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# NOTICE OF MEETING

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## GOVERNANCE & AUDIT & STANDARDS COMMITTEE

**FRIDAY, 7 NOVEMBER 2014 AT 3.30 PM**

## CONFERENCE ROOM A - CIVIC OFFICES

Telephone enquiries to 023 9283 4058

Email: [Vicki.plytas@portsmouthcc.gov.uk](mailto:Vicki.plytas@portsmouthcc.gov.uk)

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### **Membership**

Councillor Simon Boshier (Chair)  
Councillor Eleanor Scott (Vice-Chair)  
Councillor John Ferrett  
Councillor Colin Galloway  
Councillor Leo Madden  
Councillor Hugh Mason

### **Standing Deputies**

Councillor David Fuller  
Councillor Phil Smith  
Councillor Rob Wood  
Councillor Steve Hastings  
Councillor Julie Swan  
Councillor Alistair Thompson

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

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

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

## **A G E N D A**

- 1 **Apologies for Absence**
- 2 **Declarations of Members' Interests**
- 3 **Minutes - 26 September 2014** (Pages 1 - 10)
- 4 **Updates on actions identified in the minutes**
- 5 **External Audit (Ernst & Young) Annual Audit Letter -- and a verbal update on progress** (Pages 11 - 22)
- 6 **Audit Performance Status Report to 6 October 2014 for Audit Plan 2014/15** (Pages 23 - 92)

The purpose of this report is to update the Governance and Audit and Standards Committee on the Internal Audit Performance for 2014/15 to 6 October 2014 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 2014/15 to 6 October 2014,**
- (2) **Note the highlighted areas of control weakness for the 2014/15 Audit Plan**
- (3) **Note the changes in the Audit Plan**

- 7 **Anti-Fraud, Bribery and Corruption & Investigations Update** (Pages 93 - 108)

The purpose of the report is

- (1) To provide Members with statistical information on fraud as required by the Local Government Transparency Code 2014.
- (2) To provide Members with an update on the Counter Fraud work currently being undertaken
- (3) For Internal Audit to report on 3 investigations since the last report to this Committee in January 2014
- (4) To present to Members the updated Anti-Fraud, Bribery and Corruption Action Plan

**RECOMMENDED that Members**

- (1) **Note and endorse the Counter Fraud work currently being undertaken within the Authority and the future developments as detailed in Section 5**
- (2) **Note the contents of the investigations report detailed in Appendix B**
- (3) **Note and endorse the Anti-Fraud, Bribery and Corruption Action Plan in Appendix C**

**8 Treasury Management Mid-Year Review for 2014/15 (Pages 109 - 132)**

(Information only)

The purpose of the report in Appendix A is to inform members and the wider community of the Council's Treasury Management position at 30 September 2014 and of the risks attached to that position. The report also seeks to vary the investment counter party limits for unrated building societies to reflect the 2014 Building Societies Database published by KPMG in September and to obtain approval to increase the variable interest rate exposure limit to reflect the increased level of short term investments.

**RECOMMENDED that the Governance and Audit and Standards Committee notes the recommendations in the report which will go on to Cabinet and Full Council for decision.**

**9 Annual Governance Statement Monitoring Programme (Pages 133 - 138)**

The purpose of the report is to seek approval from the Governance and Audit and Standards Committee for the proposed monitoring programme detailed in Appendix A.

In connection with Appendix A, a verbal update on Equalities Training will be provided at the meeting as part of this item and a verbal update on the Constitution will be provided as a separate item at the meeting.

**RECOMMENDED that the Committee approve the governance monitoring programme detailed in Appendix A of the report.**

**10 Verbal update on the Constitution (in connection with the previous item.)**

A verbal update will be provided.

**11 Update on the council's compliance with its Equality Duty and Equality Impact Assessment Process (Pages 139 - 146)**

The purpose of the report is to update the Committee on the compliance of council services with the Equality Duty and the Equality Impact Assessment process since the last report dated 27 June 2014.

**RECOMMENDED**

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

**12 Local Government Ombudsman Complaints 2013/2014 (Pages 147 - 166)**

The purpose of the report is to bring to the attention of the Governance and Audit & Standards Committee the Annual Review by the Local Government Ombudsman dated July 2014 regarding the complaints it has considered against Portsmouth City Council for the year 2013/2014

**RECOMMENDED that the report be noted.**

**13 Compliance with the Gifts and Hospitality Protocol (Pages 167 - 182)**

The purpose of the report is to update members on any issues regarding compliance with the Gifts and Hospitality protocol and to advise on remedies.

**RECOMMENDED that the report be noted**

**14 Data Security Breach Reporting (Pages 183 - 184)**

(NB Please note that **the appendix to this report is Exempt** and if the Committee wish to refer to this, there is provision to do so following the exclusion of the press and public (see agenda item 15)

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).**

**15 Exclusion of Press and Public**

**That in view of the contents of item 14 on the agenda the Committee is RECOMMENDED to adopt the following motion:**

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

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

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

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

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

<u>Item</u>	<u>Exemption Para No.</u>
<b><u>14</u></b> <b><u>Data Security Breach Reporting -</u></b> <b><u>Exempt Appendix 1</u></b>	<b><u>1,2 and 3</u></b>

- 1. Information relating to any individual**
- 2. Information that is likely to reveal the identity of an individual**
- 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)**

## **16 Date of Next Meeting**

The next meeting is scheduled for 30 January 2015 at 2.30pm in Conference Room A.

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.