	G - Completed	Green	Green	Green	Green	Green
Investigate a shared civil contingencies service with Southampton		Green	Green	Green	Green	Green	Green	Green

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Transport, Environment and Business Services : Major projects (1)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
The Hard Interchange	No issues. Key construction milestones will include making the building water tight and fitting out internally.	Roof is complete, internal fit-out has commenced, bus apron is nearing completion.	Completion of external areas, make building water tight. Concrete repair works on underside of deck.	Green	Green	Green	Green	Green
Dunsbury Hill Farm Link Road	HCC's adoption of the S278 zone of the works to be progressed. A settlement needs to be reached on payments to the Contractor. A defects schedule is to be issued to the contractor.	HCC have provided a certificate of completion for the S278 zone, which will mean they will adopt within the year. Link road, HCC have provided us with an intent to adopt. Defects schedule has been issued to the contractor.	A settlement needs to be reached on payments to the Contractor. Receipt of the health and safety file from the contractor.	Green	Amber	Amber	Red	Green
Eastern Road Waterbridge	No issues. Developing detailed design and preparing works contract. In the process of gaining necessary consent approvals.	The contract has been awarded. Desktop study and survey preparation has taken place.	Agreement on the detailed design and works information.	Green	Green	Green	Green	Green

Transport, Environment and Business Services : Major projects (2)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
North Portsea Island Flood Defence scheme	No issues. Detailed design commencing at Tipner Lake / Mountbatten Centre.	Phase 1 and 2 complete on time and below budget.	Detailed design commencing at Tipner Lake / Mountbatten Centre. No issues.	Green	Green	Green	Green	Green
Southsea Flood Defence scheme	No issues. Await outcome of DEFRA and Treasury approvals, expected January/February 2017.	Outline Business Case being reviewed by the Environment Agency.	Awaiting the outcome of DEFRA and Treasury approvals, expected Jan / Feb 2017. No issues.	Green	Green	Green	Green	Green

Transport, Environment and Business Services : Major projects (3)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Traffic Management Centre IT infrastructure upgrade	No issues. Implementation plan to be defined and approved. Contract to be drafted and signed.	Options assessment for relocation of TMC to the basement. Contract has been drafted and forwarded for agreement.	No issues. Implementation plan to be defined and approved. Contract to be drafted and signed.	Amber	Amber	Green	Green	Green
Traffic signals optimisation programme	Issue: programme delay, works are expected to begin in March 2017. Completion of detailed design. Production and release of tender documents.	Design progressing. Project split into two to enable fast track delivery of some junctions.	Detailed design work complete. The price of the fast tracked junctions is to be determined. Shortlisting of contractors for remaining junctions complete.	Red	Amber	Green	Green	Green

Culture and City Development: Major projects (1)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Hotwalls Studio creative quarter will develop 8 working artists studios in the Grade 1 listed arches former military barracks on broad street with a commercial eatery creating approximately 14 new jobs	Roof of the searchlight structure in worse condition than anticipated and repair scheme to be programmed. Options currently being explored for the future facility/ development management of the studios and wider site	Capital works completed 04.07.2016. The facility opened on 08.07.2016. Some works and defects outstanding. Other elements of project – facilities management, apprenticeships, heritage centre and creative markets under development	Apprenticeship positions recruited and in place Support of facilities manager from seafront services established to support facilities management Creative market ideas for festive period implemented					
Transformation of D-Day Museum: Continue to deliver the 5 year transformation of the D-Day Museum in– start work on site (now May 17)	Revision of schedule may be required Continued fundraising for match funding shortfall of £150,000	Completed RIBA E For Base build	Exhibition design Base Build Activity Programme					
Developing plans for the City Centre Infrastructure as part of the City centre masterplan	Working with Savills and WSP Gensler for master planning and road design preparing full business case for the LEP board and full planning application	Uncertainty over funding Need to acquire 3 rd party land			FBC LEP November 2016 App in Jan 2017		TBC as part of CBB	

Culture and City Development : Major projects (2)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
City Deal : strategic development at the gateway to the city unlocking critical employment and housing land plus a country park at Tipner and Horsea Island	Developing planning application to submit Q3 2017 Continuing transfer of landownership negotiations transfer of firing range April 2018	Transfer of land ownership negotiations completed . Actual transfer dependent on availability of new range at Longmoor, expected March 2018	Planning application to submit autumn 2017 Identify options for public engagement FBC LEP November 2016 Continuing transfer of landownership negotiations transfer of firing range April 2018	On programme	2030	48.75M		Minimum 1250 homes 65,000sq metres employment space
Procurement of a replacement Coroners Caseload Management System	PID brief completed and benchmarking in progress and options appraisal developed	Testing data Secured Hampshire CC agreement to fund 30% of It system	Next steps: Complete the tender process, Confirm viability of system, and complete contract.	On Track	January 2017		£82K	

Community and Communications : Major projects (1)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Delivery of the channel shift/digitalisation programme Page 182	Personal Accounts Revs full automation Bens – form and RBV IVR telephony Moving to BAU Plan digitalisation review	Over 2000 accounts registered IVR live Revs moves complete Digital team being appointed See slide 2	Completion of Revs changes Benefits and RBV implemented Phase 1 Events implemented	On-plan	On Plan	On Plan	On Plan	Savings exceed targeted
Implementation of Universal Credit (including the Local Support Framework)	43 housing benefit cases to date have been cancelled due to claiming universal credit (since 28/03/2016)	73 housing benefit cases to date have been cancelled due to claiming universal credit (since 28/03/2016)	No issues	DWP programme running behind schedule	N/A	N/A	N/A	Ultimately reduction in staff

Finance and Information Services : Major projects (1)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Finance service restructure	No issues foreseen. Job matching and implementation rollout expected from end of quarter	Restructure implemented	None	Green	Green	Green	Green	Green
Purchase 2 Pay roll-in	Relocation of team to space sufficient to commence phased transfer of work. Implementation of Barclaycard spend manager to replace PCAS system	Transfer of work from 2 teams	Transfer of work from remaining teams	Green	Green	Green	Green	Green
Business intelligence	Hardware on site currently being commissioned . BIP appointed and design workshops scheduled	Hardware on site currently being commissioned . BIP appointed and design workshops scheduled	Function configuration stage commences	Green	Green	Green	Green	Green

Finance and Information Services : Major projects (2)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Employee benefits portal Page 184	Reduction in eligibility criteria announced by HMRC. Currently reviewing schemes which can be run under the new criteria. AVC scheme to be launched once HMRC compliance confirmed.	Awaiting HMRC compliance notification	Anticipate clearer direction in Autumn statement on future salary sacrifice schemes	Red	Amber	Red	Amber	Dependant on government policy
Property investment Fund	Fourth property due to be completed upon shortly. Balance of Investment portfolio budget expected to be utilised by mid 2017/18	Fifth property purchased. Balance of Investment portfolio budget expected to be utilised by January 2018	Mix of properties being purchased and income generated from sale and leaseback of Wightlink	Green	Green	Green	Green	Continuing income generation strategy
Hampshire community bank	Approval being sought for investment of up to £10m in bonds issued by HCB subject to being secured against good quality assets owned by the bank.	Approval obtained in Treasury Management mid year review	Exploratory discussions with HCB	Green	Green	Green	Green	

Finance and Information Services : Major projects (3)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Bring Your Own Device	Print functionality and further roll out	BYOD rolled out further		NO PID		N/A	N/A	
Internet upgrade	Migrate other identified business systems and investigate the 50MBPS link	Migration completed		Complete		N/A	N/A	
TPP – ASC	Data migration	Separating CSC data from Swift set going to TPP		Yes	Yes	N/A	N/A	
Upgrade obsolete IT service management software – self service	Project start up	- ITSM procurement documents under preparation. - ITSM project team being established		No	Yes	Need to receive tender returns	N/A	
Telecoms efficiencies	Project start up	Project Team established		Yes	Site audits in progress	N/A	N/A	
EBS complete infrastructure to refresh moving to virtual servers	System migration	- Hardware installed - User acceptance testing to commence		No - 3 weeks behind	No - 3 weeks behind	N/A	N/A	Increase in IT resource requirement
Traffic Management Centre	Feasibility of relocating the Traffic Management Centre to the Lower Ground Floor	- Amber due to delay in confirming relocation site and line migrations		No – 2 weeks behind	Yes	On budget	On budget	
Channel shift	Deliver next phase of customer account	Ongoing delivery against program		Yes	Yes	On budget	On budget	

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HR, Legal and Performance : Major projects (1)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Devolution/ combined authority	Consultation programme on review and scheme. Website developed. Report to prepare for Cabinet to identify whether to submit to HMG	<ul style="list-style-type: none"> - Draft governance scheme review published - Consultation launched and completed, showing broad public support for bid - PCC Cabinet report published 	<ul style="list-style-type: none"> - Cabinet to approve report - Revised review of scheme following outcomes of consultations - Similar approvals IoW and SCC - Submission to Secretary of State for determination - Publication of PWC report looking at local government in HIOW 	Plan achieved	Dependent of SoS determination	No programme/project budget		Dependent on SoS determination
HR self-service (ongoing roll-out and development)	Next stages of roll-out include i-expenses, new diary/leave interface and facility to record qualification data	Diary/leave interface now live. Qualification data development nearing completion. I-expenses live	Qualification data to go live	On track	On track	On track	On track	On track
Commensura Partnership (£2.5m per annum)	Still high levels of non-compliance in some areas of the council. Ongoing work with suppliers and service managers to address this	Non-compliance levels reducing	Continued reduction in non-compliance. Increase in savings. Introduction of c.net software to improve process for hiring					
Apprenticeship levy (potential cost c£700k per year)	Forthcoming actions on project plan include establishing framework of training providers, marketing activities to increase number of apprenticeships, and improving central records of staff qualifications	Additional information received from government about levy. Qualification database being developed. Framework of providers in place	Implement comms plan. Implement payroll improvements to pay levy. Further work to identify higher/degree level apprenticeships					

HR, Legal and Performance : Major projects (2)

What are the major projects that the Directorate will be engaged in over the year ?

Project	Progress projected in Q2 (highlighted in Q1)	Progress seen in Q2	Expected progress and issues next quarter (Q3)	Overall status				
				Time (against Q2 plan)	Time (overall forecast)	Budget (against Q2 plan)	Budget (overall forecast)	Outcome
Development of trading company (temporary agency and training) – c£300k per annum	Scoping and project brief	No further progress. Project not yet commenced	Scoping and project brief	NA	NA	NA	NA	NA
Military Covenant	Work towards achieving MOD Gold award	HR system updated to enable staff to record details of veteran or reservist status or military connections. Event held to promote reservists. Bid submitted to government for funding for covenant officer role	Outcome of funding bid expected. Develop options for inclusion in Gold award submission					

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Portsmouth City Council
Appendix 3: Directorate Risk Reports
Q2 2016 – 2017 (July 2016 –
September 2016)

