

APPENDIX C



Annual Governance Statement 2012/13

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ANNUAL GOVERNANCE STATEMENT 2012-2013

SCOPE OF RESPONSIBILITY

Portsmouth City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. Portsmouth City Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Portsmouth City Council is responsible for putting in place proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

Portsmouth City Council has approved and adopted a **Local Code of Corporate Governance** which is consistent with the principles of the CIPFA/SOLACE Framework "*Delivering Good Governance in Local Government*". This Statement explains how Portsmouth City Council has complied with the code and meets the requirements of Accounts and Audit (England) Regulations 2011, regulation 4(3), which requires all relevant bodies to prepare an annual governance statement.

Comment [SM2]: Add hyperlink to updated document when complete - need to colour code to highlight internal corporate governance framework controls.

Comment [SM3]: Add para re approved internal corporate governance framework including 9 corporate governance controls and links with principles

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Portsmouth City Council's policies, aims and objectives; to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Portsmouth City Council for the year ended 31st March 2013 and up to the date of approval of the annual report and statement of accounts.

THE GOVERNANCE FRAMEWORK

In 2009, Portsmouth City Council adopted a Local Code of Governance, which holds the organisation to six core principles, and these are:

1. We focus on the purpose of the authority and on outcomes for the community
2. Members and officers work together to achieve a common purpose with clearly defined functions and roles
3. Values for the authority on good governance are promoted and upheld through high standards of conduct and behaviour
4. We take informed and transparent decisions, which are subject to effective scrutiny and managing risk
5. We develop the capability and capacity of members to be effective
6. We engage with local people and other stakeholders to ensure robust accountability

The following sections look at how we are held to account for these six principles.

We focus on the purpose of the authority and on outcomes for the community

Portsmouth City Council has a simple, collective organisational goal that tells employees what they are here to achieve:



**Portsmouth City Council; working together
to shape the great waterfront city**

The goal is based on the premise that everything the council does should improve life for our residents and make the city a better place. Portsmouth City Council's Guiding Principles (see below) set out how the vision will be achieved.

-  **put customers first**
-  **provide value for money**
-  **be ambitious**
-  **use evidence to shape services**
-  **simplify, strengthen and share processes**
-  **get it right first time**
-  **support councillors as strategic leaders**
-  **value and support staff**
-  **listen and learn**

Comment [SM4]: GUIDE NOTES:
The annual governance statement should include a brief description of the key elements of the governance framework the authority has in place.

The council's Transformation Programme operates underneath this goal and is about working better together, as one council. The programme consisting of 5 workstreams, was initiated in 2011 to deliver efficiencies and new ways of working in order to contribute to the ongoing savings targets. The programme is managed by the Strategic Directors Board with each workstream led by a Head of Service. Within each workstream there may be a number of areas being progressed at any one time, and this work will typically be managed as a project until acceptance as Business as Usual. The programme is reviewed on a regular basis and underpinning it, has been a series of communication briefings and cascades to staff.

All services are required to complete business plans that fit with what they are trying to achieve as an organisation. In 2011, Strategic Directors agreed that business plans should be the foundation of corporate planning and the bedrock on which performance management arrangements for the organisation are built. Specifically, services are asked to outline the way in which they contribute to shaping the great waterfront city; the 5 critical things the service will achieve in the coming year; the desired levels of achievement; and the key measures of success. The plans are designed to be medium term documents which are updated on an annual basis and must be formally agreed by the respective portfolio holders. As part of the business planning process, services are asked to review the relationship between service expenditure and performance and participate in benchmarking exercises to ensure best use of resources and value for money.

It has been necessary to change performance management arrangements in order to keep pace with national developments, but also to reflect the council's changed ways of working and organisational objectives. Portsmouth City Council is now working to arrangements with a stronger focus on accountability at Head of Service level for service performance, and concentration on cross-cutting issues at the level of corporate management. Business plans are monitored on a quarterly basis by Strategic Directors, with further reports progressed to the Governance and Audit and Standards Committee and Cabinet.

Members and officers work together to achieve a common purpose with clearly defined functions and roles

All Portsmouth City Council employees contribute to the achievement of the authority's objectives, whether they are directly involved in service delivery to the customer, or in supporting other services.

