



# NOTICE OF MEETING

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## GOVERNANCE & AUDIT & STANDARDS COMMITTEE

FRIDAY, 30 JANUARY 2015 AT 2.30 PM

CONFERENCE ROOM A - CIVIC OFFICES

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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.**

## AGENDA

- 1 **Apologies for Absence**
- 2 **Declarations of Members' Interests**
- 3 **Minutes - 7 November 2014** (Pages 1 - 10)

To confirm the minutes of the meeting held on 7 November 2014 as a correct record.

**RECOMMENDED that the minutes of the meeting held on 7 November 2014 be confirmed and signed by the Chair as a correct record.**

- 4 **Updates on actions identified in the minutes**
- 5 **External Audit (Ernst & Young)** (Pages 11 - 40)

- (1) External Audit Progress Report year ending 31 March 2015
- (2) Certification of Claims and Returns Annual Report 2013/14
- (3) Local Government Audit Committee Briefing
- (4) Audit Scale Fee - late variation

- 6 **BACS Issue - HB payments due 05/01/2015** (Pages 41 - 44)

This report explains the issue with BACS payments in the week commencing 5<sup>th</sup> January 2015.

It describes the actions taken at the time to deal with the issue and the controls that have subsequently been put in place.

**RECOMMENDED that the Committee**

- (1) **notes the content of the report**
- (2) **endorses the controls put in place to avoid a recurrence of this or a similar problem.**

- 7 **Audit Performance Status Report to 22 December 2014 and Audit Strategy for 2014/15** (Pages 45 - 72)

This report is to update the Governance and Audit and Standards Committee on the Internal Audit Performance for 2014/15 to 22<sup>nd</sup> December 2014 against the Annual Audit Plan, highlight areas of concern and areas where assurance can be given on the internal control framework. The report also contains the proposed Audit Strategy for the 2015/16 Audit Plan.

**RECOMMENDED that**

- (1) **Members note the Audit Performance for 2014/15 to 22<sup>nd</sup> December 2014**
- (2) **Members note the highlighted areas of control weakness for the 2014/15 Audit Plan**
- (3) **Members approve the proposed Audit Strategy for the use of Audit resources for 2015/16**

**8 Treasury Management Monitoring Report for the Third Quarter of 2014/15**  
(Pages 73 - 90)

The purpose of the report in Appendix A is to inform members and the wider community of the Council's Treasury Management position at 31 December 2014 and of the risks attached to that position.

**RECOMMENDED that**

- 1) **That the actual treasury management indicators for the first three quarters of 2014/15 set out in paragraph 2. 1) (a) to ( e) of the report be noted:**
- 2) **That the Committee note that an investment was placed with Furness Building Society with a maturity of 2 years and 2 days that exceeded the 364 day duration limit for unrated building societies. This is considered to be a low risk given the inherent nature of building societies and consideration is being given to increasing the duration limit for unrated building societies in the 2015/16 Treasury Management Policy.**

**9 Project Plan for Implementation for the Code of Practice on Transport Infrastructure Assets** (Pages 91 - 96)

The purpose of this report is to disclose the Project plan for the Implementation of the Code of Practice on Transport Infrastructure Assets contained in the Appendix.

**RECOMMENDED that the project plan for the implementation of the Code of Practice On Transport Infrastructure Assets contained in Appendix A be noted.**

**10 Performance Management Update Qtr 2** (Pages 97 - 116)

The purpose of the report is to inform members of performance issues arising in the first quarter of the 2014-15 reporting period.

**RECOMMENDED that the Governance and Audit and Standards**

**Committee are asked to:**

- 1) note the report; and**
- 2) comment on the performance issues highlighted in section 4, including agreeing if any further action is required**

**11 Members' Complaints Report - statistics (Pages 117 - 118)**

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.**

**12 Whistle-blowing Report (Pages 119 - 122)**

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 Exclusion of Press and Public**

**That in view of the contents of the following item 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.\***

**14. Procurement Management Information  
- Exempt Appendices 2 and 3 3**

**3.Information relating to the financial or business affairs of any particular person (including the authority holding that information)**

**14 Procurement Management Information Report (Pages 123 - 128)**

The purpose of the report is to update Members on steps being taken to demonstrate that PCC is achieving value for money from its contracts for goods and services.

**RECOMMENDED that Members note**

- (1) we have surpassed the target of 95% conformance and achieved 97% for October 2014.**
- (2) the performance of our suppliers and contractors and action in progress to address poor performance.**

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.

