
NOTICE OF MEETING

GOVERNANCE & AUDIT & STANDARDS COMMITTEE

FRIDAY, 9 MARCH 2018 AT 10.30 AM

THE EXECUTIVE MEETING ROOM - THIRD FLOOR, THE GUILDHALL

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 John Ferrett (Chair)
Councillor Scott Payter-Harris (Vice-Chair)
Councillor Alicia Denny
Councillor Leo Madden
Councillor Hugh Mason
Councillor Neill Young

Standing Deputies

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 2 February 2018 (Pages 7 - 18)

RECOMMENDED that the minutes of the meeting held on 2 February 2018 be confirmed and signed by the Chair as a correct record.

4 Annual Audit Letter for the year ended 31 March 2017 (Pages 19 - 44)

The Committee is asked to note the Annual Audit Letter.

5 External Auditor's Progress Report (Pages 45 - 52)

The Committee is asked to note the External Auditor's Progress Report.

6 Treasury Management Policy 2018/19 (Pages 53 - 124)

The report is before this Committee for information only. The purpose of this report is to obtain the Council's approval of the updated Treasury Management Policy Statement (attached) which includes:

- Annual Minimum Revenue Provision for Debt Repayment Statement
- Annual Investment Strategy

RECOMMENDED that the Committee notes the recommendations to Council set out in section 3 of the report.

7 Audit Performance Status Report to 13 February 2018 (Pages 125 - 162)

The purpose of this report is to update the Governance and Audit and Standards Committee on the Internal Audit Performance for 2017/18 to 13th February 2018 against the Annual Audit Plan, highlight areas of concern and areas where assurance can be given on the internal control framework

RECOMMENDED

- (1) That Members note the Audit Performance for 2017/18 to 13th February 2018**
- (2) That Members note the highlighted areas of control weakness from the 2017/18 Audit Plan.**
- (3) That Members approve the proposed Internal Audit Charter & Code of Ethics (Appendix C) and the Internal Audit Counter Fraud**

Strategy (Appendix D) for the use of Audit resources for 2018-19.

8 Quarterly Performance Management Update (Pages 163 - 342)

Purpose -To report significant performance issues, arising from Q3 performance monitoring, to Governance and Audit and Standards committee and highlight areas for further action or analysis.

Recommendations

The Governance and Audit and Standards Committee is asked to:

- (1) Note the report**
- (2) Note the continued improvement in quality of reports from directorates**
- (3) Agree if any further action is required in response to performance issues highlighted**

9 Councillor Training and Development (Pages 343 - 370)

This report is to update the Governance & Audit & Standards Committee on the position of training for councillors and to offer a proposed training calendar for 2018 following the Local Government elections.

RECOMMENDED that

- (1) Governance & Audit & Standards Committee approve the annual training plan prior to delivery (Appendix 1)**
- (2) Group Leaders support attendance on required training.**

10 Changes to the Standing Orders (Council Procedure Rules) (Pages 371 - 396)

The purpose of the report is to ask members to consider a proposed revision to the content of the Standing Orders.

RECOMMENDED that the Committee:

- (1) Considers the proposed amendments to the Standing Orders in accordance with the revisions set out in Appendix 1 to this report.**
- (2) Recommends to Council that the revised Standing Orders are**

adopted.

- (3) **Agrees that the City Solicitor may make amendments to the standing orders to reflect any changes arising out of legislative changes, deal with typographical alterations or amend the layout of the document, none of which would change the material substance of the standing orders.**

11 Proposed amendments to the Council's constitution Part 2 - Responsibility for Functions: Chief Officers' Delegated Authority (Pages 397 - 482)

The purpose of the report is to consider the attached revised Part 2 Decision Making and its adoption as part of the Council's constitution.

RECOMMENDED that the committee is asked to

- (1) **Approve the proposed amendments to Part 2 Decision Making of the Council's constitution at Appendix 1 to this report and recommend adoption by Full Council on 20 March 2018, subject to paragraph 2.4 below.**
- (2) **Agree that the City Solicitor may make amendments to the scheme of delegation which reflect changes in legislation, structure within the Council or typographical amendments, none of which would result in changes in extent of delegations to officers.**
- (3) **Agree that the City Solicitor may make amendments to the constitution to reflect any changes arising out of legislative changes, deal with typographical alterations or amend the layout of the document, none of which would change the material substance of constitution.**
- (4) **Note the amendments to Part 2 Section 3 Responsibility for Cabinet Functions as these responsibilities are within the gift of the Leader.**

12 Appointment of Independent Persons (Pages 483 - 486)

(report marked to follow published on 6 March 2018)

The purpose of the report is to outline the requirements for and consider the

appointment of up to four Independent Persons, pursuant to the provisions of Section 28 of the Localism Act 2011.

Recommendations

That Governance & Audit & Standards Committee recommend that Council appoints the following Independent Persons for three years through to May 2021:

- (1) Mr Bill Bailey**
- (2) Ms Carole Damper**
- (3) Ms Diana Turner**

13 Exclusion of Press and Public

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 item is shown below.

(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>
14. Verification of Housing Benefits Framework (Exempt Appendix only)	3

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

14 Verification of Housing Benefits Framework (Pages 487 - 496)

(Please note that the policy is exempt and provision has been made on the agenda to move into exempt session for consideration of the exempt appendix)

(Report originally marked to follow published on 6 March 2018)

The purpose of the report is to approve Portsmouth City Council's policy relating to Risk Based Verification of Housing Benefit and Council Tax Support claims

RECOMMENDED that the Governance & Audit & Standards Committee:

- (1) Approve the policy at Appendix 1**
- (2) Note that DWP Circular HB/CTB S11/2011 provides guidance on the policy and requires that the policy should not be made public due to the sensitivity of its contents**

Members of the public are permitted to use both audio visual recording devices and social media during this meeting, on the understanding that it neither disrupts the meeting nor 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.

Whilst every effort will be made to webcast this meeting, should technical or other difficulties occur, the meeting will continue without being webcast via the Council's website.

This meeting is webcast (videoed), viewable via the Council's livestream account at <https://livestream.com/accounts/14063785>

Agenda Item 3

GOVERNANCE & AUDIT & STANDARDS COMMITTEE

MINUTES OF THE MEETING of the Governance & Audit & Standards Committee held on Friday, 2 February 2018 at 10.30 am at the Executive Meeting Room - Third Floor, The Guildhall

(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 John Ferrett (in the chair)
Councillor Scott Payter-Harris (Vice-Chair)
Councillor Leo Madden
Councillor Hugh Mason
Councillor Neill Young

Officers

Julian Pike, Deputy Head of Finance & S151 Officer
Michael Lloyd, Directorate Finance Manager (Technical & Financial Planning)
Michael Lawther, City Solicitor, Deputy Chief Executive
Elizabeth Goodwin, Deputy Chief Internal Auditor
Paul Somerset, Principal Auditor
Jon Bell, Director of HR and Performance
Greg Povey, Assistant Director of Contracts, Procurement and Commercial
David Moorman, Contract Management Business Partner

External Auditors

Helen Thompson, Executive Director, Ernst & Young
David White, Manager, Assurance - Government and Public Sector, Ernst & Young.

1. Apologies for Absence (AI 1)

There were no apologies for absence but Councillor Young said that he may have to leave the meeting early.

The Chair welcomed everyone to the meeting. He advised everyone that the meeting today would be livestreamed and would be available on the website. The Chair also read out the housekeeping rules relating to evacuation procedures in the event of an emergency.

Introductions were then made round the table.

2. Declarations of Members' Interests (AI 2)

There were no declarations of members' interests.

The Chair advised that two members of the public had asked to make deputations. He invited Mr Jerry Brown to make his deputations on item 6 and item 10 which he then did. Ms Hilary Reed was then invited to make her deputation on item 10 which she then did.

(The full contents of these deputations are included in the live webcast.)

3. Minutes of the Meeting held on 27 October 2017 (AI 3)

RESOLVED that the minutes of the meeting held on 27 October 2017 be confirmed and signed by the chair as a correct record.

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

In response to a query about the standing orders and constitution revision, the Deputy Chief Executive advised that these items would be on the March agenda for this meeting.

With regard to page 2 bullet point 4 of the minutes (concerning the PCC Contract Highways PFI) it was confirmed that the information requested had been circulated.

With regard to reference on page 4 to the PSAA (Public Sector Audit Appointments) the comment on their website concerning the reasons why PCC had not concluded its statement of account by 30 September, had been agreed with Mr Chris Ward.

With regard to page 8 of the minutes Mr Lawther confirmed that the appendix to the gifts and hospitality report had been amended.

With regard to any non-compliance data by directorate mentioned on page 10 of the minutes, the Deputy Chief Executive said that he understood that this had been dealt with.

5. External Auditor's report - Grant Claim Certification (for information) (AI 5)

(TAKE IN REPORT)

Mr David White introduced the report which summarised the results of the external auditor's work on the city council's 2016/17 claim. He explained that 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. From 1 April 2015, the duty to make arrangements for these and to prescribe scales of fees for the work was delegated to the Public Sector Audit Appointments (PSAA) by the Secretary of State for Communities and Local Government. Section 1 of the report outlines the results of the 2016/17 certification work

and highlights the significant issues. Section 2 of the report summarises fees for certification work.

In response to questions the following matters were clarified

- The Chair was pleased that since the briefing the extrapolations had been reviewed and corrected by the external auditors where appropriate.
- With regard to the errors that had been found in benefits claims, Helen Thompson the external auditor said she did not believe this was a result of lack of staff training but just that it is a very complex area with many people moving in and out of the benefits system. However the benefits team were keen to look at their working methods.

Following a discussion about the accuracy of benefit claims a query was raised about the percentage checks of new/revised cases and whether housing benefits staff carry out such checks themselves rather than relying on external audit to do so. Jon Bell said that he would ask the relevant director to provide some information about the accuracy of benefit claims including statistics and information about what is being done to manage and improve accuracy.

The Chair noted that the government is making councils responsible for appointing their own reporting accountants to undertake the certification of the housing benefits subsidy claim from 2018/19. Helen Thompson said that Ernst & Young would be pleased to undertake this work on behalf of the council and could provide a quotation.

The report was noted.

6. External Auditor's report - Progress Report (AI 6)

(TAKE IN REPORT)

Helen Thompson introduced the report. She advised that the fee for the additional work required to review the lender option borrower option (LOBO) loans in response to an objection from a local elector in 2015/16 had now been agreed.

With regard to the 2016/17 audit, there had been resourcing challenges for the external auditors which had led to delays in resolving a number of errors that were identified towards the end of the audit. Ms Thompson confirmed that work on the outstanding areas of the financial statements had now been completed, the required amendments had been made by the Finance team and the audit opinion and certificate were signed on 22 January 2018. Ms Thompson said that the annual audit letter for 2016/17 will be completed and agreed with officers following the conclusion of the audit and that it is intended to be presented to the March meeting of the Governance & Audit & Standards Committee.

The Chair confirmed that he had signed the statement of accounts. He also said that there was recognition by the external auditors that the audit could have been carried out more efficiently and that the audit needs to be properly structured going forward.

The report was noted.

7. External Auditor's report - 2017/2018 Audit Plan (AI 7)

(TAKE IN REPORT)

Helen Thompson introduced the report saying that the Plan summarises the initial assessment of the key risks driving the development of an effective audit for the council and outlines planned audit strategy in response to those risks. Section 1 sets out the overview of the 2017/18 audit strategy. She drew attention to the revised timetable for accounts production and audit completion for 2017/18. This has changed to draft accounts needing to be prepared by 31 May and the publication of the accounts by 31 July. As a result it will be challenging for the auditors to deliver to all councils and as a result strict timetables will have to be adopted. Basically this will mean that agreed start and finish dates would be necessary for all councils employing Ernst & Young and that overrunning audits will be re-scheduled in order not to delay the start of the next audit.

In response to a query about whether PCC's internal processes were robust enough to cope with any potential fraudulent activity by managers, Mr Greg Povey said that at least in relation to tenders, anything for an amount over £100,000 requires a declaration form to be completed and signed by officers. He was not aware of any issues regarding fraud. Helen Thompson said that external auditors look at the overall system of internal control and that they had not identified any issues. Their experience also is that the whistleblowing procedure in PCC seems to be effective. There is always low level fraud potential in any local authority.

The Chief Internal Auditor confirmed that whistleblowing in PCC is very robust and that internal audit works closely with David Moorman in Procurement and believes the systems to be robust.

In response to a query, Helen Thompson said that the auditors expect the council to carry out its own assessments as to whether any of its subsidiary/group arrangements are material to the financial statements of the Council as a whole. If a company becomes material, the external auditors may set up instructions for auditing that company. She said that this situation was quite rare in local government. The external auditors would probably rely on the audit report of the company's auditor where separate group audit instructions were not required. Much would depend on the size and complexity of the group concerned. In any event a report would be made to this committee as there would be fee implications. With regard to pension fund asset valuations the external auditor relies heavily on work done by the auditor of Hampshire Pension Fund which is separately audited.

With regard to a query on the classification of investment properties, Michael Lloyd confirmed that this is nothing to do with the investment portfolio that the council is currently building up. The external audit report refers to assets PCC has held for some time which he believes has already been dealt with.

With regard to reference to Tom Southall a council employee, Helen Thompson confirmed that there is no conflict of interest as for external auditors purposes, Tom Southall is an external specialist and there are no issues with this.

The Chair thanked Helen Thompson and David White for their report and for their work.

The report was noted.

8. Audit Performance Status Report to 8 January 2018 (AI 8)

(TAKE IN REPORT)

Lizzi Goodwin, Chief Internal Auditor, introduced the report which updates the committee on the internal audit performance for 2017/18 to 8 January 2018 against the annual audit plan. She advised that to date four no assurance audits had been identified with no critical risks raised. Information on three of the no assurance audits had been reported to G&A&S in previous reports and details of the fourth no assurance audit are contained within this report. She further advised that there are 68 full audits and 43 follow-ups planned for 2017/18 totalling 111 reviews. The Chief Internal Auditor drew members' attention to section 6 of the report which detailed areas of concern. This set out a new area of concern concerning information governance data sharing. She said that this was within the Deputy Chief Executive's remit and there are plans in place to deal with the situation. With regard to the Harbour School, the Chief Internal Auditor said that significant progress had been made since the original audit.

With regard to Housing & Property - resident development, although there had been some improvement there were still some issues but these were in hand.

In response to a query from Councillor Young about whether the new building work coming in would deal with some of the outstanding concerns, the Chief Internal Auditor said that she would find out and report back. In response to a query in 5.3 bullet point 8 - Liability Order Analysis, members asked for an explanation of what that meant. Paul Somerset said that this referred to ways in which people could be contacted when they owed money to the council by using alternative methods to trace them such as through library cards etc.

With regard to 5.7 bullet point 9 relating to G&A&S Committee reporting and attendance and Governance, the Chief Internal Auditor explained that this relates to her attendance at Governance & Audit & Standards meetings where certain matters may come to her attention through other reports which she may then decide to follow up.

With regard to a query about potential duplicate payments referred to in 5.8 of the report it was confirmed that although £32,000 were validated for payment, none of these were actually paid out. The Chair asked for more information about this matter and Paul Somerset agreed that he would find out and report back.

In response to a query Michael Lawther confirmed that General Data Protection Regulation (GDPR) training is mandatory and that arrangements were in place to ensure that everyone who needed the training would receive it. The Chair thanked the officers for their report.

RESOLVED

(1) that members noted the audit performance for 2017/18 to 8 January 2018;

(2) that members noted the highlighted areas of control weakness from the 2017/18 audit plan.

9. Treasury Management Monitoring Report for the Third Quarter of 2017/18 (AI 9)

(TAKE IN REPORT)

Michael Lloyd introduced the report which outlines the council's performance against the treasury management indicators and informs members and the wider community of the council's treasury management position at 31 December 2017 and of the risks attached to that position.

In response to queries it was confirmed that

- In relation to the "increased exposure to credit risk" finance officers considered matters such as the types of organisation in which the investments are made and the credit worthiness of the institutions where money is deposited including paying attention to news items. The Council only places investments in institutions that are of good credit quality and meetings take place on a monthly basis to discuss these investments. The reference to an increase in PCC's exposure is simply that more money is being invested and therefore the risk increases in general terms."

The Chair thanked Michael Lloyd and Julian Pike for their report.

10. Performance Management update - Quarter 2, 2017-18 (AI 10)

(TAKE IN REPORT)

Mr Jon Bell introduced the report that had been prepared by Ms Kelly Nash who was unable to attend the meeting today. He said that any points of detail that he could not deal with would be provided at a later date. He drew members' attention to the fact that this is a quarter 2 report ie to the end of September and that matters had moved on since then and the quarter 3 report would be brought to a later meeting . He said that there was a significant amount of data included in the report.

The Chair said that the information contained in the report was driven by member requests and has evolved over time. He hoped the matters raised in the deputations today would be taken back to the directorates concerned and in particular the comments made about the RAG (red, amber, green) ratings. The Chair suggested that where for example detailed information would not be able to be answered by Jon Bell because they were particular to for example the Education directorate, it may be useful to ask relevant directors to attend a meeting in future. He suggested that queries were given to Jon Bell and then if he was unable to provide answers to them today he could take these back to the directorates concerned and provide answers outside the meeting. Greg Povey, Assistant Director of Contracts, Procurement and Commercial, took on board the comments made about not everyone understanding the IT terminology contained in the performance report and offered to provide a written narrative around the comments in future for the sake of transparency. The Chair welcomed this.

In response to questions

- It was confirmed that the insufficiency of school places being a potential risk to the local authority is information that is passed on to the Department of Education and Jon Bell agreed to provide a more detailed response to this.
- With regard to the high levels of school absence, this was a persistent problem and Michael Lawther agreed to provide a briefing note for members about potential solutions or strategies to deal with it.
- With regard to problems with PCC-owned and run residential care homes, members thought that this was disappointing. Jon Bell said that this is a national problem and there are very large workforce issues. There are many financial pressures and the entire sector is squeezed financially. Much work is going on between local authorities and the NHS. Greg Povey said that he chairs a strategic management board and a team has been formed to look into this matter. Jon Bell said he would arrange for a full briefing note to be prepared for members.
- In relation to a query about Harry Sotnick House there had been much publicity about this and the Deputy Chief Executive said that he expected more information to be included in the Q3 report.
- In response to a query about the funding for the cladding of Horatia and Leamington tower blocks, the Deputy Chief Executive said that this was an ongoing matter. Government originally said that councils should not worry about the funding required to remove cladding but negotiations about this are ongoing and the council is hoping that there will be a positive outcome.

The Chair said that the committee recognised that not all the issues raised in this report could be dealt with in the meeting but answers could be provided to members outside the meeting.

Members queried some of the RAG ratings, for example why the entry on the youth justice system which was slightly above the national average is rated red when perhaps it should be amber. In addition some of the entries that are on amber should probably be on red.

- With regard to Culture & City Development in Appendix 1 there is mention of the "review of byelaws and simplify layers of restriction require focus to get this back on track". Members said that this required clarification and a response was asked for concerning what this actually meant and what was being done about it.
- With regard to Finance & IS, members asked when the business case for the municipal energy company was expected. The Deputy Chief Executive advised that matters pertaining to the energy company had been delegated to Chris Ward and the Leader. Also members asked about the Hampshire Community bank and the Deputy Chief Executive said that he would ask Julian Pike to provide a response to this.
- Jon Bell said that with regard to the Youth Justice Board data being out of date this depends on the data and information supplied to us and it is sometimes slow to arrive.
- With regard to Harry Sotnick House, members would like an update as the information is outdated.
- The Chair listed various anomalies including
 - staffing issues/concerns about incidents in dementia
 - about the number of successful employment tribunals in the last quarter. Jon Bell said that there are some cases that are going through the system. Settlement agreements are used sparingly as HR are very diligent about these. The Chair asked for data and resolutions.
 - about RAG ratings - spending within allocated budgets looked as though deficits have increased. Children's Social Care deficit has increased and yet the RAG rating is given as green. The Chair said that he would need to be given a reason as to why this was green.
 - About the port and Brexit. This seems to be a big issue but there is very little commentary. The Chair wanted to know what contingencies had been put in place ie what these are and what the cost of them is likely to be and requested a report back on these matters.

The Chair thanked officers for the report.

RESOLVED that the Governance & Audit & Standards Committee

- (1) Noted the report.**
- (2) Noted the continued improvement in quality of reports from directorates.**
- (3) Agreed further action required in response to the performance issues highlighted.**

11. Consideration of the political balance rules in relation to the constitution of Sub-Committees considering complaints against Members (AI 11)

(TAKE IN REPORT)

Michael Lawther introduced the report which was 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 rules shall apply to the initial filtering panel. He explained that it was a legal requirement to bring this report to committee and to council and that the recommendations had to be agreed unanimously by all members present. Members agreed unanimously to dis-apply the political balance rules in respect of its sub-committees.

RESOLVED that the political balance rules are dis-applied in respect of Governance & Audit & Standards sub-committees which are considering complaints against members and also the same arrangement should apply in respect of initial filtering panel membership.

12. Report on complaints received into alleged breaches of the Code of Conduct by Members of the Council for the calendar year 2017 (AI 12)

(TAKE IN REPORT)

The Deputy Chief Executive introduced the report which updates members of the committee in relation to complaints which have been progressed within the calendar year 2017 and which allege that councillors may have breached the code of conduct. He said that there had been no particular trends or concerns and that the public seems to have confidence in the system. In response to a query the Deputy Chief Executive confirmed that all initial filtering panels and all sub-committee meetings have to have an independent person present.

RESOLVED that committee members

- (1) Noted the report;**
- (2) Considered whether any further action is required by them.**

13. Exclusion of Press and Public (AI 13)

The Chair advised that although he was conscious that representations have been made about the committee remaining in open session for as long as possible there were some matters in the exempt appendices which he had questions about.

It was proposed by Councillor John Ferrett and seconded by Councillor Scott Payter-Harris 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 exempt appendices in items 14 and 15 on the grounds that the

appendices contain information defined as exempt in part 1 of schedule 12A to the Local Government Act 1972. This was agreed.

RESOLVED that the meeting moved into exempt session for the exempt appendices relating to items 14 and 15.

The Chair explained that provision had been made on the agenda to consider items 14 and 15 exempt appendices in exempt session but that he would keep the meeting in open session during discussion of the non-exempt parts of the reports.

14. Data Security Breach Report (AI 14)

(TAKE IN REPORT)

The Deputy Chief Executive introduced the report which informed the committee of any data security breaches and actions agreed or taken since the last meeting. He said that data breaches are infrequent and there is much encryption on devices. He said that most problems and difficulties seemed to occur as a result of human error.

The committee considered in exempt session the exempt appendix relating to item 14 - Data Security Breach. Members had queries about one particular breach in relation to the process and had concerns about how long it had taken for the breach to be discovered. The Deputy Chief Executive explained that this was a matter that had been discovered some time after the event and he believed that the circumstances could not now recur. The Deputy Chief Executive said that many learning points had resulted from the circumstances surrounding this particular breach.

RESOLVED that members of the committee noted the breaches (by reference to exempt appendix A) that had arisen and the action determined by the Corporate Information Governance Panel (CIGP).

15. Procurement Management Information (AI 15)

(TAKE IN REPORT)

David Moorman introduced the report which was for information and noting only and which provided 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. Mr Moorman said that the headline figure is that the council is achieving 98% compliance which is in excess of the compliance target of 95%.

Section 1 of the report details compliance with contract procedure rules. Section 2 of the report covers waivers awarded this quarter (with more detail provided in Appendix 2). Section 3 of the report covers spend with waiver. (Appendix 3 provides details of payments under contracts with waivers in quarter 3) Section 4 covers spend by contract size. Section 5 covers suppliers paid over £100,000 in quarter 3 by directorate. Section 6 covers

supplier performance with reports from contract managers on those contracts with a red KPI score and a list of those contracts with an amber KPI score being provided in exempt Appendix 4. Section 7 of the report covered supply and performance monitoring.

The Chair asked for details of how much of the £651,000 was non-compliant and Mr Moorman said he would find out the amount and circulate it to members after the meeting. Mr Povey said that in general terms the amount that was non-compliant amounted to around 10% of the total spend of more than £6 million.

With regard to section 3 - Waivers by Directorate, in relation to the Public Health figure this was still high. This used to be within the NHS but has now been transferred to the local authority. Contracts are being looked into and re-procured but it will take some time to work through. David Moorman advised that the number of KPIs that had never been scored was increasing. The Chair asked why this should be. Mr Moorman said that with regard to corporate KPIs there appears to be a problem in reporting from the directorates. Mr Povey said that the procurement dashboard had been introduced which enabled stakeholders to see where KPIs were not scored but although some progress had been made for example in the Housing directorate there was a need for further improvement. The Deputy Chief Executive said that he would follow this up by writing to directors on this matter.

The report was noted.

The meeting concluded at 1.10 pm.

Councillor John Ferrett
Chair

This page is intentionally left blank

Portsmouth City Council

Annual Audit Letter for the year ended 31 March 2017

February 2018

Ernst & Young LLP

Page 19

Agenda Item 4

Contents

Executive Summary	2
Purpose.....	5
Responsibilities.....	7
Financial Statement Audit	10
Value for Money	16
Other Reporting Issues.....	20
Appendix A Audit Fees	23

Public Sector Audit Appointments Ltd (PSAA) have issued a “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 23 February 2017)” 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 Annual Audit Letter is prepared in the context of the Statement of Responsibilities. It is addressed to the Members of the audited body, and is prepared for their sole use. 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.

Executive Summary

Executive Summary

We are required to issue an annual audit letter to Portsmouth City Council following completion of our audit procedures for the year ended 31 March 2017.

Below are the results and conclusions on the significant areas of the audit process.

Area of Work	Conclusion
Opinion on the Council's: ▶ Financial statements	Unqualified – the financial statements give a true and fair view of the financial position of the Council as at 31 March 2017 and of its expenditure and income for the year then ended. The Opinion was issued on 22 January 2018, after the 30 September 2017 deadline.
▶ Consistency of other information published with the financial statements	Other information published with the financial statements was consistent with the Annual Accounts.
Concluding on the Council's arrangements for securing economy, efficiency and effectiveness	We concluded that the Council has put in place proper arrangements to secure value for money in its use of resources.

Area of Work	Conclusion
Reports by exception: ▶ Consistency of Governance Statement	The Annual Governance Statement was consistent with our understanding of the Council.
▶ Public interest report	We had no matters to report in the public interest.
▶ Written recommendations to the Council, which should be copied to the Secretary of State	We had no matters to report.
▶ Other actions taken in relation to our responsibilities under the Local Audit and Accountability Act 2014	We had no matters to report.

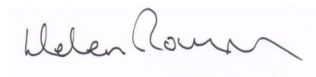
Area of Work	Conclusion
Reporting to the National Audit Office (NAO) on our review of the Council's Whole of Government Accounts return (WGA).	We had no matters to report.

As a result of the above we have also:

Area of Work	Conclusion
Issued a report to those charged with governance of the Council communicating significant findings resulting from our audit.	A draft version of the Audit Results Report was presented to the 27 October 2017 Governance and Audit and Standards Committee. Following the signing of our opinion on 22 January 2018, the final version of the report was issued to officers and the chair of the Governance and Audit and Standards Committee.
Issued a certificate that we have completed the audit in accordance with the requirements of the Local Audit and Accountability Act 2014 and the National Audit Office's 2015 Code of Audit Practice.	Our certificate was issued on 22 January 2018.

In February 2018 we will also issue a report to those charged with governance of the Council summarising the certification work we have undertaken on the 2016/17 housing benefits subsidy claim.

We would like to take this opportunity to thank the Council's staff for their assistance during the course of our work.



Helen Thompson

Associate Partner
For and on behalf of Ernst & Young LLP

Purpose



Purpose

The Purpose of this Letter

The purpose of this Annual Audit Letter is to communicate to Members and external stakeholders, including members of the public, the key issues arising from our work, which we consider should be brought to the attention of the Council.

We have already reported the detailed findings from our audit work in our 2016/17 Audit Results Report to the Governance and Audit and Standards Committee, representing those charged with governance, on 27 October 2016, with a final version of the report issued on 22 January 2018. We do not repeat those detailed findings in this letter. The matters reported here are the most significant for the Council.



Responsibilities

Responsibilities

Responsibilities of the Appointed Auditor

Our 2016/17 audit work has been undertaken in accordance with the Audit Plan that we issued in February 2017 and is conducted in accordance with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland), and other guidance issued by the National Audit Office.

As auditors we are responsible for:

- ▶ Expressing an opinion:
 - ▶ On the 2016/17 financial statements; and
 - ▶ On the consistency of other information published with the financial statements.
- ▶ Forming a conclusion on the arrangements the Council has to secure economy, efficiency and effectiveness in its use of resources.
- ▶ Reporting by exception:
 - ▶ If the Annual Governance Statement is misleading or not consistent with our understanding of the Council;
 - ▶ Any significant matters that are in the public interest;
 - ▶ Any written recommendations to the Council, which should be copied to the Secretary of State; and
 - ▶ If we have discharged our duties and responsibilities as established by thy Local Audit and Accountability Act 2014 and Code of Audit Practice.

Alongside our work on the financial statements, we also review and report to the National Audit Office (NAO) on the Whole of Government Accounts return. The extent of our review and the nature of our report are specified by the NAO.

Responsibilities of the Council

The Council is responsible for preparing and publishing its statement of accounts accompanied by an Annual Governance Statement. In the Annual Governance Statement, the Council reports publicly each year on how far it complies with its own code of governance, including how it has monitored and evaluated the effectiveness of its governance arrangements in year, and any changes planned in the coming period.

The Council is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Financial Statement Audit

Financial Statement Audit

Key Issues

The Council's Statement of Accounts is an important tool for the Council to show how it has used public money and how it can demonstrate its financial management and financial health.

We audited the Council's Statement of Accounts in line with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland), and other guidance issued by the National Audit Office and issued an unqualified audit report on 22 January 2018.

Our detailed findings were reported to the 27 October 2016 Governance and Audit and Standards Committee, with a final version of our audit results report issued on 22 January 2018.