The roles and responsibilities of the Executive, non-Executive, Scrutiny and officer functions are defined and documented in the City Constitution¹, with clear delegations and protocols for effective communication. The constitution sets out how the council operates, how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people. Although this is no longer a statutory requirement, Portsmouth City Council has taken to decision to continue with this arrangement internally. Portsmouth City Council has Codes of Conduct for members and officers, and officers are required to declare any interests, gifts and hospitality on a public register. Members are required to declare any interests at the start of every meeting that they attend in accordance with Standing Orders. The recording of interests regularly reviewed and there are no current issues with the declaration or recording of such interests.

¹ A copy of the constitution can be found at: <http://www.portsmouth.gov.uk/yourcouncil/8955.html>

It is important that members and officers work with other organisations locally and sub-nationally to achieve a common purpose of improved efficiency and effectiveness. As the council transforms the way it works and prioritises its use of limited resources, it will remain vital that the council's priorities and budgetary decisions are appropriately linked with the governance frameworks agreed with partners.

Values for the authority on good governance are promoted and upheld through high standards of conduct and behaviour

Portsmouth City Council has developed “ways of working” as a tool to help staff manage themselves and others, evaluate their performance and recruit new staff. These include:



**We focus on
what's important**



**We take pride
in our work**



**We value
others**



**We make a
positive difference**

Employees and members will be regularly monitored on their standards of conduct and behaviour. All managers must hold annual Personal Development Reviews with their staff and their managers are responsible for ensuring quality and compliance. As part of the PDR process a discussion on ways of working will take place.

The council's Governance and Audit and Standards Committee undertake the core functions of an audit committee as identified in CIPFA's “Audit Committees - Practical Guidance for Local Authorities”². The group has an agreed set of terms of reference³, which sets out their roles and responsibilities.

The Monitoring Officer is a statutory function and ensures that the Council, its Officers, and its Elected Councillors, maintain the highest standards of conduct in all they do. The Monitoring Officer is assisted when required by appointed deputies. The role of the Monitoring Officer is set out in 12.4 of Portsmouth City Council's Constitution. The Monitoring Officer's legal basis is found in Section 5 of the Local Government and Housing Act 1989⁴, as amended by Schedule 5 paragraph 24 of the Local Government Act 2000⁵. The Monitoring Officer ensures that the Council is compliant with laws and regulations, as well as internal policies and procedures. He is also responsible for matters relating to the conduct of Councillors and Officers, and for monitoring and reviewing the operation of the Council's Constitution to ensure that its aims and principles are given full effect.

The s151 Officer together with finance staff ensure that new policies or service proposals are accompanied by a full financial appraisal which is properly costed, fully financed and identifies the key assumptions and financial risks that face the council. All reports are considered by appropriately qualified legal and finance staff with expertise in the particular function area before they are progressed to the relevant committee/group.

² A copy of the guidance can be found at: <http://www.cipfa.org/Policy-and-Guidance/Publications/A/Audit-Committees--Practical-Guidance-for-Local-Authorities>

³ The Governance and Audit and Standards Committee Terms of Reference can be found at: <http://www.portsmouth.gov.uk/media/SC20120716r5app4.pdf>

⁴ Further information can be found at: <http://www.legislation.gov.uk/ukpga/1989/42/section/5>

⁵ Amendment can be found here: <http://www.legislation.gov.uk/ukpga/2000/22/schedule/5/paragraph/24>

The council has a Whistleblowing policy,⁶ and procedures are in place for receiving and investigating internal complaints, as well as investigating complaints from the public. This policy is kept under review by the Monitoring Officer, and performance reports (which include concerns raised and their outcomes) are submitted to the Governance and Audit and Standards Committee.

The authority's anti-fraud, bribery and corruption policy⁷ conforms to the legislative requirements and is monitored annually. The Policy outlines steps taken to minimise risks of fraud, bribery, corruption and dishonesty and summarises the responsibilities of the S151 officer, City Solicitor, Managers, Audit, Councillors and employees in implementing and maintaining the Policy. All employees are required to complete a code which includes a duty to report and suspected cases of fraud or corruption or dishonesty as an essential part of the process of protection the council, its property and reputation.

The authority's financial management arrangements conform to the legislative and professional requirements of the CIPFA Statement on "The role of the Chief Financial Officer in local government" (2010)⁸. The Chief Finance Officer is a key member of the Strategic Director's Board, helping to develop and implement strategy and resource and deliver the authority's strategic objectives sustainably and in the public interest. He is actively involved in ensuring all immediate and longer term risks and opportunities are considered and strategic objectives of the authority are aligned to the longer-term financial strategy. The Chief Finance Officer is actively involved in all major decisions, and advises on financial matters to both the Cabinet and full Council. He is responsible for leading the promotion and delivery by the whole authority of good financial management so that public money is safeguarded at all times, ensuring that budgets are agreed in advance and are robust, that value for money is provided by our services, and that the finance function is fit for purpose. A protocol⁹ for the Chief Financial Officer at Portsmouth was approved in November 2011.