Corporate : Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/commentary	Type of Risk
01/07/2013	Organisational vulnerability - alerted CGG	Michael Lawther (City Solicitor and Deputy Chief Executive)	Disclosure of sensitive data both accidental and malicious	Fines from ICO or legal action taken against the Authority and individual staff members	Clear policies and procedures; staff training and awareness; some (limited) preventative technical solutions	Legal action, reputational damage, risk of harm, financial loss
01/07/2016	Organisational vulnerability - alerted CGG		Modern records - suitability of location - susceptibility to damp and flooding	Loss of information	Remedial works completed to reduce risk of flooding	Legal action, reputational damage, financial loss
01/07/2016	Organisational vulnerability - alerted to CGG	Michael Lawther (City Solicitor and Deputy Chief Executive)	Archiving of data - no clear policy or procedure for destruction of information	At risk of breaching DPA and fines to the authority	Officer appointed to further develop policy and guidance	Legal action, reputational damage, risk of harm, financial loss
01/07/2016	Organisational vulnerability - quarterly performance reporting	Chris Ward (Director of Finance and IS)	Superconnected Wi-Fi provision is funded by DCMS - limited period	Government funding provision runs out for the earliest sites in December 2017, with others dropping off through 2018 and 2019. Service is of strategic importance and offers opportunity for network consolidation and commercial advantage	Budget implications being assessed, Firm business cases to be produced to demonstrate why links should remain and how funding will be secured.	Failure to achieve objectives, reputational damage
01/07/2016	Organisational vulnerability	Chris Ward (Director of Finance and IS)	Fraud risks	Loss of resource		Reputational damage, financial loss
01/07/2016	Organisational vulnerability - in AGS 2015/16	Michael Lawther (City Solicitor and Deputy Chief Executive)	Decision-making: The Constitution has not been reviewed/formally updated for a number of years.	Decisions are not secure	Working group updating the constitution	Legal risk, financial loss, reputational damage, failure to achieve objectives
01/07/2016	Organisational vulnerability - in AGS 2015/16	Rachael Dalby, Director of Regulatory Services and Community Safety	Business continuity - ensuring services have in place effective business continuity plans	Failure to recover business after a significant disruption event	As per the new Business Continuity Standard ISO22301 new Directorate Business Continuity Plans are being produced to reflect the necessary changes. Each directorate to complete their plan by Summer 2016. The plans will be tested within a year of completion, and with a three-yearly cycle of desktop exercises.	Risk of harm, failure to achieve objectives, environmental damage, legal risk, financial loss, reputational damage
01/07/2016	Organisational vulnerability - in AGS 2015/16	Michael Lawther (City Solicitor and Deputy Chief Executive)	New ways of working : Our desire to explore more innovative and commercial ways of working requires a flexible and agile approach, but also a clear framework for governing arrangements.	Lost opportunities if framework not sufficiently responsive	Ensure arrangements for traded services and arms-length organisations are fit for purpose	Failure to achieve objectives, reputational damage, legal risk
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Not achieving savings targets authority wide	Failure to achieve targets impacts on future years budgets	Current forecast of service overspends will reduce reserves and require additional cuts in those or other services in future years to stay within budget unless remedial action identified	Failure to achieve objectives
24/11/2016	Quarterly performance reporting	Stephen Bailly, Director of Culture and City Development	Availability of suitable cemetery space	Failure to deliver statutory responsibilities in respect of burials	Cemeteries lack capacity to deal with changing community needs e.g. different religions, reduction in demand for traditional burials, increase in other cultural burials, insufficient space/layout to accommodate	Legal risk; reputational damage
24/11/2016	Quarterly performance reporting	Rachael Dalby, Director of Regulatory Services and Community Safety	Ensuring 3 yearly Golden Fox test successfully completed	Failure to reach standard	Successfully tested in October 2016	Personal injury if non-compliant

Children's Services : Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/ commentary	Type of Risk
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Savings pressures leading to increased workloads for social care staff	Increased risk around quality of social work practice	Ongoing monitoring as part of quarterly reporting	Personal injury to child;
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Savings pressures leading to increased workloads for social care staff	Reduced attractiveness of PCC as an employer		financial loss to authority; failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Reduced LA investment in specialist domestic services may increase numbers of children exposed to this	May increase severity of harm (last 3 Serious Case reviews have featured domestic abuse, 70% protection plans feature domestic abuse and 50% children removed into LA care have experienced domestic abuse).	Linked to Stronger Futures Programme for developing effective early help services for the city	Personal injury
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Refocusing staff time on more vulnerable families increases rather than decreases demand on statutory social care as more need is uncovered	Increased demand and pressure on resources	Linked to Stronger Futures Programme for developing effective early help services for the city	financial loss to authority; failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Failure to make successful claims under Troubled Families Programme	Reduced income available to the authority for investment in services	Risk is materialising - adjustments being made to spending profile and options for maximising claims under consideration	financial loss to authority; failure to achieve objectives; reputational damage
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Future of children's IT system - linked to Adult Social Care system	System becomes unaffordable and ineffective as user base reduces (ASC withdrawal) - local and national risk	Accenture analysis has been shared with IT development agencies whilst existing programmes are also being explored. New system will be required from April 2018, so decision required in next 6 months.	Financial loss; failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Process of academisation for schools distracts schools from improving teaching and learning	Deterioration in outcomes for children	The LA is working closely with the Regional Schools Commissioner to ensure that LA maintained schools have access to good information about the process and details of strong MATs that have capacity for growth and a good track record. The LA is also working closely with MATs operating in the area and ensuring that academisation of local schools is done in a considered but robust way. There are currently 5 schools with an Academy Order in place (Redwood Park School, Arundel Court Primary, Springfield School, Solent Infant & Solent, Junior Schools).	Failure to achieve objectives
24/11/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Process of academisation of schools leads to a reduced traded service income for PCC (across a range of traded services, not just those in education)	Reduced income for PCC	Traded Services income from schools and academies has held up reasonably well, but some services are being affected. In Education, consultation will commence in Q3 about the closure of the Governor Services traded service offer.	Financial loss

Children's Services : Quarterly risk report (2)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/ commentary	Type of Risk
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Building programmes are not completed in time	Risk of insufficient school places	Plans are in place and works are underway to ensure there are sufficient school places at primary, secondary and special. Robust project management will minimise risks associated with non-completion, but unforeseen factors could impact on levels of sufficiency. Capacity at primary is very limited, and there is little scope to divert children to other school places if building programmes are delayed. At secondary, there is capacity at present and building works are focussed on ensuring capacity from 2019/20.	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Savings cut into delivery of statutory responsibilities (school admissions, transport, school attendance casework)	Risk of poor experience for children and families	Impact assessments of all savings carried out to ensure that impacts for vulnerable groups mitigated and authority is still fulfilling statutory responsibilities	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Savings cut into delivery of statutory responsibilities (school admissions, transport, school attendance casework)	Risk of challenge on basis of non-compliance leading to penalties/poorer inspection outcomes		Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Savings cut into delivery of statutory responsibilities (school admissions, transport, school attendance casework)	Reputational damage		Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Inspection outcomes (social care, SEND, education) are poor or exhibit downward trend	Reputational damage, leading to challenges in recruitment	Implementation of the LASI Action Plan is on track (through the Portsmouth Education Partnership)	Reputational damage; failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Inspection outcomes (social care, SEND, education) are poor or exhibit downward trend	Risk of intervention/ direction and potential costs to situation recovery	Close management of preparation for future SEND inspection; clear response to findings of previous inspections to ensure improvement	Reputational damage; failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alison Jeffery (Director of Children's Services)	Parents and the community do not understand or support savings choices around universal services and we do not fully engage potential volunteers/promote effective community capacity building	Failure to reduce costs and continue to deliver effective universal service provision	There is active liaison at local level with parents and the community around children's centres provision; recruitment of volunteers continues	Reputational damage; failure to achieve objectives

Adults' Services : Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/ commentary	Type of Risk
24/11/2016	Quarterly performance summary	Innes Richens, Director of Adults Services	Achieving constancy of purpose	Not defined	Management resource in ASC has contracted over the past 12 months. Managing a systems thinking approach to the work to enable practitioners to achieve only value work for the service user will conflict with the current command and control/target focussed approach in PCC.	Failure to achieve objectives?
24/11/2016	Quarterly performance summary	Innes Richens, Director of Adults Services	As above		Moving to a systems thinking approach requires establishing 'constancy of purpose' and creating the right conditions for staff to work in a systems thinking way. A key element of this will be the ongoing evolution of ASC relationship with support services. At present, the structure of PCC's support services is highly centralised and required to prioritise between competing demands from frontline services (IT project management, commissioning capacity, training capacity, communications, etc). In moving to the new approach, ASC will begin to place different demands upon support services as it gains a clearer understanding of what it requires to deliver purpose and meet customer demand. There is a risk, therefore, that support services as currently conceived, will not have the resources or flexibility to support ASC in the short term. Similarly, the work is likely to be constrained in some respects by the council's policy framework. In any intervention, corporate policies will almost certainly be identified as system conditions - causes of waste, failure, and sub-optimal service provision. Because policy frameworks apply corporately and interventions are conducted locally, this will inevitably and repeatedly create conflicts between each intervention and the owners of corporate policies.	Failure to achieve objectives?
24/11/2016	Quarterly performance summary	Innes Richens, Director of Adults Services	Integration between health and social care		The "blueprint" for health & social care in Portsmouth sees a future service provided to minimise unnecessary contact for the service user and the service by ensuring ever closer working between community health and adult social care services. The intervention in OPPD means that changes to the work process are only brought about by learning or changes in primary legislation. This is likely to conflict with a system partner, (NHS community health care) which has not adopted the same principles.	Failure to achieve objectives?

Public Health: Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/ commentary	Type of Risk
01/07/2016	Quarterly performance reporting		Insufficient focus on system prevention and early intervention in system-wide plans	Failure to reduce demand on services	Working with partners to ensure the Portsmouth Health and Care Programme is sufficiently focused on prevention and early intervention	Failure to achieve objectives
01/07/2016	Quarterly performance reporting		Failure to continue to deliver PH priorities during the implementation of the service wide restructure	Failure to deliver PH priorities	Working with HR to implement appropriate processes to achieve conclusion swiftly	Failure to achieve objectives
01/07/2016	Quarterly performance reporting		Reduction in funding in services, including for vulnerable people eg. drug and alcohol services, oral health, healthy child programme	Population outcomes decline	Managed through service redesign, retender of services and performance management of providers	Failure to achieve objectives

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Regulatory services and community safety : Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/commentary	Type of Risk
01/07/2016	Quarterly performance reporting	Rachael Dalby (Director of Regulatory Services and Community Safety)	Environmental health - retirement of key personnel (loss of experience and organisational knowledge)	Failure to deliver statutory services	Approval to recruit to key Port Health position confirmed by Cabinet Member. Ongoing funding issues not resolved and position is a "hard to fill" post. Recruitment took place in Sept/Oct - interviewed 4 candidates - none suitable. Likely to reassess and relaunch recruitment process in Jan 2017	Failure to achieve objectives; personal injury/harm
01/07/2016	Quarterly performance reporting	Rachael Dalby (Director of Regulatory Services and Community Safety)	Reductions in budgets	Failure to maintain service resilience	Ensure services are able to respond to statutory requirements - in environmental health, trading standards, domestic abuse, community safety and emergency planning	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Rachael Dalby (Director of Regulatory Services and Community Safety)	Ensuring statutory services are maintained	Risk of fines, penalties and judicial review	EH regulators are currently content with service delivery in terms of statutory functions. Minimum levels only are being provided across a broad range of services - particularly within business support functions	Failure to achieve objectives

Property : Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/commentary	Type of Risk

Culture and City Development: Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/commentary	Type of Risk
01/07/2016	Quarterly performance reporting	Stephen Baily (Director of Culture and City Development)	Reduction in budgets	Reduced services and resilience	Forecast outturn for 2016/07 currently indicates an overspend of £70k but the service is working on remedial action to stay within budget by 31 March 2017. Plans are being formulated to deliver required 2017/18 savings, including boosting the volunteer programme	Failure to meet objectives
01/07/2016	Quarterly performance reporting	Stephen Baily (Director of Culture and City Development)	Reduction in budgets	Deterioration of buildings and assets		
24/11/2016	Quarterly performance reporting	Stephen Baily (Director of Culture and City Development)	Safety and security of buildings and assets (including collections)	Damage to buildings or collections; risk to building users if non-compliant (fire, legionella etc)	Operational plans and training of staff; actions in place following extreme weather	Personal injury, environmental, legal
24/11/2016	Quarterly performance reporting	Stephen Baily (Director of Culture and City Development)	Fraud risks associated with cash handling	Loss to the authority	Staff training and operational checks in place	Financial loss, reputational damage
01/07/2016	Quarterly performance reporting	Stephen Baily (Director of Culture and City Development)	Difficulty in meeting expectations of local residents and members			
01/07/2016	Quarterly performance reporting	Stephen Baily (Director of Culture and City Development)	Market conditions negatively impact on regeneration and city growth schemes, projects and developments	Failure to deliver regeneration of the city	Implementation of key strategic plans, such as the Local Plan; raising the profile of affordable housing in shaping the future of Portsmouth; promotion of the city as an investment destination	Failure to achieve objectives; environmental damage
01/07/2016	Quarterly performance reporting	Stephen Baily (Director of Culture and City Development)	Securing and managing new partnerships for sustainable delivery of public services, for example, with third sector providers, including independent cultural organisations	Failure to secure value for money in partnership arrangements and deliver objectives	Reprocurement of contracts and ongoing review of trust arrangements	Failure to achieve objectives