The key issues identified as part of our audit were as follows:

Significant Risk	Conclusion
<p>Management override of controls</p> <p>A risk present on all audits is that management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly, and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>Auditing standards require us to respond to this risk by testing the appropriateness of journals, testing accounting estimates for possible management bias and obtaining an understanding of the business rationale for any significant unusual transactions.</p> <p>For local authorities the potential for the incorrect classification of revenue spend as capital is a particular area where there is a risk of management override. We therefore review capital expenditure on property, plant and equipment to ensure it meets the relevant accounting requirements to be capitalised.</p>	<p>To address the risk of management override, we:</p> <ul style="list-style-type: none"> • tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; • reviewed accounting estimates for evidence of management bias; • evaluated the business rationale for significant unusual transactions; • reviewed the entries in the Movement in Reserves Statement; and • reviewed capital expenditure on property, plant and equipment to ensure it meets the relevant accounting requirements to be capitalised. <p>We did not identify any:</p> <ul style="list-style-type: none"> • Inappropriate journal entries or adjustments made in the general ledger or the preparation of the financial statements. • Instances of management bias from our review of accounting estimates. • Significant unusual transactions for which there is not an appropriate business rationale. • Unusual transactions within the Movement in Reserves Statement. • Expenditure on property, plant and equipment which has been inappropriately capitalised. <p>Overall, our audit work did not identify any evidence of management override of controls.</p>

Other Key Findings	Conclusion
<p>Format of comprehensive income and expenditure statement</p> <p>Amendments were made to the CIPFA Code of Practice on Local Authority Accounting for 2016/17 and it now requires that the service analysis is based on the organisational structure under which the Council operates.</p>	<p>We reviewed the new analysis against requirements of the CIPFA Code in detail. During the exercise to re-analyse line items, the Council identified that in previous years, Revenue Expenditure Funded from Capital Under Statute income and expenditure had been netted off against one another instead of being accounted for separately. This mainly affected Solent Local Enterprise Partnership where gross income and expenditure should have been £34 million higher and to a lesser degree: Children & Education (£1.3million), Health & Social Care (£0.02 million) and Housing (£1.5 million).</p> <p>This only affected analysis between prior year gross expenditure and prior year gross income. Both were restated this year by £37 million as a prior year adjustment. The overall prior year net surplus on the provision of services was unaffected by this change. We tested the prior period adjustment calculations in detail and we were satisfied that the adjustment was correctly calculated and disclosed. We requested additional disclosures to be included in relation to the statement; with this amendment, we were satisfied that the format of the comprehensive income and expenditure account was appropriate.</p>
<p>PFI and similar arrangements</p> <p>Portsmouth City Council has two relatively high value PFI and similar agreements (highways and waste) which have been in place for a number of years. The models were last reviewed in detail by the Council's previous auditor, the Audit Commission. We undertook a number of specific procedures to provide assurance that the accounting models produce materially correct information in the Council's accounts.</p>	<p>We noted that the draft accounts presented for audit include a prior period adjustment to correct the methodology used to calculate minimum lease rental payments under the Highways Maintenance agreement. The EY Financial Accounting Advisory team tested the assumptions supporting that adjustment and our audit also included checks on the accuracy of calculations supporting the adjustment. We agreed with the Council's conclusion that liabilities to the highways maintenance contractor had been overstated by £7.1 million and associated assets at 31 March 2016 had been undervalued by £6.1 million. Payments made and liabilities due under PFI (and similar) agreements have been correctly accounted for and disclosed in the 2016-17 financial statements</p> <p>As part of our work we noted that the Highways Maintenance contract is being renegotiated. We recommend that the supporting model is revisited by Portsmouth City Council when the deed of variation is signed, with checks to confirm that total liabilities and the classification between operating costs and finance costs under any new contract terms remain in line with the CIPFA Code.</p>

Other Key Findings	Conclusion
<p>EU Investigation An EU investigation is currently underway into whether transactions between Portsmouth City Council and MMD (Shipping Services) Ltd have breached state aid regulations.</p>	<p>Evidence reviewed as part of our audit is consistent with Portsmouth City Council's assessment that liabilities in connection with this case are unquantified and remote.</p> <p>There were no further developments up until the issue of our audit opinion and certificate. We will continue to keep this issue under review as part of continuous audit planning in future years.</p>
<p>Harbour Accounts The Department for Transport has indicated that the Council should submit Harbour Accounts for the Commercial Port within nine months of the balance sheet date. To date the Council has not received official communication of the requirement, and therefore has not produced accounts. If the requirement is confirmed, accounts covering the financial years 2012/13 to 2016/17 will need to be prepared and subject to external audit.</p>	<p>We confirmed with the Director of Finance and Information Services that, to date, the Council has still not received official communication from the Department for Transport of the duty to produce accounts, and it therefore has not produced accounts.</p> <p>We have not received any further clarification from the NAO around our responsibilities as auditor. We will continue to discuss this requirement with officers as part of our 2017/18 audit.</p>
<p>Pension valuations and disclosures The Code and IAS19 require the Council to make extensive disclosures within its financial statements regarding the Local Government Pension Scheme (LGPS) in which it is an admitted body. Accounting for this scheme involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK and Ireland) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>	<p>We liaised with the auditors of the Hampshire Pension Fund, to obtain assurances over the information supplied to the actuary in relation to Portsmouth City Council. We assessed the conclusions drawn on the work and assumptions used by Aon Hewitt (the Pension Fund actuary), by using and reviewing the work of the Consulting Actuary commissioned by the NAO for all Local Government sector auditors (PwC). Furthermore, we reviewed and tested the accounting entries and disclosures made within the Council's financial statements in relation to IAS19.</p> <p>We are satisfied the assumptions used by the actuary and adopted by the Council are considered to be generally acceptable. No other issues were identified in completing our work.</p>

Other Key Findings	Conclusion
<p>Accounting for Property, Plant and Equipment</p> <p>Property, Plant and Equipment represent a significant balance in the Council's accounts and are subject to valuation changes, impairment reviews and depreciation charges. Material judgmental inputs and estimation techniques are required to calculate the year-end fixed assets balances held in the balance sheet.</p> <p>The Council engages its own internal expert valuers who apply a number of complex assumptions. Annually, assets are assessed to identify whether there is any indication of impairment.</p> <p>As the Council's asset base is significant, and the outputs from the valuer are subject to estimation, there is a risk fixed assets may be under/overstated or the associated accounting entries incorrectly posted. ISAs (UK and Ireland) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>	<p>We undertook a range of procedures, including:</p> <ul style="list-style-type: none"> • Consideration of the work performed by the Council's valuers, including the adequacy of the scope of the work performed, professional capabilities and the results of their work. This included the use of our EY estates specialists who undertook a review of assumptions used by the valuers; • Review and sample testing over the key asset information used by the internal expert in performing their valuation; • Review of the desktop review and valuations performed by management's internal valuer over assets not subject to external valuation in 2016/17 to confirm that the remaining asset base is not materially misstated; • Consideration of external evidence of asset values via reference to the specific Local Government Gerald Eve report commissioned by the NAO for auditor use. • Considered whether asset categories held at cost have been assessed for impairment and are materially correct; and • Testing that the accounting entries have been correctly processed in the financial statements, including the treatment of impairments. <p>As a result of the above testing, we identified a number of issues. All were corrected by management in the final version of the financial statements, with one low value exception. We also recommend the Council's policy for revaluing Investment Properties needs to be revised in future years.</p> <p>Overall we did not identify any material issues in the valuations based on our work performed.</p>

In addition to the matters noted above, we challenged the Council's accounting treatment for a significant lease arrangement, resulting in material adjustments to the financial statements. We also identified a number of errors in disclosures, which were corrected by management.

Our application of materiality

When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole.

Item	Thresholds applied
Planning materiality	<p>We determined planning materiality to be £10.93 million (2015/16: £10.77 million), which is 2% of gross expenditure reported in the accounts of £546.4 million</p> <p>We consider gross expenditure to be one of the principal considerations for stakeholders in assessing the financial performance of the Council.</p>
Reporting threshold	<p>We agreed with the Governance and Audit and Standards Committee that we would report to the Committee all audit differences in excess of £0.55 million (2015/16: £0.54 million)</p>

We also identified the following areas where misstatement at a level lower than our overall materiality level might influence the reader. For these areas we developed an audit strategy (with lower testing thresholds) specific to these areas. The areas identified include:

- Remuneration disclosures including any severance payments, exit packages and termination benefits;
- Related party transactions; and
- Members' allowances.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations. One uncorrected misstatement was reported in our Audit Results Report. Whilst this was above our reporting threshold, it was not material to our audit and as such did not impact our overall audit opinion.

A close-up, shallow depth-of-field photograph of a stack of coins. The coins are stacked vertically, with the edges of several coins visible. The lighting is warm, highlighting the metallic texture and the ridges on the edges. A bright yellow rectangular box is overlaid on the left side of the image, containing the text "Value for Money".

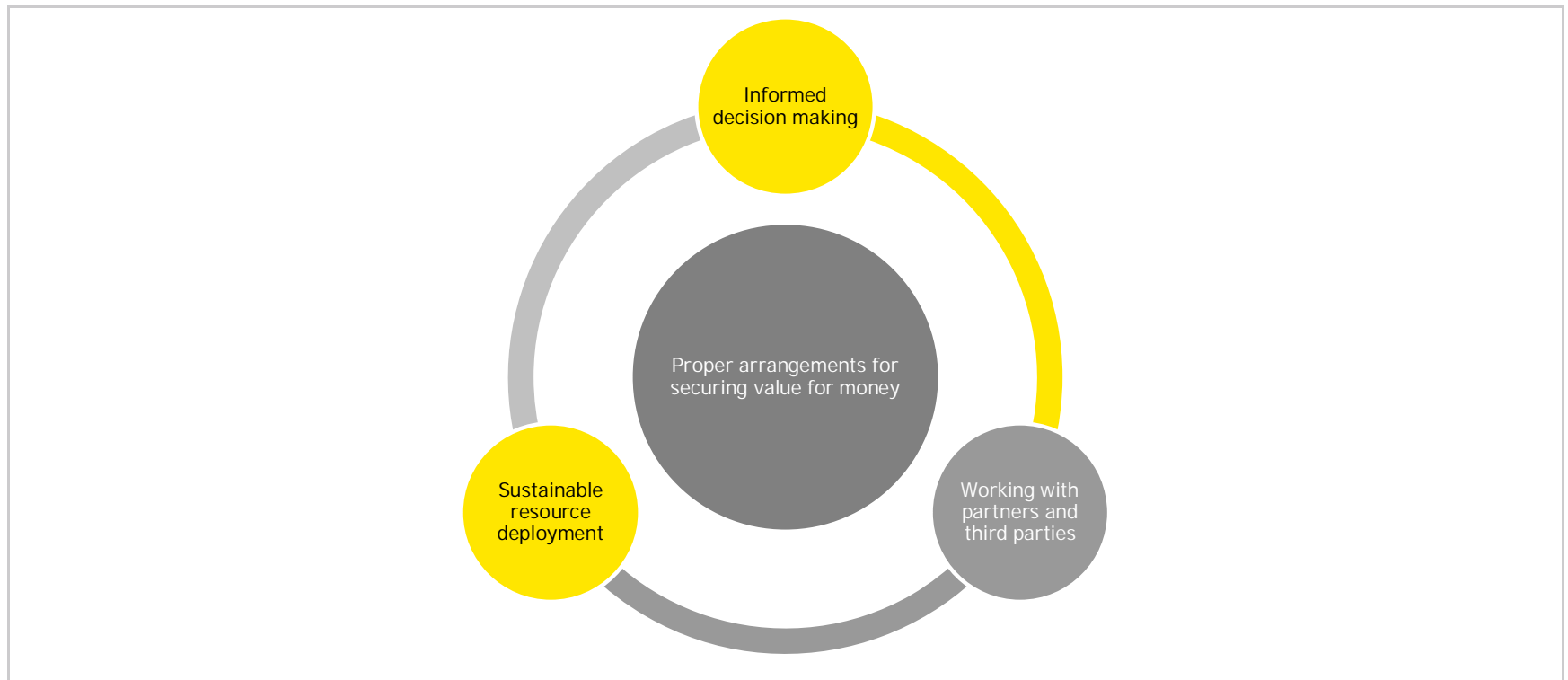
Value for Money

Value for Money

We are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. This is known as our value for money conclusion.

Proper arrangements are defined by statutory guidance issued by the National Audit Office. They comprise the Council's arrangements to:

- Take informed decisions;
- Deploy resources in a sustainable manner; and
- Work with partners and other third parties.



We identified one significant risk in relation to these arrangements. We have performed the procedures outlined in our audit plan and the table below presents the findings of our work.

We did not identify any significant weaknesses in the Council's arrangements to ensure it took properly informed decisions.

We therefore issued an unqualified value for money conclusion on 22 January 2018.

Significant Risk	Work Undertaken, and Conclusions
<p>Informed Decision Making</p> <p>Portsmouth City Council's strategic priorities are evolving. At the same time, the Council is actively seeking more commercial ways of working, to reduce its' dependency on central government grants and to help deliver a significant savings plan.</p> <p>We recognise that risk management processes are already under review by the Council but we note that Portsmouth's senior management team took on additional responsibilities in relation to two other Councils this year. This could reduce management's capacity for effective oversight at Portsmouth. We note that for 2015/16, Internal Audit's Annual Opinion gave limited assurance on internal control and noted that internal control has declined/ not improved in recent years.</p> <p>There is a risk that as the nature of the Council's work changes, associated required changes may not be made in a timely fashion to financial and performance information and internal control systems. This could undermine the Council's ability to demonstrate sound governance and informed decision making.</p> <p>We note that the strategic and operational changes occurring within Portsmouth City Council are set against a backdrop of changes</p>	<p>Obtain and review Portsmouth City Council's newly formatted Corporate Risk Directory. Document and assess the effectiveness of risk escalation procedures</p> <p>The Corporate Risk Directory is maintained by the Corporate Performance Manager and updated quarterly using template returns from the directorates. The format of the Register was revised in February 2017 at the request of the Governance and Audit and Standards Committee. The new format aims to present data on performance and major projects and risks for each directorate separately and uses RAG rating to highlight areas of concern. We noted that full use of RAG rating has not yet been adopted by every directorate and that the Register does not currently include any data for the Port and for the Property Directorate. However, we also noted that the Committee flagged these concerns and action is being taken to expand coverage to all directorates and improve consistency and rigour around use of RAG ratings.</p> <p>Document and assess Cabinet, Committee and senior management reporting procedures In most respects, appropriate reporting arrangements are in place and we have concluded that we have no matters to report in relation to the timing, data quality or mechanisms for Council decision making. However, we noted that an Investment Property Strategy was approved by the Cabinet in July 2015, which required that a full report on fund performance be submitted annually to the Cabinet. At the time of our audit, no such report had been prepared, but officers confirmed this was due to the low level of activity in 2016/17. As the Council's investment property portfolio expands, it will be important that reporting to Cabinet is monitored closely. The Council has noted this point and a report will be taken to Cabinet during 2017/18.</p> <p>Monitor role changes and evolving responsibilities within the senior management team and decision-making by the Corporate Governance Group</p> <p>From our review of senior management's changing roles and responsibilities and of the control environment maintained throughout the year, we found no evidence that the control</p>

Significant Risk	Work Undertaken, and Conclusions
<p>to the wider environment. These include continued and increasing pressure on the costs of providing children’s and adult social care across the UK and consultations within the Solent area to join three Councils into one Mayoral Authority.</p>	<p>environment has so far been undermined or weakened by the wider roles that the senior leadership team are taking on. As well as the control environment remaining stable, staff satisfaction levels also appear to be reasonable.</p> <p>Track reported service performance levels in performance reports to the Governance and Audit and Standards Committee in Quarters 2 to 4</p> <p>Through our attendance at the meetings of the Governance and Audit and Standards Committee, we note that officers have continued to update the quality of the performance information provided by directorates. We reviewed performance data submitted to the Committee throughout the year, and we noted the scrutiny given to these issues by Members, and the action taken in response to queries or concerns expressed over performance. There are no observations arising from our work.</p> <p>Review Portsmouth City Council’s performance against savings plans for 2016-17 and assess the robustness of planned savings for 2017-18 and beyond</p> <p>We tested Efficiency Plans, Budget and Council Tax and Savings Proposals from February 2016 to February 2017 and assumptions contained therein. The Council is on track to achieve planned savings of £11 million in 2016/17 and £9 million in 2017/18. In February 2016 the Council had expected further savings of £15 million would be required in 2018/19 and 2019/20. However, by February 2017 the Council assessed that the budget shortfall over that period would be some £7 million lower than had previously been supposed. The Council has a strong track record of achieving planned savings and the reduced target of £8 million for those two years seems achievable. We assessed the assumptions and planned actions underpinning the identified savings and consider them to be appropriately supported.</p> <p>Compare Internal Audit’s 2016-17 programme of work with the risk profile of the organisation and monitor internal audit findings</p> <p>We concluded that the Internal Audit programme of work is appropriately risk focused and we have reviewed their findings to inform our own risk assessments. Although Internal Audit has significant, and increasing, commitments to other local authorities, a recruitment programme is in place to expand the team and there is no evidence to date that the core Portsmouth programme of work has been compromised.</p>

Other Reporting Issues

Other Reporting Issues

Whole of Government Accounts

We performed the procedures required by the National Audit Office on the accuracy of the consolidation pack prepared by the Council for Whole of Government Accounts purposes.

Following significant amendments to the draft consolidation pack as a result of issues identified during our audit, we had no matters to report to the NAO. We issued our report to the NAO on 22 January 2018, after the 29 September 2017 deadline for this work.

Annual Governance Statement

We are required to consider the completeness of disclosures in the Council's Annual Governance Statement, identify any inconsistencies with the other information of which we are aware from our work, and consider whether it is misleading.

We completed this work and did not identify any areas of concern.

Report in the Public Interest

We have a duty under the Local Audit and Accountability Act 2014 to consider whether, in the public interest, to report on any matter that comes to our attention in the course of the audit in order for it to be considered by the Council or brought to the attention of the public.

We did not identify any issues which required us to issue a report in the public interest.

Written Recommendations

We have a duty under the Local Audit and Accountability Act 2014 to designate any audit recommendation as one that requires the Council to consider it at a public meeting and to decide what action to take in response.

We did not identify any issues which required us to issue a written recommendation.

Objections Received

We did not receive any objections to the 2016/17 financial statements from member of the public.

Other Powers and Duties

We identified no issues during our audit that required us to use our additional powers under the Local Audit and Accountability Act 2014.

Independence

We communicated our assessment of independence in our Audit Results Report to the Governance and Audit and Standards Committee on 27 October 2017, with a final version of the report being issued on 22 January 2018. In our professional judgement the firm is independent and the objectivity of the audit engagement partner and audit staff has not been compromised within the meaning regulatory and professional requirements.

Control Themes and Observations

As part of our work, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to you significant deficiencies in internal control identified during our audit.

Our audit did not identify any significant control issues to bring to the attention of the Governance and Audit and Standards Committee. We noted a number of areas where there was the potential to strengthen existing controls, all of which management has agreed to consider for our 2017/18 audit.

Appendix A

Audit Fees



Appendix A Audit Fees

Our fee for 2016/17 is in line with the scale fee set by the PSAA and reported in our 22 January 2018 Audit Results Report.

Description	Final Fee 2016/17 £	Planned Fee 2016/17 £	Scale Fee 2016/17 £	Final Fee 2015/16 £
Total Audit Fee – Code work	149,438	149,438	149,438	162,900*
Total Audit Fee – Certification of claims and returns	17,196	17,196	17,196	17,797

*The final fee for 2015/16 includes a scale fee variation of £13,462 in respect of additional audit work performed to address an objection to the statement of accounts from a local elector. This additional fee has been agreed with the Director of Finance; it remains subject to final agreement with PSAA.

We confirm we have not undertaken any non-audit work outside of the PSAA's requirements.

No scale fee variation is proposed in respect of the 2016/17 Code audit. Although a number of significant issues were identified with the draft financial statements which required additional audit work to resolve, resourcing issues for the audit team contributed to the opinion being given after the statutory deadline.

For our 2017/18 audit, we have engaged in early discussions with officers, and are working co-operatively with them to implement a number of actions intended to avoid a repeat of the issues arising in 2016/17.

EY | Assurance | Tax | Transactions | Advisory

Ernst & Young LLP

© Ernst & Young LLP. Published in the UK.
All Rights Reserved.

ED None

The UK firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member firm of Ernst & Young Global Limited.

Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

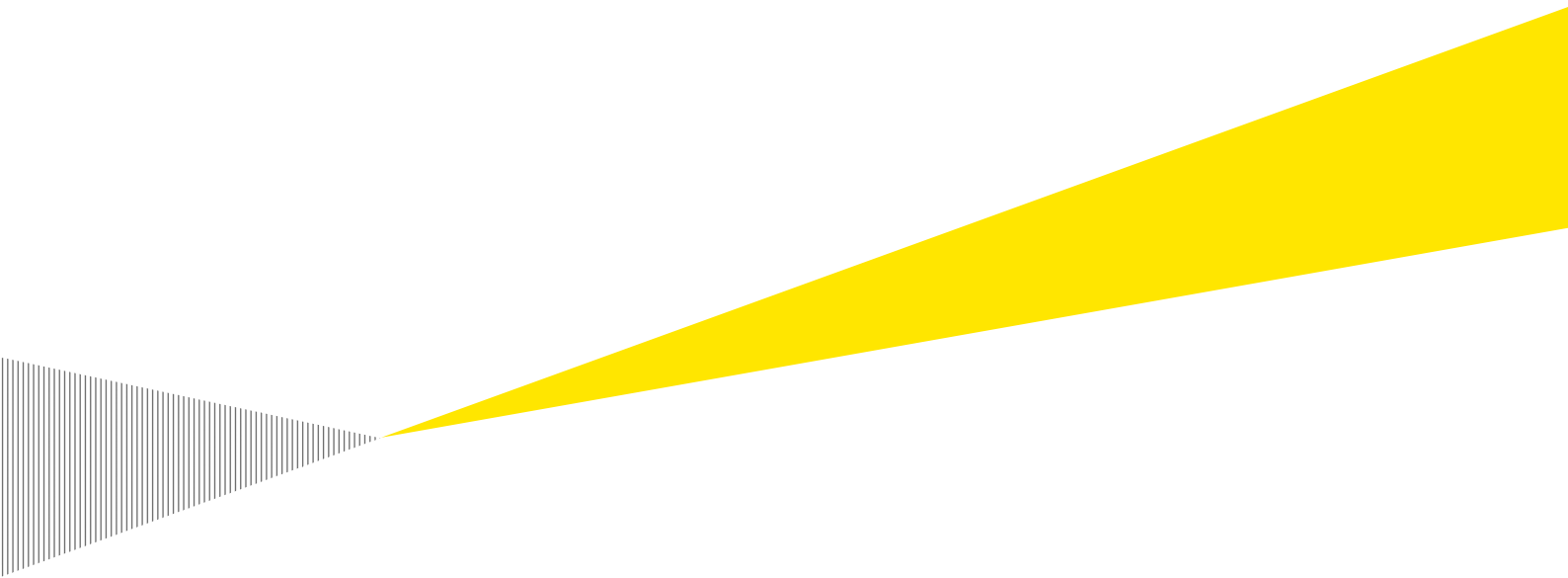
ey.com

Agenda Item 5

Portsmouth City Council

Governance & Audit & Standards Committee Progress
Report

February 2018



Governance & Audit & Standards Committee
Portsmouth City Council
Civic Offices
Guildhall Square
Portsmouth
PO12BG

26 February 2018

Audit Progress Report

We are pleased to attach our Audit Progress Report.

This progress report summarises the work we have undertaken since the last meeting of the Governance & Audit & Standards Committee in February 2018. The purpose of this report is to provide the Committee with an update on progress to date on our 2017/18 audit, including some of the ongoing actions noted in our update to the February meeting.

Our audits are 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 at your meeting on 9 March 2018.

Yours faithfully

Helen Thompson
Associate Partner
For and on behalf of Ernst & Young LLP
Enc.

Contents

Progress on 2017/18 external audit.....	2
Appendix 1 – Faster Close Key Messages.....	4

In April 2015 Public Sector Audit Appointments Ltd (PSAA) issued “Statement of responsibilities of auditors and audited bodies”. It is available from the 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 February 2017)” issued by the 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 in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the Governance & Audit & Standards Committee and management of Portsmouth City Council in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the Governance & Audit & Standards Committee, and management of Portsmouth City Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Governance & Audit & Standards Committee, and management of Portsmouth City Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.

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.

Progress on 2017/18 external audit

In our progress report to the 02 February 2018 GAS Committee meeting, we noted a number of planned actions aimed at ensuring the smooth progress of our 2017/18 audit. We can now provide a further update against these, as follows:

- Work undertaken to streamline the process for provision of data for our analytics tools, and to make the use of their outputs more straightforward, has been ongoing. This has achieved positive early results, with more efficient selection of samples and a significant time saving for the finance team in the provision of supporting evidence for our interim audit testing of income and expenditure.
- Good progress has been made in completing the planned programme of interim substantive testing, with samples being tested for income and expenditure, payroll, related parties, property, plant and equipment (PPE), investment property, grant income, and journals. We have also updated our review of significant contracts. The challenge of meeting the faster close deadline of 31st July remains considerable, but the work completed at interim will make a significant contribution to doing so.
- Early work is underway to address some of the areas of focus identified in our audit plan, principally around the Council's group accounts assessment, valuation of land and buildings, investment property classification, accounting estimates and accounting policies (the last two forming part of our work to address the risk of management override).
- As part of our interim work on PPE, the audit senior has met with the Council's internal valuer, to understand the work undertaken on PPE valuation and to raise initial queries on the sample selected for testing in this area of the Council's accounts.
- We have held a workshop for finance staff, jointly-hosted by ourselves and senior finance team members, to raise awareness of the purpose of external audit, key audit methods used, the importance of providing quality audit evidence, and of responding promptly to audit queries and information requests.
- We have held regular catch-up meetings with the finance team, to update on audit progress, discuss and resolve audit issues promptly, and to identify any further steps which may need to be put in place for the year-end audit visit.

Since we presented our 2017/18 Audit Plan to the 2 February 2018 meeting of the GAS Committee, we have received a clarification to our internal guidance around calculating materiality. As a result, we will not be setting a separate performance materiality level for our testing of Property, Plant and Equipment (PPE). We will instead apply the performance materiality that we will use for the rest of the financial statements to our work on PPE (£8.25m, being 75% of planning materiality), but will reduce the testing thresholds we use for PPE, to ensure our work remains focussed as communicated in our audit plan. The overall impact of this change is not significant – an increased level of work will be undertaken on PPE in recognition of the issues identified in that area of the financial statements in 2016/17, and the amount of work which results from this revised approach to materiality is closely similar to that which would have been undertaken using the separate performance materiality level set out in our audit plan.

As part of our interim audit visit in February, we have started our work on accounting estimates, as noted above. Through this initial work, we have confirmed that the Council revised its

approach to calculating the Minimum Revenue Provision (MRP) last year. Because the annual MRP estimate approaches our performance materiality, and the calculated historic over-provision of MRP which resulted from the change in method is significant, we will use our internal specialist to give us assurance over the Council's workings to re-calculate MRP. Use of our specialist to perform this work is likely to lead to a scale fee variation (as has been the case for other Councils which have revised their MRP calculations).

Our year-end audit is due to commence on 25 June 2018. In advance of this visit, we will follow up on any outstanding matters from our interim work should there be any, and will provide a detailed working papers request to help ensure the audit can commence promptly on the agreed date. We will also maintain an open dialogue with officers to understand any issues emerging from the production of the financial statements.

Appendix 1 – Faster Close Key Messages

Following the discussion held at the 2 February 2018 GAS Committee meeting as part of presenting our audit plan, we have set out below the key messages which we are communicating consistently to all authorities with regard to the earlier timetable for accounts production and audit completion for 2017/18. We would be happy to discuss this again at the 9 March 2018 GAS Committee meeting if you would like to do so.

The Accounts and Audit Regulations 2015 introduced a significant change in statutory deadlines from the 2017/18 financial year. From that year the timetable for the preparation and approval of accounts will be brought forward with draft accounts needing to be prepared by 31 May and the publication of the accounts by 31 July.

These changes provide risks for both the preparers and the auditors of the financial statements:

- The Council now has less time to prepare the financial statements and supporting working papers. Risks to the Council include internal quality assurance arrangements, late working papers, and slippage in delivering data for analytics work in format and to the timescales required.
- As your auditor, we have a more significant peak in our audit work and a shorter period to complete the audit. Risks for auditors relate to delivery of all audits within the same compressed timetable. Slippage at one client could potentially put delivery of others at risk.

To mitigate this risk we will require:

- good quality draft financial statements and supporting working papers by the agreed deadline;
- appropriate Council staff to be available throughout the agreed audit period; and
- complete and prompt responses to audit questions and information requests.

If you are unable to meet key dates within our agreed timetable, we will notify you of the impact on the timing of your audit, which may include postponing your audit until later in the summer and redeploying the team to other work to meet deadlines elsewhere.

Where additional work is required to complete your audit, due to additional risks being identified, additional work being required as a result of scope changes, or poor audit evidence, we will notify you of the impact on the fee and the timing of the audit. Such circumstances may result in a delay to your audit while we complete other work elsewhere.

To support the Council we will:

- Work with the Council to engage early to facilitate early substantive testing where appropriate.
- Provide an early review on the Council's streamlining of the Statement of Accounts where non-material disclosure notes are removed.
- Facilitate faster close workshops to provide an interactive forum for Local Authority accountants and auditors to share good practice and ideas to enable us all to achieve a successful faster closure of accounts for the 2017/18 financial year.

- Work with the Council to implement EY Client Portal, this will:
 - Streamline our audit requests through a reduction of emails and improved means of communication;
 - Provide on –demand visibility into the status of audit requests and the overall audit status;
 - Reduce risk of duplicate requests; and
 - Provide better security of sensitive data.
- Agree the team and timing of each element of our work with you.
- Agree the supporting working papers that we require to complete our audit.

EY | Assurance | Tax | Transactions | Advisory

Ernst & Young LLP

© Ernst & Young LLP. Published in the UK.
All rights reserved.

The UK firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member firm of Ernst & Young Global Limited.

Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

ey.com

Agenda Item 6



Title of meeting:	Governance and Audit and Standards Committee Cabinet City Council
Date of meeting:	9 March 2018 (Governance and Audit and Standards Committee) 16 March 2018 (Cabinet) 20 March 2018 (City Council)
Subject:	Treasury Management Policy 2018/19
Report by:	Chris Ward, Director of Finance and Information Technology (Section 151 Officer)
Wards affected:	All
Key decision:	Yes
Full Council decision:	Yes

1. Executive Summary of the Treasury Management Policy Statement

Treasury Management Policy

The attached Treasury Management Policy sets out the Council's policies on borrowing, providing for the repayment of debt and investing for 2018/19. The Treasury Management Policy also sets a number of treasury management indicators that will establish the boundaries within which treasury management activities will be undertaken. These are contained in Appendix D.

Appendix D also includes revised outturn prudential and treasury management indicators for 2016/17. The premium arising from the granting of a new head lease for land in White Hart Road occupied by Wightlink Ltd in 2016/17 was originally accounted for as a capital receipt and the treasury management outturn position was reported on this basis prior to the audit of the Council's accounts being completed. Following discussion with the auditors it was agreed that these transactions would be accounted for as borrowing rather than a capital receipt. As a consequence of this decision some of the outturn prudential and treasury management indicators for 2016/17 have been revised.

The Treasury Management Policy Statement contains a risk appetite statement similar to that adopted in 2017/18 that permits investments to be made in instruments that do not guarantee that the capital sum will not be diminished through movements in prices. In approving the Treasury Management Policy Statement members will be approving the risk appetite statement contained in paragraph 4.2 of the Treasury Management Policy Statement.

Policy For Providing For the Repayment of Debt

The Local Authorities (Capital Finance and Accounting) (Amendment) Regulations 2012 require the Council to adopt an Annual Minimum Revenue Provision (MRP) for Debt Repayment Statement. The recommended methodologies for calculating MRP are summarised in paragraph 8.3 of the Treasury Management Policy.

Annual Investment Strategy

The Treasury Management Policy includes the Annual Investment Strategy which establishes the types of investment, investment counter parties and investment durations that the Council will operate within. The 2018/19 Annual Investment Strategy is similar to the 2017/18 Annual Investment Strategy in most respects although there are some changes proposed for 2018/19.

Banks and building societies currently meeting the Council's credit criteria are listed in Appendix F. There are too many corporate bond, RSLs and universities to include in the appendix.