We take informed and transparent decisions, which are subject to effective scrutiny and managing risk

Following a formal process, the City Constitution including Standing Orders, Contract Procurement and Financial Rules have been revised and it is an accepted principle of Portsmouth City Council that they are constantly under review to meet the requirements of the organisation. Financial Rules are currently being reviewed in their entirety and are to be rolled out together with staff training in 2013. These Rules clearly define how decisions are taken, as well as the processes and controls required to manage risks. Training on Financial Rules is embedded as part of the induction process, and all staff are expected to undertake Financial Rules training. To this end a reporting mechanism has been developed as part of the review to enable managers to determine the level of training.

Following a review of the council's approach to managing risks, Portsmouth City Council has agreed a Corporate Risk Management Policy, which is supported by a set of procedures. The Council is committed to embedding a culture of risk awareness within everyday activities such that formal processes and unnecessary documentation can be minimised but that risk management remains an effective part of the governance framework.

Comment [SM5]: Need to review para and be more explicit about how we ensure effective counter-fraud and anti-corruption arrangements are developed and maintained. **Need to contact Lyn Graham**

Comment [SM6]: Need to ask Chris Ward to review and add a para re how we ensure effective arrangements are in place for the discharge of the head of paid services function. **Emailed 28/05/13**

⁶ The Whistleblowing Policy can be found at: <http://www.portsmouth.gov.uk/yourcouncil/11296.html>

⁷ The Policy can be found at: http://intranlink/Media/Whistle_blowing_Policy.pdf

⁸ More information can be found at: <http://www.cipfa.org/Policy-and-Guidance/Reports/The-Role-of-the-Chief-Financial-Officer-in-Local-Government>

⁹ The Protocol for the Chief Financial Officer can be found here: <http://www.portsmouth.gov.uk/media/Stan20111031r7appA.pdf>

We develop the capability and capacity of members to be effective

All new members receive an induction which includes information on: roles and responsibilities; political management and decision-making (including the constitution); financial management and our processes; health and safety; information governance, and safeguarding. Additionally, compulsory training is provided for those members who sit on the following committees: Governance and Audit and Standards Committee, Licensing Committee, and the Planning Committee. Informal training on scrutiny is provided by members of the Democratic Services team. Management training is also provided on request through the Local Government Leadership academy course.

Although training is member led, development needs are supported by appropriate training organised and facilitated by the council's learning and development team. Officer support is also available to members on request. The package of support helps elected members to effectively carry out their roles and responsibilities to a high standard by building on existing skills, competencies and knowledge.

We engage with local people and other stakeholders to ensure robust accountability

The views of customers are at the heart of the council's service delivery arrangements. Portsmouth City Council has developed a Community Engagement Statement¹⁰, which reflects the council's ambition to enable and empower all communities to shape the places within which they live and work, influence formal decision making and make informed choices around the services they receive. It is recognised that people need information about what decisions are being taken locally, and how public money is being spent in order to hold the council to account for the services they provide. To be effective this process aims to inspire and support a genuine two-way dialogue with all sections of the community and other stakeholders.

The Community Engagement Statement asserts the following objectives for the council's community engagement activity: active citizens and strong communities, clearer links between consultation and decision-making, a City that reflects its diversity and improved use of resources. These objectives build upon the council's commitment to finding ways to inform, consult and involve local people in all areas of life.

Portsmouth City Council acknowledges the need for a constantly evolving community engagement process targeted to the needs and aspirations of the audience. Clearly, effective engagement is dependent on clear communication channels with all communities, stakeholders and internal staff to ensure robust accountability. There are a number of ways people can connect with the council, many of which are listed on the 'Have your say' council webpage¹¹. Local people have the option to engage in a dialogue through: social media sites (including a community engagement blog, facebook and twitter), petition schemes, neighbourhood forums, healthwatch Portsmouth, the rant and rave form, council meetings (open to the public), their local Councillor¹² and through planned consultations.