Transport, Environment and Business Services: Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/commentary	Type of Risk
01/07/2016	Quarterly performance reporting	Alan Cufley (Director of Transport, Environment and Business Services)	Lack of investment - failure to secure capital for major infrastructure projects	Inability to carry out required capital schemes to improve city infrastructure; loss of expertise	There are a number of major capital schemes underway, including City Centre Road, City Deal, Eastern Road Water Bridge and the major coastal defence schemes that the Infrastructure team are able to support. A strategy for better marketing of the team both internally and externally is to be developed in conjunction with the wider PCC marketing strategy.	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alan Cufley (Director of Transport, Environment and Business Services)	Lack of consensus to enable strategies to be implemented in full e.g. active travel and sustainable transport	Incomplete implementation leading to failure to realise intended benefits	Reviewing the Local Transport Plan and working closely with Portfolio holder.	Failure to achieve objectives; reputational damage
01/07/2016	Quarterly performance reporting	Alan Cufley (Director of Transport, Environment and Business Services)	Insufficient staff capacity due to reduced revenue funding and pay constraints	Difficult to attract suitably qualified people to deliver schemes and services	The team structure for the directorate provides a core of experienced staff supported by flexible resources with specialist skills to provide value for money. The HR service are assisting the Parking Service and the Integrated Transport Unit in recruiting suitably skilled people to posts that continue to be difficult to fill. The successful funding bid for active travel and sustainable transport initiatives will mean that resources can be recruited to deliver them this year.	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Alan Cufley (Director of Transport, Environment and Business Services)	Lack of revenue funding to maintain current levels of service, including road safety, passenger assistance and tendered bus services	Necessary reduction in service levels	We will continue to bid for internal and external funding to support critical work programmes that address travel and transport issues in the city.	Failure to achieve objectives
01/07/20116	Quarterly performance reporting	Alan Cufley (Director of Transport, Environment and Business Services)	Failure to generate sufficient income from contracts and services in order to sustain Employment, Learning and Skills (ELS) programmes	Reduction in delivery capacity	The resource strategy for the directorate is to maintain a core team and recruit resources to match the needs of projects and contracts. This is paired with maintaining excellent standards to secure full payment of all income due; and ensure good working relationships and a positive reputation to secure access to future contracts and funding streams.	Financial risk; failure to achieve objectives

Community and communications: Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/commentary	Type of Risk
01/07/2016	Quarterly performance reporting	Louise Wilders (Director of community and communications)	Requirement to deliver substantially the same portfolio of services whilst reducing costs by more than 10% each year		Reviewing opportunities of partnership working and new income streams	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Louise Wilders (Director of community and communications)	Ability to implement change - level of corporate buy-in and understanding of channel shift		Channel shift moving to BAU and digitisation programme. More services are requesting support.	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Louise Wilders (Director of community and communications)	Heavy exposure to national political dynamic around welfare reforms and local taxation	Abandonment of existing plans, changes in scope and responsibility, new initiatives (eg. property revaluation)	Managing resources to meet needs but impacts on budgets of some changes a concern particularly valuation impact on NNDR	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Louise Wilders (Director of community and communications)	Heavy exposure to national political dynamic around electoral issues	New initiatives eg. voting age changes, boundary reviews, changes to electoral registration, electoral timetables	Managing resources to meet needs	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Louise Wilders (Director of community and communications)	Risk to achieving required savings because of ability to implement change - level of corporate buy-in to channel shift	Failure to deliver within budget	Channel shift moving to BAU and digitalisation programme. More services requesting support	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Louise Wilders (Director of community and communications)	Risk to achieving required savings because of hold on transformational work whilst systems intervention takes place	Failure to deliver within budget	Agreement reached	
01/07/2016	Quarterly performance reporting	Louise Wilders (Director of community and communications)	No clear plan from DWP for migration to Universal Credit	Risks to successful implementation leading to poor outcomes for population	Horizon scanning national policy developments	

HR, Legal and Performance: Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/commentary	Type of Risk
01/07/2016	Quarterly performance reporting	Jon Bell (Director of HR, Legal and Performance)	Reduced capacity	Risk to maintaining areas of business activity	Directorate has successfully delivered year on year savings and reduced in size accordingly. Additional income has been identified to maintain sufficient critical mass to meet organisation's needs. Key areas such as Child Protection Team (Legal) protected	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Jon Bell (Director of HR, Legal and Performance)	Recruitment and retention of key staff as economy continues to grow	Loss of/difficulty in attracting sufficient skills and expertise	Some recruitment and retention issues being experienced within directorate and across wider organisation in certain specific areas - processes for market supplement payments (MOPs) have been reviewed and improved, and improvements are being made to recruitment/staff sourcing arrangements for particular roles. Also, workforce planning/succession support is being provided to managers in affected areas.	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Jon Bell (Director of HR, Legal and Performance)	Reduced effectiveness of governance	Increased exposure to the organisation of risk arising from poor governance	Key governance controls in areas such as Internal Audit being maintained. Performance management being strengthened as directed by GAS Committee. Capacity of managers across the organisation to maintain effective governance controls is still a concern.	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Jon Bell (Director of HR, Legal and Performance)	Increased dependency on external income	Volatility/lack of security of service	Schools income continuing to decline due to academisation programme. Increased income from new temporary agency and new local authority partnerships.	Failure to achieve objectives

Finance and IS: Quarterly risk report (1)

Date risk entered to directory	Reason added to directory	Risk owner	Risk Area	Risk impacts	Mitigation/commentary	Type of Risk
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Requirement to provide significant share of the Council's savings target	Reduction in service delivery e.g. income collection, provision of advice and management information for effective decision-making by budget holders.	Service aims to identify new income opportunities and efficiencies to meet savings targets to avoid reducing staffing to levels which compromise service delivery	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Maintaining financial resilience arising from staff reductions	Reduction in service delivery and financial control	Finance reduced number of teams from 5 to 4 to improve general resilience although this includes the reduction of one Finance Manager post. Also ongoing review of business processes to ensure efficient service delivery.	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Financial collapse of an investment counterparty where the council has invested significant sums	Financial loss	No current indication that this is likely - credit rating of counterparties is kept under constant review.	Financial loss
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Ability to restore financial and other systems post 'event'	Impact on trading services/external clients as well as PCC	A full disaster recovery exercise of the Council's enterprise resource planning system has not been tested in the recent past. The robustness of the current plan cannot therefore be fully ascertained.	Financial loss
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Pay levels - unable to compete in the financial market to attract, recruit and retain appropriately skilled staff	Increased costs to PCC on consultants, agency staff and recruitment campaigns	Development of in-house trainee programme for finance	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Bringing forward closing of accounts deadline by four weeks - new statutory deadline from 2017/18	Reduction in time to complete accurate statutory reports	2015/16 accounts closure programme reduced by two weeks - plan to reduce 2016/17 by a further two weeks	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Inability to meet customers expectations re new technology that is in general use by other organisations or day-to-day personal use	Inefficient ways of working across PCC and partners		Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Project delivery - ongoing review since June has identified there is a need to have better governance over the IOCT change demand/projects of the council	Risk of insufficient resource to address business need	Temporary project resource is being recruited to manage this demand in the short-term whilst a new project governance strategy is put forward within the new IS strategy and a move to more agile development and other methods of project delivery (hub and spoke model) are investigated.	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Roadmaps, contract pipeline and NPD - insufficient project prioritisation, supplier relationship management and contract management	Risk that parts of the IT infrastructure become obsolete (eg ITSM and Traffic Management Centre).	The introduction of a Category Management approach and a development of the business partner role will mitigate these risks	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Changes from central government - ongoing risk of changes to either PSN or service department data requirements	Changes required to systems	Category management will mitigate this and increase our visibility and implementation times.	Failure to achieve objectives
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Cyber attack - other local authorities have received ransomware attacks: end user alert-based system at the moment leaves PCC vulnerable because a "zero day attack" could evade our current defences.	Potential multiple impacts - high likelihood and high impact	Business case is being worked on to purchase a SIEM (security information and event management software). They provide real time analysis of security alerts generated by network hardware and applications which will enable PCC to faster identify, contain and protect its systems	Financial loss; personal injury; reputational damage
01/07/2016	Quarterly performance reporting	Chris Ward (Director of Finance and IS)	Single points of failure in ICT infrastructure and systems access	Key information unavailable - impacts on frontline and critical activity	New Data Centre facility; contracted and tested recovery service; best practice design; resilience options always considered subject to cost. Recovery capability is limited in scope and time taken to recover key functions, with no provision for external email or telephony. Project to identify options to improve current position is currently underway.	Failure to achieve objectives

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Title of meeting:	Governance & Audit & Standards Committee
Date of meeting:	3 February 2017
Subject:	Whistleblowing
Report by:	City Solicitor
Wards affected:	Not applicable
Key decision:	No
Full Council decision:	No

1 Purpose of report

- 1.1 To update Members of the Committee on the nature and handling of any whistleblowing concerns which have been raised in the past year.

2 Recommendations

RECOMMENDED that Members of the Committee

(1) note the report

(2) consider whether any further action is required by them.

3 Background

- 3.1 The Public Interest Disclosure Act 1998 gives employees certain rights in relation to whistleblowing. An employee has a right to make a protected disclosure to prescribed persons where the employee reasonably believes:
- 3.1.1 A criminal offence has, or is going to be committed;
 - 3.1.2 There is a breach of a legal obligation;
 - 3.1.3 A miscarriage of justice;
 - 3.1.4 There is a danger to the health and safety of any individual;
 - 3.1.5 There will be damage to the environment; or
 - 3.1.6 There is deliberate concealment of information tending to show any of the above five matters.
- 3.2 The Act provides that employees shall suffer no detriment to their employment as a result of blowing the whistle, including disciplinary action.
- 3.3 The Policy applies to all Council staff, including employees, temporary workers, agency staff and any contractor remunerated by the Council.

- 3.4 The City Solicitor, as requested by the Governance & Audit & Standards Committee, produces a report each year in respect of whistleblowing concerns. This year's report is attached as "Appendix A".
- 3.5 After having considered "Appendix A" Members are asked to decide whether there is any cause for concern and to consider whether any further action is required by the Committee, or the City Solicitor.
- 3.6 Seven investigations were commenced in 2016. Recommendations were made and action taken as appropriate.

4 Reasons for recommendations

- 4.1 To make Members of the Committee aware of the current position with regard to whistleblowing and ensure that any appropriate action is taken.

5 Equality Impact Assessment (EIA)

- 5.1 An equality impact assessment is not required as the recommendations do not have a negative impact on any of the protected characteristics as described in the Equality Act 2010.

6 Legal implications

- 6.1 The City Solicitor's comments are included in this report.

7 Director of Finance's comments:

- 7.1 There are no financial implications arising from the recommendations set out in this report.

.....
 City Solicitor

Appendices: Appendix A - Schedule of Whistleblowing Concerns

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Whistleblowing Policy	https://www.portsmouth.gov.uk/intranet/documents-internal/fin-whistleblowing-revised0213.pdf

Appendix A - Schedule of Whistleblowing (2016)

Date	Reason	Investigated / Referred	Outcome
June	Health & Safety - wasting funds	Investigated	In progress
July	Undeclared gifts	Investigated	No evidence
August	Inequality in grades / conduct of management	Investigated	No evidence
September	Bullying (member)	Investigated	No evidence
September	Bribery / Fraud	Investigated	No evidence
November	Theft	Investigated	In progress
December	Bribery / Fraud	Investigated	In progress

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Title of meeting:	Governance & Audit & Standards Committee
Date of meeting:	3 February 2017
Subject:	Annual report to Governance & Audit & Standards Committee on complaints received into alleged breaches of the Code of Conduct by Members of the Council
Report by:	City Solicitor
Wards affected:	N/A
Key decision:	No
Full Council decision:	No

1 Purpose of report

- 1.1 To update Members of the Committee on current progress in relation to complaints which allege that Councillors may have breached the Code of Conduct.

2 Recommendations

- 2.1 It is recommended that Members of the Committee note the report
2.2 It is recommended that Members of the Committee consider whether any further action is required by them.