Summary of Proposed Changes to the Treasury Management Policy Statement

The following changes to the Treasury Management Policy Statement are proposed:

- That provision is not made for the repayment of borrowing to fund the HRA self-financing payment or any other HRA debt from 2017/18 to 2019/20;
- To change the maximum definition of specified and short term investments from 364 days to 365 days in line with the latest guidance from the Government intended to bring the treasury management definition of short term and long term investments into line with the financial accounting definition;
- To increase the maximum term of bonds that can purchased from Hampshire Community Bnk from 6 years to 10 years in line with the draft funding agreement with Hampshire Community Bnk

2. Purpose of report

The purpose of this report is to obtain the Council's approval of the updated Treasury Management Policy Statement (attached) which includes:

- Annual Minimum Revenue Provision for Debt Repayment Statement
- Annual Investment Strategy

3. Recommendations

3.1a that the following changes to the Treasury Management Policy Statement be approved:

- (i) that provision is not made for the repayment of borrowing to fund the Housing Revenue Account (HRA) Self Financing payment or any other HRA debt from 2017/18 to 2019/20 (paragraph 8.4 of the Treasury Management Policy);**
- (ii) that the maximum duration of specified investments be increased from 364 days to 365 days (paragraph 11.1 of the Treasury Management Policy);**
- (iii) that the maximum duration of investment categories 11 (corporate bonds with a BBB+ credit rating) and 14 (unrated building societies that are in a strong financial condition) be increased from 364 days to 365 days (paragraph 12.2 of the Treasury Management Policy);**
- (iv) that the maximum term of bonds purchased from Hampshire Community Bnk be increased from 6 years to 10 years (paragraph 12.2 of the Treasury Management Policy);**

3.1b that the following risk appetite statement be approved:

To assist the achievement of the Council's service objectives by obtaining funding and managing the debt and treasury investments at a net cost which is as low as possible, consistent with a high degree of long term interest cost stability. Sums are invested with a diversified range of counter parties using the maximum range of instruments consistent with a low risk of the capital sum being diminished through movements in prices.

- 3.1c** that the prudential and treasury management indicators, including revisions to the 2016/17 outturn indicators contained in Appendix D be approved;
- 3.1d** that the attached Treasury Management Policy Statement including the Treasury Management Strategy, Annual Minimum Revenue Provision for Debt Repayment Statement and Annual Investment Strategy for 2018/19, and encompassing the amendments contained in recommendation 3.1a be approved;
- 3.1e** the Director of Finance and Information Technology (Section 151 Officer) and officers nominated by him have delegated authority to (paragraph 3.2 of Treasury Management Policy Statement):
- (i)** invest surplus funds in accordance with the approved Annual Investment Strategy;
 - (ii)** borrow to finance short term cash deficits and capital payments from any reputable source within the authorised limit for external debt of £660m approved by the City Council on 13 February 2018;
 - (iii)** reschedule debt in order to even the maturity profile or to achieve revenue savings;
 - (iv)** release the over provision of MRP back into General Fund balances over a prudent period by reducing the MRP in future years;
 - (v)** to buy and sell foreign currency, and to purchase hedging instruments including forward purchases, forward options and foreign exchange rate swaps to mitigate the foreign exchange risks associated with some contracts that are either priced in foreign currencies or where the price is indexed against foreign currency exchange rates.
- 3.1f** that the Chief Executive, the Leader of the City Council and the Chair of the Governance and Audit and Standards Committee be informed of any variances from the Treasury Management Policy when they become apparent, and that the Leader of the City Council be consulted on remedial action (paragraph 17.1 of Treasury Management Policy Statement)

3.2 that the Director of Finance and Information Technology (Section 151 Officer) submits the following (paragraph 19.1 of Treasury Management Policy Statement):

- (i) an annual report on the Treasury Management outturn to the Cabinet and Council by 31 July of the succeeding financial year;**
- (ii) a Mid-Year Review Report to the Cabinet and Council;**
- (iii) the Annual Strategy Report to the Cabinet and Council in March 2019;**
- (iv) quarterly treasury management monitoring report to the Governance and Audit and Standards Committee.**

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
- Hedging foreign exchange rate risks

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
- Exchange rate risk - the risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately.

- Inflation risk, ie. the chance that cash flows from an investment won't be worth as much in future because of changes in purchasing power due to inflation.
- 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 at 1 April 2018 are estimated to be £629m. The Council's investments at 1 April 2018 are estimated to be £369m. 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 £23.2m 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 while optimising costs and returns. The Council will monitor and measure its treasury management position against the indicators contained in the Treasury Management Policy.

The City Council has adopted the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services Code of Practice. The Code of Practice requires the City Council to approve a Treasury Management Strategy before the start of the financial year.

In addition the Government has issued statutory guidance that requires the Council to approve an Annual Minimum Revenue Provision for Debt Repayment Statement and an Annual Investment Strategy before the start of the financial year.

The Treasury Management Strategy, the Annual Minimum Revenue Provision for Debt Repayment Statement and the Annual Investment Strategy are all contained within the attached Treasury Management Policy Statement.

5. Reasons for recommendations

The recommendations within the attached Treasury Management Policy Statement reflect the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Code of Practice and have regard to statutory guidance issued by the Government. These are designed to:

- Enable the Council to borrow funds as part of managing its cash flow or to fund capital expenditure in a way that minimises risk and costs
- Provide for the repayment of borrowing
- Ensure that the Council's investments are secure
- Ensure that the Council maintains sufficient liquidity
- Maximise the yield on investments in a way that is commensurate with maintaining the security and liquidity of the investment portfolio

There is no statutory requirement to provide for the repayment of Housing Revenue Account (HRA) debt although provision has been made to repay the £87m HRA self-financing payment over 30 years. Council dwelling rents are being reduced by 1% per annum until 2019/20 in line with government policy and this is placing the Housing Revenue Account (HRA) under financial pressure. It is therefore proposed that provision is not made for the repayment of borrowing to fund the HRA self-financing payment or any other HRA debt from 2017/18 to 2019/20 (**Recommendation 3.1a(i)**). This will generate a gross saving of £3m per annum. However, this will also increase the amount of interest payable by the HRA.

It is proposed to increase the maximum duration of specified investments that can be made with the minimum of procedural formalities from 364 days to 365 days in line with the latest guidance from the Government to bring the treasury management definition of long and short term into line with the financial accounting definition of long and short term (**Recommendation 3.1a(ii)**). To be consistent it is also proposed to increase the maximum duration of investment categories 11 (corporate bonds with a BBB+ credit rating) and 14 (unrated building societies that are in a strong financial condition) from 364 days to 365 days (**Recommendation 3.1a(iii)**).

The previous policy permitted the Council to purchase bonds from Hampshire Community Bnk with a term of up to 6 years. It is proposed to increase the maximum term of the bonds that can be purchased to 10 years in line with the draft funding agreement with Hampshire Community Bnk (**Recommendation 3.1a(iv)**).

The Council attaches a high priority to a stable and predictable revenue cost from treasury management activities in the long term. This reflects the fact that debt servicing represents a significant cost to the Council's net revenue budget. The Council's objectives (**Recommendation 3.1b**) in relation to debt and investment can accordingly be stated as follows:

To assist the achievement of the Council's service objectives by obtaining funding and managing the debt and treasury investments at a net cost which is as low as possible, consistent with a high degree of long term interest cost stability. Sums are invested with a diversified range of counter parties using the maximum range of instruments consistent with a low risk of the capital sum being diminished through movements in prices.

This means that the Council is not totally risk averse. Treasury management staff have the capability to actively manage treasury risks within the scope of the Council's treasury management policy and strategy.

In particular when investing surplus cash, the Council will not necessarily limit itself to making deposits with the UK Government and local authorities, but may invest in other bodies including unrated building societies, RSLs, universities and corporate bonds. The Council may invest surplus funds through tradable instruments such as treasury bills, gilts, certificates of deposit, corporate bonds, covered bonds and repos / reverse repos. The duration of such investments will be limited so that they do not have to be sold (although they may be) prior to maturity thus avoiding the risk of the capital sum being diminished through movements in prices.

The Council may invest in lower risk structured investment products that follow the developed equity markets where movements in prices may diminish the capital sum invested. These investments, and indeed any other investment, could also be diminished if the counter party defaults. Although the Council only invests in counter parties offering good credit quality, the credit quality of an investment counter party can decline during the life of the investment. This is particularly the case with long term investments.

The Treasury Management Policy also sets a number of treasury management indicators that will establish the boundaries within which treasury management activities will be undertaken. These are contained in Appendix D (**Recommendation 3.1c**).

Appendix D also includes revised outturn prudential and treasury management indicators for 2016/17. The premium arising from the granting of a new head lease for land in White Hart Road occupied by Wightlink Ltd in 2016/17 was originally accounted for as a capital receipt and the treasury management outturn position was reported on this basis prior to the audit of the Council's accounts being completed. The Council granted a new head lease to Canada Life for a premium subject to a lease back to the Council for an ongoing rent. Both transactions take the legal form of leases, however when taken together they are in substance a £72m loan from Canada Life. Following discussion with the auditors it was agreed that these transactions would be accounted for as borrowing rather than a capital receipt. As a consequence of this decision some of the outturn prudential and treasury management indicators for 2016/17 have been revised.

Recommendation 3.1(d) seeks the Council's approval to adopt the revised Treasury Management Policy Statement.

Recommendation 3.1(e) seeks delegated authority for the Director of Finance and Information Technology (Section 151 Officer) and officers nominated by him to execute the Council's Treasury Management Policy.

Recommendation 3.1(f) seeks the Council's approval for the proposed actions to report any variances from the Treasury Management Policy.

Recommendation 3.2 seeks the Council's approval for the proposed reporting arrangements for the treasury management operation.

6. Equality impact assessment (EIA)

The contents of this report do not have any relevant equalities impact and therefore an equalities 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 Technology (Section 151 Officer)'s comments

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

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

Appendix: Treasury Management Policy Statement, Annual Minimum Revenue Provision for Debt Repayment Statement and Annual Investment Strategy 2018/19

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 Information pertaining to the Treasury Management Strategy	Financial Services

TREASURY MANAGEMENT POLICY STATEMENT INCLUDING:

- **TREASURY MANAGEMENT STRATEGY**
- **ANNUAL MINIMUM REVENUE PROVISION FOR DEBT REPAYMENT STATEMENT**
- **ANNUAL INVESTMENT STRATEGY 2018/19**

**Portsmouth City Council
Director of Finance and Information Technology (Section 151
Officer)**

TREASURY MANAGEMENT POLICY STATEMENT 2017/18

Section	CONTENTS	Page No.
1	Background	3
2	Borrowing Limits and Prudential Code	4
3	Treasury Management Policy Statement	5
4	Treasury Management Strategy for 2018/19	6
5	Approved Methods of Raising Capital Finance	16
6	Approved Sources of Borrowing	17
7	Apportionment of Borrowing Costs to the Housing Revenue Account (HRA)	19
8	Annual Minimum Revenue Provision for Debt Repayment Statement	19
9	Annual Investment Strategy for 2017/18	21
10	Investment Consultants	22
11	Specified Investments	22
12	Non-Specified Investments	28
13	Maximum Level of Investment in Individual Organisations	33
14	Liquidity of Investments	35
15	Investment of Money Borrowed in Advance of Need	35
16	Training of Investment Staff	36
17	Delegated Powers	36
18	Treasury Systems and Documentation	36
19	Review and Reporting Arrangements	37
	Appendix A Prudential Indicators	
	Appendix B Background Information and Risks to Interest Rate Forecasts	
	Appendix C Debt Maturity Pattern	
	Appendix D Treasury Management Indicators	
	Appendix E Definition of Long Term Credit Ratings	
	Appendix F Institutions meeting investment criteria	

1 BACKGROUND

- 1.1 This Council defines its Treasury Management activities as “the management of the organisation’s investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks.”
- 1.2 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
- 1.3 This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance management techniques, within the context of effective risk management.
- 1.4 The City Council’s treasury management activities are governed by various codes of practice and guidance that the Council must have regard to under the Local Government Act 2003. The main codes and guidance that the Council must have regard to are:
 - Treasury Management in the Public Services Code of Practice published by the Chartered Institute of Public Finance and Accountancy (CIPFA) which sets out the key principles and practices to be followed.
 - The Prudential Code for Capital Finance in Local Authorities published by CIPFA which governs borrowing by local authorities.
 - The Guidance on Local Government Investments published by the Ministry of Housing Communities and Local Government which governs local authorities investment activities and stipulates that investment priorities should be security (protecting the capital sum from loss) and liquidity (keeping money readily available for expenditure when needed), rather than yield.

2 BORROWING LIMITS AND THE PRUDENTIAL CODE

2.1 The Prudential Code requires the City Council to approve an authorised limit and an operational boundary for external debt together with other prudential indicators designed to ensure that the capital investment plans are affordable, prudent and sustainable. These were approved by the City Council on 13th February 2018.

i) Authorised Limit

The authorised limit for external debt is the maximum amount of debt which the authority may legally have outstanding at any time. The Authorised Limit includes headroom to enable the Council to take advantage of unexpected movements in interest rates and to accommodate any short-term debt or unusual cash movements that could arise during the year

	£m
Borrowing	594
Other Long Term Credit Liabilities	<u>66</u>
	<u>660</u>

ii) Operational Boundary

The Operational Boundary is based on the probable external debt during the course of the year. It is not a limit, but acts as a warning mechanism to prevent the authorised limit (above) being breached.

	£m
Borrowing	579
Other Long Term Credit Liabilities	<u>66</u>
	<u>645</u>

iii) Other Prudential Indicators contained in the Prudential Code

The following indicators are also included in the Prudential Code:

- Ratio of financing costs to net revenue stream
- Capital financing requirement
- Housing Revenue Account (HRA) limit on indebtedness
- Incremental effect of capital investment decisions on council tax at band D
- Incremental effect of capital investment decisions on housing rents

These are contained in Appendix A.

3 TREASURY MANAGEMENT POLICY STATEMENT

3.1 The prime objective of the Treasury Management function is the effective management and control of risk associated with the activities described in paragraph 1.1. The key risks associated with the Council's treasury management operations are:

- Credit risk – ie. that the local authority 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 – ie. that the authority 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 authority has budgeted.
- Inflation risk, ie. the chance that cash flows from an investment won't be worth as much in future because of changes in purchasing power due to inflation.
- Exchange rate risk - the risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately.
- Maturity (or refinancing risk) – This relates to the authority's borrowing or capital financing activities, and is the risk that the authority 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.

3.2 The Director of Finance and Information Technology (Section 151 Officer) and officers nominated by him have delegated authority to (**recommendation 3.1e** of the Treasury Management Policy Report considered by the Cabinet on 12 March 2018 and the City Council on 13 March 2018):

- (i) invest surplus funds in accordance with the approved Annual Investment Strategy;
- (ii) borrow to finance short term cash deficits and capital payments from any reputable source within the authorised limit for external debt of £660m approved by the City Council on 13 February 2018;
- (iii) to reschedule debt in order to even the maturity profile or to achieve revenue savings;
- (iii) Release the over provision of MRP back into General Fund balances over a prudent period by reducing the MRP in future years;
- (v) to buy and sell foreign currency, and to purchase hedging instruments including forward purchases, forward options and foreign exchange rate swaps to mitigate the foreign exchange risks associated with some contracts that are either priced in foreign currencies or where the price is indexed against foreign currency exchange rates.

4 TREASURY MANAGEMENT STRATEGY FOR 2018/19

4.1 Objectives

The budget for net interest and debt repayment costs for 2018/19 is £23.2m. The Treasury Management policy will therefore form a cornerstone of the Medium Term Resource Strategy. Specific objectives to be achieved in 2018/19 are:

- (a) Borrowing
 - To minimise the revenue costs of debt
 - To manage the City Council's debt maturity profile to ensure that no single financial year exposes the authority to a substantial borrowing requirement when interest rates may be relatively high
 - To match the City Council's debt maturity profile to the provision of funds to repay debt if this can be achieved without significant cost
 - To effect funding in any one year at the cheapest long term cost commensurate with future risk

- To forecast future interest rates and borrow accordingly (i.e. short term and/or variable when rates are 'high', long term and fixed when rates are 'low').
- To monitor and review the level of variable interest rate loans in order to take greater advantage of interest rate movements
- To reschedule debt in order to take advantage of potential savings as interest rates change or to even the maturity profile.

(b) Lending

- To ensure the security of lending (the maximisation of returns remains a secondary consideration) by investing in:
 - the United Kingdom Government and institutions or projects guaranteed by the United Kingdom Government;
 - Other local authorities in England, Scotland and Wales
 - AA rated pooled funds including money market funds and enhanced money market funds;
 - British institutions including commercial companies, registered social landlords (RSLs) and universities that meet the City Council's investment criteria
 - Foreign institutions including commercial companies and universities that meet the City Council's investment criteria within the jurisdiction of a Aa government
- To maintain £10m in instant access accounts
- To make funds available to Council's subsidiaries
- To make funds available for the regeneration of Hampshire
- To optimise the return on surplus funds
- To manage the Council's investment maturity profile to ensure that no single month exposes the authority to a substantial re-investment requirement when interest rates may be relatively low to the extent that this can be managed without compromising the security of lending

4.2 Risk Appetite Statement

The Council attaches a high priority to a stable and predictable revenue cost from treasury management activities in the long term. This reflects the fact that debt servicing represents a significant cost to the Council's net revenue budget. The Council's objectives in relation to debt and investment can accordingly be stated as follows (**recommendation 3.1b** of the Treasury Management Policy Report considered by the Cabinet on 12 March 2018 and the City Council on 13 March 2018:

To assist the achievement of the Council's service objectives by obtaining funding and managing the debt and treasury investments at a net cost which is as low as possible, consistent with a high degree of long term interest cost stability. Sums are invested with a diversified range of counter parties using the maximum range of instruments consistent with a low risk of the capital sum being diminished through movements in prices.

This means that the Council is not totally risk averse. Treasury management staff have the capability to actively manage treasury risks within the scope of the Council's treasury management policy and strategy.

In particular when investing surplus cash, the Council will not necessarily limit itself to making deposits with the UK Government and local authorities, but may invest in other bodies including unrated building societies, RSLs, universities and corporate bonds. The Council may invest surplus funds through tradable instruments such as treasury bills, gilts, certificates of deposit, corporate bonds, covered bonds and repos / reverse repos. The duration of such investments will be limited so that they do not have to be sold (although they may be) prior to maturity thus avoiding the risk of the capital sum being diminished through movements in prices.

The Council may invest in lower risk structured investment products that follow the developed equity markets where movements in prices may diminish the capital sum invested. These investments, and indeed any other investment, could also be diminished if the counter party defaults. Although the Council only invests in counter parties offering good credit quality, the credit quality of an investment counter party can decline during the life of the investment. This is particularly the case with long term investments.

4.3 Gross Debt and the Capital Financing Requirement

In order to ensure that over the medium term, debt will only be for a capital purpose, CIPFA's Prudential Code which the City Council is legally obliged to have regard to requires the City Council to ensure that debt does not, except in the short term, exceed the total of capital financing requirement (CFR). The CFR measures the Council's underlying need to borrow. If in any year there is a reduction in the capital financing requirement, this reduction is ignored in estimating the cumulative increase in the capital financing requirement which is used for the comparison with gross external debt. The Council's forecast gross debt is shown in the table below.

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Borrowing	559,911	551,924	543,927	535,919
Finance leases	877	871	869	869
Service Concessions (including Private Finance Initiative schemes)	68,463	65,280	61,508	56,282
Total Gross debt	629,251	618,075	606,304	593,070
Capital Financing Requirement (CFR):				
Opening CFR in 2017/18	526,938			
Change in CFR in 2017/18	49,779			
Closing CFR in 2017/18	576,717	576,717	576,717	576,717
Cumulative increase in CFR in future years		67,989	71,067	71,067
Closing CFR	576,717	644,706	647,784	647,784
Borrowing Under / (Over) the CFR	(52,534)	26,631	41,480	54,714

The Council's gross debt exceeds its estimated CFR, ie. it is over borrowed, in 2017/18. This is primarily due taking advantage of low interest rates in 2016/17 and also to less commercial property being acquired in 2016/17 than had been anticipated. It is planned to finance £73m of capital expenditure from borrowing in 2018/19 including the purchase of 53m of commercial property. This should leave the Council under borrowed by £27m at the end of 2018/19. The Council borrowed £167m in 2016/17 at an average rate of 1.62%. No borrowing is anticipated in 2017/18. The Council is currently earning 0.82% on its investments. Therefore in the short term there is a cost of carry of 0.80% until the money that was borrowed is used to fund capital expenditure.

4.4 Gross and Net Debt

4.4.1 The borrowing and investment projections for the Council are as follows:

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Gross Debt at 31 March	629,251	618,075	606,304	593,070
Investments at 31 March	(368,597)	(238,000)	(204,000)	(179,000)
Estimated Net Debt	260,654	380,075	402,304	414,070

4.4.2 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. However the Council's treasury management investments are expected to decline in 2018/19 as funds are used to invest in commercial properties.

4.5 Interest Rates

4.5.1 Interest Rate Forecasts for 2018/19

No treasury consultants are currently employed by the City Council to advise on the borrowing strategy. However, the City Council does employ Link Asset Services to provide an economic and interest rate forecasting service and maintains daily contact with the London Money Market.

4.5.2 Long Term Borrowing Interest Rates

The following table gives Link Asset Services central view.

	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank rate	0.50%	0.75%	0.75%	1.00%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.50%
5yr PWLB rate	1.90%	2.00%	2.10%	2.10%	2.20%	2.30%	2.30%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%
10yr PWLB rate	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%
25yr PWLB rate	2.80%	2.90%	3.00%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB rate	2.60%	2.70%	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%

Background information relating to these forecasts and the risks to these interest rate forecasts is contained in Appendix B.

Until 2015, monetary policy was focused on providing stimulus to economic growth but has since started to refocus on countering the threat of rising inflationary pressures as stronger economic growth becomes more firmly established. Raising base rates, particularly in the US, will make holding government bonds less attractive. This will cause their prices to fall and therefore bond yields and PWLB rates to rise. However, the degree of that upward pressure is likely to be dampened by how strong or weak the prospects for economic growth and rising inflation are, and on the degree of progress towards the reversal of monetary policy away from quantitative easing and other credit stimulus measures.

There will remain a cost of carry to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost, ie. the difference between borrowing costs and investment returns.

4.5.3 Short Term Investment Interest Rates

Investment returns are likely to remain relatively low during 2018/19 but be on a gently rising trend over the next few years.

4.6 Volatility of Budgets

The budget for interest payments and receipts is based on both the level of cash balances available and the interest rate forecasts contained in paragraph 4.5. Any deviation of interest rates from these forecasts will give rise to budget variances.

The Council is exposed to interest rate fluctuations through the need to invest up to £238m of surplus cash in the short term.

The Council currently has substantial sums of cash invested in the short term, and if interest rates fall below the budget forecast, investment income will be less than that budgeted. For example, if short-term interest rates fall to 0.5% below the budget forecast, the income from the Council's investments will be £1.2m below budget in 2018/19. Conversely, if short-term interest rates rise to 0.5% above the budget forecast, income from the Council's investments will exceed the budget by £1.2m in 2018/19.

4.7 Upper limits for fixed interest rate exposures

The CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes require local authorities to set upper limits for fixed interest rate exposures.

The City Council's maximum fixed interest rate exposure throughout each year is anticipated to be as follows:

	2017/18	2018/19	2019/20	2020/21
	£m	£m	£m	£m
Maximum Projected Gross Borrowing – Fixed Rate	487	481	474	468
Minimum Projected Gross Investments – Fixed Rate	(123)	(27)	(2)	(2)

The upper limits for fixed interest rate exposures will be set as follows:

2017/18	£364m
2018/19	£454m
2019/20	£472m
2020/21	£466m

The upper limits for fixed interest rate exposure are set to provide sufficient flexibility for the Director of Finance and Information Technology (Section 151 Officer) to take out fixed rate loans to finance capital expenditure if interest rates fall or are expected to rise significantly.

4.8 Upper limits for variable interest rate exposures

The CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes require local authorities to set upper limits for variable interest rate exposures.

The City Council's maximum variable interest rate exposure throughout each year is anticipated to be as follows:

	2017/18	2018/19	2019/20	2020/21
	£m	£m	£m	£m
Minimum Projected Gross Borrowing – Variable Rate	72	71	70	68
Maximum Projected Gross Investments – Variable Rate	(309)	(360)	(236)	(202)

The Council's variable interest rate exposure is negative because it has no variable rate loans and a high proportion of its investments are either variable rate or will need to be reinvested within a year. The Council's requirement for cash varies considerably through the year. Therefore the Council needs to invest a proportion of its surplus cash either in instant access accounts or short term investments to avoid becoming overdrawn. The Council is exposed to an interest rate risk in that its investment income will fall if interest rates fall, whilst its borrowing costs will remain the same as all its loans are fixed at rates that will not fall with investment rates. Investment rates are currently very low and the scope for further reductions is very limited. The Council's maximum projected gross variable interest rate investments increases as existing long term fixed interest rate investments mature. Some of this risk may be mitigated through making further long term fixed rate investments. However, this will increase credit risk. It would also be prudent to maintain an even maturity profile so that the Council can benefit from rising interest rates in the future.

The upper limits for variable interest rate exposures will be set as follows:

2017/18	(£237m) – Investments up to £237m
2018/19	(£289m) – Investments up to £289m
2019/20	(£166m) – Investments up to £166m
2020/21	(£134m) – Investments up to £134m

4.9 Limits on total principal sums invested for periods longer than 365 days

Under the Treasury Management Code it is necessary to specify limits on the amount of long term investments, ie. investments exceeding 365 days that have maturities beyond year end.

Investing long term at fixed rates provides certainty of income and reduces the risk of interest rates falling. However this benefit is significantly reduced at the moment as the interest rates on new investments are low, typically less than 1% which restricts how much further returns can fall. At the current time, investing long term allows higher yields to be obtained, although it would be prudent to maintain opportunities to invest when interest rates are higher. There are regular fluctuations in the Council's cash balances which can amount to £46m. In addition cash balances are expected to be at their lowest at the end of the financial year as tax receipts are lower in March. On this basis the following limits will be placed on total principal sums invested for periods longer than 365 days:

31/3/2018 = £192m
31/3/2019 = £158m
31/3/2020 = £133m
31/3/2021 = £110m

4.10 Limits for the maturity structure of borrowing

The Government has issued guidance on making provision for the repayment of General Fund debt (see paragraph 8) which the Council is legally obliged to have regard to. The City Council is required to begin to make provision for the repayment of debt in advance of most of the Council's debt falling due for repayment. Therefore the City Council is required to provide for the repayment of debt well in advance of it becoming due. This is illustrated in the table below. This means that it is necessary to invest the funds set aside for the repayment of debt with its attendant credit and interest rate risks (see paragraph 3.1). The City Council could reschedule its debt, but unless certain market conditions exist at the time, premium payments have to be made to lenders (see paragraph 4.11).

CIPFA's Treasury Management in the Public Services Code of Practice which the City Council is legally obliged to have regard to requires local authorities to set upper and lower limits for the maturity structure of their borrowing.

It is recommended that the upper limit should be set high enough to allow for debt to be rescheduled into earlier years and for any new borrowing to mature over a shorter period than that taken out in the past. The high upper limit for debt maturing in over 40 years time reflects existing borrowing as the upper limit cannot be set lower than the existing maturity profile and is also necessary because no provision is being made for the repayment of debt incurred by the Housing Revenue Account.

It is recommended that the lower limit be set at 0%.

In order to ensure a reasonably even maturity profile (paragraph 4.1(a)), it is recommended that the council will set upper and lower limits for the maturity structure of its borrowings as follows.

Amount of fixed rate borrowing maturing in each period as a percentage of total projected borrowing that is fixed rate.

	Loan Debt Maturity 31 March 2018	Underlying Loans Minimum Revenue Provision (MRP)	% By Which Loan Debt Maturity is Over / (Under) Loans MRP	Lower limit	Upper limit
Under 12 months	4%	1%	3%	0%	10%
12 months and within 24 months	1%	1%	0%	0%	10%
24 months and within 5 years	4%	6%	(2%)	0%	10%
5 years and within 10 years	7%	12%	(5%)	0%	20%
10 years and within 20 years	24%	26%	(2%)	0%	30%
20 years and within 30 years	8%	28%	(20%)	0%	30%
30 years and within 40 years	25%	25%	0%	0%	30%
40 years and within 50 years	27%	1%	26%	0%	40%

Amount of variable rate borrowing maturing in each period as a percentage of total projected borrowing that is fixed rate.

	Loan Debt Maturity at 31 March 2018	Underlying Loans Minimum Revenue Provision (MRP)	% By Which Loan Debt Maturity is Over / (Under) Loans MRP	Lower limit	Upper limit
Under 12 months	2%	1%	1%	0%	10%
12 months and within 24 months	2%	1%	1%	0%	10%
24 months and within 5 years	7%	6%	1%	0%	10%
5 years and within 10 years	12%	12%	0%	0%	20%
10 years and within 20 years	24%	26%	(2%)	0%	30%
20 years and within 30 years	26%	28%	(2%)	0%	30%
30 years and within 40 years	27%	25%	2%	0%	30%
40 years and within 50 years	0%	1%	(1%)	0%	10%

The current maturity pattern contained in Appendix C is well within these limits.

4.11 Debt Rescheduling

4.11.1 Most of the City Council's long term external debt has been borrowed at fixed interest rates ranging from 2.09% to 5.01%. 52% of the Council's fixed rate debt matures in over 30 years' time. Appendix C shows the long term loans maturity pattern. Therefore debt rescheduling could be beneficial in evening out the debt maturity profile.

4.11.2 In the event that it were decided to further reschedule debt, account will need to be taken of premium payments to the Public Works Loans Board (PWLB). These are payments to compensate the PWLB for any losses that they may incur.

4.11.3 The Housing Revenue Account (HRA) will be responsible for its proportion of the premium due for early redemption of debt, based on the percentage of debt attributable to the HRA at the start of the financial year. The premiums would be charged to the General Fund and the HRA. Regulations allow the City Council to spread the cost of the premiums over a number of years, during which the accounts would benefit from reduced external interest rates.

4.11.4 The Director of Finance and Information Technology (Section 151 Officer) will continue to monitor the Council’s debt and will undertake further rescheduling if it would be beneficial.

4.12 Treasury Management Indicators

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services Code of Practice requires the Council to approve a number of treasury management indicators which set the limits within which the Council's treasury management activities will be undertaken. These are contained in the Treasury Management Strategy above and are summarised in Appendix D (**Recommendation 3.1c** in the Treasury Management Policy Report considered by the Cabinet on 12 March 2018 and the City Council on 13 March 2018).

5 APPROVED METHODS OF RAISING CAPITAL FINANCE

5.1 The following list specifies the various types of borrowing instruments which are available: -

	Variable	Fixed
PWLB	Y	Y
Market Long-term	Y	Y
Municipal Bonds Agency		Y
Market Temporary	Y	Y
Overdraft	Y	
Negotiable Bonds	Y	
Internal (capital receipts & revenue balances)	Y	Y
Commercial Paper	Y	Y
Medium Term Notes	Y	Y
Leasing	Y	Y
Bills & Local Bonds	Y	Y

5.2 The main methods of raising capital finance used by the City Council are discussed in greater detail within Section 6 of this policy. Other methods are not generally used because of the perceived risk or because administrative costs are high, such as in the case of Local Bonds.

- 5.3 Local authorities are not required to conform to the Money Laundering Regulations stipulated in the Financial Services Acts. However, these principles where practical will be applied when arranging future money market borrowing to ensure that funds are not obtained from potentially unscrupulous sources.

6 APPROVED SOURCES OF BORROWING

- 6.1 Further information on some of the main borrowing instruments used by the City Council is set out below: -

(a) Public Works Loans Board (PWLB)

The main source of longer term borrowing for the City Council for many years has been from the Government through the Public Works Loans Board. The PWLB offers fixed rate loans from 1 year to 50 years at varying rates with different methods of repayment.

Alternatively the PWLB offers variable rate loans for 1 to 10 years, where the interest rate varies at 1, 3 or 6 month intervals. These loans can be replaced by fixed rate loans before maturity at an opportune time to the authority.

(b) Money Market Loans – Long Term

Loans for 1 to 70 years are available through the London Money Market although, depending of the type of loan being arranged, the rates of interest offered may not match those available from the PWLB, especially for Equal Instalment of Principal loans (E.I.P. loans). Any loans to be taken are evaluated to ensure that the interest rate is the lowest the City Council could obtain.