¹⁰ A copy of the Community Engagement Statement can be found at:

http://www.portsmouth.gov.uk/media/Community_engagement_statement.pdf

¹¹ Opportunities to have your say can be found at: <http://www.portsmouth.gov.uk/yourcouncil/have-your-say.html>

¹² Who are your Councillors, MPs and MEPSs: <http://www.portsmouth.gov.uk/yourcouncil/23350.html>

The council keeps a forward plan of upcoming consultations. Internally a consultation toolkit has been developed to guide council staff through the consultation process. The agreed process ensures that engagement activity is relevant, accessible, transparent and responsive. To increase awareness, consultations are proactively promoted. A list of current consultations, as well as a list of past consultations explaining how the council has used public feedback is available on the council website. The council issues a free copy of their Flagship magazine to all households keeping them up to date about what's going on in the City. The magazine has been widely applauded in recent MORI panels for keeping customers well informed. The governance arrangements in respect of partnerships and other groups working as identified by the Audit Commission's report "Governing Partnerships: Bridging the Accountability Gap" (2005)¹³, are defined in the council's financial rules. The council has agreed appropriate partnership agreements and terms of reference with significant partnerships, where they contribute to the council's objectives.

¹³ A copy of the report is available at: <http://archive.audit-commission.gov.uk/auditcommission/sitecollectiondocuments/AuditCommissionReports/NationalStudies/GoverningPartnerships26Oct05REP.pdf>

REVIEW OF EFFECTIVENESS

Portsmouth City Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of:

- The Strategic Directors and Heads of Services within the Authority who have responsibility for the development and maintenance of the governance environment.
- The Chief Internal Auditor's annual report and opinion, and also by comments made by the external auditors and other review agencies and inspectorates.
- The Chief Financial Officer whose role is performed by the Head of Finance (and who is also Portsmouth City Council's Section 151 Officer) who has responsibility for ensuring the proper management of all Portsmouth's financial affairs.
- The Corporate Governance Group, made up of the Chief Executive, the Chief Internal Auditor, the Section 151 Officer and Monitoring Officers, and the Head of HR, Legal and Performance with input from others as relevant. This group meets regularly to discuss corporate governance arrangements and issues, and to reflect on recurring themes and spheres of activity relating to council improvement.
- The Governance and Audit and Standards Committee

To support the governance framework, there is an agreed formal process to evaluate the effectiveness of internal control, which requires:

- Heads of Service to complete an internal control questionnaire to evidence their compliance with the internal controls. Any breaches to rules and procedures are also reported, with remedying actions identified.
- A self-assessment review of the Governance and Audit and Standards Committee, which is completed by the Chair.
- A review of the effectiveness of Internal and External Audit
- A review of the internal and external auditor's annual letters
- A review of business risks identified through the business and planning and performance management process.
- A review of corporate complaints and any complaints regarding Members.
- A review of data protection and information governance issues.
- A review of relevant reports from review agencies and inspectorates.
- A review of progress against previously identified governance issues.
- A review of Employee Opinion and Pulse Survey results.

The Governance and Audit and Standards Committee have given advice on the results of the governance framework effectiveness review, and a plan to address weaknesses and ensure continuous improvement of the system has been put in place.

SIGNIFICANT GOVERNANCE ISSUES FOR 2012/13

The following table summarises the key governance issues for 2012/13, the source of information whereby they have been identified and the actions to address them, which will reported to and monitored by the council's G&A&S Committee:

Ref	Governance Issue	Source	Actions	Measures of Success	Lead/s	Timescale
a	Possible weaknesses in people management.	Governance issues from 2011/12 and 2012/13 Internal Control Questionnaire results re <i>Control 8 (PDRs)</i>	Continued delivery of the Leadership & Management Programme until the end of its agreed delivery.	50% of Managers to have completed the LaMP.	Fiona Morrison	Up until Sept 2013
			Commission a new management training programme.	New programme in place.		From Oct 2013
			Report to be progressed to Employment Committee following a review of the PDR process.	100% of staff to have a PDR.		October 2013
			PDRs to consider how employees meet the standards set out in our ways of working.	100% PDRs include an evaluation of values and behaviours.		Ongoing
b	Non-completion of financial rules training, resulting in non-compliance with Financial Rules	Governance issues from 2011/12	A new programme – Policyhub – will ensure all staff read and agree to policies when they should.	100% of staff have read the Policy.	Lyn Graham/ Chris Ward	Ongoing
			Financial rules to be finalised and training to be rolled out to staff.	100% of staff have completed the new financial rules training.		December 2013
c	Not all CRB checks are being completed or reviewed when they should be	Governance issues from 2011/12	In light of the review of the vetting and barring system, new guidelines need to be issued to managers and updated information made available on IntraLink.	All staff have up-to-date CRBs	Julie Barratt	2013
			Work to continue to take place with those services most affected by the changes.	All managers use the proper process of recruitment, including the use of the relevant temporary agency	Julie Barratt	Ongoing
d	The need to strengthen procedures for dealing with failure in service delivery	Governance issues from 2011/12	Services to participate in a table-top exercise within a year of producing the service business continuity plan	100% of services have completed a table-top exercise and have adequate business continuity plans in place.	Kate Scott	Within a year

