

Appendix 1 - Progress against issues identified in the 2014/15 Annual Governance Statement

Portsmouth City Council have completed a number of actions over the last year, that have addressed or alleviated significant governance issues identified in the 2013/14 Annual Governance Statement. The following significant governance issues have been identified and further actions have been put in place against each, in order to strengthen the Council's governance arrangements.

Ref	Identified governance issue	Actions to address the issue	Measures of success	Lead officer	Update on progress	Outcome of monitoring
1	The Constitution has not been reviewed/formally updated for a number of years.	a- Set up a working group to review the Constitution	Updated constitution published on Council website	Michael Lawther, Deputy Chief Executive and City Solicitor	This is work significantly in progress, involving the Governance and Audit and Standards Committee and will report shortly	Recommended to include as an issue in the 2015/16 statement and return to GAS in November 2016
2	Non-completion of financial rules training, resulting in non-compliance with Financial Rules.	Training programme on new financial rules to be updated and rolled out.	Training updated and 100% of relevant staff have completed the training.	Chris Ward, Director of Finance and IS	The opportunity has been taken to update out of date training content for Financial Rules modules, and advise the requirement to all staff to repeat the training on a three-year cycle. Means have now been developed to measure and monitor non-compliance.	Not recommended for monitoring by GAS in 2016/17 as mechanisms to track this now in place.
3	PolicyHub is not accessible to all staff and there is scope to improve the reporting capability.	a. Managers to ensure relevant policies are cascaded to and read by staff who are unable	100% of staff to receive relevant policies and reports can be run to check	PolicyHub Board	A project has taken place to update the content of information and ensure that the Active Directory	Recommended to include as an issue in the 2015/16

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		<p>to access PolicyHub.</p> <p>b. PolicyHub board to consider upgrading PolicyHub to enable more intelligent reporting</p>	% of staff within each service who have read corporate policies.		interface is effective. Rollout of the up to date material, including staff communication, will start in the Summer, with updated information to be added on an ongoing basis.	statement and GAS recommended to receive a progress check in December 2016.
4	Not all services have completed tabletop exercises to test the robustness of their service business continuity plan.	a. All services to complete a table-top exercise and amend their plans based on the findings.	100% of services have completed a table-top exercise - aim for 30% of services to complete exercise each year.	Kate Scott, Civil Contingencies Officer	As per the new Business Continuity Standard ISO22301, new Directorate Business Continuity Plans are being produced to reflect the necessary changes - each Directorate is expected to complete their plan by Summer 2016, and for these to be tested within a year of completion.	Recommended to include as an issue in the 2015/16 statement and return to GAS in September 2016?
5	There has been an increase in the number of data breaches and there is scope to improve data security.	a. All staff to adhere to the clear desk clear screen policy and managers must undertake a programme of spot checks to test compliance. If issues are found, they must be	<p>Reduction in data breaches</p> <p>Reduction in number of complaints received/instances identified</p>	Helen Magri, Corporate Information Officer / Michael Lawther, Deputy Chief Executive and City Solicitor.	In 2015/16, there was an increase in the number of data breaches reported, but these were all as a result of genuine human error or theft. There were no known cases of staff "knowingly or recklessly" accessing or disclosing	Ongoing reporting as necessary to GAS committee on data breaches - not recommended for inclusion in

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		<p>escalated and addressed.</p> <p>b. In order to prevent inappropriate access to customer records for personal gain the following actions need to be undertaken:</p> <ul style="list-style-type: none"> - Formal action policy to be instigated in each case - Incidents reported to the ICO - Reminder sent to all staff via team brief not to access accounts without a business need - Staff with access to certain systems to have signed specific declarations to say systems will not be accessed inappropriately - Revisit Data Protection Healthcheck with a view to rolling out again across the authority 			<p>data in that period. A second sweep of the office by Audit identified there was still some poor practice (laptops being left on desks/drawers and cupboards being left unlocked) but fewer instances than in previous sweeps.</p> <p>Staff are much more aware of the need to report losses and errors, and it is believed that this awareness is a factor in the increase in numbers. The organisation continues to provide regular staff advice around data security and good practice.</p>	<p>the annual governance statement.</p>