Loans offered by the money market are often LOBO (Lenders Option, Borrowers Option) loans. This enables the authority to take advantage of low fixed interest for a number of years before an agreed variable rate comes into force. At the time when the interest rate becomes variable, the lender has the option to increase the rate charged every 6 months (or any other agreed review period). The borrower has the option to repay the loan with no penalties if the interest rate is increased on any of the review dates.

(c) Bonds

Bonds may be suitable for raising sums in excess of around £150m. The interest payable on bonds may be less than that charged by the PWLB, but considerable upfront fees would be incurred. To obtain the best interest rate, the Council would need to obtain a credit rating which would need to be maintained. This would incur a further upfront fee and an annual maintenance fee.

Because such a large amount needs to be borrowed to attract investors and also to reduce the upfront fees and negate the need for an individual credit rating a pooled issuance with other local authorities may be more viable.

(d) Municipal Bonds Agency (MBA)

A municipal bonds agency has been established by the Local Government Association (LGA) to enable local authorities to undertake long term borrowing at lower rates than those offered by the PWLB. The MBA is expected to issue its first bond and advance its first loans to local authorities. The MBA has yet to issue its first bond. Loans will be advanced on fixed dates determined by the municipal bonds agency. Loans will be repayable at maturity with the duration of the loan being fixed by the MBA.

(e) Money Market Loans – Temporary (Loans up to 365 days)

The use of temporary borrowing through the London Money Market forms an important part of the strategy. The authorised limit for external debt in 2018/19 of £660m set by the City Council on 13 February 2018 must not be exceeded. It is not anticipated that the City Council will need to use the temporary borrowing facility in 2018/19.

(f) Overdraft

An overdraft limit of £2m has been agreed with the Barclays Bank plc. Interest on the overdraft is charged at 1% above base rate. The City Council does not anticipate that short-term borrowing will generally be necessary during 2018/19 as it currently holds sufficient funds to enable the authority's cash flow to be managed without the need to borrow. However, the overdraft facility may be used when there are unforeseen payments and funds placed on temporary deposit cannot be called back in time.

(g) Internal Funds

Internal funds include all revenue reserves and other specific reserves maintained by the City Council, including the minimum revenue provision which is available to either repay debt or to be used instead of new borrowing. The cash held in respect of internal funds such as earmarked reserves can be borrowed in the short term to finance capital expenditure or the repayment of debt, thus delaying the need to borrow externally.

7. APPORTIONMENT OF BORROWING COSTS TO THE HOUSING REVENUE ACCOUNT (HRA)

7.1 The Council will continue to operate with a single loans pool and apportion costs according to locally established principles. The principles upon which the apportionment of borrowing costs should be based are as follows:

- The apportionment is broadly equitable between the HRA and the General Fund, and is detrimental to neither;
- The loans portfolio is managed in the best interests of the whole authority;
- The costs and benefits of over and under borrowing above or below the capital financing requirement (CFR) are equitably shared between the General Fund and the HRA.

8 ANNUAL MINIMUM REVENUE PROVISION FOR DEBT REPAYMENT STATEMENT

8.1 The Local Authorities (Capital Finance and Accounting) (Amendment) Regulations 2012 require the Council to make “prudent provision” for the repayment of General Fund debt from 2008/09 onwards. There is no requirement to make “prudent provision” for the repayment of Housing Revenue Account (Council Housing) debt. The Government has provided a definition of “prudent provision” which the Council is legally obliged to “have regard” to. The guidance aims to ensure that the provision for the repayment of borrowing which financed the acquisition of an asset should be made over a period bearing some relation to that over which the asset continues to provide a service.

8.2 The guidance also requires the Council to adopt an Annual Minimum Revenue Provision (MRP) for Debt Repayment Statement. This is contained within paragraphs 8.3 to 8.5 below.

8.3 The following methodologies will be applied to calculating the MRP:

Borrowing	MRP Methodology
<u>General Fund Borrowing:</u>	
Government supported borrowing other than finance leases and service concessions including private finance initiative schemes	50 year annuity
Finance leases and service concessions including private finance initiative schemes *	MRP equals the principal repayments made to lessors and PFI operators
Self - financed borrowing excluding borrowing to fund long term debtors (including finance leases), investment properties and equity shares purchased in pursuit of policy objectives	50 year annuity
Self - financed borrowing to fund long term debtors	The repayments of principal are set aside to repay the borrowing that financed the original advance
Self - financed borrowing to fund finance leases	The principal element of the rent receivable be set aside to repay the borrowing that financed these assets
Self - financed borrowing to fund investment properties	The repayment of unsupported borrowing will be provided for by setting aside the capital receipt when the property is disposed of
Self - financed borrowing to fund equity shares purchased in pursuit of policy objectives	No MRP is made unless the shares are sold in which case the capital receipt is set aside to repay debt
<u>Housing Revenue Account (HRA)</u>	MRP was being provided for the HRA Self Financing Payment in equal instalments over 30 years. An MRP holiday is being taken from 2017/18 to 2019/20. MRP is not provided for other HRA debt.

* If transactions that take the legal form of finance leases but in substance amount to borrowing, the MRP policy relating to self - financed borrowing will be adopted. An example of when this could happen would be when the Council grants a head lease to an institution in return for an upfront premium and leases the asset back from the same institution in return for a rent.

8.4 Housing Revenue Account (HRA)

The Local Authorities (Capital Finance and Accounting) (Amendment) Regulations 2012 do not require provision to be made for the repayment of HRA debt. It has been the Council's policy to provide for the repayment of the £87m HRA Self Financing Payment in equal instalments over 30 years, but not to provide for the repayment of other HRA debt.

Dwelling rents are being reduced by 1% per annum until 2019/20 in line with government policy and this is putting the HRA under financial pressure. It is therefore recommended that provision is not made for the repayment of borrowing to fund the Self Financing payment or any other HRA debt from 2017/18 to 2019/20 (**recommendation 3.1a(i)** of the Treasury Management Policy Report considered by the Cabinet on 12 March 2018 and the City Council on 13 March 2018). This will generate a gross saving of £3m per annum in the provision for the repayment of debt. However, this will also increase the amount of interest payable by the HRA.

8.5 Over Provision of Minimum Revenue Provision (MRP)

The Council reviewed how it provided for the repayment of its debt. It was felt that the previous methods used in the past have resulted in over provisions of MRP from 2008/09 to 2015/16 amounting to £31.3m. The Director of Finance and Information Technology (Section 151 Officer) will release the over provision of MRP back into General Fund balances over a prudent period by reducing the MRP in future years under delegated authority. It is not considered prudent to release the over provision directly to the General Fund balances in a single year.

9 **ANNUAL INVESTMENT STRATEGY**

9.1 The Government has also issued guidance on investments. The guidance requires the City Council to adopt an Annual Investment Strategy. This is contained within paragraphs 10 to 16 below. The requirements of the Ministry of Housing, Communities and Local Government are in addition to the requirements of the Chartered Institute of Public Finance and Accountancy's Treasury Management in Public Services: Code of Practice.

9.2 During the year the Council may be asked to approve a revised strategy if there are investment issues which the full Council might wish to have brought to their attention.

9.3 The guidance defines a prudent policy as having two objectives:

- achieving first of all security (protecting the capital sum from loss);
- liquidity (keeping the money readily available for expenditure when needed).

Only when proper levels of security and liquidity have been secured should yield be taken into account.

9.4 Investment strategies usually rely on credit ratings and both the current and recommended Investment Strategies are based on credit ratings. Although the recommended Investment Strategy is based on credit ratings other sources of information will be taken into account prior to placing deposits such as information in the quality financial press and credit default swaps (CDS) prices.

9.5 CDS are a financial instrument for swapping the risk of debt default. The buyer of a credit default swap pays a premium for effectively insuring against a debt default. He receives a lump sum payment if the debt instrument is defaulted. The seller of a credit default swap receives monthly payments from the buyer. If the debt instrument defaults they have to pay an agreed amount to the buyer of the credit default swap.

10. INVESTMENT CONSULTANTS

10.1 The City Council currently employs consultants to provide the following information:

- Interest rate forecasts
- Credit ratings
- CDS prices

11. SPECIFIED INVESTMENTS

11.1 The Government requires the Council to identify investments offering high security and high liquidity. These are the most secure investments and there is no overall limit on the amount that can be held. Specified investments will be made with the minimum of procedural formalities. They must be made in sterling. It is proposed to increase the maximum duration of specified investments from 364 days to 365 days in line with the latest guidance from the Government (**Recommendation 3.1a(ii)** of the Treasury Management Policy Report considered by the Cabinet on 12 March 2018 and the City Council on 13 March 2018). Specified investments must not involve the acquisition of share capital in any corporate body.

11.2 Credit rating information is available to the financial market through three main credit rating bodies ie. Moody's, Fitch, and Standard and Poor. Short and long term credit ratings are provided by all three agencies. Long term credit ratings are explained in Appendix F.

- 11.3 The grades of short and long term credit rating are as follows with the best credit ratings at the top. The credit ratings that meet the City Council's investment criteria for specified investments are shaded.

Fitch		Moody's		Standard & Poor's	
Short Term	Long Term	Short Term	Long Term	Short Term	Long Term
F1+	AAA	P-1	Aaa	A-1+	AAA
	AA+		Aa1		AA+
	AA		Aa2		AA
	AA-		Aa3		AA-
F1	A+		A1	A-1	A+
	A	P-2	A2		A
	A-		A3	A-2	A-
F2	BBB+	P-3	Baa1	A3	BBB+
	BBB		Baa2		BBB
F3	BBB-		Baa3		BBB-

- 11.4 It is recommended that specified investments should only be placed with institutions that have a long term credit rating of at least A- from at least two rating agencies except enhanced money market funds and registered social landlords for which a single credit rating will be required.
- 11.5 Industry practice is for enhanced money market funds to have a single credit rating, but such funds are well diversified. The Council will only invest in enhanced money market funds with a credit rating of at least AA-. These funds will be treated as category 6 (A+) (see paragraph 11.17) investments to reflect the increased risk of relying on a single credit rating (as opposed to category 4 if two ratings had been obtained).
- 11.6 Most registered social landlords (RSLs) are only rated by a single agency. However RSLs are regulated by the Homes and Communities Agency (HCA) which rates the financial viability of RSLs. Investments will only be placed with RSLs that have a financial viability rating of V1 from the HCA.
- 11.7 In addition to rating financial institutions the rating agencies also rate governments. These are known as sovereign credit ratings. The evolving regulatory environment, in tandem with the rating agencies' new methodologies also means that sovereign ratings are now of lesser importance in the assessment process with the new regulatory environment attempting to break the link between sovereign support and domestic financial institutions. However sovereign credit ratings are also dependent on a government's ability to raise taxes and thus also give an indication of the state of a nation's general economy. Investments will only be placed with institutions based in either the United Kingdom or states with an AA credit rating.

- 11.8 When an institution or state has differing ratings from different agencies, the average rating will be used to assess its suitability. Those institutions that have not been rated by a particular agency will not be discarded because of the lack of ratings.
- 11.9 It is proposed that investments be allowed in government bodies, banks including supranational banks, building societies, money market funds, enhanced money market funds, RSLs, universities and corporate bonds that meet the Council's investment criteria.
- 11.10 Money market funds are well diversified funds that invest in high quality very short term instruments enabling investors to have instant access to their funds. Enhanced money market funds, also known as short dated investment funds, are also well diversified funds investing in high quality counter parties, but for longer periods, and require a few days' notice of withdrawals. Industry practice is for enhanced money market funds to have a single credit rating.
- 11.11 Corporate bonds are tradable loan instruments issued by commercial companies. Credit ratings measure the risk of default, ie. the risk of not receiving principal and interest when it is due, across these institutions in a way that allows them to be compared. However, other measures of credit risk such as CDS prices are not available for all institutions including most building societies, RSLs, universities and commercial companies.
- 11.12 There are over 30 registered social landlords (RSLs) with a single or double A credit rating. RSLs often have a single credit rating from one agency, but are subject to Government regulation. The Homes and Communities Agency (HCA) assigns a viability rating to larger RSLs with in excess of 1,000 dwellings as follows:
- V1 - the RSL meets the HCA's financial viability standard and has the capacity to mitigate its exposures effectively
- V2 - the RSL meets the HCA's viability requirements but need to manage material financial exposures to support continued compliance
- V3 - the RSL does not meet the HCA's viability requirements. There are issues of serious regulatory concern and in agreement with the HCA; the RSL is working to improve its position
- V4 - the RSL does not meet the HCA's viability requirements. There are issues of serious regulatory concern and the RSL is subject to regulatory intervention or enforcement action
- However an RSL's debts are not guaranteed by the Government.

- 11.13 Building societies also operate under a separate legal regime to banks, which limits the amount of lending not secured on residential property and limits the amount of wholesale funding. When a building society has got into financial difficulties in the past it has always been taken over by another building society without its creditors losing any of their money. For these reasons building societies are placed in a category one notch above other institutions with the same credit rating.
- 11.14 Lending to universities will be permitted. A number of universities have credit ratings and are as secure as a commercial company with a similar credit rating.
- 11.15 The Council's direct investments will be limited to senior debt. Subordinated corporate bonds are sometimes issued by financial institutions and commercial companies. Subordinated corporate bonds offer higher yields, but in the event of an institution defaulting, senior debtors are repaid before subordinated debtors. Because of this, subordinated bonds often have a lower credit rating than senior debt issued by the same institution.
- 11.16 There are structured investment products available that pay returns in excess of 4.5% per annum provided that neither of the specified stock market indices such as the FTSE 100 and Eurostoxx 50 decline by more than 50% over 6 years and repay the capital invested if the worst performing index does not fall by more than 60%. The Director of Finance and Information Technology (Section 151 Officer) may invest the Council's funds in structured investment products which follow the developed stock markets that do not fully protect the Council's capital invested. These products are effectively bank deposits where the return is determined by stock market performance. As such they are subject to credit risk if the issuer defaults.

11.17 The approved counter parties for specified investments are divided into eight categories as follows:

	Maximum Investment in a Single Organisation
<u>Category 1</u> United Kingdom Government including the Debt Management Office Deposit Facility	Unlimited investments for up to 6 years
<u>Category 2</u> Local authorities in England, Scotland and Wales	£30m for up to 6 years
<u>Category 3</u> RSLs with a single long term credit rating of Aa-	£30m for up to 10 years
<u>Category 4</u> Banks, corporate bonds and universities with a short term credit rating of F1+ and a long term rating of AA-. Building societies with a short term credit rating of F1 and a long term rating of A+. Aaa rated money market funds	£26m for up to 6 years
<u>Category 5</u> RSLs with a single long term credit rating of A-	£20m for up 10 years
<u>Category 6</u> Banks, corporate bonds and universities with a short term credit rating of F1 and a long term rating of A+. Building societies with a short term credit rating of F1 and a long term rating of A. Enhanced money market funds with a single AA credit rating	£20m for up to 6 years.
<u>Category 7</u> Banks, corporate bonds and universities with a short term credit rating of F1 and a long term rating of A. Building societies with a short term credit rating of F1 and a long term rating of A-.	£15m for up to 6 years
<u>Category 8</u> Banks, corporate bonds and universities with a short term credit rating of F1 and a long term rating of A-.	£10m for up to 6 years

- 11.18 A list of financial institutions currently meeting the Council's investment criteria is contained in Appendix F. There are too many RSLs, universities and companies issuing corporate bonds to include in the list.
- 11.19 Investing in counter parties that do not meet the Council's credit criteria if the investment is secured against assets that do meet the Council's investment criteria will increase the number of counter parties the Council can invest in and may increase investment returns. Although this will increase the risk of defaults, it should not increase the risk of investment losses provided that the contracts are properly drawn up and the assets offered as security pass to the Council.
- 11.20 Sometimes institutions issue covered bonds which are secured against assets held by that institution. These assets may be loans that the institution has made to local authorities or loans made to other financial institutions that have a higher credit rating. If the institution that issued the covered bond defaults the specified assets will pass to the City Council. Investments will be permitted in covered bonds that are secured against local authority debt or covered bonds that have a credit rating that meets the Council's investment criteria even if the counter party itself does not meet the Council's credit criteria.
- 11.21 Repo / reverse repo is accepted as a form of collateralised lending and should be based on the GMRA 2000 (Global Master Repo Agreement). A repo is a form of secured borrowing where readily saleable collateral, normally gilts or treasury bills are placed with the lender. If the borrower fails to repay the loan the lender keeps the collateral that has been deposited. A reverse repo is the equivalent form of secured lending. Therefore whilst the borrower would have a repo, the Council would have a reverse repo. Should the counter party not meet our senior unsecured rating then a 102% collateralisation would be required. The acceptable collateral is as follows:
- Index linked gilts
 - Conventional gilts
 - UK treasury bills
- Investments in repos / reverse repos collateralised against index linked gilts, conventional gilts and UK treasury bills will be permitted, and should the counter party not meet our senior unsecured rating then a 102% collateralisation would be required.
- 11.22 Credit ratings be reviewed weekly and that any institution whose lowest credit rating falls below the criteria for category 8 in paragraph 11.16 be removed from the list of specified investments.
- 11.23 Institutions that are placed on negative watch or negative outlook by the credit rating agencies will be reassigned to a lower category.

12. NON-SPECIFIED INVESTMENTS

- 12.1 The Government's Guidance requires that other less secure types of investment be identified and that a limit be set on the overall amount that may be held in such investments at any time in the year. Non-specified investments are investments that are not secure, ie. do not have an "A" credit rating or are not liquid, ie. have a maturity in excess of 365 days (previously 364 days) (**Recommendation 3.1a(ii)** of the Treasury Management Policy Report considered by the Cabinet on 12 March 2018 and the City Council on 13 March 2018). Investments that are not denominated in sterling would also be non-specified investments due to exchange rate risks.
- 12.2 In order to reduce the risks associated with placing funds with a relatively small number of counter parties and to improve returns further investment categories have been established for non-specified investments that do not meet the criteria for specified investments. It is recommended that the maximum duration of investment categories 11 (corporate bonds with a BBB+ credit rating) and 14 (unrated building societies that are in a strong financial condition) be increased from 364 days to 365 days to match the new maximum duration of specified investments (**Recommendation 3.1a(iii)** of the Treasury Management Policy Report considered by the Cabinet on 12 March and the City Council on 13 March).

Category 9 - £20m

Category 9 will consist of investments in subsidiary companies including but not restricted to MMD (Shipping Services) Ltd.

Category 10 - £10m for 2 years

Short Term – F2 (or equivalent from Fitch, Moody's and Standard & Poor)
Long Term – BBB or better (or equivalent from Fitch, Moody's and Standard and Poor)

Category 10 will consist of rated building societies that meet these criteria.

Category 11 - £7m for 365 days (previously 364 days)

Short Term – F2 (or equivalent from Fitch, Moody's and Standard & Poor)
Long Term – BBB+ or better (or equivalent from Fitch, Moody's and Standard and Poor)

Investing up to 365 days in investments with a long term credit rating of BBB+ / Baa1 and a short term credit rating of at least F2 / P-3 / A3 would diversify the portfolio by enabling investments to be made in more commercial companies such as British Telecom. The risk of an investment defaulting is driven by the credit quality of the investment counter party and the duration of the investment, ie. the amount of time that credit quality can deteriorate over. An investment counter party rated BBB+ is more likely to default than an investment counter party rated A-. However an 18 month investment is more likely to default than a 12 month investment. Therefore a 12 month investment rated BBB+ can offer a lower probability of default than an 18 month investment rated A-. Therefore investing up to 365 days in investments rated BBB+ would diversify the portfolio by enabling investments to be made in more commercial companies without increasing the risk of default. Such investments could also achieve investment returns in excess of 0.9%. Category 11 will consist of institutions that meet the above criteria.

Category 12 - £8m

Long Term – BBB or better (or equivalent from Fitch, Moody's and Standard and Poor)

Further diversification could be achieved by investment in a corporate bond fund. Investing in a corporate bond fund where the average credit rating of the underlying investments is BBB+. Such funds could include underlying investments with BBB- credit ratings although each investment would amount to no more than 4% of the fund. If one of the underlying investments did default the Council's holding in the fund could be worth less than what it paid into the fund, ie. the Council could make a loss. It is therefore recommended that total investments in such funds will be restricted to £8m.

Category 12 will consist of corporate bonds bought on the Council's behalf by professional fund managers who will target an average credit rating of at least BBB+ for the corporate bond fund. The average credit rating of the corporate bond fund may fall to BBB if there was a downgrade to a single issue or a broad downgrade. We would not want the fund manager to be a forced seller in this situation. If this situation arises a strategy will be agreed with the fund manager to return the average rating of the portfolio to BBB+.

Category 13 - £6m for 2 years

Many smaller building societies that have been more conservative in their lending approach do not have credit ratings. An analysis of building society accounts suggests that many of those without credit ratings are in a better financial position than some of the larger ones who do hold credit ratings.

Category 13 consists of the unrated building societies in the strongest financial position.

The limits on these building societies are less than £6m to take account of their small size in terms of assets.

Stronger Unrated Building Societies	
Building Society	Limit
Progressive	£6.0m
Saffron	£5.6m
Leek	£4.6m
Ipswich	£2.9m
Darlington	£2.7m
Market Harborough	£2.1m
Scottish	£2.0m
Manchester	£1.9m
Hanley Economic	£1.9m
Tipton & Coseley	£1.9m
Dudley	£1.8m

Category 14 - £6m for 365 days (previously 364 days)

Category 14 consists of the unrated building societies that are in a strong financial position.

The limits on some building societies are less than £6m to take account of their small size in terms of assets.

Unrated Building Societies in a Strong Financial Condition	
Building Society	Limit
Newcastle	£6.0m
Cumberland	£6.0m
National Counties	£6.0m
Monmouthshire	£5.3m
Newbury	£4.7m
Furness	£4.1m
Hinkley & Rugby	£3.2m
Marsden	£2.1m
Melton Mowbray	£2.1m

Category 15 - £10m for up to 10 years

Purchasing bonds in Hampshire Community Bnk (HCB) would contribute to the regeneration of Hampshire and offer interest of up to 3.5%. Investing in HCB carries greater risk than the other approved investments contained in the Council's Annual Investment Strategy as HCB is a new entity that is in the process of developing its business, and currently has neither a banking license nor a credit rating. However HCB will be able to offer assets as security to cover a corporate bond. These assets would consist of good performing loans secured against tangible assets. The loan assets offered as security would pass to the Council in the event of HCB defaulting.

Category 15 will consist of bonds issued by Hampshire Community Bnk secured against good quality assets owned by the bank.

The previous policy permitted the Council to purchase bonds from Hampshire Community Bnk with a term of up to 6 years. It is proposed to increase the maximum term of the bonds that can be purchased to 10 years in line with the draft funding agreement with Hampshire Community Bnk (**Recommendation 3.1a(iv)** of the Treasury Management Policy Report considered by the Cabinet on 12 March 2018 and the City Council on 13 March 2018).

12.3 Money Lodged with MMD (Shipping Services) Ltd

The Council's treasury management operation is exposed to the Council's subsidiary company MMD (Shipping Services) Ltd. The Council has £550,000 lodged with Lloyds Bank to guarantee MMD's banking limits.

12.4 Contracts Denominated in Foreign Currencies

The Council sometimes enters into contracts denominated in foreign currencies. Such contracts normally relate to civil engineering schemes at the port. It can be beneficial to buy Euros early to fund these projects and avoid the associated currency risk.

12.5 Limit on Non Specified Investments

Non-specified investments will in aggregate be limited to the following:

	£
Building societies with a BBB credit rating and unrated building societies	99m
Corporate bonds with a BBB+ credit rating	8m
Corporate bond funds with an average credit rating of BBB	8m
Investments in subsidiary companies including funds lodged to guarantee the banking limits of MMD (Shipping Services) Ltd.	20m
Long term investments	192m
Investments in foreign currencies to hedge against contracts priced or indexed against foreign currencies	4m
Hampshire Community Bnk bonds	10m
Total	341m

13. MAXIMUM LEVEL OF INVESTMENT IN INDIVIDUAL ORGANISATIONS

13.1 The Government's Guidance does not require a limit to be placed on the amount that can be placed in any one investment. However in order to minimise risk further, the total amount that can be directly invested with any organisation at any time will be limited as follows:

	Maximum Investment in Single Organisation
Category 1	Unlimited
Category 2	£30m for up to 6 years
Category 3	£30m for up to 10 years
Category 4	£26m for up to 6 years
Category 5	£20m for up to 10 years
Category 6	£20m for up to 6 years
Category 7	£15m for up to 6 years
Category 8	£10m for up to 6 years
Category 9	£20m with an indefinite duration
Category 10	£10m for up to 2 years
Category 11	£7m for up to 365 days
Category 12	£8m with an indefinite duration (although these investments may be sold)
Category 13	£6m for up to 2 years
Category 14	£6m for up to 365 days
Category 15	£10m for 10 years

- 13.2 AA money market funds offer security and same day access. By aggregating investments they can also invest in financial institutions that may not be interested in the relatively small sums that the Council can invest. Although AA money market funds are well diversified in their investments, there is a risk that more than one fund could have investments with the same bank or that the Council may also have invested funds in the same bank as a money market fund. Therefore it is proposed that the Council should aim to have no more than £80m invested in money market funds.
- 13.3 Most building society lending is secured against residential properties. If property prices fall there may be inadequate security to support building societies lending giving rise to a systemic risk.
- 13.4 As RSL's offer one principal service and their assets principally consist of residential properties, excessive investments in RSLs would also expose the Council to a systemic risk.
- 13.5 Excessive investments in investment products tracking equity markets could also expose the Council to a systemic risk.
- 13.6 In order to minimise systemic credit risk in any sector the following limits will be applied:

Money market funds	£80m
Building societies	£155m
Registered Social Landlords	£80m
Investments tracking the equity markets	£70m

- 13.7 In order to minimise systemic credit risk in any region it is recommended that the following limits be applied to the geographic areas where investments can be made in foreign countries.

13.8 The following limits be applied:

Asia & Australia	£80m
Americas	£80m
Eurozone	£60m
Continental Europe outside the Eurozone	£60m

13.9 The limits above only apply to direct investments. The City Council's exposure to any institution, sector or region may exceed the limits stated above through indirect investments via money market funds. Money market funds employ specialist staff to assess counter party risks and all investments made by money market funds are short-term.

14. LIQUIDITY OF INVESTMENTS

14.1 The Council's cash flow forecast for the current year is updated daily. In addition, the Council maintains a long term cash flow forecast that extends to 2023/24. These forecast are used to determine the maximum period for which funds may be prudently committed, ie. the City Council's core cash. The City Council maintains at least £10m invested on an instant access basis to ensure that unforeseen cash flows can be financed.

15. INVESTMENT OF MONEY BORROWED IN ADVANCE OF NEED

15.1 Section 12 of the Local Government Act 2003 gives a local authority the power to invest for "any purpose relevant to its functions under any enactment or for the prudent management of its financial affairs". While the speculative procedure of borrowing purely to invest at a profit is clearly unlawful, there is no legal obstacle to the temporary investment of funds borrowed for the purpose of funding capital expenditure incurred in the reasonably near future.

15.2 Borrowing in advance of need may enable the City Council to obtain cheaper loans than those available at the time when expenditure is incurred, although the consequent investment of funds borrowed in advance of need does expose the City Council to credit risk. The interest payable on funds borrowed in advance of need is likely to exceed the interest earned on the investment of those funds in the current economic climate.

- 15.3 The Council's gross debt is estimated to exceed its CFR by £52.5m at the end of 2017/18, ie. it is over borrowed, primarily because it borrowed funds when it could secure low interest rates and because less commercial property was acquired than had been anticipated in 2016/17.
- 15.4 The capital programme approved by the City Council on 13 February 2018 includes £72.6m of capital expenditure financed by borrowing in 2018/19. This is expected to cause the Council's CFR to rise above its gross debt, ie. it is expected to become under borrowed from 2018/19.

16. TRAINING OF INVESTMENT STAFF

- 16.1 The Finance Manager (Technical & Financial Planning) manages the treasury function and is a qualified Chartered Public Finance Accountant and holds the Association of Corporate Treasurers Certificate in Treasury Management. The Finance Manager (Technical & Financial Planning) is assisted by the Treasury Manager who is a qualified Chartered Certified Accountant and also holds the Association of Corporate Treasurers Certificate in Treasury Management. The City Council is also a member of CIPFA's Treasury Management Network which provides training events throughout the year. Additional training for investment staff is provided as required.

17. DELEGATED POWERS

- 17.1 Once the Treasury Policy has been approved, the Director of Finance and Information Technology (Section 151 Officer) has delegated powers under the constitution of the City Council, to make all executive decisions on borrowing, investments or financing.

It is recommended that Chief Executive, the Leader of the City Council and the Chair of the Governance and Audit and Standards Committee be informed of any variances from the Treasury Management Policy when they become apparent, and that the Leader of the City Council be consulted on remedial action (**recommendation 3.1(e)** of the Treasury Management Policy Report considered by the Cabinet on 12 March 2018 and the City Council on 13 March 2018).

18. TREASURY SYSTEMS AND DOCUMENTATION

- 18.1 Once the Policy Statement has been approved by the Council, the documentation of the Treasury Systems will be updated so that all employees involved in Treasury Management are clear on the procedures to be followed and the limits applied to their particular activities.

- 18.2 The Treasury Management Practices document covers the following topics: -
- risk management
 - performance measurement
 - decision making and analysis
 - approved instruments, methods and techniques
 - organisation, clarity and segregation of responsibilities, and dealing arrangements
 - reporting requirements and management information arrangements
 - budgeting, accounting and audit arrangements
 - cash and cash flow management
 - money laundering
 - training and qualifications
 - use of external service providers
 - corporate governance

19. REVIEW AND REPORTING ARRANGEMENTS

- 19.1 The Head of Financial Technology and Section 151 Officer will submit the following (**Recommendation 3.2** of the Treasury Management Policy Report considered by the Cabinet on 12 March 2018 and the City Council on 13 March 2018):
- (i) an annual report on the treasury management outturn to the Cabinet and Council by 31 July of the succeeding financial year
 - (ii) a mid year review to the Cabinet and Council
 - (iii) the Annual Strategy Report to the Cabinet and Council in March 2019
 - (iv) quarterly treasury management monitoring reports to the Governance and Audit and Standards Committee

This page is intentionally left blank

PRUDENTIAL INDICATORS

Ratio of Financing Costs to Net Revenue Stream						
	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Non - HRA	12.0%	12.5%	13.0%	13.9%	13.9%	13.0%
HRA	4.1%	4.1%	4.0%	7.4%	7.0%	6.7%

Capital Financing Requirement						
	2017/18 Estimate £'000s	2018/19 Estimate £'000s	2019/20 Estimate £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s
Non - HRA	405,337	467,446	470,077	464,172	456,647	449,426
HRA	171,380	177,260	177,707	179,047	176,093	173,139

HRA Limit on Indebtedness						
	2017/18 Estimate £'000s	2018/19 Estimate £'000s	2019/20 Estimate £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s
HRA	181,701	181,701	181,701	181,701	181,701	181,701

Authorised Limit for External Debt						
	2017/18 Estimate £'000s	2018/19 Estimate £'000s	2019/20 Estimate £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s
Borrowing	583,660	594,046	598,130	606,750	608,318	603,476
Other Long Term Liabilities (ie Credit Arrangements)	69,340	66,151	62,377	57,151	51,340	46,032
Total	653,000	660,197	660,507	663,901	659,658	649,508

Operational Boundary for External Debt						
	2017/18 Estimate £'000s	2018/19 Estimate £'000s	2019/20 Estimate £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s
Borrowing	571,324	578,555	582,329	590,633	591,879	586,708
Other Long Term Liabilities (ie Credit Arrangements)	69,340	66,151	62,377	57,151	51,340	46,032
Total	640,664	644,706	644,706	647,784	643,219	632,740

Incremental Impact of Capital Investment Decisions on the Council Tax						
	2017/18 Estimate £'000s	2018/19 Estimate £'000s	2019/20 Estimate £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s
Revenue effect of existing capital programme	579	3,020	5,988	6,430	6,605	6,605
Revenue effect of proposed capital programme	579	3,020	5,561	5,859	5,890	5,890
Increase in revenue effect	0	0	(427)	(571)	(715)	(715)
Increase in Council Tax Band D	£0.00	£0.00	(£7.64)	(£10.22)	(£12.80)	(£12.80)

Incremental Impact of Capital Investment Decisions on Housing Rents						
	2017/18 Estimate £'000s	2018/19 Estimate £'000s	2019/20 Estimate £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s
Revenue effect of existing capital programme	714	621	185	1,861	1,360	478
Revenue effect of proposed capital programme	476	(1,362)	475	627	3,012	563
Increase in revenue effect	(238)	(1,983)	290	(1,234)	1,652	85
Effect on average weekly rent	(£0.31)	(£2.54)	£0.37	(£1.58)	£2.12	£0.11

This page is intentionally left blank

BACKGROUND INFORMATION AND RISKS TO INTEREST RATE FORECASTS

Global Outlook

World growth looks to be on an encouraging trend of stronger performance, rising earnings and falling levels of unemployment. In October 2017, the IMF upgraded its forecast for world growth from 3.2% to 3.6% for 2017 and 3.7% for 2018.