Ref	Governance Issue	Source	Actions	Measures of Success	Lead/s	Timescale
e	There is scope to further develop the council's approach to equality and diversity.	Governance issues from 2011/12 and 2012/13 Internal Control Questionnaire results re <i>Control 4 (equalities)</i>	Equalities team to regularly monitor completion of EIAs and inform Head of Service of outstanding assessments.	100% compliance in EIAs.	Iwona Defer/ Gina Perryman	Ongoing
			Revise the equalities and diversity strategy and Single Equalities Scheme.	Strategy revised.		Ongoing
			Establish equality leads amongst Councillors who champion equalities at the strategic level and at leads at the officer level.	Equality leads put in place.		Ongoing
			Staff to complete the equalities healthcheck.	100% of staff to complete	Fiona Morrison	Ongoing
			Rename G&A&S to become the SAGE (Standards, Audit, Governance & Equalities) Committee to reinforce the importance of equalities assessment and take an increased role in the monitoring and enforcement.	Agreed by committee	Michael Lawther	tbc
			Improve the quality of workforce data.	Better understanding of the diversity of the workforce	Penny Lane	Ongoing
f	Not all services undertaking comprehensive succession planning	Governance issues from 2011/12	Review of the approach to workforce planning.	Revised workforce planning approach in place.	Penny Lane/ HR Business Partners	tbc
g	Performance management arrangements needs strengthening	2012/13 Internal Control Questionnaire results re <i>Control 1 (business planning)</i> and Corporate Peer Challenge March 2013	Adopt a corporate approach to the performance management of business plans including regular value for money reviews.	Better performance management.	Kelly Nash	tbc
h	The approach to risk management has not been successfully embedded following the recent review.	2012/13 Internal Control Questionnaire results re <i>Control 5 (risk)</i> and Corporate Peer Challenge March 2013	Communicate the outcomes of the review and proposed corporate approach re the development of a risk culture. Issue guidance to staff on the 9 areas SDB require assurance on.	SDB receive assurances against the 9 specified areas from 100% of services around risk management.	Lyn Graham	asap

Ref	Governance Issue	Source	Actions	Measures of Success	Lead/s	Timescale
i	The approach to project management needs strengthening	Corporate Peer Challenge March 2013	On-going work by internal audit. Recommendations to inform work going forward.	Stronger performance management arrangements	Jo Penney	tbc
j	Member training is not systematic nor sufficiently championed and would benefit from more robust succession planning	Corporate Peer Challenge March 2013	Review of the current member training offer	Review complete	Michael Lawther	tbc
			Consider the introduction of a more systematic and tailored political development and training offer for Councillors including the introduction of tailored Personal Development Plans.	Increased member participation in non-compulsory training		tbc
k	There is scope to improve the council's relationship with the Voluntary and Community Sector	Corporate Peer Challenge March 2013	Revisit the compact and use this process to establish rules of engagement both strategically and tactically	New compact in place.	Rob Watt/ James Sandy	tbc
			Consider a member portfolio for the Voluntary and Community Sector	tbc		tbc
l	There is scope to further develop the Cabinet and Strategic Directors Board as one team, with shared goals and expectations.	Corporate Peer Challenge March 2013	Build the capacity of Cabinet and the Strategic Directors Board as a single leadership team.	tbc	David Williams/ Cllr Gerald Vernon-Jackson	tbc
	There is scope to improve the articulation of the council's corporate vision	Corporate Peer Challenge March 2013	Need a compelling narrative for Portsmouth as a place and as a community.	tbc	tbc	tbc
			Outline financial and other challenges over the short, medium and long term and how the council plans to deal with them.			
m	The Shaping the Future Programme would benefit from more robust programme management arrangements	Corporate Peer Challenge March 2013	A high level programme narrative.	More rigorous programme management.	Kathy Wadsworth	tbc
			Documented governance arrangements.			
			Regular updates on workstreams			
			Mapping of interdependencies between workstreams.			
			Document benefit realisation.			