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6	There are public buildings that do not come under the auspices of the Council to undertake legionella testing.	<ul style="list-style-type: none"> a. A system needs to be established to ensure high risk areas are tested. b. All issues identified need to be escalated to Director of Public Health 	Issues are identified, addressed and flagged with the Director of Public Health	Mark Tutton	System considered at GAS, March 2016. Noted that current system and reporting in place for all HRA and General Fund Properties, the Port and educational buildings within the traded services agreement. In addition to this, an external audit and review of the Corporate Legionella Policy and associated management systems was undertaken which identified further enhancements, now reflected in the team action plan, and to be reported through the annual H&S reports to Employment Committee.	Not recommended for inclusion in AGS on ongoing monitoring at GAS as incorporated in annual H&S monitoring at Employment Committee.
7	During 2013, the council failed to respond to 15.5% of Freedom of Information requests within statutory timescales.	Actions to be identified following completion of audit	Pending	Helen Magri, Corporate Information Officer	In 2015/16, we responded to 1539 FOI requests (an increase of 15% on the previous year), of which 959 were responded to within the statutory timescale. The increased volume is a key factor in the drop in response times	Actions from audit, such as the aggregation, are being implemented and progress will be reported

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					<p>within statutory timeframes, as well as the loss of an experienced staff member part way through the year.</p> <p>Requests are being closely monitored to ensure that where possible, the rules around aggregating requests are being implemented; and meetings have also taken place with a handful of individual requesters to discuss how we can better serve their needs, which has been successful in reducing the number of requests received.</p>	<p>through the quarterly performance reports - it is not therefore recommended that this is included within the governance statement and reported separately, but that this is noted as part of regular reports.</p>
8	Member training and political development is not systematic nor sufficiently championed and would benefit from more robust succession planning.	Review is now complete; paper that summarises the current training offer and recommendations for a more systematic and tailored political development and training offer needs to be taken to the next group leaders meeting.	New training programme is agreed and implemented where appropriate	Michael Lawther, Deputy Chief Executive and City Solicitor	Member training has been reviewed by GAS (June 2016) and is now being delivered in reviewed format.	Not recommended for inclusion in the next AGS monitoring cycle.

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9	In terms of risk, our overall level is increasing. This increase is as a direct result of the ongoing savings measures, including the management restructure in May 2014 and a resultant impact on our capacity and capability. In addition, our desire to explore more innovative and commercial ways of working has seen an increase in our risk appetite and willingness to tolerate a greater degree of risk when pursuing commercial opportunities. Working in this commercial environment often requires a more flexible and agile approach to progress issues in a timely fashion in order to achieve key objectives. This may necessitate a degree of delegation to officers.	The Council's Risk Management Policy identifies its commitment to embedding a culture of risk awareness. The policy sets out the responsibilities for the different roles, including members and directors, and also the responsibilities for Directors when undertaking a Project Director role. The requirement to consider risk implications when making or evaluating decisions is highlighted. It is accepted that not all risks can be mitigated against and a balance must be struck between the costs of risk reduction against the likelihood and impact of the risk (risk exposure). When considering directorate cuts, the impact needs to be fully considered including adverse consequences in other	All risks identified and evaluated and appropriate arrangements put in place. No adverse publicity.	David Williams, Chief Executive	Risk evaluation embedded in project working and performance monitoring and reported quarterly to GAS In relation to commercial services, work is underway to embed an approach for trading services and this will be monitored via the Corporate Governance Group.	Risk as a specific issue not recommended for inclusion in next AGS monitoring cycle as captured in quarterly performance reports. It is important to note the specific issues relating to commercial activity and ensure that this is reflected and monitored through the Corporate Governance Group.

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		areas. The risk appetite should be made clear, especially when working in a commercial environment.				
10	Emerging governance requirements - the council is exploring new ways of working, including alternative delivery models with partners which will necessitate different governance models to be adopted.	Any new work or initiative should consider governance arrangements as part of the Feasibility/Business Case development (especially when working in a new multi-agency environment or forming a new company) including issues such as use of joint risk registers	All legal agreements to include reference to governance arrangements including Terms of Reference, composition of boards, and frequency of meetings. Joint risk review meetings to be established.	Project Directors	Joint working and governance arrangements are developing and ensuring that the new arrangements have full regard to legal, financial and HR implications is critical.	Recommended that this is a significant issue that should be reflected in the Annual Governance Statement, with necessary changes to be reported to Cabinet, GAS committee and Employment Committee as necessary.
11	Programmes/ Projects - this issue is linked to the non-identification of emerging programme/project activity, including	Directorates should ensure that all such activity is reflected in quarterly performance reports, including identification of key risks - an overview of	Visibility of all projects/programmes No project failure Key posts filled and	Michael Lawther, Deputy Chief Executive and City Solicitor	Projects are to be included in quarterly monitoring and updated to GAS through this mechanism.	Projects as a specific issue not recommended for inclusion in next AGS

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	associated governance arrangements.	the project status should be maintained for review at the Corporate Governance Group. All project activity should adopt recognised governance arrangements with a nominated Project Director and Project Manager and Terms of Reference identifying their roles and responsibilities.	TORs drafted			monitoring cycle as captured in quarterly performance reports.