In addition, inflation prospects are generally muted and it is particularly notable that wage inflation has been subdued despite unemployment falling to historically very low levels in the UK and US. This has led to many comments by economists that there appears to have been a fundamental shift downwards in the Phillips curve (this plots the correlation between levels of unemployment and inflation e.g. if the former is low the latter tends to be high). This may be due to a combination of a shift towards flexible working, self-employment, falling union membership and a consequent reduction in union power and influence in the economy, and increasing globalisation and specialisation of individual countries, which has meant that labour in one country is in competition with labour in other countries which may be offering lower wage rates, increased productivity or a combination of the two. In addition, technology is probably also exerting downward pressure on wage rates and this is likely to grow with an accelerating movement towards automation, robots and artificial intelligence, leading to many repetitive tasks being taken over by machines or computers.

Looking back on nearly ten years since the financial crash of 2008 when liquidity suddenly dried up in financial markets, it can be assessed that central banks' monetary policy measures to counter the sharp world recession were successful. The key monetary policy measures they used were a combination of lowering central interest rates and flooding financial markets with liquidity, particularly through unconventional means such as Quantitative Easing (QE), where central banks bought large amounts of central government debt and smaller sums of other debt.

The key issue now is that the period of stimulating economic recovery and warding off the threat of deflation is coming towards its close and a new period has already started in the US, and more recently in the UK, on reversing those measures i.e. by raising central rates and (for the US) reducing central banks' holdings of government and other debt. These measures are now required in order to stop the trend of an on-going reduction in spare capacity in the economy, and of unemployment falling to such low levels that the re-emergence of inflation is viewed as a major risk. It is, therefore, crucial that central banks get their timing right and do not cause shocks to market expectations that could destabilise financial markets. In particular, a key risk is that because QE-driven purchases of bonds drove up the price of government debt, and therefore caused a sharp drop in income yields, this then also encouraged investors into a search for yield and into investing in riskier assets such as equities. This resulted in bond markets and equity market prices both rising to historically high valuation levels simultaneously. This, therefore, makes both asset categories vulnerable to a sharp correction. It is important, therefore, that central banks only gradually unwind their holdings of bonds in order to prevent destabilising the financial markets. It is also likely that the timeframe for central banks unwinding their holdings of QE debt purchases will be over several years. They need to balance their timing to neither squash economic recovery by taking too rapid and too strong action, or, alternatively, let inflation run away by taking action that was too slow and/or too weak. The potential for central banks to get this timing and strength of action wrong are now key risks.

There is also a potential key question over whether economic growth has become too dependent on strong central bank stimulus and whether it will maintain its momentum against a backdrop of rising interest rates and the reversal of QE. In the UK, a key vulnerability is the low level of productivity growth, which may be the main driver for increases in wages; and decreasing consumer disposable income, which is important in the context of consumer expenditure primarily underpinning UK GDP growth.

A further question that has come to the fore is whether an inflation target for central banks of 2%, is now realistic given the shift down in inflation pressures from internally generated inflation, (i.e. wage inflation feeding through into the national economy), given the above mentioned shift down in the Phillips curve.

- Some economists favour a shift to a lower inflation target of 1% to emphasise the need to keep the lid on inflation. Alternatively, it is possible that a central bank could simply 'look through' tepid wage inflation, (i.e. ignore the overall 2% inflation target), in order to take action in raising rates sooner than might otherwise be expected.
- However, other economists would argue for a shift up in the inflation target to 3% in order to ensure that central banks place the emphasis on maintaining economic growth through adopting a slower pace of withdrawal of stimulus.

- In addition, there is a strong argument that central banks should target financial market stability. As mentioned previously, bond markets and equity markets could be vulnerable to a sharp correction. There has been much commentary, that since 2008, QE has caused massive distortions, imbalances and bubbles in asset prices, both financial and non-financial. Consequently, there are widespread concerns at the potential for such bubbles to be burst by exuberant central bank action. On the other hand, too slow or weak action would allow these imbalances and distortions to continue or to even inflate them further.
- Consumer debt levels are also at historically high levels due to the prolonged period of low cost of borrowing since the financial crash. In turn, this cheap borrowing has meant that other non-financial asset prices, particularly house prices, have been driven up to very high levels, especially compared to income levels. Any sharp downturn in the availability of credit, or increase in the cost of credit, could potentially destabilise the housing market and generate a sharp downturn in house prices. This could then have a destabilising effect on consumer confidence, consumer expenditure and GDP growth. However, no central bank would accept that it ought to have responsibility for specifically targeting house prices.

United Kingdom

After the UK surprised on the upside with strong economic growth in 2016, growth in 2017 has confounded pessimistic forecasts of weak growth by coming in at 1.8%, only marginally down on the 1.9% rate for 2016. In 2017, quarter 1 came in at only +0.3% (+1.8% y/y), quarter 2 +0.3% (+1.5% y/y), quarter 3 +0.4% (+1.5% y/y) and Q4 was +0.5% (+1.5% y/y). The outstanding performance came from the manufacturing sector which showed a 1.3% increase in Q4 and +3.1% y/y helped by an increase in exports due to the lower value of sterling over the last year and robust economic growth in our main trade partners, the EU and US. It is also notable that there has been a progressive acceleration in total GDP growth during the year which gives ground for optimism looking forward into 2018.

The Monetary Policy Committee, (MPC), of the Bank of England meeting on 14 September 2017 shocked financial markets and forecasters by suddenly switching to a much more aggressive tone in terms of its words around warning that Bank Rate will need to rise soon. The Bank of England Inflation Reports during 2017 have clearly flagged up that it expected CPI inflation to peak at just under 3% in 2017, before falling back to near to its target rate of 2% in two years' time. The Bank revised its forecast for the peak to just over 3% at the 14 September meeting. (Inflation actually came in at 3.1% in November so that may prove now to be the peak. Inflation fell to 3.0% in December.) This marginal revision in the Bank's forecast can hardly justify why the MPC became so aggressive with its wording; rather, the focus was on an emerging view that with unemployment having already fallen to only 4.3%, the lowest level since 1975, and improvements in productivity being so weak, that the amount of spare capacity in the economy was significantly diminishing towards a point at which they now needed to take action. In addition, the MPC took a more tolerant view of low wage inflation as this now looks like a common factor in nearly all western economies as a result of automation and globalisation. However, the Bank was also concerned that the withdrawal of the UK from the EU would effectively lead to a decrease in such globalisation pressures in the UK, and so this would cause additional inflationary pressure over the next few years.

At Its 2 November meeting, the MPC duly delivered a 0.25% increase in Bank Rate. It also gave forward guidance that they expected to increase Bank Rate only twice more in the next three years to reach 1.0% by 2020. This is, therefore, not quite the 'one and done' scenario but is, nevertheless, a very relaxed rate of increase prediction in Bank Rate in line with previous statements that Bank Rate would only go up very gradually and to a limited extent.

However, some forecasters are flagging up that they expect growth to accelerate significantly towards the end of 2017 and then into 2018. This view is based primarily on the coming fall in inflation, (as the effect of the effective devaluation of sterling after the EU referendum drops out of the CPI statistics), which will bring to an end the negative impact on consumer spending power. In addition, a strong export performance will compensate for weak services sector growth. If this scenario was indeed to materialise, then the MPC would be likely to accelerate its pace of increases in Bank Rate during 2018 and onwards.

It is also worth noting the contradiction within the Bank of England between action in 2016 and in 2017 by two of its committees. After the shock result of the EU referendum, the Monetary Policy Committee (MPC) voted in August 2016 for emergency action to cut Bank Rate from 0.50% to 0.25%, restarting £70bn of QE purchases, and also providing UK banks with £100bn of cheap financing. The aim of this was to lower borrowing costs, stimulate demand for borrowing and thereby increase expenditure and demand in the economy. The MPC felt this was necessary in order to ward off their expectation that there would be a sharp slowdown in economic growth. Instead, the economy grew robustly, although the Governor of the Bank of England strongly maintained that this was because the MPC took that action. However, other commentators regard this emergency action by the MPC as being proven by events to be a mistake. Then in 2017, we had the Financial Policy Committee (FPC) of the Bank of England taking action in June and September over its concerns that cheap borrowing rates, and easy availability of consumer credit, had resulted in too rapid a rate of growth in consumer borrowing and in the size of total borrowing, especially of unsecured borrowing. It, therefore, took punitive action to clamp down on the ability of the main banks to extend such credit. Indeed, a PWC report in October 2017 warned that credit card, car and personal loans and student debt will hit the equivalent of an average of £12,500 per household by 2020. However, averages belie wide variations in levels of debt with much higher exposure being biased towards younger people, especially the 25 -34 year old band, reflecting their lower levels of real income and asset ownership.

One key area of risk is that consumers may have become used to cheap rates since 2008 for borrowing, especially for mortgages. It is a major concern that some consumers may have over extended their borrowing and have become complacent about interest rates going up after Bank Rate had been unchanged at 0.50% since March 2009 until falling further to 0.25% in August 2016. This is why forward guidance from the Bank of England continues to emphasise slow and gradual increases in Bank Rate in the coming years. However, consumer borrowing is a particularly vulnerable area in terms of the Monetary Policy Committee getting the pace and strength of Bank Rate increases right - without causing a sudden shock to consumer demand, confidence and thereby to the pace of economic growth.

Moreover, while there is so much uncertainty around the Brexit negotiations, consumer confidence, and business confidence to spend on investing, it is far too early to be confident about how the next two to three years will actually pan out.

From time to time, gilt yields – and therefore PWLB rates - can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis and emerging market developments. Such volatility could occur at any time during the forecast period.

Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. Forecasts (and MPC decisions) will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

The overall balance of risks to economic recovery in the UK is probably to the downside, particularly with the current level of uncertainty over the final terms of Brexit.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

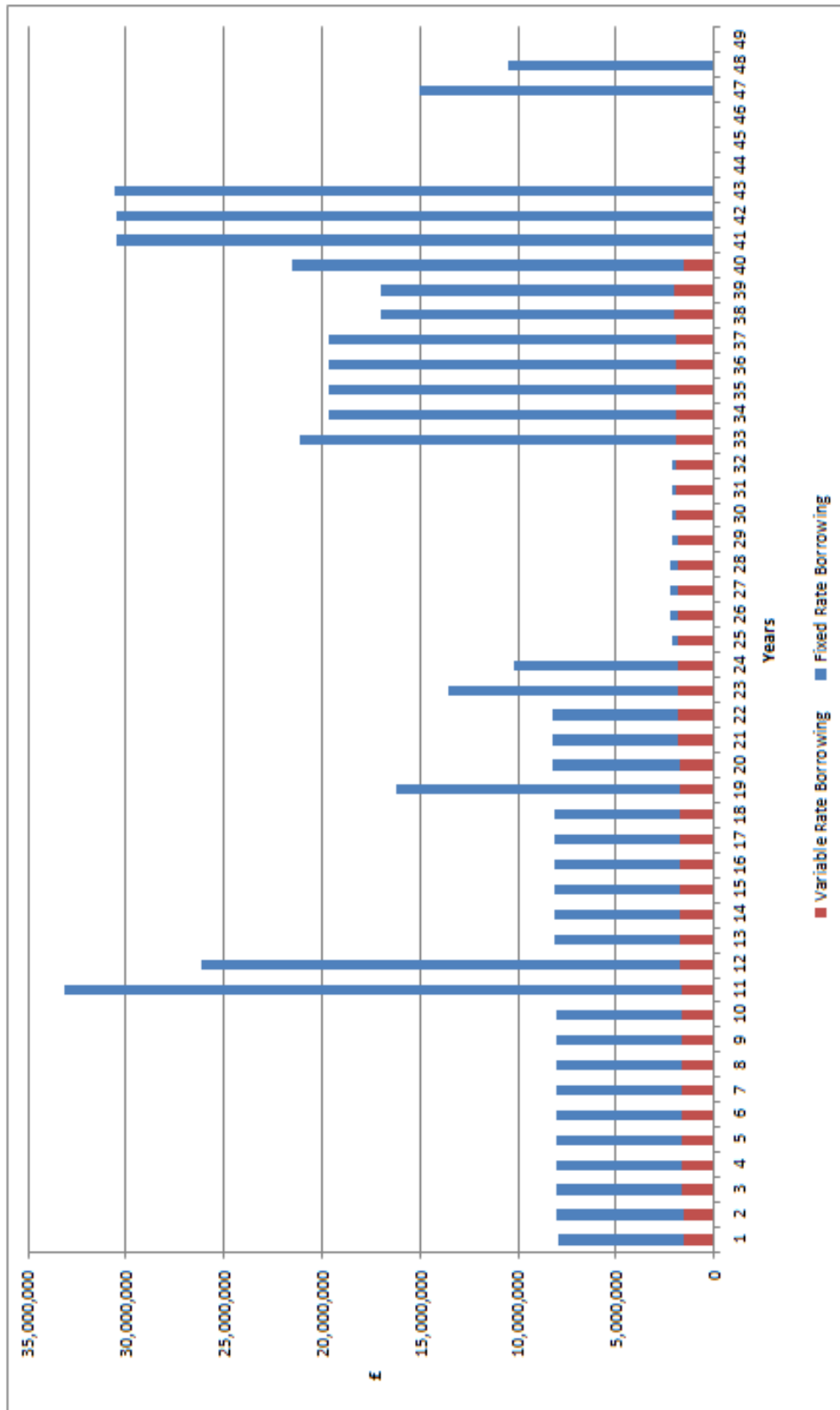
- The Bank of England takes action too quickly over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- Geopolitical risks, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.
- A resurgence of the Eurozone sovereign debt crisis, possibly Italy, due to its high level of government debt, low rate of economic growth and vulnerable banking system.
- Weak capitalisation of some European banks.
- Germany is still without an effective government after the inconclusive result of the general election in October. In addition, Italy is to hold a general election on 4 March and the anti EU populist Five Star party is currently in the lead in the polls, although it is unlikely to get a working majority on its own. Both situations could pose major challenges to the overall leadership and direction of the EU as a whole and of the individual respective countries. Hungary will hold a general election in April 2018.
- The result of the October 2017 Austrian general election has now resulted in a strongly anti-immigrant coalition government. In addition, the Czech ANO party became the largest party in the October 2017 general election on a platform of being strongly against EU migrant quotas and refugee policies. Both developments could provide major impetus to other, particularly former Communist bloc countries, to coalesce to create a major block to progress on EU integration and centralisation of EU policy. This, in turn, could spill over into impacting the Euro, EU financial policy and financial markets.
- Rising protectionism under President Trump
- A sharp Chinese downturn and its impact on emerging market countries

The potential for upside risks to current forecasts for UK gilt yields and PWLB rates, especially for longer term PWLB rates include: -

- The Fed causing a sudden shock in financial markets through misjudging the pace and strength of increases in its Fed. Funds Rate and in the pace and strength of reversal of Quantitative Easing, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.
- The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- UK inflation returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

This page is intentionally left blank

DEBT MATURITY PROFILE



This page is intentionally left blank

REVISED PRUDENTIAL INDICATORS 2016/17

The premium arising from the granting of a new head lease for land in White Hart Road occupied by Wightlink Ltd in 2016/17 was originally accounted for as a capital receipt and the treasury management outturn position was reported on this basis prior to the audit of the Council's accounts being completed. The Council granted a new head lease to Canada Life for a premium subject to a lease back to the Council for an ongoing rent. Both transactions take the legal form of leases, however when taken together they are in substance a £72m variable rate loan from Canada Life. Following discussion with the auditors it was agreed that these transactions should be accounted for as borrowing rather than a capital receipt. Following this decision some of the outturn prudential and treasury management indicators for 2016/17 have been revised.

This has had the following effect on the Council's external debt:

	£m
Recognition of £72m borrowed from Canada Life under revised accounting treatment	72
Derecognition of new finance lease recognised for Wightlink Terminal building under original accounting treatment	(10)
Net increase in external debt	<u>62</u>

Following this decision some of the outturn prudential and treasury management indicators for 2016/17 have been revised.

	Indicators Stated in Treasury Management Outturn Report Based on Unaudited Accounts	Revised Indicators Based on Audited Accounts	Variance	
Ratio of non-Housing Revenue Account (HRA) financing costs to non HRA net revenue stream	9.9%	10.7%	0.8%	Expenditure that was previously classified as rent on an operating lease for the land that the Wightlink Terminal occupies is now accounted for interest on borrowing
Non HRA capital expenditure	£193,853,000	£183,834,581	-£10,018,419	The acquisition of a finance lease of the Wightlink Terminal building is no longer recognised as capital expenditure
Non HRA capital financing requirement at 31 March	£340,948,000	£375,158,000	£34,210,000	The Councils underlying need to borrow has increased because £45m of capital expenditure that was financed from capital receipts is now being financed from unsupported borrowing. This is partly offset by the £10m finance lease for the Wightlink Terminal building being derecognised and £1m being set aside to repay the newly recognised loan from Canada Life.
External debt at 31 March	£579,343,337	£641,396,454	£62,053,117	The increase in external debt arises from the recognition of a £72m loan partly off set by the derecognition of a £10m finance lease on the Wightlink Terminal building.

TREASURY MANAGEMENT INDICATORS

Interest Rate Exposures (paragraphs 4.7 and 4.8 of Treasury Management Policy Statement)						
	Original Outturn 2016/17 £m	Revised Outturn 2016/17 £m	Revised Estimate 2017/18 £m	Original Estimate 2018/19 £m	Original Estimate 2019/20 £m	Original Estimate 2020/21 £m
Upper limit for fixed interest rate exposure (paragraph 4.7 of Treasury Management Policy Statement)	315	315	364	454	472	466
Upper limit for variable interest rate exposure (para 4.8 of Treasury Management Policy Statement)*	(257)	(185)	(237)	(289)	(166)	(134)

* The 2016/17 outturn for variable interest rate exposure has been revised downwards following the recognition of a £72m loan from Canada Life which nets off the variable interest rate exposure arising from short term investments.

TREASURY MANAGEMENT INDICATORS (Continued)

Total Sums Invested for Periods Longer than 365 Days (paragraph 4.9 of Treasury Management Policy Statement)				
	31/03/2018	31/03/2019	31/03/2020	31/03/2021
	£m	£m	£m	£m
Actual sums invested for periods longer than 365 days at 31 March 2017	103	10	10	10
Estimated sums invested for periods longer than 365 days at 31 March 2018	139	35	10	2
Limits on total sums invested for periods longer than 365 days at 31 March	192	158	133	110

Limits on the Maturity Structure of Fixed Rate Borrowing (paragraph 4.10 of Treasury Management Policy Statement)				
	Actual at 31 March 2017	Estimated at 31 March 2018	Lower Limit	Upper Limit
Under 12 months	1%	4%	0%	10%
12 months and within 24 months	4%	1%	0%	10%
24 months and within 5 years	4%	4%	0%	10%
5 years and within 10 years	6%	7%	0%	20%
10 years and within 20 years	22%	24%	0%	30%
20 years and within 30 years	11%	8%	0%	30%
30 years and within 40 years	21%	25%	0%	30%
40 years and within 50 years	31%	27%	0%	40%

Limits on the Maturity Structure of Variable Rate Borrowing (paragraph 4.10 of Treasury Management Policy Statement)				
	Actual at 31 March 2017	Estimated at 31 March 2018	Lower Limit	Upper Limit
Under 12 months	2%	2%	0%	10%
12 months and within 24 months	2%	2%	0%	10%
24 months and within 5 years	7%	7%	0%	10%
5 years and within 10 years	11%	12%	0%	20%
10 years and within 20 years	24%	24%	0%	30%
20 years and within 30 years	25%	26%	0%	30%
30 years and within 40 years	27%	27%	0%	30%
40 years and within 50 years	2%	0%	0%	10%

This page is intentionally left blank

DEFINITIONS OF LONG TERM CREDIT RATINGS

Credit ratings are issued by three main credit rating agencies, Fitch, Moody's and Standard & Poor. All three agencies use broadly the same scale. Fitch defines its long term ratings as follows:

AAA: Highest credit quality

"AAA" ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

AA: Very high credit quality

"AA" ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

A: High Credit Quality

"A" ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than in the case of the higher ratings.

BBB: Good credit quality

"BBB" ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.

This page is intentionally left blank

INSTITUTIONS MEETING INVESTMENT CRITERIA

Category	Counter Party	Average Long Term Credit Rating *	Comments	Investment Limit £	Maximum Term
1	United Kingdom Government including investments explicitly guaranteed by the UK Government	AA+		Unlimited	6 years
2	All local authorities in England, Scotland & wales	n/a		30,000,000	6 years
3	Registered Social Landlords (RSLs)	AA-		30,000,000	10 years
4	Australia & New Zealand Banking Group	AA-		26,000,000	6 years
4	Commonwealth Bank of Australia	AA-		26,000,000	6 years
4	National Australia Bank	AA-		26,000,000	6 years
4	Westpac Banking Corporation	AA-		26,000,000	6 years
4	Toronto Dominion Bank	AA-		26,000,000	6 years
4	DZ Bank AG	AA		26,000,000	6 years
4	Landwirtschaftliche Rentenbank	AAA		26,000,000	6 years
4	NRW Bank	AA+		26,000,000	6 years
4	OP Corporate Bank Plc	AA-		26,000,000	6 years
4	Bank Nederlanden Gemeeten	AAA-		26,000,000	6 years
4	Nederlandse Waterschapsbank NV	AAA		26,000,000	6 years
4	Cooperative Rabobank UA	AA-		26,000,000	6 years
4	DBS Bank	AA		26,000,000	6 years
4	Overseas Chinese Banking Corp	AA		26,000,000	6 years
4	United Overseas Bank	AA		26,000,000	6 years
4	Nordia Bank AB	AA-		26,000,000	6 years
4	Skandinaviska Enskilda Banken (SEB)	AA-		26,000,000	6 years
4	Svenska Handelsbanken	AA		26,000,000	6 years
4	Swedbank AB	AA-		26,000,000	6 years
4	UBS AG	AA-	Upgraded from category 6	26,000,000	6 years
4	HSBC Bank plc	AA-		26,000,000	6 years
4	Nationwide Building Society	A+	Upgraded from category 6	26,000,000	6 years
4	Bank of New York Mellon	AA		26,000,000	6 years
4	JP Morgan Chase Bank NA	AA-		26,000,000	6 years
4	Morgan Stanley	AA-		26,000,000	6 years
4	Wells Fargo Bank NA	AA-		26,000,000	6 years
4	Nordic Investment Bank	AAA		26,000,000	6 years
4	Inter-American Development Bank	AAA		26,000,000	6 years
4	IBRD (World Bank)	AAA		26,000,000	6 years
4	Council of Europe Development Bank	AA+		26,000,000	6 years
4	European Bank for Reconstruction & Development	AAA		26,000,000	6 years
4	European Investment Bank	AA+		26,000,000	6 years

Category	Counter Party	Average Long Term Credit Rating *	Comments	Investment Limit £	Maximum Term
4	Global Treasury Funds Plc	AAA	Money Market Fund	26,000,000	Instant Access
4	Morgan Stanley Funds Plc	AAA	Money Market Fund	26,000,000	Instant Access
4	Short Term Investment Company (Global Series) Plc	AAA	Money Market Fund	26,000,000	Instant Access
4	Goldman Sachs Sterling Liquidity Reserve	AAA	Money Market Fund	26,000,000	Instant Access
4	Scottish Widows Investment Partnership Global Liquidity Sterling Fund	AAA	Money Market Fund	26,000,000	Instant Access
4	BNY Mellon Sterling Liquidity Fund	AAA	Money Market Fund	26,000,000	Instant Access
4	Deutsche Global Liquidity Series Plc	AAA	Money Market Fund	26,000,000	Instant Access
4	Morgan Stanley Funds Plc	AAA	Money Market Fund	26,000,000	Instant Access
4	Aberdeen Investment Cash OEIC Plc	AAA	Money Market Fund	26,000,000	Instant Access
4	Insight Investment	AAA	Money Market Fund	26,000,000	Instant Access
4	Federated Investors (UK) LLP	AAA	Money Market Fund	26,000,000	Instant Access
4	Royal London Asset Management	AAA	Money Market Fund	26,000,000	Instant Access
4	Standard Life Sterling Liquidity Fund	AAA	Money Market Fund	26,000,000	Instant Access
5	Registered Social Landlords (RSLs)	A-		20,000,000	10 years

Category	Counter Party	Average Long Term Credit Rating *	Comments	Investment Limit £	Maximum Term
6	Standard Chartered Bank	A+		20,000,000	6 years
6	Santander UK Plc	A+	Upgraded from category 7	20,000,000	6 years
6	Close Brothers Ltd	A+		20,000,000	6 years
6	Bank of Montreal	A+		20,000,000	6 years
6	Canadian Imperial Bank of Commerce	A+		20,000,000	6 years
6	Bank of Nova Scotia	A+		20,000,000	6 years
6	Lloyds Bank plc	A+	Upgraded from category 7	20,000,000	6 years
6	Royal Bank of Canada	A+		20,000,000	6 years
6	BNP Paribas	A+		20,000,000	6 years
6	Credit Agricole	A+	Upgraded from category 7	20,000,000	6 years
6	Credit Industriel et Commercial	A+		20,000,000	6 years
6	Landesbank Hessen - Thueringen	A+		20,000,000	6 years
6	ING Bank NV	A+		20,000,000	6 years
6	ABN Amro Bank NV	A+		20,000,000	6 years
6	Bank of America NA	A+		20,000,000	6 years
6	Citibank NA	A+		20,000,000	6 years
6	Goldman Sachs (including Goldman Sachs International Bank)	A+		20,000,000	6 years
6	Coventry Building Society	A	Upgraded from category 7	20,000,000	6 years
6	Standard Life Investments	AAA	Short Duration Cash Fund	20,000,000	3 working days notice
6	Aberdeen Investment Cash OEIC Plc	AAA	Cash Investment Fund	20,000,000	3 working days notice
6	Insight Investment	AAA	Liquidity Plus Fund	20,000,000	4 working days notice
6	Federated Investors (UK) LLP	AAA	Cash Plus Fund	20,000,000	2 working days notice
6	Aviva Investors Sterling Strategic Liquidity Fund	AAA	Cash Plus Fund	20,000,000	1 working days notice
6	Royal London Asset Management	AA	Cash Plus Fund	20,000,000	2 working days notice

Category	Counter Party	Average Long Term Credit Rating *	Comments	Investment Limit £	Maximum Term
7	Macquarie Bank	A	New counter party	15,000,000	6 years
7	Sumitomo Mitsui Banking Corporation Eurpoe Ltd	A		15,000,000	6 years
7	National Bank of Canada	A	Downgraded from category 6	15,000,000	6 years
7	Danske Bank	A		15,000,000	6 years
7	Societie Generale	A		15,000,000	6 years
7	Landesbank Baden Wurttemberg	A	Downgraded from category 6	15,000,000	6 years
7	Credit Suisse	A		15,000,000	6 years
7	Leeds Building Society	A-		15,000,000	6 years
7	Barclays Bank Plc	A	Upgraded from category 8	15,000,000	6 years
8	Bayern LB	A-	Downgraded from category 7	10,000,000	6 years
9	Subsidiary companies of the City Council	Unrated	New category to reflect the inclusion of these counter parties as non-specified investments at the Mid-Year Review	20,000,000	Unlimited
10	Yorkshire Building Society	A-	Short term rating P2	10,000,000	2 years
11	Corporate Bonds	BBB+		7,000,000	364 days
12	Corporate Bond Funds	BBB (average rating)		8,000,000	Instant access subject to underlying bonds being sold

Category	Counter Party	Average Long Term Credit Rating *	Comments	Investment Limit £	Maximum Term
13	Progressive Building Society	Unrated	Upgraded from category 13	6,000,000	2 years
13	Saffron	Unrated	New counter party	5,600,000	2 years
13	Leek United Building Society	Unrated	Upgraded from category 13	4,600,000	2 years
13	Ipswich	Unrated	New counter party	2,900,000	2 years
13	Darlington Building Society	Unrated	Upgraded from category 13	2,700,000	2 years
13	Market Harborough Building Society	Unrated	Upgraded from category 13	2,100,000	2 years
13	Scottish Building Society	Unrated	Upgraded from category 13	2,000,000	2 years
13	Manchester	Unrated	New counter party	1,900,000	2 years
13	Tipton & Coseley Building Society	Unrated		1,900,000	2 years
13	Hanley Economic Building Society	Unrated	Upgraded from category 13	1,900,000	2 years
13	Dudley Building Society	Unrated		1,800,000	2 years
14	Newcastle	Unrated	New counter party	6,000,000	365 days
14	Cumberland	Unrated	New counter party	6,000,000	365 days
14	National Counties	Unrated	New counter party	6,000,000	365 days
14	Monmouthshire	Unrated	New counter party	5,300,000	365 days
14	Newbury Building Society	Unrated		4,700,000	365 days
14	Furness Building Society	Unrated	Downgraded from category 12	4,100,000	365 days
14	Hinkley and Rugby Building Society	Unrated		3,200,000	365 days
14	Marsden Building Society	Unrated	Downgraded from category 12	2,100,000	365 days
14	Melton Mowbray Building Society	Unrated		2,100,000	365 days
15	Hampshire Community Bnk	Unrated	Maximum term extended from 6 years to 10 years	10,000,000	10 years

Notes

There are a large number of corporate bonds, registered social landlords (RSLs) and universities and as a result they have not been individually included in the tables above.

* The long term credit ratings shown are adjusted to take account of possible future actions resulting from negative watches & outlooks.



Title of meeting:	Governance & Audit & Standards Committee
Date of meeting:	9 th March 2018
Subject:	Audit Performance Status Report to 13 th February 2018
Report by:	Chief Internal Auditor
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Summary

- 1.1 This is a progress report for the 2017-18 planned audit activities. To date five 'No Assurance' audits have been identified with no critical risks raised. Information on four of the 'no assurance' audits has been reported to G&A&S in previous reports. Details of the fifth 'no assurance' audit are contained within this report.
- 1.2 There are 68 Full Audits and 43 Follow ups, planned for 2017/18, totalling 111 reviews.
- 1.3 To date, 99 (89%) have been completed or are in progress as at 13th February 2018. This represents 72 (73%) audits where the report has been finalised 7 (7%) where the report is in draft and 20 (20%) audits currently in progress.
- 1.4 In addition to the planned audits there are 11 areas of on-going work and 2 continuous audits which contribute to risk assurance.
- 1.5 Areas of Assurance are shown in Appendix A.