3 Background

- 3.1 Upon acceptance of office all Councillors undertake to comply with the Code of Conduct. In the event that a Councillor may have failed to comply with the Code of Conduct, a complaint may be made. The City Solicitor, as the Council's Monitoring Officer, is appointed to receive such complaints. The complaints are then considered in accordance with the guidance provided under the Local Government Act 2000.
- 3.2 The City Solicitor, as requested by the Governance & Audit & Standards Committee, maintains records on the progress of complaints and each year produces a report to this Committee. This year's report is attached at Appendix A.
- 3.3 The Monitoring Officer has, in this report, detailed the nature of the complaints, but is constrained by the information which can be provided in an open report, to protect the identity of the Subject Member, particularly in those cases where the Sub-Committee has decided that the Code has not been breached. In the circumstances the Monitoring Officer advises that if Members require more detailed information they should seek it from the Monitoring Officer prior to the

Committee meeting or during the meeting. If the latter, the meeting will be moved into exempt session.

- 3.4 After having considered Appendix A, Members are asked to decide whether there are any matters of concern or whether further action is required by the Committee or City Solicitor.

4 Reasons for recommendations

- 4.1 To make Members of the Committee aware of the current position with regard to complaints and ensure that appropriate action is taken.

5 Equality Impact Assessment (EIA)

- 5.1 An equality impact assessment is not required as the recommendations do not have a negative impact on any of the protected characteristics as described in the Equality Act 2010.

6 Legal implications

- 6.1 The City Solicitor's comments are included in this report.

7 Finance comments:

- 7.1 There are no financial implications arising from the recommendations set out in this report.

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City Solicitor

Appendices: Appendix A - Schedule of Complaints

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

Appendix A - Schedule of Complaints (for year 2016)

	<i>Date complaint/s received</i>	<i>Summary & outcome of alleged complaint</i>	<i>Complaint by public or Councillor</i>
1.	12.1.2016	<p>The subject member failed to take all relevant information into consideration, remain objective and make decisions on merit.</p> <p>The Initial Filtering Panel ("IFP") decided there had been no breach of the Code as the complaint concerned dissatisfaction with a Council decision. The complainant exercised their right to review and the Review Sub Committee was convened. This Sub Committee upheld the decision of the IFP</p>	Public
2.	13.1.2016	<p>The subject member conducted him/herself improperly by taking a photograph of persons in the public gallery and publishing the same online.</p> <p>The IFP referred the complaint for other action. Whilst there had been no breach of the Code, the subject member was given advice by the Monitoring Officer and further training was made available in respect of social media.</p>	Councillor
3.	08.02.2016	<p>The subject member conducted him/herself in a bullying fashion toward others, brought the Authority into disrepute, sought to prevent access to information and sought to secure</p>	Public

		<p>improper advantage.</p> <p>The IFP decided there was no breach of the Code.</p> <p>A number of the complainants exercised their right to review and a Review Sub Committee was convened. This Sub Committee upheld the decision of the IFP.</p> <p>An opportunity for conciliation was offered between the subject-member and complainants.</p>	
4.	11.02.2016	<p>The subject member conducted him/herself in a bullying fashion which intimidated others, brought the Authority into disrepute, publicly disclosed confidential information which compromised FOI officers, failed to show leadership by example and did not abide by the Local Authority Code for publicity.</p> <p>The IFP decided that the allegations were not capable of being investigated and a particular member's style did not amount to a breach of the Code.</p> <p>The complainant exercised the right to review and a Review Sub Committee was convened. The Sub Committee upheld the decision of the IFP but referred the complaint for other action, namely that the subject member received some guidance on media handling.</p>	Public
5.	11.08.2016	<p>The subject member behaved in a bullying fashion which intimidated others, behaved in such a manner which brought the Authority into disrepute, filmed a member of the public without consent.</p>	Public

		<p>The IFP decided that there was no sustainable evidence to confirm a breach of the Code had occurred. By way of other action, it was requested that the Monitoring Officer write to all Group Leaders to advise them and their campaign managers to be mindful of public perception when in the public sphere.</p>	
6.	28.07.2014	<p>The subject member prevented a person from gaining access to information to which they were entitled; the subject member failed to treat people with respect; the subject member bullied a person; the subject member conducted him/herself in a manner which brought the Authority into disrepute.</p> <p>The Assessment Sub Committee referred the complaint for investigation.</p> <p>The Hearing Sub Committee met to consider the investigation report. They considered that on the balance of probabilities there was no breach of the Code of Conduct.</p>	Public

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Agenda Item 15

THIS ITEM IS FOR INFORMATION ONLY



Portsmouth
CITY COUNCIL

Title of meeting:	Governance and Audit and Standards Committee
Subject:	Procurement Management Information
Date of meeting:	3 rd February 2017
Report by:	Director of Finance and Information Services
Wards affected:	N/A

It is recommended that the attached appendices 1, 4 and 5 be considered as an exempt/confidential matter and that the press and public are excluded for the following reasons:

- Exempt information is defined in section 100A and, by reference, Schedule 12A of the Local Government Act 1972 ("the 1972 Act"). To be exempt, information must fall within one of the categories listed in paragraphs 1 to 7 of Schedule 12A, must not fall within one of the excluded categories in paragraphs 8 and 9 and the public interest in maintaining the exemption must outweigh the public interest in disclosing the information;
- The attached Appendices 1, 4 and 5 contain some information relating to the financial or business affairs of particular companies as well as PCC; and
- Although there is a public interest favouring public access to local authority meetings, given the financial and commercially sensitive information contained in the report the public interest in maintaining the exemption outweighs the public interest in disclosing the (exempt) information.

1. Requested by

Governance and Audit and Standards Committee

2. Purpose

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.

3. Information Requested

The way that the City Council demonstrates that it is paying competitive rates is by:

- a) subjecting procurement to a competitive process
- b) ensuring that we obtain the quality of service that we are paying for
- c) testing value for money against industrial comparators

Section 1: Compliance with Contract Procedure Rules

This table reports on all invoices paid against purchase orders with a value of £5,000 or more in **September 2016**. This corresponds to the threshold between low-value and medium-value contracts from the Contract Procedure Rules.

Contracts of £5,000 or more must be published on the Contracts Register

The presence of a contract on the Contracts Register implies that either:

- The contract has been awarded following a competitive process of quotation or tender and that at least three written quotations or tenders have been received; or
- A waiver has been approved by the appropriate Director, Procurement Manager or Gateway Board to allow departure from the Contract Procedure Rules with written justification for this approval.

Members approved a recommendation of a target of greater than 95% conformance with Contract Procedure Rules. Where this target is not met by an individual directorate, a comment on the risk of the non-compliant spend in the monitoring month is provided by the Procurement Manager.

Purchase orders that are linked to a contract on the Contracts Register are flagged as compliant. Legal Services has commented that whilst this methodology is indicative of good practice, is not definitive as to compliance with legal requirements.

THIS ITEM IS FOR INFORMATION ONLY



Directorate	Year to date 2016/17			September 2016			Risk (if less than 95% target)
	Total value of non-compliant transactions	Total transaction value	% compliance	Total value of non-compliant transactions	Total transaction value	% compliance	
Adult Services (includes Swift Interface)	£91,459	£25,423,798	100%	£6,785	£4,289,010	100%	
Children's Services and Education	£727,700	£14,126,827	95%	£56,960	£2,925,962	98%	
Children's Social Care	£157,977	£3,770,432	96%	£20,116	£497,421	96%	
Community and Communication	£22,470	£578,002	96%	£1,957	£54,109	96%	
Culture and City Development	£826,473	£4,124,926	80%	£14,071	£459,680	97%	
Executive	£111,432	£2,334,183	95%	£0	£0	100%	
Finance and Information Services	£415,191	£5,705,594	93%	£7,260	£315,017	98%	
HR, Legal and Performance	£91,528	£1,455,699	96%	£22,273	£128,488	83%	Low
Portsmouth International Port	£110,920	£2,502,829	96%	£0	£345,617	100%	
Property and Housing	£1,407,809	£47,661,826	97%	£75,784	£6,110,611	99%	
Public Health	£21,779	£7,793,893	100%	£1,404	£176,333	99%	
Regulatory Services and Community Safety	£53,630	£633,528	93%	£0	£107,122	100%	
Transport Environment and Business Support	£1,376,205	£18,379,333	97%	£20,863	£2,725,357	99%	
TOTAL	£5,414,573	£134,490,870	96%	£227,473	£18,134,727	99%	

A detailed commentary on non-compliant transactions in the month of September 2016 is provided in **Appendix 1** (exempt).

Reports on low level transactions (less than £4,000) have not been requested by the Procurement Manager and so do not appear in Appendix 1.

Section 2: Waivers awarded this quarter

This table presents a summary of those contracts added to the contract register during Q3 2016/17 which have a waiver associated with them.

Waivers for procurements which depart from the Contract Procedure Rules are recorded for contracts over £5,000 value.

Available reasons for waivers are:

- Insufficient time
- Emergency
- Not obtaining 3 bids
- Not advertising the opportunity
- Direct award
- Use of a previous tender
- Original spend estimate wrong
- Extension of lapsed contract for continuity
- Shared service
- Single source
- Service user choice
- Other

Under the Contract Procedure Rules, waivers can be approved by:

- Director (or Chief Executive, or Deputy Chief Executive) - up to £100,000
- Procurement Manager - £100,000 to £1M
- Gateway Board - over £1M

More detail regarding waivers approved in Q3 2016/17 is provided in **Appendix 2**

Reason for waiver	Number of contracts	Contract value
Direct award	26	£638,590
Single Source	3	£517,000
Insufficient time	4	£260,404
Not obtaining 3 bids	4	£143,503
Other	1	£25,500
Shared service	1	£14,457
Not advertising the opportunity	1	£5838
Service User choice	1	£8,000
Use of previous tender	1	£5,280
Total	42	£1,618,572



	Value of all contracts awarded Q3	Total number of contracts awarded Q3	Waiver reasons	Value of Waivers Q3	Number of waivers Q3
Children's Services and Education	£ 1,147,406	5	Direct award	£ 45,500	1
			Insufficient time	£ 200,000	1
			Single source	£ 125,000	1
			TOTAL WAIVERS waivers as % of all contracts	£ 370,500 32%	3 60%
Children's Social Care	£ 380,000	3	Service user choice	£ 8,000	1
			Single source	£ 372,000	1
			TOTAL WAIVERS waivers as % of all contracts	£ 380,000 100%	2 67%
Community and Communication	£ 42,448	3	Direct Award	£ 5,000	1
			Not obtaining 3 bids	£ 31,448	1
			Insufficient time	£ 6,000	1
			TOTAL WAIVERS waivers as % of all contracts	£ 42,448 100%	3 100%
Culture and City Development	£ 1,887,125	19	Direct Award	£ 187,999	7
			Not obtaining 3 bids	£ 85,225	1
			Insufficient time	£ 5,950	1
			TOTAL WAIVERS waivers as % of all contracts	£ 279,174 15%	9 47%
Finance and Information Services	£ 2,607,654	16	Direct Award	£ 32,930	5
			Not obtaining 3 bids	£ 12,000	1
			Shared service	£ 14,457	1
			TOTAL WAIVERS waivers as % of all contracts	£ 59,387 2%	7 44%
HR Legal and Performance	£ 9,516	1	Direct Award	£ 9,516	1
			TOTAL WAIVERS waivers as % of all contracts	£ 9,516 100%	1 100%
Portsmouth International Port	£ 281,475	4	Direct Award	£ 21,645	2
			Not obtaining 3 bids	£ 14,830	1
			TOTAL WAIVERS waivers as % of all contracts	£ 36,475 13%	3 75%
Property and Housing	£ 18,111,177	39	Direct Award	£ 111,000	4
			Insufficient time	£ 48,454	1
			Single source	£ 20,000	1
			Use of previous tender	£ 5,280	1
			Other	£ 25,500	1
			TOTAL WAIVERS waivers as % of all contracts	£ 210,234 1%	8 21%
Regulatory Services and Community Safety	£ 108,000	2	Direct Award	£ 108,000	2
			TOTAL WAIVERS waivers as % of all contracts	£ 108,000 100%	2 100%
Transport Environment and Business Support	£ 3,510,292	12	Direct Award	£ 117,000	3
			Not advertising the opportunity	£ 5,838	1
			TOTAL WAIVERS waivers as % of all contracts	£ 122,838 3%	4 33%

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Section 3: Spend with Waiver