Ref	Governance Issue	Source	Actions	Measures of Success	Lead/s	Timescale
n	Summary areas for consideration	Safeguarding Peer Review November 2012	tbc	tbc	Stephen Kitchman/ Mary Brimson	tbc
o	Lines of communication between school leaders, education officers and local authority senior officers are not always clear.	Portsmouth LA Focused Ofsted Inspections 26-28 February 2013	tbc	tbc	Di Mitchell	tbc
p	tbc	Annual Complaints Report 2012/Member Complaints	tbc	tbc	tbc	tbc
q	tbc	Information Governance Audit/Data Protection Breaches	tbc	tbc	tbc	tbc
r	The group accounts and supporting working papers were not properly cross referenced and reviewed by senior officers	The Annual Audit letter 2011/12	Review of arrangements for the preparation of the group accounts and supporting working papers before 2012/13 closedown. In particular working papers need to be properly cross referenced and reviewed by senior officers.	Compliance with guidance on producing group accounts and supporting papers.	Chris Ward	Ongoing
s	tbc	External District Audit Report 2012	tbc	tbc	tbc	tbc
t	tbc	Internal Auditor's Annual Opinion 2012	tbc	tbc	tbc	tbc

Comment [SM7]: Need to check actions with Stephen Kitchman

Comment [SM8]: Need to check actions with Di Mitchell

Comment [SM9]: Need to obtain copies of annual complaints reports from Carol Cunningham (corporate), and children/adults services.

Comment [SM10]: Helen Magri and Peter Harding will circulate a report summarising findings for the audit, which is being carried out in June 2013. Need to review for potential governance issues.

Comment [SM11]: Need to review.

Comment [SM12]: Need to review Lyn Graham's annual opinion.

Ref	Governance Issue	Source	Actions	Measures of Success	Lead/s	Timescale
u	tbc	Critical Exceptions Report	tbc	tbc	tbc	tbc
v	tbc	Office of Surveillance Commissioners RIPA Report	tbc	tbc	tbc	tbc
w	tbc	Employee Opinion Survey/Pulse	tbc	tbc	tbc	tbc
x	City Deal Governance arrangements	Joint City Deal with Southampton City Council.	Ensure strong governance arrangements are put in place.			
y	Operating within the new public health arrangements.	tbc	Increase awareness across members and officers of the City Council's public health responsibilities and implications.	tbc	tbc	tbc
			Develop and embed the Health and Wellbeing Board			
			Strengthen relationships with new institutions including providers and commissioning groups.			
z	The Council is moving towards a new culture of mobile and flexible working,	tbc	Deployment of new technologies to support mobile and flexible working	tbc	Kathy Wadsworth	tbc
			Governance arrangements for the new management styles i.e. management by outcomes.			

Comment [SM13]: Need to review - need copy from Lyn Graham

Comment [SM14]: Need to locate and review

Comment [SM15]: Tarnia Goodsell contacted for input on any governance issues that have emerged from the recent employee opinion survey and pulse.

Effectiveness of the System of Internal Audit

As part of the Council's Internal Audit Protocol, the Head of Service responsible for Internal Audit must continually review the service's effectiveness. This is done using CIPFA's "Characteristics of Effectiveness", which reviews whether or not Internal Audit:

- understands its position in respect of other sources of assurance
- understands the needs and objectives of the organisation and adds value in helping achieve them
- is a catalyst for change, and is involved in improvements and projects as they develop
- is forward looking and proactive
- is innovative and challenging
- has the right resources and skills
- The Head of HR, Legal and Performance has confirmed that he is satisfied that the Internal Audit service does currently fulfil the "Characteristics of Effectiveness".

Internal Audit Opinion and Issues

Due to the number of critical and high risk exceptions the Audit opinion for 2011/12 is that only limited assurance on the effectiveness of the control framework can be given with the areas of most concern.

We propose over the coming years to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness, and will monitor their implementation and operation as part of our next annual review.

Signed on behalf of Portsmouth City Council

.....
David Williams, Chief Executive

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Date

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Cllr Gerald Vernon Jackson, Leader of the Council

.....
Date

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264