2. Purpose of report

- 2.1 This report is to update the Governance and Audit and Standards Committee on the Internal Audit Performance for 2017/18 to 13th February 2018 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 2017/18 to 13th February 2018.

- 3.2 That Members note the highlighted areas of control weakness from the 2017/18 Audit Plan.
- 3.3 That Members approve the proposed Internal Audit Charter & Code of Ethics (Appendix C) and the Internal Audit Counter Fraud Strategy (Appendix D) for the use of Audit resources for 2018-19.

4. Background

- 4.1 The Annual Audit Plan for 2017/18 has been drawn up in accordance with the agreed Audit Strategy approved by this Committee on 3rd February 2017 following consultation with Directors and the previous Chair of this Committee. The Plan is revised quarterly to take account of any changes in risks/ priorities, in accordance with the Strategy.
- 4.2 For 2017/18 Internal Audit will conduct 1005 days of audit work for external clients.

5. Audit Plan Status 2017/18

Percentage of the approved plan completed

- 5.1 89% of the annual audit plan has been completed. Appendix A shows the completed audits for 2017/18. Appendix B shows the completed follow up audits for 2017/18.

The overall percentage figure is made up as follows:

- 39 new reviews (39%) audits where the report has been finalised, 7 (7%) where the report is in draft and 10 (10%) audits currently in progress
- 33 (77%) planned follow ups where the report has been issued

- 5.2 As requested by Members of the Committee a breakdown of the assurance levels on completed audits since the last meeting 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.

- 5.3 Work is still continuing for those plans relating to external clients and where income is generated. Whilst there is a significant amount outstanding it is envisaged that all work will be completed to draft reporting stage by the end of the financial year

Reactive Work

- 5.4 Reactive Work undertaken by Internal Audit in 2017/18 includes:
- 12 special investigations (excludes Benefit and Council Tax Support cases)

- 12 items of advice, (where the advice exceeds an hours work)

Exceptions

5.5 Of the 2017/18 full audits completed the number of exceptions within each category have been:

- 0 Critical Risk
- 90 High Risk
- 42 Medium Risk
- 2 Low Risk (Improvements)

5.6 The table below is a comparison of the audit status figures for this financial year and the previous two years

	2015/16	2016/17	2017/18
% of the audit plan completed	91%	90%	89%
No. of Critical exceptions	1	2	0
No. of High risk exceptions	59	98	90

Ongoing Areas

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

- Regulation of Investigatory Powers Act (RIPA) - authorisations
- Anti-Money Laundering monitoring and reporting
- Investigations
- Financial Rules Waivers
- National Fraud Initiative (NFI) to facilitate national data matching carried out by the Cabinet Office
- 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

5.8 The following 2 areas are subject to continuous audit (i.e. regular check to controls) and feed into overall assurance;

- Key risks management in services
- Performance Management

Internal Audit, in collaboration with the Purchase to Pay (P2P) team, facilitates the weekly review of potential duplicate invoices. Using Data Analytics software

to analyse all invoices, a number of automated tests highlight potential duplicates which the P2P team then investigate. Since the last report (January 2018), a further £54,477 worth of potential duplicate payments have been identified, of which £32,827 were validated for payment. £20,833 of this validated amount had already been paid and is in the process of being recovered. A validated payment means that the invoice will be paid on the date of the payment terms. As the check is run weekly, the risk of validated payments leaving the Authority is reduced as the standard payment terms are 30 days. The instance noted above occurred as the payment terms were set to 'Immediate' due to an overdue invoice.

6. Areas of Concern

New areas of concern

6.1 **Housing & Property - Youth Centres**

6.1.1 The audit of Youth Centres was given no assurance as testing resulted in six high risk and three medium risk exceptions.

6.1.2 Overall, a 'no assurance' opinion has been reached as a result of staff, in some instances, not working within the expected financial framework. This has resulted in weak operational controls as reflected in the high number of exceptions raised in this report, which although not material in value, may potentially result in a reputational and financial risk to the Authority considering the nature of the service provision.

6.1.3 The high risk exceptions and agreed actions are summarised in the table below.

<p>Exception 1 - 25% (2 from 8) of relevant staff had completed mandatory Financial Rules training, via MLE, at the time of testing</p> <p>Agreed Action - Management will ensure staff complete the relevant training. In addition a monitoring spreadsheet will be compiled detailing skills and required training to minimise risk of training lapsing in the future.</p>
<p>Exception 2 - Testing established that 50% (4 from 8) of staff had not signed to evidence understanding of the Income Handling Policy which forms part of their role.</p> <p>Agreed Action - All staff had subsequently signed receipt of the Income Handling Policy at the conclusion of the audit.</p>
<p>Exception 3 - 1 out of the 4 Youth Centre sites was not compliant with the Income Handling policy in relation to the storage of income. Income was being held in a plastic wallet in a safe which was accessible by multiple staff</p> <p>Agreed Action - Income will be held in a locked receptacle to ensure</p>



compliance with the policy. The key will be held by management and nominated deputy.

Exception 4 - Testing identified that there was not a suitable income audit trail in relation to a trip organised by the centre. There was no evidence that the income for the trip was reconciled, receipted and banked promptly, which constitutes a breach of Financial Rules

Agreed Action - Controls to be put in place by management to ensure compliance with Financial Rules. Spot checks will be made by management throughout the year to ensure complete management trails exist in relation to income.

Exception 5 - Testing established that the management of stock and income from the Tuck shop is not transparent as records held are poor. It was not possible to identify how much had been spent on the stock for the financial year 2017/18. In addition, the income collected was not able to be reconciled as money collected was being held with trip income and not being banked promptly. The process for the management of the Tuck Shop was not compliant with Financial Rules

Agreed Action - Staff managing the Tuck Shop will complete the required Financial Rules training. A stock control system is to be implemented and income reconciliation and banking will occur in line with Financial Rules. In addition, income recorded for 2017/18 will be reviewed to ensure it equates to the expected levels based on the activities undertaken by the Youth Centre

Exception 6 - Testing was conducted on the 6 purchases cards in use across the Youth Centres. 5 out of 30 purchases reviewed were not compliant with HMRC requirements for reclaiming the VAT.

Agreed Action - Management review of purchase card expenditure will ensure that the validity of the VAT receipts produced meet the requirement of HMRC.

6.1.3 A follow up audit will be conducted on the Youth Centres in the first quarter of the 2018/19 Audit Plan

6.1.4 As a result of the audit findings, the Director of Housing & Property has stated *"The Commercial Property and Leasehold Services Manager shares my view that we should not find ourselves in a position where an audit report reveals issues which shouldn't have arisen or that we are unaware of and in that sense it is disappointing. The positive from this is that the Commercial Property and Leasehold Services Manager can ensure that our other sites in the service area learn from the findings and steps are introduced to assure ourselves that the systems / processes are in place in the other areas. The Commercial Property and Leasehold Services Manager confirmed that we have in place an excellent Youth Service Manager, and this individual has made a significant impact in her approach since taking on the role in June 2017. I can see from the response to the audit that action has been taken to address the issues within realistic timescales and the manager is confident in the progress that will be made.*

The Commercial Property and Leasehold Services Manager will pull on others within the service, as appropriate, to support the Youth Service Manager and we talked about using the expertise of, for example, customer service managers who are familiar with cash handling procedures and processes."

Updates on no assurance audits previously reported to committee

6.2.1 Port CCTV - limited progress since original audit

6.2.2 The 2016/17 audit of Port CCTV resulted in a No Assurance opinion being given. A follow up audit was conducted as part of the 2017/18 Audit Plan and as a result of this testing, Internal Audit can now give limited assurance that Port CCTV is of low risk to the Authority.

6.2.3 2 Critical, 1 high and 2 medium risk exceptions arose during the original audit. The follow up results are outlined below

<p>Original Exception 1</p> <p>Critical - Testing was carried out to confirm whether Principle 4 (designated individual with responsibility for the development and operation of a surveillance camera system and adequate governance arrangements) and Principle 5 (clear rules, policies and procedures must be in place before a surveillance camera system is used) of the Surveillance Camera Commissioner's Code of Practice are being complied with. The following issues were highlighted:</p> <ul style="list-style-type: none"> • There was no defined management lead to camera operations at the Port. • There was no clearly defined accountability structure in place to provide and display effective governance, clarity, organisation and communication. • There was no current policy with complimentary procedures in place. <p>Without transparent accountability lines and a suitable surveillance camera policy to steer the Port's surveillance camera operations it may not be complying with the law and could face legal challenges on prosecutions or by data subjects resulting in fines and reputational damage. Without up to date supporting procedures CCTV staff are less likely to fulfil duties in accordance with internal and external requirements.</p>
<p>Follow Up Result 1</p> <p>A formal CCTV system accountability structure has been formed which details, amongst others, the systems:</p> <ul style="list-style-type: none"> • Overseer (Operations Manager); and • Systems Manager (Duty Operations Manager) <p>A formal Code of Practice for the Port has been developed, supported by work instructions for the use and operation of CCTV. The current document requires formal approval and sign-off by the Systems Manager and Systems Overseer when they return from leave.</p>



Further Agreed Action 1

No further action required

Original Exception 2

Critical - Further testing was carried out against Principles 1 and 2 of the Code of Practice.

Principle 1 of the surveillance camera code of practice states that the 'use of a camera system must always be for a specified purpose which is in pursuit of a legitimate aim and necessary to meet an identified pressing need'. As part of this the CCTV system must have clear objectives. At the start of the audit on 29th November the Port had not articulated its surveillance camera objectives.

Principle 2 states the 'use of a surveillance camera system must take into account its effect on individuals and their privacy, with regular reviews to ensure its use remains justified.' Annual reviews of the Port's CCTV system have not been formally carried out. A privacy impact assessment has been carried out during this audit which needs to better reflect the ICO's Privacy Impact Assessment (PIA) Code of Practice and link into a broader 'pressing need' justification.

Annual reviews and PIAs are not published which Principle 2 of the code suggests as best practice.

Documented justification in the form of a 'pressing need' review and PIA specifically for body worn video (BWV) is lacking.

The Data Protection Register on the Information Commissioner Office's web site also holds redundant information as to the current use of CCTV at the Port. This does not appear to have been updated since 2000.

Non-compliance with the code's principles can lead to legal challenges and enforcement action. Failure to update the Data Protection Register with current personal data handling practices breaches legislation and could result in fines and/or legal challenges.

Follow Up Result 2

The Code of Practice outlines the justification for the CCTV system and a Privacy Impact Assessment (PIA) of the system was undertaken in September 2017. The assessment itself is comparatively brief and has key omissions when benchmarked against the latest Surveillance Camera Commissioner guidelines. These include:

- Clearly defining the scope, scale, nature and extent of the problems the CCTV system is seeking to address;
- Causal factors underpinning the problems;
- Clear consideration of alternatives to CCTV;
- Comprehensive and published stakeholder consultation;
- Clear system budget with any associated savings/benefits;

<ul style="list-style-type: none"> • Performance measures (KPIs); and • Comprehensive identification of privacy related risks and identified solutions. <p>It should also be noted that the Duty Operations Manager has indicated the use of drones at the Port within the past year but there is no mention of it potential use and privacy implications considered in any of the Port's documentation. (Further clarification has been sought on this issue which will be available at the meeting)</p>
<p>Further Agreed Action 2</p> <p>Future annual pressing need / justification measures and PIAs to be completed with reference given to the Surveillance Camera Commissioner's latest guidelines. If drones are to be used then this needs to be reflected in pressing need justification measures and annual PIAs.</p> <p>Duty Port Operations Manager / 31-Mar-2018</p>
<p>Original Exception 3</p> <p>High - Training requirements as per the Code of Practice was also tested. It was found that:</p> <ul style="list-style-type: none"> • Staff are not all necessarily aware of all of their responsibilities when it comes to surveillance camera operations and there has been no formal CCTV training. • Some operational staff have control over surveillance cameras beyond their remit. They are able to control cameras when they should only have view-only access and also in locations beyond their sphere of responsibility. <p>Without adequate training, system users may not have the necessary skills and knowledge to use or manage the surveillance system resulting in legal challenges and/or fines should it be used inappropriately.</p>
<p>Follow Up Result 3</p> <p>All contracted Security Company personnel involved with any part of the operation of the system will be trained to current Security Industry Authority (SIA) standards. 22 members of staff have already received this training but 10 (31%) have not at the time of follow up. A training matrix has been implemented which highlights these outstanding cases.</p> <p>A clear Access Control Listing/matrix of what access is required for which role is not currently being used either.</p>
<p>Further Agreed Action 3</p> <p>All outstanding staff to be trained to SIA standards and a clear Access Control List formulated.</p> <p>Duty Port Operations Manager / 28-Feb-2018</p>

6.2.4 As exceptions remain open and assurance limited, a further review of Port CCTV will form part of the 2018/19 audit plan.

7. Equality impact assessment (EIA)

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

8. Legal Implications

8.1 The City Solicitor has considered the report and is 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.

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

9. Finance Comments

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

9.2 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.

.....
Signed by: Elizabeth Goodwin, Chief Internal Auditor

Appendices:

- Appendix A – Completed audits from 2017/18 Audit Plan
- Appendix A - Municipal Year 2017/18
- Appendix B - Completed follow up audits from 2017/18 Plan
- Appendix C - Internal Audit Charter & Code of Ethics
- Appendix D - Internal Audit & Counter Fraud Strategy

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	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
3	Public Sector Internal Audit Standards	http://www.cipfa.org/policy-and-guidance/standards/public-sector-internal-audit-standards

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

.....
Signed by:

Appendix A1 -Results from 2016/17 & 2017/18 Municipal Years (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
1617-087 - Port CCTV - Port - Mike Sellers	2	1	No Assurance	Lack of accountability and corporate oversight	Two critical and one high risks exceptions have been identified as part of the review. The common theme underpinning all the findings relates to the historic lack of accountability and corporate oversight.	2017/18 Audit plan	Limited Assurance	See main body of report
1617-093 - Insurance & Claims - MMD - Chris Ward/ Mike Sellers	0	2	No Assurance	Lack of detailed documentation	Two high-risk exception was raised in relation to insurance claim investigations. It was not possible to obtain a sample of employer liability claims, as the documents could not be located. A sample of error cost corrections, largely relating to damaged or lost goods, was obtained, however investigation records were found to be inconsistent, lacking key details and resolutions. It was also not possible to obtain details of action taken in response to accidents that resulted in employer liability claims.	2017/18 Audit plan		Actions have been agreed with the MMD Directors and will be followed up during 2017/18
PCC1718-058 - Mayfield - External	0	10	No Assurance	Weak financial management within the school	10 high and 1 medium risk exceptions were raised relating to weakness in operational controls for; income, petty cash, purchase cards, inventory, unofficial and PTA funds and no school CCTV policy.	2018/19 Audit Plan		Actions have been agreed with the Head teacher. These will be followed up as part of the 2018/19 Audit Plan
PCC1718 - 073 - SIM card inventory & stock control - Regeneration - Tristan Samuels	0	6	No Assurance	Weak controls over inventory and stock	Six high risk exceptions have been raised as a result of this review. These were in relation to incomplete inventory records, access controls for the safe, active SIM cards awaiting cancellation, no evidence to support transfer of stock between teams, no processes for the ordering or disposing of stock and whether activation levels for the cards were appropriate.	2017/18 Audit Plan		Actions have been agreed with the previous Director. These will be followed up as part of the 2017/18 Audit Plan
PCC1718 - 015 - Information Governance Data Sharing - Community and Communication - Louise Wilders	0	4	No Assurance	Weak controls on data sharing increase risk of data breaches	4 High and 1 medium risk exceptions have been raised as a result of this review. These relate to mandatory staff training not being completed by all staff, a lack of a comprehensive list of data sharing agreements, inconsistencies in the content of identified data sharing agreements and agreements not including required information as noted in legislation.	2018/19 Audit Plan		Actions have been agreed with the Director. These will be followed up as part of the 2018/19 Audit Plan
PCC1718 - 039 - Youth Centres - Housing and Property - James Hill	0	6	No Assurance	Weak controls relating to cash handling and financial rules	6 High risk and 3 medium risk exceptions arose. The high risks relate to staff mandatory training, non completion of cash handling instructions, non compliance with cash handling policy, incomplete income trail, weak stock control and non compliance with VAT relating to purchase card spend.	2018/19 Audit Plan		Actions have been agreed with the Director. These will be followed up as part of the 2018/19 Audit Plan

This page is intentionally left blank

APPENDIX A2 - Audits Completed Since The Last Meeting (8th January 2018)

Audit Title	Critical Risk	High Risk	Medium Risk	Low Risk - Improvement	Total Exceptions	Achievement of organisation's strategic objectives	Compliance	Safeguarding of Assets	Effectiveness of Operations	Reliability & Integrity	Audit Assurance	Summary
Housing & Property - Youth Centres/ Community Centres	0	6	3	0	9	NAT	8	NAT	1	NAT	No Assurance	See main body of the report
Adult Social Care - Out City placements	0	3	0	1	4	NAT	1	1	2	NAT	Limited Assurance	3 high risks relate to being unable to evidence assessments, unable to evidence panel decision re placements and an expired s75 agreement
Housing & Property - Grounds Maintenance Contract	0	2	1	0	3	NAT	2	1	0	0	Limited Assurance	2 high risk exceptions arose relating to a lack of DBS check for contracted staff and unable to evidence the required risk assessments relating to grounds maintenance activities
City Development Culture - Emergency and BC Planning	0	3	0	0	3	0	NAT	NAT	3	NAT	Limited Assurance	3 high risks exceptions arose relating to a lack of clarity regarding the emergency planning arrangements at the Port, 2 plans were out of date and 15 volunteers had not completed emergency procedures training recently
External - Northern Parade	0	2	2	0	4	0	2	1	1	0	Limited Assurance	2 high risk exceptions arose, one related to a lack of Hire Agreement with a hirer and the second related to errors on authorised overtime claims
External - Meredith Infant School	0	1	0	0	1	0	0	1	0	0	Limited Assurance	One high risk exception relating to weak controls surrounding the schools inventory
External - Portsdown Primary	0	3	3	0	6	0	4	1	0	1	Limited Assurance	3 high risk exceptions which relate to error re VAT on a petty cash claim, unaccounted for mileage on the school minibus and control weaknesses regarding the schools inventory
External - St Johns	0	4	2	0	6	0	5	0	0	1	Limited Assurance	4 high risk exceptions arose which relate to staff not signing acceptance of the Income Handling Policy, personal reward points being claimed for school purchases, insufficient authorisation of purchase card transactions and unaccounted for mileage on the school minibus
External - Wimborne Infant	0	2	1	0	3	1	0	1	0	1	Limited Assurance	2 high risk exceptions relating to a lack of skills matrix for the Governing body and lack of Audited statement of accounts for the schools unofficial fund

This page is intentionally left blank

APPENDIX B

2016/17 Followed Up Audits since the last meeting - High Risk Exceptions	High Risk Open		High Risk Closed		Total High Risk	Comments
Audit Title						
RCS - Community Funerals	1	50%	1	50%	2	1 High risk exception remains open relating to the transfer of personal belongings from the Hospital to PCC.
C&C - Traded Services	0	0%	1	100%	1	N/A

2016/17 Followed Up Audits since the last meeting - Medium Risk Exceptions	Medium Risk Open		Medium Risk Closed		Total Medium Risk	Comments
Audit Title						
RCS - Community Funerals	0	0%	1	100%	1	N/A

This page is intentionally left blank

Introduction

1. On 1st April 2013 the 'Public Sector Internal Audit Standards' (PSIAS) were formally adopted in respect of Local Government across the UK. The PSIAS replace the CIPFA Code of Practice for Internal Auditors in Local Government in the UK and encompass the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF).
2. The PSIAS apply to all internal audit service providers, whether in-house, shared services or outsourced. The requirements of the Standards are covered in this Internal Audit & Counter Fraud Charter & Code of Ethics. The Standards have been revised from 1 April 2016 to incorporate the mission of Internal Audit and Core Principles for the Professional Practice of Internal Auditing.

Authority

3. The Accounts and Audit Regulations 2015 Section 5, define the requirement for an internal audit function within Local Government stating that:
'A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'

Responsibility

4. The responsibility for maintaining an adequate and effective system of internal audit within Portsmouth City Council lies with the Director of Finance & Information Services (S151 Officer).
5. The Chief Internal Auditor is responsible for effectively managing the internal audit activity in accordance with the '*Definition of Internal Auditing*', the '*Code of Ethics*' and '*the Standards*'.

Definitions

6. In accordance with the PSIAS the definition of Internal auditing is;

'Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes'.
7. Internal Audit is not an extension or a substitute for good management although it can advise management on risk and control issues. It is the duty of management to operate adequate systems of internal control and risk management.

8. The Internal Audit & Counter Fraud section will consider the adequacy and effectiveness of the internal control framework detailed below which aid in supporting the Authority's vision.
 - Achievement of organisation's strategic objectives;
 - 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.
9. In accordance with the PSIAS the definition of 'the board' and 'senior management' are;
10. *The Board* – the governance group charged with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of financial reporting. At the Council this shall mean the Governance & Audit & Standards Committee.
11. *Senior Management* – those responsible for the leadership and direction of the Council. At the Council this means the Chief Executive, Deputy Chief Executive and the Directors of the council.

Purpose and scope

12. The Internal Audit & Counter Fraud section at Portsmouth City Council will provide an Annual Internal Audit Opinion based on an objective assessment of the Authority's framework of governance, risk management and control. It will also provide advice and consultancy services at the specific request of the Authority, with the aim of improving governance, risk management and control whilst contributing to the overall Annual Opinion.
13. The Annual Internal Audit Opinion must incorporate;
 - The Opinion;
 - A summary of the work that supports the Opinion; and
 - A statement on conformance with PSIAS and the results of the quality assurance and improvement programme.
14. The Internal Audit & Counter Fraud section will not be restricted to the audit of financial systems and controls but will cover all operational and management controls. There are therefore no scope limitations, in that all of the Authority's activities fall within the remit of the Internal Audit & Counter Fraud section; however consideration will always be given to the competency, qualification and experience of those auditors tasked with carrying out the individual assignments. For example

Internal Audit & Counter Fraud will not make judgements or evaluations on care or academic assessments; equally it is not in the section's remit to give an opinion on the appropriateness of policy decisions.

15. Consultancy activities (i.e. advice, facilitation, counsel and training) the nature and scope of which will be agreed with the client and are intended to add value and improve the Council's governance, risk management and control processes without the Internal Audit & Counter Fraud section assuming responsibility.
16. Special reviews may be conducted at the request of Members, Chief Executive, Deputy Chief Executive and the s151 Officer. The Internal Audit & Counter Fraud section may also conduct investigations as requested by the Investigation Steering Panel - ISP (consisting of the Monitoring Officer, s151 Officer (or Deputy), Director of HR, Legal and Performance and the Chief Internal Auditor (or deputy), provided such reviews (special or investigation) do not compromise its objectivity or independence.
17. The impact on the Audit Plan must be assessed and, if necessary, the Plan reprioritised by the Chief Internal Auditor. Any significant changes must be reported to the Corporate Governance Group (consisting of the Chief Executive, Monitoring Officer, s151 Officer, Director of HR, Legal and Performance and the Chief Internal Auditor) as well as the Members of the Governance & Audit & Standards Committee (the Board) in their next reporting cycle.
18. Fraud prevention and detection is the responsibility of managers. However if Internal Audit & Counter Fraud detects any suspected irregularities during the course of their activities they will report them to ISP. The Chief Internal Auditor may review the system for control weaknesses but any investigation will be under the direction of ISP.

Organisational Independence

19. The Internal Audit & Counter Fraud section has no operational responsibilities for any financial systems, including system development and installation. It may however provide advice on control implementation and risk mitigation where relevant and throughout the design and implementation stages of new systems.
20. The Chief Internal Auditor will be free from interference (although have due regard for the Authority's key objectives and risks and consult with Members and Officers charged with governance) when setting the priorities of the annual audit plan, for example; in determining the scope and objectives of work to be carried out and in performing the work and communicating the results of each audit assignment. There must be no compromise on the ability of Internal Audit & Counter Fraud to provide an independent assurance on the control framework.

21. Internal Audit & Counter Fraud is supported by the Authority and its independence is seen as key to providing Portsmouth City Council with an effective service.
22. The Internal Audit & Counter Fraud section will have free and unfettered access to the Senior Management, defined as s151 Officer, Chief Executive, Deputy Chief Executive/Monitoring Officer and Directors. In addition the Internal Audit & Counter Fraud section will have free and unfettered access to the Leader of the Council and the Chair of the Governance and Audit and Standards Committee.

Responsibilities of Individual officers

Chief Internal Auditor

23. The Chief Internal Auditor must ensure that:
 - (1) They identify the overall remit of audit activity
 - (2) They carry out an audit needs risk assessment and prioritise the results into an annual plan in consultation with the s151 Officer, Chief Executive, Deputy Chief Executive, Directors and Chair of Governance and Audit and Standards Committee.
 - (3) The Internal Audit & Counter Fraud resources are appropriate and sufficient i.e. in skills and knowledge and are effectively deployed to achieve the approved annual audit plan. Any inadequacies will be raised with the s151 Officer, Director of HR, Legal and Performance and the Governance and Audit and Standards committee.
 - (4) There are adequate policies and procedures in place to guide the Internal Audit & Counter Fraud activities and in accordance with PSIAS.
 - (5) The Internal Audit & Counter Fraud section complies with the PSIAS and Code of Ethics at all times.
 - (6) They periodically review the Internal Audit & Counter Fraud Charter and Audit Strategy for adequacy and effectiveness.
 - (7) Constructive working relationships are fostered and encouraged between auditors, auditees, managers, and external auditors.
 - (8) The Internal Audit & Counter Fraud section maximises the use of technology for an effective service delivery.
 - (9) Confidentiality is maintained at all times.
 - (10) Individual auditors do not audit activities for which they previously had responsibility within the last 12 months.
 - (11) They take all reasonable measures to ensure that all individual auditors have an objective frame of mind and be in a sufficiently independent position to be able to exercise judgement with impartiality.

- (12) A follow-up process to monitor and ensure that management actions have been effectively implemented is undertaken promptly.
- (13) Where management has accepted a level of risk that may be unacceptable to the Authority, that the matter is discussed with the s151 Officer, Chief Executive and Deputy Chief Executive as relevant, or escalated to the Governance and Audit and Standards Committee to resolve.
- (14) They continuously review the quality, effectiveness and provision of the Internal Audit & Counter Fraud Section.
- (15) Access to audit records is controlled and only released in accordance with Freedom of information and Data Protection Act/General Data Protection Regulation (May 2018) requirements.
- (16) All records relating to Internal Audit & Counter Fraud activities are retained for the required period and in line with the Authority's guidelines.
- (17) They assist the Governance and Audit and Standards Committee with their agenda and attend each meeting.

Individual Auditors

24. All individual auditors must ensure that they:

- (1) Maintain an impartial and unbiased attitude and avoid any conflict of interest.
- (2) Will refrain from assessing any activity to which they were previously responsible within the last twelve months, although they may provide consulting services.
- (3) Possess the knowledge, skills and other competencies needed to perform their individual responsibilities and that they enhance those skills through continuing professional development.
- (4) Exercise due professional care at all times.
- (5) Assist management in establishing or improving risk management processes, without managing those risks.
- (6) Give adequate notice of the start of a planned audit
- (7) Develop and document a plan of each assignment detailing its objectives, scope and any limitations, timing and resource allocations.
- (8) Consider the objectives, risks, effectiveness of the control framework, value for money obtained, of the activity under review, when planning and setting the objectives of each assignment.
- (9) Develop and document a programme of works that achieves the audit objectives.
- (10) Document sufficient information on their identification, analysis and evaluation of risks and controls within the area of audit activities, i.e. that the evidence is reliable, factual and adequate.
- (11) Communicate their findings based on opinion ascertained from these evaluations, providing an overall conclusion/ assurance level, risk rating, recommendations (where relevant) and proposed action plans.
- (12) Communicate all findings in an accurate, objective, clear, concise, constructive, complete and timely manner in accordance with PSIAS.

- (13) Agree a plan of action with the Service to remedy control weaknesses
- (14) Comply with the Audit Manual and PSIAS.
- (15) Maintain professional independence, objectivity, integrity and confidentiality
- (16) Inform the Chief Internal Auditor of any areas where they could have a conflict of interest which could impair or be perceived to impair their objectivity
- (17) Maintain proper documented files supporting conclusions via Audit Management Software
- (18) Hold in safe custody any documents or property or other material obtained for audit use or investigation.
- (19) Act with due care to provide “reasonable” assurance on the adequacy of control
- (20) Foster good working relationships with auditees, external auditors and managers

S151 Officer

25. The s151 Officer has the authority to ensure that the provision of the Internal Audit & Counter Fraud section is sufficient to meet the s151 requirements, although the day to day management is carried out by the Director of HR, Legal and Performance.
26. The s151 Officer must ensure that:
 - (1) Any suspected irregularities are properly and appropriately investigated and action taken.
 - (2) S/he is satisfied that the Annual Audit Opinion assurance statement either on its own or as part of the Annual Governance Statement, reflects accurately the position of the control framework.

Director of HR, Legal and Performance

27. The Director of HR, Legal and Performance must ensure that:
 - (1) The Internal Audit & Counter Fraud section and the Authority comply with their responsibilities as detailed within this Charter and Code of Ethics and Standards.
 - (2) The Internal Audit & Counter Fraud section is sufficiently resourced and is effective and in the event that it is not that this is raised with the s151 Officer and members of the Governance & Audit & Standards Committee.

Chief Executive

28. The Chief Executive carries the responsibility for the proper management of the Council and for ensuring that the principles of good governance are reflected in sound management arrangements.

Monitoring Officer

29. The Monitoring Officer is responsible for:
- (1) Ensuring lawfulness and fairness in decision making
 - (2) Dealing with investigations into matters referred by the Governance & Audit & Standards Assessment Sub-committee and making reports or recommendations in respect of them to the Governance & Audit & Standards Consideration Sub-committee and
 - (3) Providing advice on:
 - the scope of powers to take decisions
 - maladministration
 - financial impropriety
 - probity.

Members

30. The Members as the corporate body 'the board', have the responsibility to ensure that there is a current and effective Internal Audit & Counter Fraud function. These responsibilities are delegated to the Governance & Audit & Standards Committee and include ensuring that:
- (1) The function complies with PSIAS.
 - (2) The Internal Audit & Counter Fraud section's status is sufficient within the organisation, is independent organisationally and in its reporting and is free to set its priorities.
 - (3) There is a strategy and annual plans focused on the risk and control framework.
 - (4) Significant weaknesses identified by audit are addressed.
 - (5) Agreed actions are implemented.

Auditees

31. In accordance with Financial Rules E4 All persons under the controls of PCC; staff, members, contractors, temporary and agency staff must ensure that:
- (1) They maintain a constructive approach to Internal Audit & Counter Fraud.
 - (2) Must present any cash, stores or any other authority asset under his or her control if requested to do so by an Auditor.
 - (3) Must ensure that internal auditors are given access at all reasonable times to premises, personnel, documents and assets that the auditors consider necessary for the purposes of their work.
 - (4) Must ensure that auditors are provided with any information and explanations that they seek in the course of their work.
 - (5) They respond promptly and formally to audit reports within the agreed timescale

- (6) They implement agreed actions and within an agreed timed action plan.

External Auditors

32. The Internal Audit & Counter Fraud section is expected to co-operate and regularly liaise with the external auditors to ensure an efficient and effective use of resources is achieved and unnecessary over-lapping of work is avoided.
33. The external auditors have a responsibility to assess whether Internal Audit & Counter Fraud arrangements are adequate and will, where they are able, place reliance on Internal Audit & Counter Fraud work when forming their opinion on the Authority's accounts.