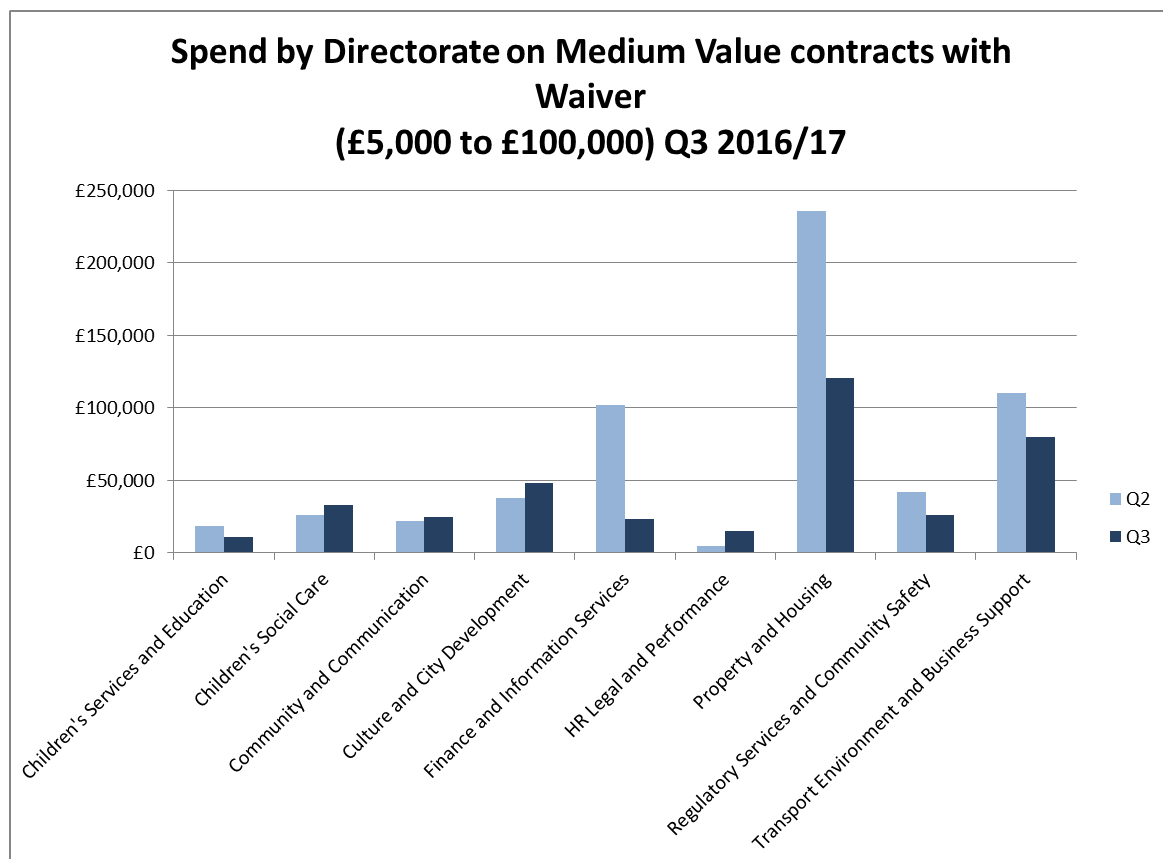
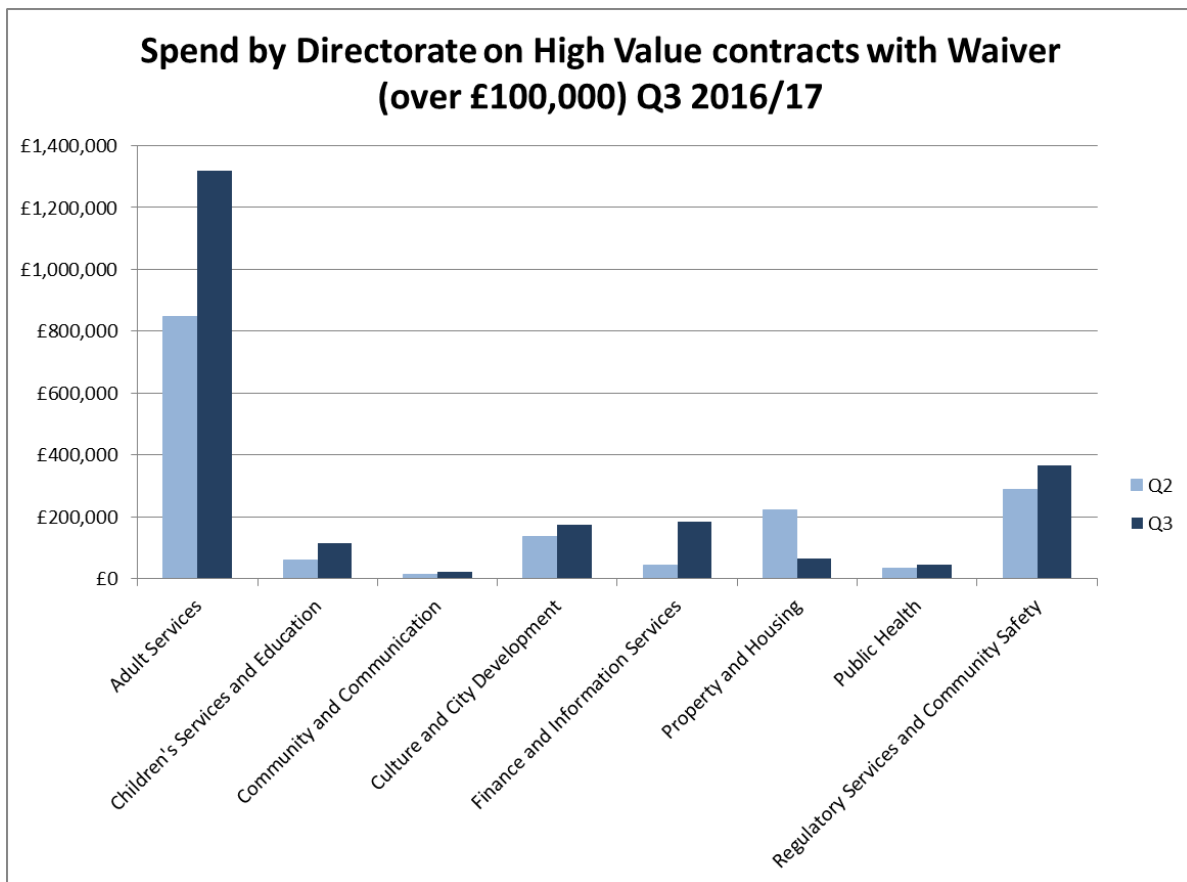
The table and graphs provide a breakdown by Directorate of the actual spend during Q3 2016/17 on contracts which have waivers associated with them.

Waivers are not required for contracts below £5,000 (under CPRs).

See **Appendix 3** for details of payments under contracts with waivers in Q3.

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	TOTAL SPEND IN QUARTER		WAIVER SPEND IN QUARTER		% OF TOTAL SPEND COVERED BY WAIVER IN QUARTER	
	Q2	Q3	Q2	Q3	Q2	Q3
Adult Services	£14,245,201	£10,478,154	£846,836	£1,319,957	6%	13%
Regulatory Services and Community Safety	£497,679	£531,627	£328,733	£392,750	66%	74%
Culture and City Development	£2,062,725	£2,060,542	£174,863	£221,927	8%	11%
Finance and Information Services	£2,050,699	£2,179,919	£143,673	£210,849	7%	10%
Property and Housing	£21,036,637	£20,343,707	£456,144	£184,078	2%	1%
Children's Services and Education	£3,805,500	£4,135,100	£78,033	£126,645	2%	3%
Transport Environment and Business Support	£5,763,254	£2,080,575	£109,830	£79,560	2%	4%
Community and Communication	£356,256	£335,060	£34,951	£46,527	10%	14%
Public Health	£90,483	£56,337	£32,275	£43,155	36%	77%
Children's Social Care	£1,239,351	£1,357,943	£26,320	£33,028	2%	2%
HR Legal and Performance	£2,306,017	£698,420	£4,619	£15,022	0%	2%
Integrated Commissioning Service	£1,507,596	£2,511,878	£0	£0	0%	0%
Executive	£258,193	£429,896	£0	£0	0%	0%
Portsmouth International Port	£41,778	£28,015	£250	£0	1%	0%
TOTALS	£55,261,369	£47,227,172	£2,236,527	£2,673,498	4%	6%



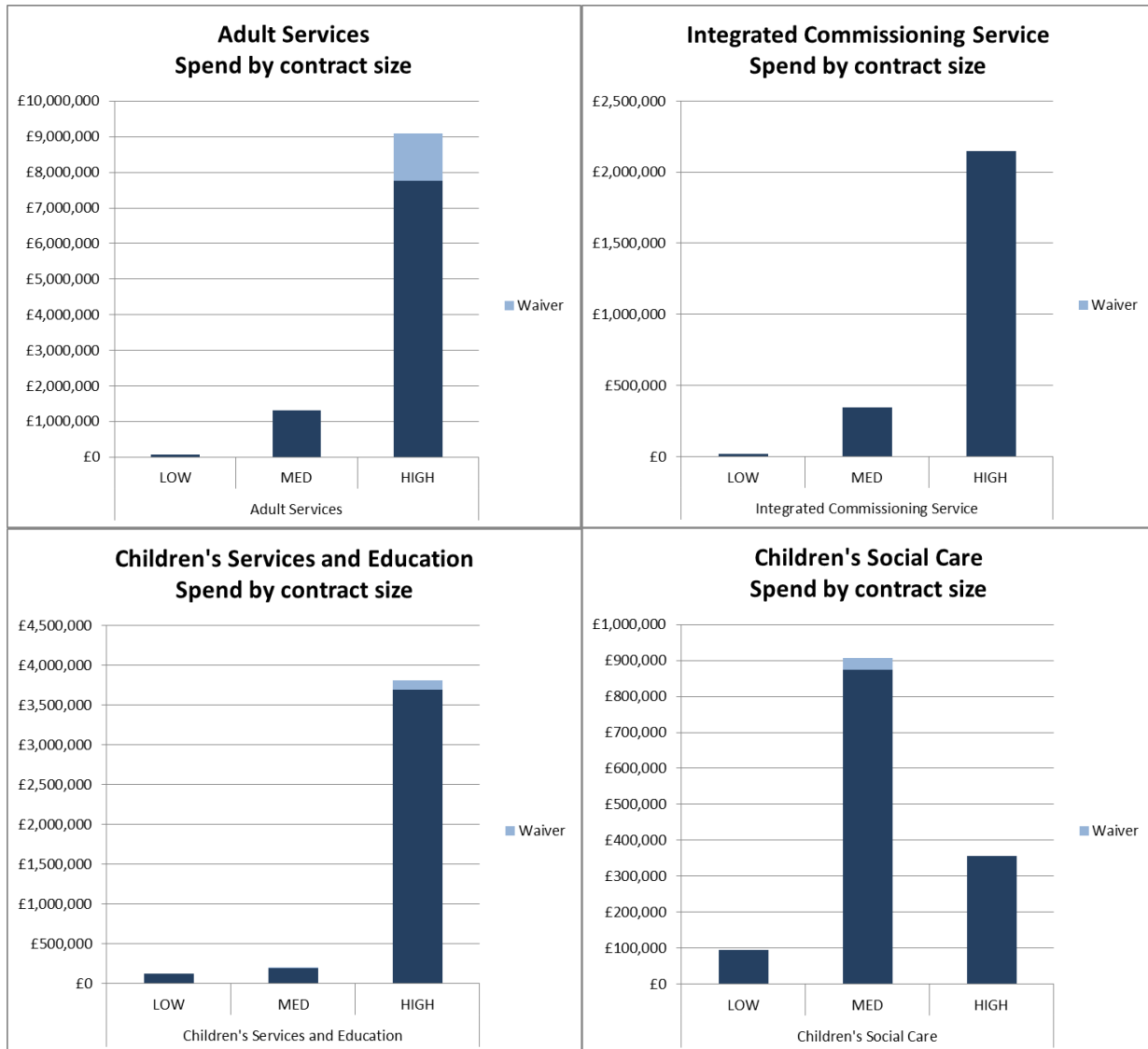
Section 4: Spend by Contract Size

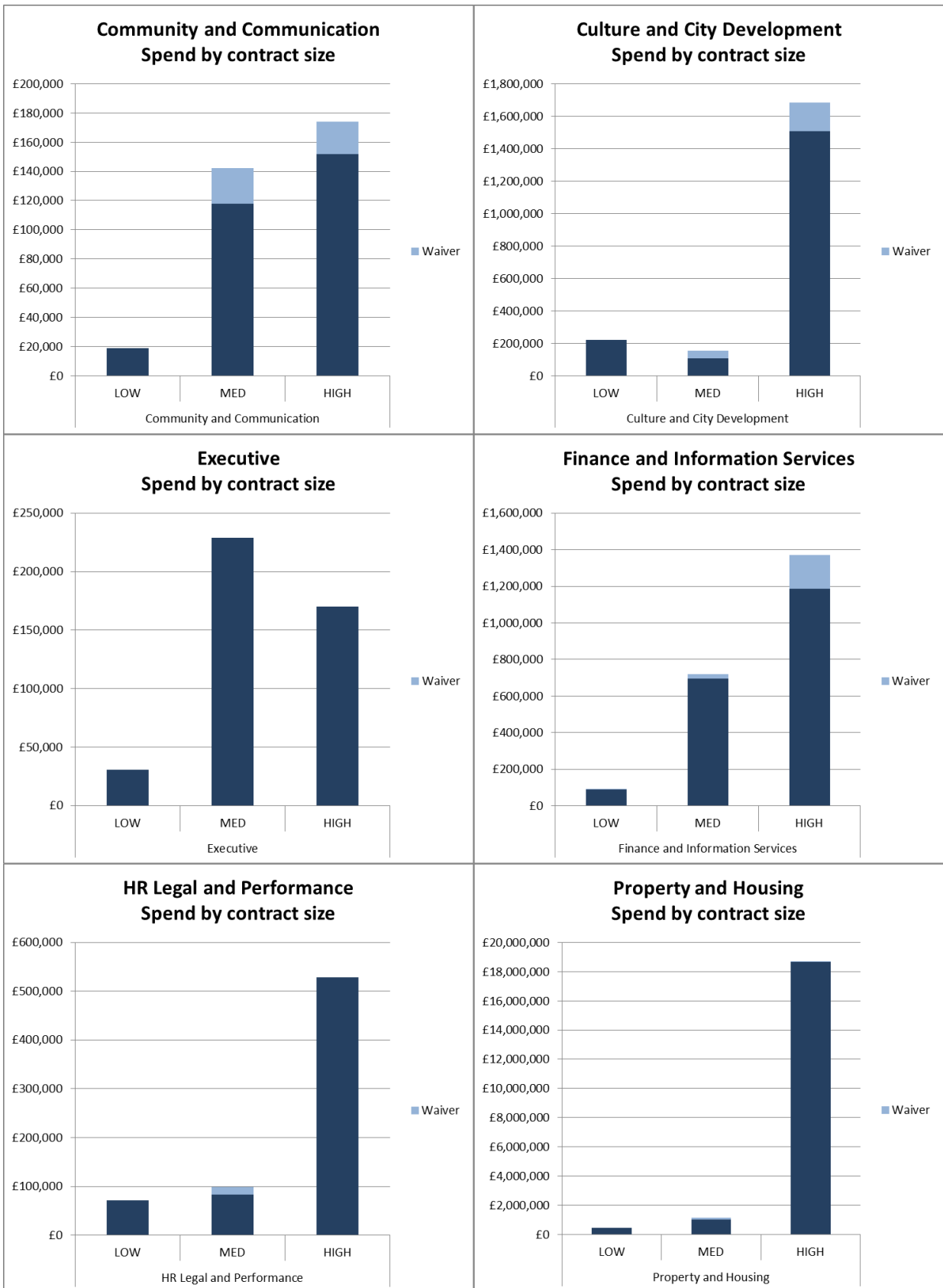
The following graphs present the actual spend by Directorate in Q3 2016/17, and how this is broken down into spend under high, medium and low value contracts.

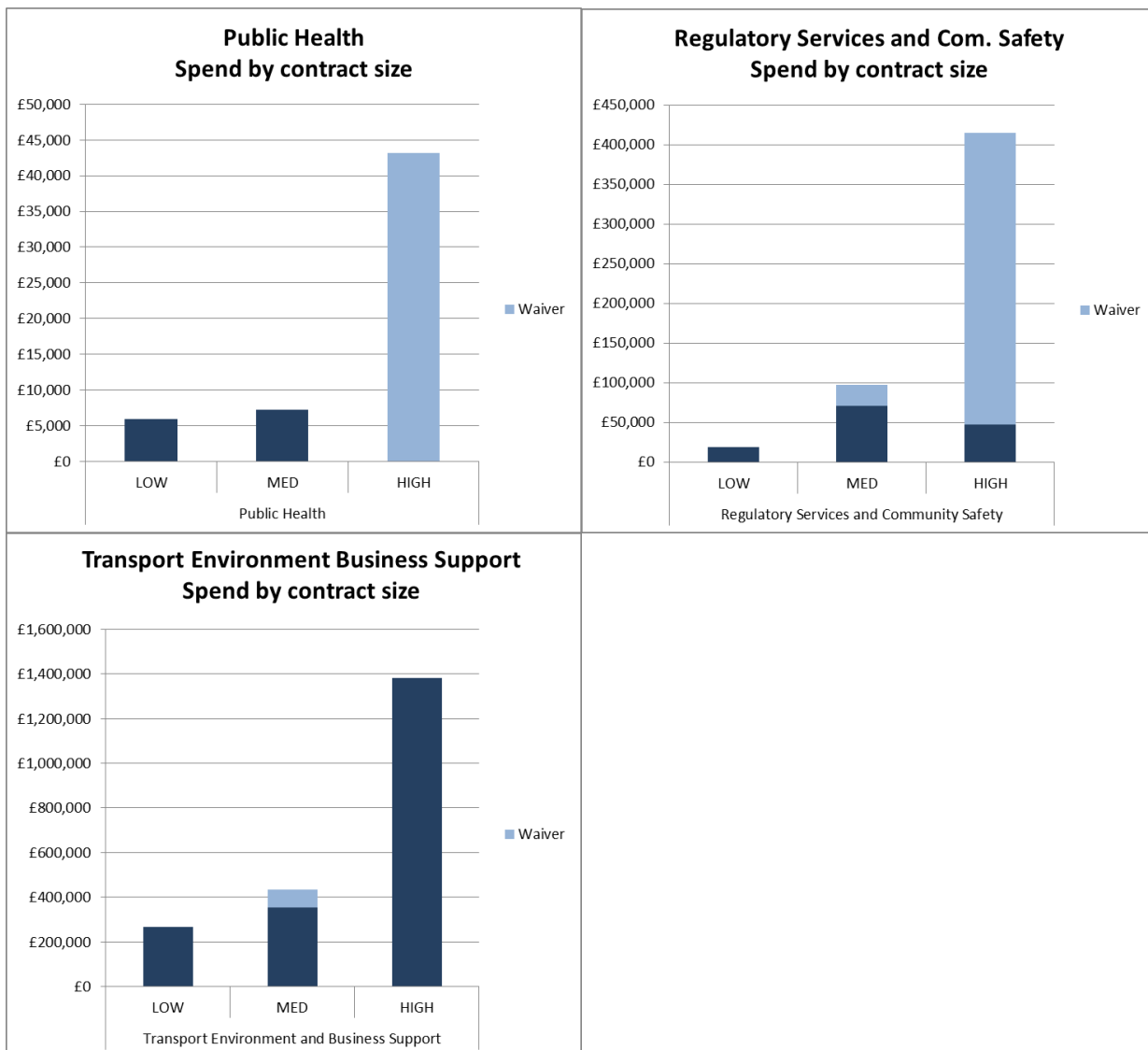
High value contracts £100,000 and over
 Medium value contracts between £5,000 and £100,000
 Low value contracts below £5,000

The columns are stacked to show the proportion of the total spend which has been associated with a waiver.

Adult Services, Swift Interface and Integrated Commissioning Service are grouped together as the spend for all 3 is mostly on adult social care (although Swift and ICS also commission children's social care).







Section 5: Suppliers paid over £100,000 in Q3 by Directorate

The tables show those suppliers who have been paid over £100,000 in Q3 2016/17 by directorate. They are arranged in descending order of value by directorate.

The spend with these suppliers represents **78%** of the total spend in Q3.

The 80 suppliers below represent **6%** of the total number of suppliers paid in Q3 (1380).

Adult Services and Integrated Commissioning Service are grouped together as the spend for both is mostly on adult social care (although ICS also commission children's social care and public health).

	Q3 spend with supplier	% of Directorate Q3 spend
Adult Services		
SOLENT NHS TRUST	£1,278,582	12%
SEVACARE (UK) LTD	£746,787	7%
CARE UK COMMUNITY PARTNERSHIPS LTD	£445,868	4%
DIMENSIONS (UK) LTD	£422,328	4%
COMMUNITY INTEGRATED CARE (CIC)	£420,582	4%
MILLBROOK HEALTHCARE	£368,324	3%
VOYAGE CARE	£333,628	3%
HANDLE WITH CARE (PORTSMOUTH) LTD	£296,705	3%
APEX PROPERTY VENTURES LTD	£281,855	3%
THE SOCIETY OF ST JAMES	£244,455	2%
CARE MANAGEMENT GROUP LIMITED	£223,996	2%
DOLPHIN HOMES LTD	£221,032	2%
CRESCENT COMMUNITY CARE SERVICES LTD	£216,999	2%
THE SALVATION ARMY	£201,597	2%
SOUTHERN HEALTH NHS FOUNDATION TRUST	£184,041	2%
CRESCENT COMMUNITY CARE SERVICES LTD	£175,592	2%
CREATIVE ADVANCES LTD	£170,767	2%
MINSTEAD TRAINING TRUST	£140,740	1%
CHESHIRE HOMES	£137,758	1%
RICHMOND FELLOWSHIP	£134,104	1%
SUMMERLANDS	£129,165	1%
CHAOS SUPPORT LIMITED	£124,580	1%
B S CARE LTD	£122,057	1%
VICTORY SUPPORT SERVICES (PORTSMOUTH)	£120,652	1%
CARING FOR YOU LIMITED	£117,349	1%
TWO SAINTS LTD	£117,283	1%
BEACONSFIELD RESIDENTIAL CARE HOME	£115,845	1%
ROYAL MENCAP SOCIETY	£102,334	1%
ASTER CARE LTD	£101,995	1%
HOME GROUP LTD	£101,161	1%

	Q3 spend with supplier	% of Directorate Q3 spend
Integrated Commissioning Service (ASC and CSC)		
SOLENT NHS TRUST	£1,219,221	45%
THE SOCIETY OF ST JAMES	£476,704	17%
COMMUNITY INTEGRATED CARE (CIC)	£160,413	6%
THE YOU TRUST	£114,396	4%
AGINCARE UK	£105,473	4%
DIMENSIONS (UK) LTD	£103,226	4%
Children's Services and Education		
GRANNAG LIMITED	£537,169	13%
ISS FACILITY SERVICES EDUCATION	£349,179	8%
LST PROJECTS	£219,925	5%
Children's Social Care		
BLUE SKY FOSTERING	£237,809	18%
CORE ASSETS GROUP	£101,298	7%
Culture and City Development		
BROADWATER LEISURE LIMITED	£586,707	23%
SAVILLS (UK) LTD	£494,711	20%
IDVERDE LIMITED	£363,882	14%
ISS FACILITY SERVICES LANDSCAPING	£127,292	5%
Executive		
BLAKE MORGAN	£500,000	54%
NATURAL ENTERPRISE LTD	£148,500	16%
Finance and Information Services		
ENSIGN HIGHWAYS LIMITED	£6,015,229	73%
NHS PORTSMOUTH CCG	£210,907	3%
SOLENT ACADEMIES TRUST	£154,866	2%
BASINGSTOKE & DEANE BOROUGH COUNCIL	£143,543	2%
CAMBIAN GROUP LTD	£142,018	2%
TRL LTD	£127,239	2%
HAMPSHIRE COUNTY COUNCIL	£102,673	1%
HR Legal and Performance		
COMENSURA LTD	£366,774	53%
Regulatory Services and Community Safety		
BARNARDO SERVICES LTD	£285,779	54%
Transport Environment and Business Support		
HAMPSHIRE COUNTY COUNCIL	£1,350,000	39%
GEOFFREY OSBORNE LTD	£437,500	13%
HOME TO SCHOOL TRANSPORT	£213,953	6%
VOLKERFITZPATRICK LIMITED	£179,133	5%
ATKINS LIMITED	£165,511	5%
FIRST	£127,644	4%
LEASEPLAN LTD T/A AUTOMOTIVE LEASING	£106,089	3%