Reporting Structure

34. On an annual basis the Chief Internal Auditor will present for review and approval any changes to the Internal Audit & Counter Fraud Charter and Code of Ethics, the Internal Audit & Counter Fraud Strategy and the annual audit plan of activities, including resource requirements and any perceived deficiencies to the Governance & Audit & Standards Committee, following consultation with the, s151 Officer, Chief Executive, Deputy Chief Executive and relevant members.
35. An update on progress and performance to the audit plan will be presented at each Governance & Audit & Standards Committee. This will include any significant risk exposure and control issues, including fraud and governance risks.
36. Where critical risks, or a significant number of high risks are identified as part of an audit review, (i.e. those control weaknesses that could have a significant impact on the achievement of the Authority's objectives) which result in a no assurance opinion, will be reported in their entirety as part of the 'progress to plan' reporting. All other findings will be summarised in a covering report.
37. It is for management to determine whether or not to accept the audit exceptions and to recognise and accept the risks of not taking action. They must formally respond giving reasons for their decisions, which will be presented to the Governance & Audit & Standards Committee to challenge if they so wish. Where action is proposed on critical/high risks but has not been taken within a reasonable timeframe the matter will be escalated to the Governance & Audit & Standards Committee for resolution.
38. All reviews of the Annual Audit Plan will be presented for approval along with any significant consulting services not already included in the Audit Plan, prior to accepting the engagement.
39. All reports issued in relation to any audit or counter fraud activity will be issued in the name of the Chief Internal Auditor. Any issues of concern maybe escalated at the Corporate Governance Board as well as at the Governance & Audit & Standards Committee.

Access to records and personnel

40. All Internal Auditors have right of access to all premises, personnel, documents and information they consider necessary for the purpose of their reviews as specified in Financial Rules E4 and to obtain such information and explanations from any employee as necessary concerning any matter under review/investigation.
41. All Internal Auditors also have the power to require any council employee, agent or Member to produce cash, equipment, computers or other Council property under their control. Internal Audit & Counter Fraud can retain or seize these items in order to protect the Council's interest, or to preserve evidence, if a suspected irregularity has occurred before considering whether to refer the issue to the Police. Consultation with the Investigation Steering Panel will be carried out in advance of contacting the Police where possible.

Due Professional Care

42. Both the Chief Internal Auditor and Deputy Chief Internal Auditor must hold a professional qualification and current membership, CMIIA, CCAB or equivalent and be suitably experienced.
43. The Chief Internal Auditor will assess on an annual basis the knowledge, skills and other competencies required within the Internal Audit & Counter Fraud section in order for it to fulfil its purpose and effectively carry out professional duties in accordance with statutory requirements. This will include technology- based audit techniques to perform assignment work. Should there be insufficiencies identified these will be reported immediately to the Director of HR Legal and Performance and reported to the Governance & Audit & Standards Committee if there is likely to be an impact on achieving either the Annual Audit Plan or a sufficient level of reviews to enable an effective annual audit opinion to be made.
44. All Internal Auditors will have sufficient knowledge through training and continued professional development to carry out their duties including evaluating the risk of fraud; however it remains the responsibility of management to detect and manage fraud.
45. Any impairment either in fact or appearance on any individual auditor's independence or objectivity will be escalated to the s151 officer and the Director of HR, Legal and Performance, if the Chief Internal Auditor has been unable to resolve. Impairment may include, but is not limited to, personal conflict of interest, scope limitation, restrictions on access to records, personnel and properties and resource limitation, such as funding. A record will be made of any action taken.

Quality Assurance & Improvement Programme

46. The Chief Internal Auditor will develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit & counter fraud activities. In order to achieve this, internal on-going supervision will be carried out after each audit assignment with the results recorded in 'TeamMate' (the electronic working papers). Along with the recording of one-to-one meetings and annual Performance Development Records on each individual auditor.
47. In addition to this the Chief Internal Auditor will carry out an annual self-assessment of the Internal Audit & Counter Fraud sections performance against PSIAS, measuring the compliance with the definition of Internal Audit and Code of Ethics.
48. External peer reviews will be conducted every five years against PSIAS. The scope of the external assessment will be agreed with the Director of HR Legal and Performance and the Chair of Governance & Audit & Standards Committee. All results i.e. compliance or non-compliance with the standards, will be communicated to the Governance & Audit & Standards Committee along with an improvement plan if required and regular progress reports.
49. Any significant deviations from the Standards will be included in the Annual Governance Statement.
50. The effectiveness of the Internal Audit Section will be measured by;
 - (1) Risks to the Authority are identified and mitigated by agreed actions being implemented re critical and high risk exceptions highlighted in Audit reviews.
 - (2) Compliance with the PSIAS and Code of Ethics (reviewed by Peer Review)
 - (3) Satisfactory External Audit reviews (when carried out)
 - (4) External Auditors are able to rely on the work of Internal Audit & Counter Fraud when forming their opinion on the Authority's accounts.
 - (5) Audits completed to plan (90% of high risk audits completed)
 - (6) Satisfactory responses received from clients by means of end of year questionnaires.

Management of Internal Audit Activities

51. The Chief Internal Auditor will ensure that the work of the Internal Audit & Counter Fraud section is of value to the Authority. This will be achieved by ensuring that the work carried out achieves its purpose as included in this charter and that all individual auditors have demonstrated conformance with the Code of Ethics and Standards.

52. The priorities of the Internal Audit & Counter Fraud section will be determined annually using a risk based methodology and in consideration with the Authority's overall objectives. The risk-based approach will take into account the risk management framework and risk appetite levels along with each directorate's performance as reported to Governance & Audit & Standards. Details of how the plan will be delivered are contained in the Internal Audit & Counter Fraud Strategy along with any reliance placed on other sources of assurance work.
53. The Annual Audit Plan will be reviewed in response to changes in the Authority's risks, operations, systems and controls at least once during the year.

28th February 2018

This Charter and Code of Ethics are agreed by

.....
Cllr J Ferrett
Chair of Governance & Audit & Standards Committee
Date

.....
Jon Bell
Director of HR Legal and Performance
Date

.....
Chris Ward
s151 Officer
Date

.....
Elizabeth Goodwin
Chief Internal Auditor
Date

Related Papers:

- Audit Strategy and Audit Annual Plans
- Public Sector Internal Audit Standards and Code of Ethics
- Accounts and Audit Regulations (updated)

Annex 1

Code of Ethics

Extract from the Public Sector Internal Audit Standards 2016

Public sector requirement

Internal auditors in UK public sector organisations (as set out in the Applicability section) must conform to the Code of Ethics as set out below. If individual internal auditors have membership of another professional body then he or she must also comply with the relevant requirements of that organisation.

The purpose of The Institute's Code of Ethics is to promote an ethical culture in the profession of internal auditing. A code of ethics is necessary and appropriate for the profession of internal auditing, founded as it is on the trust placed in its objective assurance about risk management, control and governance.

The Institute's Code of Ethics extends beyond the definition of internal auditing to include two essential components:

Components

- 1 Principles that are relevant to the profession and practice of internal auditing;
- 2 Rules of Conduct that describe behaviour norms expected of internal auditors. These rules are an aid to interpreting the Principles into practical applications and are intended to guide the ethical conduct of internal auditors.

The Code of Ethics provides guidance to internal auditors serving others. 'Internal auditors' refers to Institute members and those who provide internal auditing services within the definition of internal auditing.

Applicability and Enforcement

This Code of Ethics applies to both individuals and entities that provide internal auditing services. For Institute members, breaches of the Code of Ethics will be evaluated and administered according to The Institute's Disciplinary Procedures. The fact that a particular conduct is not mentioned in the Rules of Conduct does not prevent it from being unacceptable or discreditable and therefore, the member liable to disciplinary action.

Public sector interpretation

The 'Institute' here refers to the IIA. Disciplinary procedures of other professional bodies and employing organisations may apply to breaches of this Code of Ethics.

1 Integrity

Principle

The integrity of internal auditors establishes trust and thus provides the basis for reliance on their judgement.

Rules of Conduct

Internal auditors:

- 1.1 Shall perform their work with honesty, diligence and responsibility.
- 1.2 Shall observe the law and make disclosures expected by the law and the profession.
- 1.3 Shall not knowingly be a party to any illegal activity, or engage in acts that are discreditable to the profession of internal auditing or to the organisation.
- 1.4 Shall respect and contribute to the legitimate and ethical objectives of the organisation.

2 Objectivity

Principle

Internal auditors exhibit the highest level of professional objectivity in gathering, evaluating and communicating information about the activity or process being examined.

Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgements.

Rules of Conduct

Internal auditors:

- 2.1 Shall not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organisation.
- 2.2 Shall not accept anything that may impair or be presumed to impair their professional judgement.
- 2.3 Shall disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.

3 Confidentiality

Principle

Internal auditors respect the value and ownership of information they receive and do not disclose information without appropriate authority unless there is a legal or professional obligation to do so.

Rules of Conduct

Internal auditors:

3.1 Shall be prudent in the use and protection of information acquired in the course of their duties.

3.2 Shall not use information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organisation.

4 Competency

Principle

Internal auditors apply the knowledge, skills and experience needed in the performance of internal auditing services.

Rules of Conduct

Internal auditors:

4.1 Shall engage only in those services for which they have the necessary knowledge, skills and experience.

4.2 Shall perform internal auditing services in accordance with the International Standards for the Professional Practice of Internal Auditing.

4.3 Shall continually improve their proficiency and effectiveness and quality of their services.

Public sector requirement

Internal Auditors who work in the public sector must also have regard to the Committee on Standards of Public Life's Seven Principles of Public Life, information on which can be found at www.public-standards.gov.uk

Annex 2

Assurance Services

Risk based audit: in which risks and controls associated with the achievement of defined business objectives are identified and both the design and operation of the controls in place to mitigate key risks are assessed and tested, to ascertain the residual risk to the achievement of managements' objectives. Any audit work intended to provide an audit opinion will be undertaken using this approach.

Developing systems audit: in which:

- the plans and designs of systems under development are assessed to identify the potential weaknesses in internal control and risk management; and
- programme / project management controls are assessed to ascertain whether the system is likely to be delivered efficiently, effectively and economically.

Compliance audit: in which a limited review, covering only the operation of controls in place to fulfil statutory, good practice or policy compliance obligations are assessed.

Quality assurance review: in which the approach and competency of other reviewers / assurance providers are assessed in order to form an opinion on the reliance that can be placed on the findings and conclusions arising from their work.

Fraud and irregularity investigations: Internal audit will also provide specialist skills and knowledge to lead on fraud/ irregularity investigations, and ascertain the effectiveness of fraud prevention controls and detection processes.

Advisory / Consultancy services: in which advice can be provided, either through formal review and reporting or more informally through discussion or briefing, on the framework of internal control, risk management and governance. It should be noted that it would not be appropriate for an auditor to become involved in establishing or implementing controls or to assume any operational responsibilities and that any advisory work undertaken must not prejudice the scope, objectivity and quality of future audit work.

INTERNAL AUDIT & COUNTER FRAUD STRATEGY 2018-19

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 2018-19

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

Scope and Responsibilities

4. 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

5. 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.
 - Achievement of organisation objectives;
 - 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.
6. 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.
7. 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.
8. 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.
9. 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 2018-19

Service Provision

10. There is an in-house team of 14 FTE for the provision of the Internal Audit, Counter Fraud and related services with a significant 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. The Chief Internal Auditor is currently the Chief Internal Auditor for Southampton City Council, the Isle of Wight Council and the Solent LEP.
11. 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 Deputy Chief Internal Auditor specialising in IT Audits mentors a junior member of staff in that specialism, as part of their development.
12. 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 the Director responsible for Audit & Counter Fraud as well as the Members of the Governance & Audit & Standards Committee, for them to make a decision on Audit resourcing.
13. 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.
14. 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. One audit member of staff is qualified in Internal Investigations and one is qualified in forensic PC investigations.
15. 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

INTERNAL AUDIT & COUNTER FRAUD STRATEGY 2018-19

Investigatory Powers Act), and Anti Money Laundering investigations and reporting.

Consultation

16. 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.
17. 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

18. 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 (National Fraud Initiative NFI)** – 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,
 - **Data matching exercises** - using internal software for matches beyond the requirements of NFI,
 - **External services** - including the provision of internal audit and counter fraud services for the Langstone Harbour Board and other Local Authority's for either core operational audits or to provide specialist areas such as IT Audit, NFI and investigative skills.
 - **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 and main accounting,
 - **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,**

INTERNAL AUDIT & COUNTER FRAUD STRATEGY 2018-19

- **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).
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 responsible for HR 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.

INTERNAL AUDIT & COUNTER FRAUD STRATEGY 2018-19

- 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 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:	9 th March 2018
Subject:	Performance Management update - Q3, 2017-18
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 Q3 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 is asked to:
- 1) note the report;
 - 2) note the continued improvement in quality of reports from directorates;
 - 3) agree if any further action is required in response to performance issues highlighted

3 Background

- 3.1 This report is part of the regular series of quarterly report highlighting significant performance issues across the organisation.
- 3.2 In compiling reports, directors are asked to consider:
- 1) Priority performance areas
 - 2) Projects
 - 3) Risks
- 3.3 Expectations have been shared with Directors that reports should cover the breadth of organisational activity and enable GAS to discern a picture of performance in the organisation. 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 make the key issues clearer to members, directors have been asked to provide summaries highlighting the issues the committee needs to be aware of (Appendix 1) with more in depth assurance around the management of performance, projects and risk, presented in further appendices.

3.5 Governance and Audit and Standards Committee are asked to consider the issues raised in the Appendices, and agree where any further information or action is required.

4. Equality impact assessment (EIA)

4.1 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.

5. Legal Implications

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

6. Finance Comments

6.1 There are no financial implications to bring to member’s 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.

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

- Appendices:**
- Appendix 1- Summary of directorate performance issues**
 - Appendix 2 - Performance issues**
 - Appendix 3 -Projects**
 - Appendix 4 - 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

Appendix 1 - Summary of directorate performance issues

Performance issues for consideration	Project issues for consideration	Risk issues for consideration
Directorate: Children, Families and Education		
<ul style="list-style-type: none"> The level of demand for children's social care continues to rise with the number of looked after children at an all-time high, driven largely but not entirely by unaccompanied asylum seekers, and more children becoming the subject of child protection plans. Staff are working very hard indeed in order to continue to deliver a high standard of performance. The increased demand means that the investment in 8 additional posts authorised in summer 2017 has only maintained rather than reduced case-loads, as originally intended. We are expecting Ofsted inspection of children's services imminently and staff are very determined to demonstrate their high quality practice. Continued strong service leadership at all levels will be important to maintain morale beyond inspection. We are getting better at identifying earlier the families who need social care support, with a decrease this quarter in the number of families open to social care without previously having received targeted early help support. The targeted early help service has only been operating fully 	<ul style="list-style-type: none"> Funding from the Public Health Transformation Fund and from the South East Migration Partnership has enabled us to strengthen expert support, and skills development, for social workers in "Trauma Informed" practice, essentially working more effectively with children and young people who have had traumatic, adverse experiences either over a sustained or short period. This should help us keep children in stable placements which promote the best outcomes for them. Good progress has been made on the redesign of the Health Visiting service to create a targeted Health Visiting response for children pre-birth to 5 alongside 5 mandated universal contacts delivered at home and in the Family Hubs. The new service is being rolled out in the South locality and will be monitored closely. The national Strategic School Improvement Fund (SSIF) funded programme to reduce attainment gaps in Portsmouth between disadvantaged and non- 	<ul style="list-style-type: none"> Continuing demand pressure on children's social care is a financial or potentially service risk if caseloads rise, which we are monitoring carefully. Continuing reductions in the Public Health grant will require difficult choices with potential risk to demand management through early intervention. Ofsted inspection - we are expecting a three week inspection imminently; the outcome will be important in terms of staff morale and social work recruitment and retention. Education, Health and Care Plans (EHCPs) - the number of EHCPs in mainstreams schools continue to rise, creating an additional and continued pressure on the high needs block of the DSG. Strategy for specialist SEN provision - our strategy is to enable more children to attend school locally rather than in out of city places (which put further cost pressure on the DSG High Needs Block and are not always the best solution for children). Implementing the strategy depends on being able to remodel buildings at Redwood Park Academy.

Performance issues for consideration	Project issues for consideration	Risk issues for consideration
<p>since summer 2017 and needs more time and continued investment to embed before we can expect to see impact on social care demand. We also need to recognise increased pressure as a result of the significant reduction there appears to be (we do not collect data) in the number of pastoral staff employed within schools to support vulnerable families as school budgets tighten.</p> <ul style="list-style-type: none"> • While the right systems for collecting data for the Troubled Families payment by results scheme are now in place we remain behind most areas of the country in being able to make claims and this creates a financial risk which we are monitoring closely. • We have nearly completed an important strategic review of provision for children with special education needs, designed to secure good outcomes for children and young people with levels of investment which are affordable within the new rules on school funding, which prevent cross subsidy of SEN provision (known as the "high needs block") from mainstream school budgets. The recommendations are coherent and appropriate; implementation will require close collaboration with 	<p>disadvantaged students, secured through the Portsmouth Education Partnership, began in September 2017. In Q3 further SSIF funding was also secured for an additional programme to improve the attainment of children and young people on "SEN support" in mainstream schools. A further bid will be made in Q4 on literacy. The Government's policy statement "Promoting Social Mobility through Education" published in December 2017 promised that resources would be targeted on areas needing the greatest improvement and we are seeing the benefits of that targeting in Portsmouth.</p> <ul style="list-style-type: none"> • A comprehensive secondary school sufficiency strategy was developed and formed the basis for bids for capital expenditure to support 3 expansion schemes (approved by full council in February 2018). A bid was also submitted (also approved) for expansion of the Willows special nursery school to accommodate additional children, against the background of rising demand for specialist places for young children with complex needs. 	<p>This will require a £1m contribution from the Schools Forum to supplement £2m allocated by the council, which has not yet been agreed (the proposal will be considered at the meeting of the Forum on 28 February).</p> <ul style="list-style-type: none"> • Special Free School - confirmation still awaited on who will be the provider following a competition in Q3. Only one bid was received (Delta Education Trust). The LA is supportive but the final decision rests with the DfE - expected in Q4. Following detailed work in Q3, the former Wymering Community Centre is now the favoured site for the free school and the ESFA has started the feasibility work based on this site. • Attracting sufficient high quality applicants for teaching and school leader posts is becoming challenging. The Portsmouth Education Partnership has a priority workstream with a number of actions to mitigate the risk but Portsmouth shares the national demographic challenge of increasing student numbers and a decreasing pool of newly qualified teachers.

Performance issues for consideration	Project issues for consideration	Risk issues for consideration
<p>schools, however. Part of this will be the agreement of the Schools Forum in Q4 to contribute £1m towards the cost of remodelling Redwood Park special Academy, alongside the £2m allocated by the council for the work (see risks below).</p> <ul style="list-style-type: none"> • We remain concerned about the performance of King Richard School (about which a formal warning notice was issued in Q2) but are working closely with the United Learning Trust to achieve a transfer to academy status for the school in Q4. • There continue to be significant variations in performance between schools, in relation to inclusion as well as attainment indicators; we continue to focus attention on the schools with low performance. 		
Directorate: Adult Social Care		
<ul style="list-style-type: none"> • Residential, Nursing and domiciliary care availability • Continuing Health care • Independence & Wellbeing • Carer's Services • Learning Disability Services • Safeguarding Adults • PCC owned residential care 	<ul style="list-style-type: none"> • OPPD Systems Intervention • Health & Social Care Blueprint • Integrated Discharge Service • SWIFT/AIS Migration • Achieving Financial Balance • Transformation Projects 	<ul style="list-style-type: none"> • PCC owned and run Residential care homes • ASC Intervention • Achieving a balanced budget • SWIFT/AIS Migration • Domiciliary Care resources

Performance issues for consideration	Project issues for consideration	Risk issues for consideration
Directorate: Public Health		
Directorate: Property and Housing Note: The Interim Director of Property and Housing is reviewing the measures in place across the directorate and in doing so will report key performance indicators, projects and risks using the standard template to the Governance Audit and Standards Committee.		
<p>There are no areas of significant concern.</p> <p>Local Authority Housing The occupancy rate remains at just under 99% while our rent arrears is less than 2% of the Gross Annual Debt (GAD) owed and continuing to reduce. The number of repairs completed first time shows a slight improvement from 83.7% in Q2 to 83.8% in Q3. Given the widen range and complex nature of the repairs that are undertaken on these properties this is considered to be a realistic figure. The quarter also sees the addition, and expanded range, of compliance issues including Legionella risk assessments, Gas and Electrical Safety Certificate checks. Despite the very high percentage of compliance, some have been rated Amber. This indicates the continual aim for perfect in these areas.</p> <p>Environment & Community Safety The number of Fixed Penalty Notices (FPNs) issued was lower than anticipated in Q3, due to a combination of sickness absence and a temporary shortage in staffing levels in the Environmental Enforcement team. The number of reports of dog fouling has</p>	<p>Local Authority Housing The cladding on Horatia House and Leamington House continues to be removed and the projects progress ahead of schedule. The roll out of Universal Credit is a major project for those working in the Housing Management service and is due to commence in Sep 2018 in Portsmouth and Nov 2018 in Havant. Plans for staff training and raising tenant awareness are underway. The Housing Options Service will be undertaking significant preparations in Q4 for the Homelessness Reduction Action, which comes into force in April 2018.</p> <p>Environment & Community Safety Officers from a number of services are coordinating their efforts to focus on street homeless issues. This includes the introduction of new High Street Wardens and a review of Supported Housing. A strategic programme manager has been appointed to coordinate efforts and create a strategy.</p>	<p>The risks around the removal of the cladding at Leamington House and Horatio House, the Universal Credit roll out and the Waste Management issues are all ongoing. Risks have been identified around the strategic and long-term management of the waste contracts. Whilst these are not imminent, they do represent financial and environmental impact. At this stage senior officers are continuing to monitor the situation in all areas and will report back when more information is known. A new risk has been added relating to the data management project, specifically ensuring that GDPR compliance is achieved.</p>

Performance issues for consideration	Project issues for consideration	Risk issues for consideration
<p>increased in Q3 which is in line with seasonal trends.</p> <p>The volume of demands relating to rough sleepers and substance misuse have both fallen slightly in this quarter; for rough sleepers this may be explained by the opening of winter beds in early December (6th Dec 2017).</p> <p>The performance of the waste management service continues to be good, in spite of several of these indicators having an Amber rating. The ongoing problems of high levels of rubbish and low recycling rates continue to be addressed through trials to provide wheelie bins to limit waste and improve recycling around the city.</p>		
Directorate: Transport, Environment and Business Support		
<p>This is the first report that brings together the performance of all services within the new Regeneration Directorate. Previously this would have included Transport, Environment and Business Support. This now includes Economic Growth, Development Management and Planning, and major projects being delivered by the Property and City Development teams. Generally services are on track to meet the objectives and measures set at the beginning of the year. Where progress has slowed this has been mostly due to resource issues but progress continues to be made. The Employment, Learning and Skills services delivered under contract with government agencies and prime contractors are performing well, thereby securing</p>	<p>Key project risks are outlined on the Projects page. There are some risks around consultation on major schemes and the changes to scheme design and timetables; and extra cost of delivery that may result from this process. Communication plans for the schemes are being implemented to manage these risks and prevent these becoming issues. The formation of the Regeneration Directorate will bring about closer working across services in delivering strategic projects for the growth and development of the city.</p>	<p>The risks to achieving the overall aims of the Directorate are mostly due to the uncertainty of future funding streams, resources and external factors beyond our control. These risks are being managed through a range of strategies that focus on good communication with Members, key stakeholders and funding agencies; ensuring that we continue to deliver services to high standard; and careful workforce planning to ensure we have the right skills and resources in place.</p>

Performance issues for consideration	Project issues for consideration	Risk issues for consideration
continued external funding to deliver support into sustainable work for local people.		
Directorate: Culture and City Development		
Directorate: Community and communication		
<p>The processing speeds for housing benefit new claims reduced in Q2, primarily the result of a reducing number of resources associated with the holiday period. Performance improved in Q3 and we remain confident that Q4 performance will continue to be on track against the baseline.</p> <p>The response rate for FOI has continued to be below the baseline in Q3. Additional resource has now been recruited to create resilience, and performance in December 17 was 83%, and as such we are confident that performance levels will now continue to be on track.</p>		
Directorate: HR, Legal and Performance		
<ul style="list-style-type: none"> • Continued strong and consistent performance in all main business-as-usual areas <ul style="list-style-type: none"> ○ Childcare team performance still improving from an already high level of performance ○ Traded services still expanding and retaining existing clients ○ Sickness absence increasing (slightly) but within reasonable 	<ul style="list-style-type: none"> • First stage of Business intelligence implementation complete • Work on new apprenticeship programme well on track and delivering early success • Directorate plays a key role in supporting wider corporate and regeneration projects (reported separately in other directorate reports) • New Learning Management System 	<p>Dependency on key staff and capacity of those staff to deliver increasingly complex briefs is the key risk to the directorate</p>

Performance issues for consideration	Project issues for consideration	Risk issues for consideration
<p>limits</p> <ul style="list-style-type: none"> • Significant amounts of organisational change supported with minimal disruption 	<p>(LMS) procured and being implemented</p>	
<p>Directorate: Finance and IS</p>		
<ul style="list-style-type: none"> • Financial governance & Accountability targets being met • History of meeting budget savings requirements • Successful trading operations and investment strategies generating new income • IT availability metrics maintained 	<ul style="list-style-type: none"> • Municipal Energy Company on track for Autumn launch • 100% Business Rate retention pilot application successful • Entrepreneurial activities- Community Bank, Energy Company, Commercial property investment portfolio: strong due diligence & monitoring process • IT strategy -move to Cloud hosting 	<ul style="list-style-type: none"> • Entrepreneurial activities • Resolution of underlying budget deficits • Strength of Cyber security arrangements • Single points of failure in IT infrastructure and systems access • Retention of key staff • Recruitment & replacement of skilled staff • Disaster recovery- resilience • Business risk associated with large scale technical change

This page is intentionally left blank

Appendix 2: Performance Issues

CHILDREN'S SERVICES						
FUNCTION: EARLY HELP AND SYSTEM TRANSFORMATION						
Objective	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating	
Page 173	Increase in Early Help Assessments	625 achieved in 2017/18	81 EHA's received in Q1 Plus 44 EHA completed by HV, SN and FNP Total = 125 This is the total number of early help assessments received including those from the wider workforce through PCC. Expect true reflection of EH team EHA in Q2 as systems set up for collection	100 (cumulative 181) - performance is improving and now looking to capture plans rather than just assessments.	99 (cumulative 280) Performance is improving and now looking to capture plans rather than just assessments.	Amber
	Number of families receiving targeted Early Help	A new case management IT system was established in Q4 and is currently being populated. The expectation is that we will have reliable snapshot data on this indicator by June 2017.	North = 27 families Central = 27 families South = 25 families Referrals through MASH started but slow for what is expect for Central . True reflection of workload expected in Q2	307 Families; 699 Children	362 Families; 837 Children	Green

% of ongoing social care cases with previous targeted Early Help Support	Baseline 2017 = 28.2%	Q1 2017/18 = 26.7% This is expected to significantly increase in Q2 now we have the team working with families	17% - this is below expected but is likely to be a recording issue and will improve as new Early Help service embeds.	32.3% - This is below expected but improving and will improve as new Early Help service embeds	Amber
Attachments to the Troubled Families programme	A significant increase in families attached was achieved in Q4 through a determined approach to recording within the programme family support provided through a range of agencies. Continuing to attach new families at the rate required for the 5 year programme will be a challenge but should be supported by the 16/17 restructuring and recommissioning.	128 new attachments to the TF programme in Q1 Process in place to identify Troubled Families. Numbers expected to increase with additional EHA by EH team and wider system	25 This is a drop in performance and below where we need to be. A data cleansing exercise is underway and process mapping taking place to improve information capture.	86 - on track to where we need to be for 31/03/18	Green
Troubled Families PbR claims	Processes are currently being set up to capture progress across the full set of families receiving targeted early help and social care, which should result in a significant number of PbR claims in 17/18.	0 claims in Q1 Maturity matrix updated and needs to be approved by Stronger Futures board. Wider sharing of expectations of the services for Troubled families to take place during Q2	0 claims in Q2 - as above	39 claims in Q3	Red

FUNCTION: CHILDREN'S SOCIAL CARE - ASSESSMENT AND INTERVENTION

Objective	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating
Initial child protection conferences convened in 15 day timescale	79% (221/280)	76% (50/66) Remains relatively static with 2016/17 outturn	71% (50/70) YTD (72% - 102/141)	74% (53/72) YTD (72% - 155/215)	Amber
Case in the Public Law Outline and court proceedings are progressed in a timely way, measures through % court cases progressed within 26 week timescale	69% (22/32)	100% (11/11) Court work managed in a timely and appropriate way	100% (23/23) YTD (100% - 34/34)	59% (13/22) YTD (84% - 47/56) There has been a dip this quarter - but a number of cases with complicating factors, late presentation of fathers and extended family. Also cases where fact finding needed	Green
Number of children subject to child protection plans (and compared to statistical neighbours)	242 PCC Rate per 10,000 = 55.25	242 PCC Rate per 10,000 = 55.25 As of March (2016) most up to date comparator average was 53.1. Our current figure against comparators as at March 16 would place us in the middle	268 Rate per 10,000 = 61.19	276 Rate per 10,000 = 62.73 SN average (@Mar 17) =56.4 Remains quite high, slight increase again in Q3	Amber

Page 175

FUNCTION: CHILDREN'S SOCIAL CARE - YOUTH OFFENDING TEAM

Objective	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating
Transformation of YOT – reducing caseloads	89 - The YOT had an increase in caseload over the year. There has been an increase in First Time Entrants to the system which follows the pattern in a rise in referrals regarding adolescents through the MASH.	91 Caseloads remain quite high in YOT, but have been static from December 2016 - after a sharp rise in November	86 - Caseloads remain high - putting pressure on the team. Focus on reducing caseloads	89 - Remains static as with previous quarter	Amber
Address first-time entrants to youth justice system (number of first time entrants in the quarter)	78- Portsmouth remains slightly above the comparator average	20 This remains consistent in Quarter 1 with 2016/17 outturn	10	23 - After reduction in Q2 increase again in Q3. FTE remains a challenge. Early Help now supporting triage	Amber
Reduce reoffending (data from Youth Justice Board – historical periods)	42.8% (Apr 14 – Mar 15)	42.0% (Jul 14 - Jun 15) Data from two years ago shows a very slight decrease in re-offending rate. Reoffending is being tracked through live tracker in Core+	46.7% (Oct14 - Sep15) - this is bottom of the YOT benchmark partners. Challenge in that the data is two years old	45.00% (Oct-15-Dec 15) - Reoffending remains high - challenge in that the data is two years old	Red

FUNCTION: CHILDREN'S SOCIAL CARE - LOOKED AFTER CHILDREN AND CARE LEAVERS

Objective	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating
<p>Increase number of in-house foster carers</p>	<p>196</p>	<p>193</p> <p>This is a competitive environment and requires continual investment and focus. The numbers of carers coming through for assessment has dropped off, but given the significant increase in LAC, we have more YP placed with in- house provision demonstrating effective and efficient use of our carers</p>	<p>202 - Continuing progression in recruitment.</p>	<p>202 - Recruitment slowed down in Q3 and we have reviewed the strategy to increase the digital platform.</p> <p>Consideration to be given to increasing investment in recruitment in order to retain competitive edge.</p> <p>Hampshire are aggressively marketing in our area</p>	<p>Green</p>
<p>Reduce reliance on external foster carers (independent providers)</p>	<p>48</p>	<p>55</p> <p>20 of these placements are used by UAMs. If we had not had such a large increase in UAMs entering care our usage of IFAs would be at the lowest ever.</p>	<p>47 - In light of increasing numbers of LAC, it is positive that reducing dependencies on IFAs</p>	<p>61 - We are at an all-time high for LAC in Quarter 3 and the influx of UASC (70) has led to the use of IFAs out of area</p>	<p>Green</p>