	Q3 spend with supplier	% of Directorate Q3 spend
Property and Housing		
CLYDE & CO	£15,664,439	44%
MOUNTJOY LIMITED	£4,063,172	11%
COMSERV (UK) LIMITED	£2,905,132	8%
BAM CONSTRUCTION LTD	£1,943,263	5%
D M HABENS (THE BUILDER) LTD	£1,494,786	4%
LIBERTY GAS GROUP LIMITED	£1,342,287	4%
PMC CONSTRUCTION & DEVELOPMENT SERVICES	£1,281,109	4%
KEEPMOAT REGENERATION (APOLLO) LTD	£900,017	2%
VALE BUILDERS SOUTHERN LTD	£593,450	2%
DAWSON WAM LTD	£546,577	2%
COMSERV PROJECTS LTD	£477,947	1%
LAWTECH GROUP LIMITED	£442,271	1%
CORRIGENDA LIMITED T/A CHURCHES	£410,809	1%
SSE CONTRACTING LTD	£338,272	1%
HERBERT H DREW & SON LIMITED	£321,363	1%
LAKEHOUSE CONTRACTS LTD	£306,568	1%
WHITESCAPE VENTURES LIMITED	£282,663	1%
E C ROBERTS CENTRE	£168,583	0%
SOLAR VOLTAICS LTD	£115,763	0%
BRYMOR CONTRACTORS LTD	£107,781	0%
RETHINK MENTAL ILLNESS	£105,051	0%
HAMPSHIRE PARTITIONING CONTRACTS LTD	£100,553	0%
SIMER ENVIRONMENTAL SERVICES LTD	£99,691	0%

Section 6: Supplier Performance

	Total number of contracts	KPI score (see legend below)				Expired KPI (more than 1 year since last scored)	KPI never scored	KPI not yet due	No KPI scheduled
		Gold	Green	Amber	Red				
Jan 2016	711	46	210	22	0	34	88	247	64
Jun 2016	728	53	211	24	1	24	96	258	61
Sep 2016	672	47	219	24	3	26	91	202	60
Jan 2017	699	50	202	24	2	49	110	190	72

Section 6: Notes

Key	
• Gold:	Outstanding performance
• Green:	Performing to standard
• Amber:	Some areas of improvement required
• Red:	Failing to perform
• Expired KPI:	a schedule is in place, and at least one KPI score has been recorded, but there has been no KPI scoring in the last 12 months
• KPI never scored:	a schedule is in place, but there have been no KPI scores for the contract
• KPI not yet due:	a schedule is in place, but KPI scores are not due yet. This includes contracts where KPIs are overdue by less than 3 months (grace period)
No KPI scheduled:	no KPI instances have been scheduled.

KPIs are not scheduled for leases in five instances; for grants in four instances; for single source suppliers in four instances and for Temporary Accommodation provision in 30 instances.

The remaining 29 contracts without KPI schedules will be investigated and addressed as necessary.

There are two contracts where the supplier is performing to an unsatisfactory level and remedial action is taking place (Red KPI score), and 24 contracts which require improvement in performance (Amber KPI score).

Reports from contract managers on those contracts with a Red KPI score and a list of those contracts with an Amber KPI score are provided in **Appendix 4** (exempt).

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Section 7: Supplier Performance Monitoring



Contracts which have never had a KPI score:

Directorate	KPIs never scored							
	Total number of contracts		Number of contracts with no KPI score		% of contracts with no KPI score		Annual contract value of un-scored contracts	
	Q2	Q3	Q2	Q3	Q2	Q3	Q2	Q3
Property and Housing	232	230	54	52	23%	23%	£22,711,723	£23,780,252
Transport Environment and Business Support	42	51	9	11	21%	22%	£6,437,794	£6,482,378
Culture and City Development	61	68	10	16	16%	24%	£1,947,484	£2,314,235
Children's Services and Education	23	29	3	5	13%	17%	£2,024,956	£2,056,180
Adult Services	91	96	2	7	2%	7%	£22,794	£661,448
Finance and Information Services	83	102	2	7	2%	7%	£87,940	£557,706
Community and Communication	30	32	4	4	13%	13%	£537,750	£537,750
HR Legal and Performance	34	21	5	4	15%	19%	£628,370	£67,908
Regulatory Services and Community Safety	11	13	1	1	9%	8%	£13,250	£13,250
Public Health	7	6	0	1	0%	17%	£0	£11,000
Children's Social Care	16	16	1	2	6%	13%	£5,500	£8,166
Executive	1	1	0	0	0%	0%	£0	£0
Portsmouth International Port	41	34	0	0	0%	0%	£0	£0
TOTAL	672	699	91	110	14%	16%	£34,417,561	£36,490,273

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Contracts which have not had a KPI score in 12 months:

Directorate	KPIs expired (more than 1 year since last scored)							
	Total number of contracts		Number of contracts with expired KPI score		% of contracts with expired KPIs		Annual contract value of un-scored contracts	
	Q2	Q3	Q2	Q3	Q2	Q3	Q2	Q3
HR Legal and Performance	34	21	2	3	6%	14%	£19,465	£2,519,465
Property and Housing	232	230	9	12	4%	5%	£9,265,000	£1,780,600
Adult Services	91	96	3	2	3%	2%	£1,547,500	£1,620,000
Culture and City Development	61	68	7	17	11%	25%	£291,333	£869,289
Children's Services and Education	23	29	0	3	0%	10%	£0	£143,300
Transport Environment and Business Support	42	51	4	7	10%	14%	£50,614	£119,650
Finance and Information Services	83	102	0	3	0%	3%	£0	£104,867
Public Health	7	6	0	1	0%	17%	£0	£15,000
Portsmouth International Port	41	34	0	1	0%	3%	£0	£12,000
Community and Communication	30	32	0	0	0%	0%	£0	£0
Regulatory Services and Community Safety	11	13	1	0	9%	0%	£0	£0
Children's Social Care	16	16	0	0	0%	0%	£0	£0
Executive	1	1	0	0	0%	0%	£0	£0
TOTAL	672	699	26	49	4%	7%	£11,173,912	£7,184,171

Section 7: Notes

There are 110 contracts that have never had KPI scoring, and a further 49 contracts with no KPI scoring in the last 12 months. This represents a snapshot of the situation in the first week of January 2017.

Section 8: Recommendations approved at Strategic Contract Management Board

The Strategic Contract Management Board met on 11th July 2016, and received reports from contract managers on three strategic contracts, and a number of other matters.

Minutes from the board meeting are provided in **Appendix 5** (exempt)

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Signed by (Director)

Appendices:

Appendix 1: Non Conformance (exempt)

Appendix 2: Waivers

Appendix 3: Payments under waiver

Appendix 4: Contract performance issues (exempt)

Appendix 5: Actions from the Strategic Contract Management Board (05/12/16) (exempt)

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

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Appendix 2

Procurement Management Information
3 February 2017

Details of waivers approved in Q3 2016/17

Directorate	Title	Supplier	Contract Value	Current contract annual value	Contract Start Date	Contract Expiry Date	Reference number	Reason for waiver	Waiver authoriser	Risk
Children's Services and Education	Educational Psychology Services 2017	Panoramic Associates Limited	£ 45,500	£ 45,500	01/01/17	31/07/17	C00003497	Direct award	Director	Low
Children's Services and Education	Out of Area Home to School Transport	Multiple Suppliers	£ 125,000	£ 25,000	01/10/16	30/09/21	C00003438	Single Source	Director	Low
Children's Services and Education	School Improvement (Raising Standards/addressing schools causing concern)	Solent Academies Trust	£ 200,000	£ 200,000	01/09/16	31/08/17	C00003490	Insufficient time	Procurement manager	Medium
Children's Social Care	Disclosure and Barring Service Checks	Disclosure & Barring Service	£ 372,000	£ 124,000	01/06/16	31/05/19	C00003498	Single Source	Procurement manager	Low
Children's Social Care	Nursery Provision for Foster Children	Multiple Suppliers	£ 8,000	£ 2,666	01/04/16	31/03/19	C00003476	Service User choice	Director	Low
Community and Communication	Printing of Official Visitor Guides 2016/17	Holbrooks Printers Ltd	£ 31,448	£ 31,448	01/12/16	30/11/17	C00003478	Not obtaining 3 bids	Director	Low
Community and Communication	Provision of Analyse Local Services	Inform CPI	£ 5,000	£ 5,000	28/11/16	27/11/17	C00003461	Direct award	Director	Low
Community and Communication	Transactional Assistance - Taxation process	Northgate Public Services (UK) Limited	£ 6,000	£ 6,000	21/11/16	18/12/16	C00003465	Insufficient time	Director	Low
Culture and City Development	ACE NPO Application - specialist support	Artservice	£ 5,950	£ 5,950	01/01/17	28/02/16	C00003501	Insufficient time	Director	Low
Culture and City Development	BMX Pump Track - Hilesea	Clark & Kent Contractors	£ 85,225	£ 85,225	25/10/16	07/04/17	C00003436	Not obtaining 3 bids	Director	Low
Culture and City Development	Car Parking For The Great South Run 2016	SEP Ltd	£ 7,900	£ 7,900	01/10/16	31/01/17	C00003400	Direct award	Director	Low
Culture and City Development	Cultural Education Partnership (Portsmouth) Limited	New Theatre Royal Trustees (Portsmouth) Limited	£ 10,000	£ 10,000	01/05/16	31/05/17	C00003453	Direct award	Director	Low
Culture and City Development	Culture Consultancy - 2016-17	Wise Words Consultancy	£ 10,000	£ 10,000	01/05/16	31/03/17	C00003503	Direct award	Director	Low
Culture and City Development	Digitisation of the Overlord Embroidery	Manchester University	£ 9,773	£ 9,773	11/11/16	01/05/17	C00003452	Direct award	Director	Low
Culture and City Development	Football Data Gathering and Analysis	SPRINGBOARD RESEARCH LTD	£ 9,826	£ 6,550	01/01/16	31/07/17	C00003459	Direct award	Director	Low
Culture and City Development	Toxicology Report Costs	Hampshire County Council	£ 130,000	£ 65,000	01/04/15	31/03/17	C00003485	Direct award	Procurement manager	Low
Culture and City Development	Waterfront Gifts Consultancy	Simone Mckean Retail Consultant	£ 10,500	£ 10,500	01/08/16	28/02/17	C00003491	Direct award	Director	Low
Finance and Information Services	Adult Dashboard Support - Northgate	Northgate Public Services (UK) Limited	£ 1,707	£ 1,707	01/01/17	31/12/17	C00003495	Direct award	Director	Low
Finance and Information Services	Contract 5226730 - Part renewal of Premier Support for Current EBS Servers	Oracle Corporation UK Ltd	£ 5,814	£ 5,814	07/09/16	31/01/17	C00003432	Direct award	Director	Low
Finance and Information Services	Contract 5250810 - 12 months Premier	Oracle Corporation UK Ltd	£ 13,676	£ 13,676	06/10/16	05/10/17	C00003441	Direct award	Director	Low
Finance and Information Services	Credit Checks and Company Information	CREDITSAFE BUSINESS SOLUTIONS LIMITED	£ 12,000	£ 4,000	10/10/16	09/10/19	C00003431	Not obtaining 3 bids	Director	Low
Finance and Information Services	E-Service Desk and Metastorm	OpenText Corporation	£ 9,969	£ 9,969	05/09/16	04/09/17	C00003474	Direct award	Procurement manager	Low
Finance and Information Services	Hantsweb HSPN2 and SWIFT maintenance for 2016-2017	Hampshire County Council Adult Services Technician Service	£ 14,457	£ 14,457	01/04/16	31/03/17	C00003466	Shared service	Director	Low
Finance and Information Services	Webex Licences and Annual Support and Maintenance	Webex Communications UK Ltd	£ 1,764	£ 1,764	12/10/16	11/10/17	C00003480	Direct award	Director	Low
HR Learning and Performance	EBS Self Service Outlook Link	Applaud Solutions	£ 9,516	£ 1,716	01/10/16	30/09/17	C00003496	Direct award	Director	Low
Portsmouth International Port	Plough Works - Approach to Berths - Portsmouth International port	Boskalis Westminster Ltd.	£ 14,320	£ 14,320	16/11/16	18/12/16	C00003460	Direct award	Chief Executive	Low
Portsmouth International Port	Supply of Anodes	Impalloy Limited	£ 14,830	£ 14,830	14/11/16	31/12/16	C00003450	Not obtaining 3 bids	Director	Low
Portsmouth International Port	Toilet Refurbishment - Wallgate Units - Middle Mile End Gardens	Wallgate Limited	£ 7,325	£ 7,325	11/11/16	23/12/16	C00003448	Direct award	Director	Low
Property and Housing	Clerk of Works Services - Northern Parade Pre-School Project	Wessex Site Inspection Ltd	£ 5,280	£ 5,280	31/10/16	31/03/17	C00003494	Use of previous tender	Director	Low
Property and Housing	DNO - Various PV Projects	Scottish and Southern Energy	£ 20,000	£ 20,000	14/10/16	13/10/20	C00003428	Single Source	Director	Low
Property and Housing	Energy Switching Website	AgilityEco Services Ltd	£ -	£ -	01/10/16	30/09/17	C00003492	Direct award	Director	Low
Property and Housing	Golfers Protection Insurance	W.R Berkley Insurance (Europe) Limited	£ 6,000	£ 6,000	01/04/16	31/03/17	C00003433	Direct award	Director	Low
Property and Housing	Lift Emergency Phone Lines	Six Degrees Group	£ 90,000	£ 18,000	01/12/14	01/03/19	C00003451	Direct award	Director	Low
Property and Housing	Powered Door Servicing and Maintenance In Housing Properties	thomas door and window controls	£ 15,000	£ 15,000	23/12/16	01/04/17	C00003505	Direct award	Director	Low
Property and Housing	Seconhand Minibus Purchase - Play Service	Southern Motor Contracts Limited	£ 25,500	£ 25,500	05/10/16	31/10/16	C00003411	Other	Director	Low
Property and Housing	Temporary Night Shelter for Rough Sleepers	Society Of St James	£ 48,454	£ 48,454	05/12/16	31/03/17	C00003484	Insufficient time	Director	Low
Regulatory Services and Community Safety	Community Funeral Provision - Portsmouth	Dashwood and Denyer Funeral Directors	£ 80,000	£ 50,000	01/04/16	30/09/17	C00003427	Direct award	Director	Low
Regulatory Services and Community Safety	Security for Regulatory Services - 2016/17	securitas	£ 28,000	£ 28,000	01/04/16	31/03/17	C00003454	Direct award	Director	Low
Transport Environment and Business Support	Aerial Survey - Southsea Frontage	Richard Allitt Associates Ltd	£ 5,838	£ 5,838	23/09/16	30/11/16	C00003413	Not advertising the opportunity	Director	Low
Transport Environment and Business Support	Beneficial Foundation - Park And Ride Support	Beneficial Foundation	£ 36,000	£ 9,000	01/04/16	31/03/17	C00003406	Direct award	Director	Low
Transport Environment and Business Support	Smarter driver training and in-car technology	Blue Lamp Trust	£ 20,000	£ 20,000	01/07/16	31/03/17	C00003417	Direct award	Director	Low
Transport Environment and Business Support	Supporting Job Seekers In Portsmouth - Active Steps	Sustrans Ltd	£ 61,000	£ 61,000	01/07/16	31/03/17	C00003416	Direct award	Director	Low

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Appendix 3

Procurement Management Information
3 February 2017

Q3 spend with HIGH VALUE (>£100,000) contracts with Waiver

Adult Services

C00002013	Contract for Public Health Services	Solent NHS Trust (formerly Solent Healthcare)	£1,278,031
C00003337	Temporary Staff - Adult Social Care	Staff 2000 Limited	£41,500
C00003339	Domiciliary Care Services through Guaranteed Hours	Sevacare (UK) Ltd	£426

Children's Services and Education

C00001187	Provision of Outreach Practical Parenting Support	Home-Start Portsmouth	£63,000
C00002076	Family Nurse Partnership Programme	Solent NHS Trust (formerly Solent Healthcare)	£35,375
C00001635	Early Support Volunteer Co-ordinator	Home-Start Portsmouth	£17,289

Community and Communication

C00003077	GovTech Webcapture Service	Northgate Public Services (UK) Limited	£22,000
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Culture and City Development

C00003173	Mortuary Costs Portsmouth - Coroner's Office	Portsmouth Hospitals NHS Trust	£83,211
C00003251	Pathologist Fees - Coroner's Office	Multiple Suppliers	£54,053
C00003485	Toxicology Report Costs	Hampshire County Council	£36,324

Finance and Information Services

C00003335	Local Government Options Report - 2016	Basingstoke and Deane Borough Council	£143,543
C00003132	External Audit Services	Ernst & Young LLP	£41,658

Property and Housing

C00003086	Civic Offices IS Office Refurbishment	Vear Building Services Limited	£31,318
C00001197	Building Repair & Maintenance Contract	KKA Maintenance Ltd	£30,450
C00003062	COPNOR PRIMARY SCHOOL - EXTENSION, INTERNAL & EXTERNAL ALTERATIC	KKA Maintenance Ltd	£1,891

Public Health

C00003045	Provision of 0-5 services (Health Visitors)	Solent NHS Trust (formerly Solent Healthcare)	£28,380
C00001457	Children's Centre Database and Management Information System, estart	Capita Business Services Limited	£14,775

Regulatory Services and Community Safety

C00001526	Family Intervention Project	Barnardo's	£285,779
C00001121	Alcohol Specialist Nurse Service	Portsmouth Hospitals NHS Trust	£81,250

Q3 spend with MEDIUM VALUE (£5,000 to £100,000) contracts with Waiver

Children's Services and Education

C00003312	Delta Education Services	Delta Education Services	£6,500
C00002949	Tuition 1:1 /Small Group Tuition Services	Home School Tutoring UK (Hampshire West/Central)	£3,056
C00002353	Children/Young People & Families Website - Local Offer Initiative	Chapman Web Design Ltd	£1,425

Children's Social Care

C00003121	YOT and YPP CCIS Software Supply	CareerVision Ltd	£31,227
C00002930	Room Hire PSCB Training	PAFG	£1,381
C00003192	Independent Social Worker 2016 - 2018	Diane Robson	£419

Community and Communication

C00003375	Replacement Landlord Accreditation Website	whitelight Creative limited	£24,397
C00003461	Provision of Analyse Local Services	Inform CPI	£130

Culture and City Development

C00003241	Stopford LP/2016	Stopford Information Systems	£11,140
C00003372	Retail Purchasing 2016 - 2017 - Culture	Multiple Suppliers	£10,821
C00003400	Car Parking For The Great South Run 2016	SEP Ltd	£8,346
C00003175	Staffing Support Grant - Fratton Community Centre	Fratton Community Association	£7,518
C00003491	Waterfront Gifts Consultancy	Simone Mckean Retail Consultant	£4,587
C00003238	Transportation of Bodies - Portsmouth & South East (Portsmouth)	Barrells Funeral Directors	£2,228
C00003236	Transportation of Bodies - Portsmouth & South East (Petersfield)	Dignity Funerals T/A Carrells Funeral Service	£2,200
C00003149	Asbestos Analysis - Coroner's Office	Occupational and Environmental Analytical Diagnostic Services Ltd	£1,500

Finance and Information Services

C00003200	Inspector - Temporary - PFI Highways	Hays Specialist Recruitment	£12,173
C00003128	CIPFA - Training	CIPFA Business Ltd.	£1,945
C00003431	Credit Checks and Company Information	CREDITSAFE BUSINESS SOLUTIONS LIMITED	£4,000
C00003466	Hantsweb HSPN2 and SWIFT maintenance for 2016-2017	Hampshire County Council Adult Services Technician Service	£5,354

HR Legal and Performance

C00003496	EBS Self Service Outlook Link	Applaud Solutions	£9,516
C00003227	Document Storage and Movement - Modern Records	Personnel Hygiene Services Limited trading as PHS Group	£5,506

Property and Housing

C00003324	Underpinning at 13-19 Woodcot Crescent	Comserv Projects Ltd	£83,100
C00003340	Software Support for Oracle RDBMS X 15 Licences	Northgate Public Services (UK) Limited	£6,970
C00003451	Lift Emergency Phone Lines	Six Degrees Group	£6,045
C00003085	Cost Consultancy - Dunsbury Hill Farm	Mace Limited	£5,331
C00001918	Dry Riser Testing for Housing and Property Services 2013-2018	M&P Dry Risers Ltd	£4,500
C00001758	Catering Equipment in Housing Management Buildings	Commercial Facilities Engineers Ltd	£4,370
C00003248	Drainage Scheme - Salterns Golf Course	John Pierson Ltd	£3,735
C00003428	DNO - Various PV Projects	Scottish and Southern Energy	£2,565
C00003341	Office Furniture Removal and Recycling - Civic Offices	The Recycled Assets Company	£1,344
C00003156	Autodesk Subscription and Telephone Support 2016	Capdoint Ltd	£1,325
C00003433	Golfers Protection Insurance	W.R Berkley Insurance (Europe) Limited	£1,134

Regulatory Services and Community Safety

C00003344	Regulatory Service IDOX Uniform	IDOX Software Ltd	£23,800
C00003232	Biotxin Risk Assessment Sampling - Portsmouth and Langstone Harbours	Tom Pearson	£1,922

Transport Environment and Business Support

C00003205	Emergency Coastal Defence Works - Ten Gun Battery	Avon Construction Ltd	£38,651
C00003203	Replacement handheld equipment and associated items	Spur Information Solutions Ltd	£19,372
C00003146	Marketing video for Southsea Coastal Scheme	University of Portsmouth Enterprise Ltd	£10,000
C00003218	Development Management Services - Temporary Consultancy	Island Highway & Transport Consultants Limited	£6,880
C00003417	Smarter driver training and in-car technology	Blue Lamp Trust	£3,200
C00003406	Beneficial Foundation - Park And Ride Support	Beneficial Foundation	£800
C00003075	Adult Functional Skills Qualifications - The Learning Place	Northern Council for Further Education (NCFE)	£658

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Title of meeting: Governance & Audit & Standards Committee

Date of meeting: 27 January 2017

Subject: Data Security Breach Report

Report by: Michael Lawther, City Solicitor/Senior Information Risk Owner

Wards affected: All

Key decision: No

Full Council decision: No

- 1. Purpose of report**

To inform the Committee of any Data Security Breaches and actions agreed/taken since the last meeting.
- 2. Recommendations**

It is 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).
- 3. Background**

The Corporate Information Governance Panel, formed of representatives from across the authority and chaired by Michael Lawther in the role of Senior Information Risk Owner (SIRO) meets every other month to

 - establish policy and procedures for Information Governance;
 - maintain a log of data breaches and determine and monitor onward action.

The Senior Information Risk Owner will update the Committee on any ongoing breaches and notify the members of any new incidents.
- 4. Reasons for recommendations**

To ensure the Governance & Audit & Standards Committee has an oversight of the Data Security Breaches to be able to determine whether any trends appear and any further actions should be recommended.

5. Equality impact assessment

An equality impact assessment is not required as the recommendation does not have a negative impact on any of the protected characteristics as described in the Equality Act 2010.

6. Legal implications

The Council is required to ensure that it has robust procedures in place to comply with its obligations under the Data Protection Act. Bringing this report to the Committee's attention will assist in meeting those requirements.

7. Director of Finance's comments

The ICO can issue fines of up to £500,000 for serious breaches of the Data Protection Act and Privacy and Electronic Communications Regulations. The size of any monetary penalty is determined by the Commissioner taking into account the seriousness of the breach and other factors such as the size, financial and other resources of the data controller. Any breaches put the City Council at risk of the unbudgeted cost of a financial penalty which would have to be met from the service responsible for the breach.

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Signed by:

Appendices: One Exempt Appendix

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
None	