<p>Increase stability in placements</p>	<p>Short-term 16.02% Long-term 65.04%</p>	<p>Short-term 16.13% Long-term 64.29%</p> <p>Placement stability has deteriorated slightly and a working group has been set up to consider actions that will be required to improve performance.</p>	<p>Short-term 15% (54/368) Long-term 64% (77/120)</p> <p>Slight improvement in short term stability and sustained performance for long term stability and this remains a concern and working group monitoring action plan quarterly.</p>	<p>Short-term 14% (55/383) Long-term 64% (75/117)</p> <p>Placement stability remains a top priority. There has been a slight % improvement in short term stability and sustained performance for long-term stability.</p>	<p>Amber</p>
<p>Reduced care periods (measured by average days in care)</p>	<p>0-5 386 days 6-13 1279 days 14+ 1368 days</p>	<p>0-5 384 days 6-13 1309 days 14+ 1291 days</p> <p>The Reunification Project was stalled whilst we were identifying appropriate resource. Children under 5 are successfully reunited with family or adopted but there are growing numbers of older children in the care system (including UAMs) with limited scope of return home.</p>	<p>0-5 = 369 days 6-13 = 1374 days 14+ = 1190 days</p> <p>Duration of care is reducing for 0-5 (fewer children coming into care in this age range). Increase on 6-13 years group which is of concern. Reducing duration for 14+ and is linked to numbers of UAMs coming into care, reducing average care periods.</p>	<p>0-5 = 321 days 6-13 = 1308 days 14+ = 1149 days</p> <p>Duration of care is reducing for 0-5 (fewer children coming into care in this age range). Increase on 6-13 years group which is of concern. Reducing duration for 14+ and is linked to numbers of UAMs coming into care, reducing average care periods.</p>	<p>Amber</p>

<p>Increase in numbers of children registered as privately fostered</p>	<p>3</p>	<p>3</p> <p>There has been considerable awareness raising for Private Fostering which has increased activity. However, the numbers of YP who remain in longer term arrangement remains static.</p>	<p>3</p>	<p>6</p>	<p>Green</p>
<p>Increase in numbers of children returning home from care</p>	<p>22/127 (17.32%)</p>	<p>6/44 (13.64%)</p>	<p>9/58 (15.5%) YTD (15/105 = 14.3%)</p>	<p>8/51 (15.7%) YTD (25/158 = 15.8%) Exponential growth in numbers of children returning home from care</p>	<p>Amber</p>
<p>Strength and Difficulties Questionnaire (SDQ) scores indicate increased emotional wellbeing</p>	<p>17.3</p>	<p>14.5</p> <p>This is an indicator to assist professional assessment of need. It is a blunt instrument and we are working with CAHMS in order to develop a more embedded and reliable system for measuring improvements.</p>	<p>14.5</p> <p>The numbers of children with completed SDQs remains too low. Joint funded post (admin) has been agreed but not yet implemented.</p>	<p>14.8</p> <p>Most young people have a school completed SDQ as part of the PEP and these will be scored and uploaded onto the system. All of the young people who have health assessment completed by PCC LAC Team have been screened with the Mental Health Tool they use and emotional health assessment is always part of the holistic assessment.</p>	<p>Amber/ Red</p>

Increase in number of SDQs completed	61.6%	37.5% The system for completing SDQs is being reviewed as there is a drop in completion rates.	18.6% (Recording issue) 57/306 As above. Urgent action required.	42.2% 133/315 data cleansing taking place	Amber/Red
Adequate move-on accommodation available for care leavers	87.9%	84% Accommodation pathways for YP are being mapped and developed as part of the Staying Close project.	81% (98/121) Sufficiency report has been completed and confirms a good range of accommodation options for young people. Staying Close project will be implemented to support the few most vulnerable young people leaving residential care	83% (106/128) Sufficiency report has been completed and confirms a good range of accommodation options for young people. Staying Close project will be implemented to support the few most vulnerable young people leaving residential care.	Green / Amber

FUNCTION: CHILDREN'S SOCIAL CARE - SAFEGUARDING MONITORING					
Objective	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating
Percentage of newly-qualified social workers	17.5	14.5 - The number has reduced as a number have moved through their first year. We would expect this to increase towards the start of Septembers academy	22.9% New intake increases % of NQSW	26.9%	Red/Amber

Retention of social work staff, measured by % staff employed for over 2 years	62%	69% This is increasing overall with the locality teams changing the most. All of the locality teams have obtained 62% and over for at least one month this quarter. Both South and North are rising but central has had a recent loss of some more experienced staff and so the percentage has dropped at the end of the quarter	60%	72%	Green
Number of referrals to Local Authority Designated Officer	180	24 - This is at the usual rate	43 YTD (92)	78 YTD (170)	Green
Number of issues resolved through challenge and escalation process	24	6	8 YTD (14)	26 YTD (40) Being monitored through newly established line-of-sight meetings	Amber

2018
 2019
 2020
 2021

Number of staff accessing Social Work Matters Skills Academy and feedback	The academy ran Sept – Dec in 2016 and is planned to repeat this format in 2017. This allows for one group to complete the programme together. Detailed feedback from the 2016 cohort and their supervisors is being collated to inform the 2017 training programme.	0 - The next academy is due to run in Sept 2017.	Now running two programmes. First cohort started sept 2017, second cohort to start Jan 2018. Academy Board now established.	Now running two programmes. First cohort started sept 2017, second cohort to start Jan 2018. Academy Board now established	Green
--	--	---	---	--	--------------

FUNCTION: EDUCATION - INCLUSION					
Objective	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating
No. of SEN statements/EHC plans (% of SEN statements/EHC plans)	1269 (Jan 16 - Jan 17)	No data until next Statistical First Release (Due May 2018)			Amber
% of CYP (0-25) transferred from SEN statements to EHC plans (deadline of 31st March 2018)	53% (Jan 16 - Jan 17)	No data until next Statistical First Release (Due May 2018)			Amber

% of new EHC plans issued within 20 weeks (excluding exceptions)	97.97% (Jan 16 - Jan 17)	No data until next Statistical First Release (Due May 2018)			Green
% PEPs completed on time	98.76%	97.66%	92.34%	94.04%	Green
% Pathway plans completed on time	83.44%	83.33%	67.72% - it is not clear why this has dropped and we think this is likely to be a recording issue - will update in Q3.	64.04% - drop in performance likely to be due to the high number of UAMs	Green
Overall absence from primary schools (Number in brackets is national average)	4.1% (4.0%)	No data until next Statistical First Release (Due March 2018 for 2016/17 data)			Amber
Overall absence from secondary schools (Number in brackets is national average)	6.2% (5.2%)	No data until next Statistical First Release (Due March 2018 for 2016/17 data)			Red
Persistent absence from primary schools (Number in brackets is national average)	8.8% (8.2%)	No data until next Statistical First Release (Due March 2018 for 2016/17 data)			Amber
Persistent absence from secondary schools (Number in brackets is national average)	17.7% (13.1%)	No data until next Statistical First Release (Due March 2018 for 2016/17 data)			Red
No. of Permanent exclusions from school (Previous year's figure in brackets)	4 (6)	No data until next Statistical First Release (Due July 2018 for 2016/17 data)			Green
No. of fixed period exclusions from school (Previous year's figure in brackets)	599 (572)	No data until next Statistical First Release (Due July 2018 for 2016/17 data)			Amber

FUNCTION: EDUCATION SUFFICIENCY, PARTICIPATION AND RESOURCES - CAPITAL SCHEMES

Objective	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating
<p>Completion of 1000 place school rebuild of King Richard School (PSPB R1) by September 2017</p>	<p>Building works on site and on schedule</p>	<p>Building works due to be completed in September 2017, with handover to the school and transition to new accommodation scheduled for October half term 2017.</p>	<p>Contractual completion date agreed between the EFA and Kier Construction for October half term break. Decant from the old school to the new commenced on 13 October with completion due for 27 October, allowing the school to operate in new facilities at the commencement of the new term.</p>	<p>School commenced in new building as planned on 27 October 2017. Preparations are now underway for demolition of the old buildings which is due to take place in July 2018.</p>	<p>Green</p>

<p>Rebuild of Beacon View and Arundel Court and rebuild/refurb of Mayfield School (PSPB R2) by 2020</p>	<p>Options appraisal stage with ESFA – awaiting feedback – due in Q2</p>	<p>Ongoing discussions with ESFA. Outcome of options appraisals for Beacon View and Arundel Court awaited.</p> <p>Appraisal meeting held for Mayfield and ESFA proposed new build.</p>	<p>The ESFA has appointed Elliotts as the contractor for both schemes. Formal engagement meetings are due to commence in November 17 (date yet to be confirmed).</p> <p>The Education Service and the Housing and Property Service have examined the ESFA documentation, analysing and evaluating the options. The Governing Board voted in favour of new build. Having fully explored all of the options and being satisfied that there is not a viable and financially sustainable alternative, the council has endorsed the recommendation of the Governing Board.</p>	<p>Design meetings for both schemes have progressed and planning applications are due to be submitted in Q4 (February 2018).</p> <p>Design meetings are progressing well. Pre planning application meeting due to take place in Q4 (1st February 2018).</p>	<p>Green</p> <p>Green</p>
<p>Completion of priority capital works to address urgent condition issues (school modernisation programme 2017/18)</p>	<p>Schemes underway</p>	<p>2016/17 condition schemes completed; work commencing on 2017/18 condition schemes.</p>	<p>Works progressed and completed at a number of schools over the school summer holiday period. Where in design, these works will be undertaken prior to the end of the year.</p>	<p>All projects are RAG rated Green and either complete or on programme.</p>	<p>Green</p>

<p>Primary sufficiency Phase 2 – deliver an additional 600 school places (Northern Parade, Craneswater Junior, Langstone Junior, Moorings Way Infant, Arundel Court Primary, Newbridge Junior)</p>	<p>Schemes underway</p>	<ul style="list-style-type: none"> • Northern Parade Infant & Junior - on track for completion in August 2018 • Craneswater Junior - delay in getting to tender stage. Estimated completion date is now July 2018. • Langstone Junior - completed • Moorings Way Infant - Poor market tenders. Project re-engineered to make some savings, but this project remains a pressure • Arundel Court Primary - completed • Newbridge Junior - completed 	<p>Northern Parade: DM Habens appointed, works commenced on site in August 17, completion on track for August 18.</p> <p>Craneswater: Tenders returned and within budget. Contract start date is 30 October for a 40 week contract period completing in August 18. Site set up is due to commence during the October half term break.</p> <p>Moorings Way: Commenced on site in August 17. Classrooms complete by 10 December, Hall extension complete by 16 February 18. Additional funding of £100K was provided by the Academy provider towards the project costs.</p>	<p>Contractor currently 2 weeks behind programme due to poor weather but has reprogrammed works to mitigate this delay.</p> <p>Contractor currently 3 weeks behind programme due to poor weather and unexpected site condition issues. An alternative approach is being developed to avoid operational completion difficulties</p> <p>Works to classrooms are now complete but due to poor weather, the extension works are not due for completion until Q4 (9 March)0.</p>	<p>Amber</p> <p>Amber</p> <p>Amber</p>
---	-------------------------	---	--	---	---

<p>Secondary sufficiency Phase 1 – provision of additional secondary school places to create 2-3% surplus in the short to medium term (Springfield, Miltoncross, St Edmund’s, The Portsmouth Academy)</p>	<p>Works underway. Minor delay at Springfield.</p>	<ul style="list-style-type: none"> • Springfield programme revised and will complete in January 2018. Works commencing during summer holidays. • Portsmouth Academy works progressing well and on schedule. • St Edmund’s completed. • Milton Cross re-scheduled for 2019, as jointly agreed with school and PCC. 	<p>Springfield: Works to B Block completed. Temporary changing rooms installed. Works to Hall commenced 2nd September and due to be completed by February 18. Portsmouth Academy: Works completed September. Design work progressing and MIS submitted for major expansion project.</p>	<p>Works are well underway and due for completion in Q4 (23 March) which is slightly later than planned due to the poor condition of the existing building.</p> <p>Planning application submitted in December 2017.</p>	<p>Green</p> <p>Green</p>
<p>Remodelling of Special School provision at Cliffdale Primary and Redwood Park Academies</p>	<p>Detailed design is underway. Cliffdale Primary project is progressing. Funding still required for Redwood Park.</p>	<ul style="list-style-type: none"> • Cabinet Member has approved re-allocation of funding to enable Cliffdale to be completed – project underway • Funding still required for Redwood Park. 	<p>Cliffdale: Out to tender 13 November 17. Tender return date January 18.</p> <p>Redwood Park: Capital bid submitted to members in October 17.</p>	<p>Tender return is in 2 parts, first part due to be analysed in Q4 (by the end of January).</p> <p>Awaiting outcome of capital bid - Q4</p>	<p>Green</p> <p>Green</p>
<p>University Technical College completed by summer 2017 – to open in Sept 2017</p>	<p>Construction in progress and on track</p>	<p>Project on track and UTC will open in September 2017.</p>	<p>UTC opened in September 17 as planned.</p>	<p>Project now complete and official opening took place in December 2017.</p>	<p>Green</p>

<p>Refurbishment of Vanguard Centre and relocation of Harbour @Fratton and Harbour @Milton by September 2017</p>	<p>Detailed design is underway</p>	<p>Preparation phases complete, and scheme due to go out to tender in Q2. Costs of scheme to be finalised. Scheme on track to complete ready for September 2018.</p> <p>Harbour @ Milton site will be vacated at the end of July 2017. Provision has moved to Cosham site.</p>	<p>Out to tender on 21 September, tender return due early November 17.</p> <p>Harbour at Milton vacated as planned at the end of July 17.</p>	<p>Tender was returned and following design value engineering and a review of associated costs, a contractor has been appointed and is due to commence on site in Q4 (12th February 2018).</p> <p>No further update required as complete.</p>	<p>Green</p> <p>Green</p>
<p>Secondary feasibility studies to establish how PCC could increase capacity to meet growing demand from 2019 onwards (Ark Charter, Portsmouth Academy, Admiral Lord Nelson)</p>	<p>Feasibility studies underway</p>	<p>Feasibility studies scheduled for completion by September 2017. To be discussed at Secondary Headteachers Conference Meeting in September 2017. Will form the basis for capital bids in Autumn 2017, linked to £3m DfE basic need funding allocation for 2019/20 and estimated basic need funding for 2020/21 and 2021/22.</p>	<p>Feasibility studies completed September 17. Secondary strategy completed and formed the basis of discussion for the meeting with Secondary Headteachers in September. Capital Bids were submitted to Members in October 17. Issue relating to Charter Academy and impact on DSG is being discussed and will need to be resolved in Q3 in order for ths scheme to go ahead.</p>	<p>Awaiting outcome of capital bid - Q4</p> <p>The issue relating to the MFG and the impact on the DSG is close to a resolution with an identified solution being reviewed by both the Trust and the Council.</p>	<p>Green</p> <p>Green</p>

FUNCTION: EDUCATION SUFFICIENCY, PARTICIPATION AND RESOURCES - POST-16 STRATEGY

Objective	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating
% 16-18 year olds NEET	3.7%	3.8% (3 month average Apr-June 2017 MI)	4.3% (Please note: 2 month average July-Aug 2017 MI, as Sept MI won't be submitted until 31/10/17)	3.5% (3 month average Oct-Dec 2017 MI)	Green
% 16-18 year olds unknown	0.8%	0.6% (3 month average Apr-June 2017 MI)	1.2% (Please note: 2 month average July-Aug 2017 MI, as Sept MI won't be submitted until 31/10/17)	14.9% (3 month average Oct-Dec 2017 MI) Quarter 3 results reflect an increase in the number of unknowns at the start of the academic year - this will be rectified in Q4.	Amber
% participation in education/training at age 16	94.8%	94.7% (3 month average Apr-June 2017 MI)	93.8% (Please note: 2 month average July-Aug 2017 MI, as Sept MI won't be submitted until 31/10/17)	79.8% (3 month average Oct-Dec 2017 MI) Quarter 3 results reflect an increase in the number of unknowns at the start of the academic year - this will be rectified in Q4.	Amber
% participation in education/training at age 17	86.6%	87% (3 month average Apr-June 2017 MI)	86.4% (Please note: 2 month average July-Aug 2017 MI, as Sept MI won't be submitted until 31/10/17)	78.3% (3 month average Oct-Dec 2017 MI) Quarter 3 results reflect an increase in the number of unknowns at the start of the academic year - this will be rectified in Q4.	Amber

P
28
6846
89

Achievement of Level 2 (including English and Maths) by 19	55.5% (2016)	Annual data not yet available: Not clear how changes to GCSEs will affect this indicator.			N/A
Achievement of Level 3 by 19	43.5% (2016)	Annual data not yet available			N/A
Apprenticeship Strategy: No 16-18 starts at Intermediate level	360 (Aug 2015 - July 2016)	260 (Aug 2016-April 2017)	270 (Aug 2016 - July 2017) There has been a drop in apprenticeships nationally since the introduction of the Levy in April 2017. Whilst the numbers have increased growth is not as strong as expected.	Data not available - due April/May 2018	Amber
Apprenticeship Strategy: No. of 16-18 starts at Advanced level	130 (Aug 2015 - July 2016)	140 (Aug 2016-April 2017)	160 (Aug 2016 - July 2017) There has been a drop in apprenticeships nationally since the introduction of the Levy in April 2017	Data not available - due April/May 2018	Amber
Apprenticeship Strategy: 16-18 Apprenticeship success rate	75.2% (2015/2016)	Data not available		Data not yet available, due to be published April/May 2018	N/A

FUNCTION: EDUCATION: SCHOOL IMPROVEMENT

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Early Years Foundation Stage - % achieving Good Level of Development	69.7% (annual indicator - 2016 final)	71.0% (2017 final) Annual indicator, quarterly data not available.			Amber
Year 1 Phonics Screening % working at the standard	81% (annual indicator - 2016 final)	77.4% (2017 provisional) Annual indicator, quarterly data not available.			Amber
KS1 Reading, Writing and Maths combined - % at least expected standard	59% (annual indicator - 2016 final)	61.9% (2017 provisional) Annual indicator, quarterly data not available.			Red
KS2 Reading, Writing & Maths - % at least expected standard	48% (annual indicator - 2016 final)	57% (2017 final) Annual indicator, quarterly data not available.			Red
KS2 Reading Average Progress Score	-1.5 (annual indicator - 2016 final)	-1.5 (2017 final) Not directly comparable to 2016 due to change in methodology. Annual indicator, quarterly data not available.			Amber
KS2 Writing Average Progress Score	-1.3 (annual indicator - 2016 final)	-1.8 (2017 final) Not directly comparable to 2016 due to change in methodology. Annual indicator, quarterly data not available.			Amber
KS2 Maths Average Progress Score	-1.7 (annual indicator - 2016 final)	-1.5 (2017 final) Not directly comparable to 2016 due to change in methodology. Annual indicator, quarterly data not available.			Amber

4-9 in English and maths 5-9 in English and maths	KS4 A*-C Eng & maths 58.3% (annual indicator - 2016 final)	37.2% English & maths 9-5 (2017 final) 58.4% English & maths 9-4 (2017 final) Annual indicator, quarterly data not available.			Red
KS4 Attainment 8	46.3 (annual indicator - 2016 final)	42.3 (2017 final) Not comparable to 2016 due to change in methodology. Annual indicator, quarterly data not available.			Red
KS4 Progress 8	-0.17 (annual indicator - 2016 final)	43.1% (2017 final) Annual indicator, quarterly data not available.			Amber
% entered EBacc	37.9% (annual indicator - 2016 final)	18.3% EBacc 9-5 (2017 final) 20.8% EBacc 9-4 (2017 final) Annual indicator, quarterly data not available.			Amber
% achieved EBacc	18.9% (annual indicator - 2016 final)	18% EBacc 9-5 (2017 provisional) 21% EBacc 9-4 (2017 provisional) Annual indicator, quarterly data not available.			Amber
% schools judged to be Good or better (of those schools that have been inspected)	84% (March 2017)	87.9% (end of June 2017)	88.1% (end of September 2017)	88.1% (end of December 2017)	Green

ADULT SOCIAL CARE

Key function: Fieldwork / CHC

Objective	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating
<p>Portsmouth has Residential / nursing care beds available for those who are unable to live in their own home</p>	<p>As at August 2017, ASC funds 595 people in residential and nursing home care.</p>	<p>Whilst there are sufficient residential home beds available at market cost in Portsmouth. PCC hold a contract with CareUK to provide 62 beds for ASC funded service users with dementia in need of nursing home care. CareUK voluntarily imposed an embargo on new admissions in 2016 in response to a rating of 'Inadequate' by CQC. This embargo continued until May 2017 when admissions began again. The process of filling the contracted beds continues.</p>	<p>PCC hold a contract with CareUK to provide 62 beds for ASC funded service users with dementia in need of nursing home care. PCC continue to be in discussion with CareUK around contract terms and conditions, which may lead to mediation. Harry Sotnick House has imposed an embargo on new admissions following an inspection by CQC.</p> <p>Whilst there are sufficient residential home beds available at market cost in Portsmouth, there is instability in the market in Portsmouth due to adverse CQC inspection Reports for Summerlands and Arbborough House and the planned closure of Cressage House. Other closures may follow.</p>	<p>PCC hold a contract with Care UK to provide a service for people with dementia in need of nursing home care, this contract will cease on 31st March 2018. ASC is currently in discussion with a Local Authority provider to manage the home for a transition period and working with Care UK to safely transition the home. Regular information meetings have been established for relatives and there is weekly oversight of progress with a management group.</p> <p>Whilst there are sufficient residential home beds available at market cost in Portsmouth, there continues to be restrictions in the market in Portsmouth due to closures to new admissions and limited admission procedures in place in 4 homes in the city. During Q3, three residential homes in Portsmouth closed.</p> <p>During Q3 ASC staff reviewed the needs of residents in these homes and arranged alternative accommodation. Many of the existing placements had been made at 'standard' financial rates, new placements were at higher rates, placing additional strain on the financial position.</p>	<p>Red</p>

<p>Portsmouth has sufficient domiciliary care available to enable people with care and support needs to remain living independently in their own homes.</p>	<p>As at April 2017 ASC funds 1,137 people to receive domiciliary care.</p>	<p>In Q1, one provider was closed by CQC, the largest Portsmouth preferred provider saw 10 staff and 1 supervisor move to another provider, one provider was sent a notice by the Care Quality Commission, proposing to 'cancel the activity' of the company and three care providers 'handed back' a number of care packages for service users with complex needs based on a lack of capacity. All of the service users affected were found replacement care. ASC have a 'waiting list' of around 300 hours of care required on a permanent basis.</p>	<p>ASC continue to have a 'waiting list' of around 300 hours of care required on a permanent basis.</p>	<p>In Q3, the 'waiting list' of around 300 hours of care required on a permanent basis reduced to 170 hours. This is linked to the release of domiciliary care hours due to PCC housing commencing their own domiciliary care in a sheltered block and the potential impact of Health care support workers in end of life care also releasing some extra capacity.</p> <p>ASC placed a suspension on new business with a domiciliary care provider during Q3 in response to an adverse CQC report. ASC undertook reviews of 50% of the service users placed and moved to 'cautious purchasing' as a result.</p> <p>Transformation fund agreement for funding ASC employed care staff was applied for in Q3 and agreed subject to measurement of service success criteria being established.</p> <p>The combination of the review work required and the work required to place people from the home closures impacted on the ability of ASC to carry out assessments. This built a waiting list during Q3 which continues in Q4.</p>	<p>Red</p>
---	---	---	---	---	-------------------

<p>CHC The CHC accountable manager reports monthly to a Partnership Management Group, composed of representatives from the CCG and PCC. KPI are reported in addition to the overarching themes of patient care and value for money in the delivery of CHC in Portsmouth.</p>	<p>Continuing Healthcare in Portsmouth is delivered through a team composed of nurse and social work professionals. The Local Authority is the lead agency and provides budget monitoring, leadership and ratification of the CHC process in Portsmouth on behalf of the CCG through a Section 75 agreement under the National Health Service Act 2006.</p>	<p>Renegotiation of costs with providers saving £29,000</p> <p>Tier Mapping Model, (managing the costs of future placements) has been shared with providers and is due for implementation in Q2. Standard Contract Beds, (stabilising the costs of current placements) have been made available through two providers in Portsmouth, enabling placements to be secured in a more timely fashion and prevent delay in community in-patient beds.</p> <p>A detailed analysis of 320 'fast track' applications evidenced that 93% were appropriate.</p> <p>CHC is reported nationally to NHS England in addition to local performance monitoring. This monitoring has been changed this Financial Year and therefore comparators on national reports will not be available until the end of Q2.</p>	<p>The Tier Mapping Model, (managing the costs of future placements) has been verbally approved by CCG, due to go to CCG Committee prior to implementation in Q3 or possibly Q4. This was anticipated to be Q2, but this proved over optimistic.</p> <p>Solent are making a bed available to assess whether a temporary placement for challenging behaviour can impact on high costs in the market. We are also in discussion with a local provider around more beds for people with challenging behaviour.</p>	<p>The Tier Mapping Model, (managing the costs of future placements) was due to have been implemented in Q3/Q4, but has not yet been approved. Further cost analysis work has been requested, and the market in Nursing Home care continues to raise rates.</p> <p>The potential Solent bed to assess challenging behaviour continues to be discussed.</p> <p>The full year effect of 2016/17 increases in people needing care at the end of their lives, ('Fast Track') people with a learning disability and people with a physical disability also increased during Q3. There has also been an effect of increased costs for older people as historically low cost nursing placements cease and new clients are placed at higher rates.</p> <p>Current budget projection suggests a significant overspend for the CCG with potential mitigation against this in the underspent balance sheet of 2016/17.</p>	<p>Amber</p>
---	---	--	---	---	---------------------

Key function: Independence & Wellbeing -

Independence & Wellbeing Objectives are grouped into 6 priority areas and projects that the service is involved in fulfil varied objectives and KPI in these 6 areas.

Priority Area & key project	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating
<p>Supporting independence/ Reducing Social Isolation : Community Connector Project - supporting lonely and isolated people to access social opportunities within their local community</p>	<p>Project running effectively but waiting list in place due to high demand on the service.</p>	<p>Funding identified to increase staff - combined total of 21.5 additional hours between 2 part time members of staff. This has helped to reduce waiting times. Drop in sessions for people on the waiting list has been made a permanent provision following a successful pilot.</p>	<p>Due to the measures in Q1 waiting times are now at an acceptable level.</p>	<p>An anticipated rise in demand due to discontinuation of funding for Age UK's Living Well Project is being partially addressed by a temporary increase in hours by one of our part time Community Connector staff members.</p>	<p>Green: Waiting times are at an acceptable level.</p>

<p>Health and Wellbeing: Men's Sheds initiative</p>	<p>Sheds at both the Stacey Centre and Portsea are at full capacity. Gap in provision identified in the North of the city.</p>	<p>Extension to the existing Stacey Shed agreed and funding/materials sourced. Additional premises identified in Portsea resulting in more people being able to benefit from this project. Suitable venues being explored in the North of the City.</p>	<p>Q2 Portsea shed needs to find a new venue from July 2018 as lease with St Georges Church terminates in June. Extension to Stacey Centre venue progressing well and progress being made regards finding a suitable venue in the North of the city. A suitable venue is now also being sought in the Eastney area of the city.</p>	<p>Portsea shed needs to find a new venue from July 2018 as lease with St Georges Church terminates in June - a number of potential venues have been identified and relevant discussions are underway.</p> <p>A new men's shed project has opened in Buckland Community Centre - this will initially operate on Thursday evenings only.</p> <p>Activity is also currently ongoing to secure a suitable venue to develop a shed project in the north of the city.</p>	<p>Green</p>
<p>Information and advice: Development of a web based tool to facilitate easier access to health and social care information for practitioners and also the general public across the Portsmouth district.</p>	<p>Requirements for the I&A tool have been discussed and agreed as part of the I&A strategy partnership group and also via a range of consultation exercises with a wide range of stakeholders.</p>	<p>A suitable solution has been identified in the form of a Microsoft Dynamics 365 package.</p> <p>Business case submitted to the BCF programme for funding - currently awaiting decision.</p>	<p>Funding approved for a Microsoft Dynamics 365 package. Implementation plan to be written.</p>	<p>Funding approved for a Microsoft Dynamics 365 package. Implementation plan written and tendering process has been initiated.</p>	<p>Green</p>

<p>Volunteers/Community Champions: Volunteer recruitment and retention programme to ensure the essential running of a range of IWT projects and services.</p> <p>Page 198</p>	<p>Full quota of volunteers actively supporting the community connector project.</p> <p>Recruitment drive required to ensure adequate cover for the Healthy walks programme due to a number of resignations due to ill health.</p> <p>Community Champion programme agreed to deliver health and social care related messages across BME communities in Portsmouth</p>	<p>6 new walk leaders recruited and fully trained.</p> <p>18 people recruited onto the Community Champion programme and mandatory induction training completed.</p>	<p>Q2 Funding to extend the good neighbour Project into Portsmouth has been secured, this project will release community capacity to support vulnerable residents in the city to retain their independence and maintain health and wellbeing.</p> <p>A new volunteer programme has also been launched to provide basic cookery sessions for older men.</p>	<p>IWT have been working in partnership with PH to bring the Good Gym project into the city. This is a social enterprise that operates nationally and combines good deeds with running. This project will be launched in the city around Easter time.</p>	<p>Green</p>
<p>Training and Workforce Development: IWT work force development training offer</p>	<p>Programme for 2017-18 agreed and actively promoted across the statutory and voluntary sector workforce.</p>	<p>Quality assurance data evidences that achievement of course objectives and general satisfaction levels are High.</p> <p>In addition to the standard programme, MECC (Making Every contact Count) training has been delivered to approximately 100 fire fighters in the city.</p>	<p>On Target</p>	<p>On Target</p>	<p>Green</p>

<p>Support for ASC Day centres and Residential Units: IWT are working with the management team from the dementia units to identify achievable and sustainable initiatives that will provide direct health and wellbeing benefits to the residents.</p>	<p>Support for dementia units by IWT team limited to the service provided by the Catering and Domestic services Coordinator whose role is exclusively around the provision of food and drink.</p>	<p>Meeting held with Senior Manager to identify potential input and range of community connects and potential sources of support provided. Proposal document submitted and agreed by Senior management. Reminiscence training provided to staff working in the units.</p>	<p>Q2 Programme of work has commenced within agreed timescales.</p>	<p>Working within agreed timescales. Activity this quarter has included</p> <ul style="list-style-type: none"> • The introduction of Pat Dogs into one of the units • Improved outdoor space and opportunity for residents to get involved in practical gardening activity across all units <p>The production of a guide for residential staff on caring for minority ethnic residents</p>	<p>Green</p>
---	---	---	---	--	---------------------

Key function: Carers' Services					
Objective	2017 Baseline (where known)	Progress Q1	Progress Q2	Progress Q3	RAG rating
Collaborative working with NHS Colleagues	E-learning package is being actively used by PHT, Solent and PCC staff. Carers Service Staff are providing ongoing support to PHT and Solent to achieve their organisational goals concerning carers. Please see Carers Service Annual Report for more detail.	A Carers Working Group has been formed as the delivery arm of the Carers Executive Board and had it's inaugural meeting 31st May. Key NHS partners are involved in this group.	The Carers Working Group continues to meet.	The Carers Working Group continues to meet. *Paused pending completion of systems intervention project	Green
Implementation of the NHS England Carers toolkit		It is intended that one focus of the working group above will be to implement the Memorandum of Understanding outlined in the NHS England Carers Toolkit. TOR have been signed off and a structure for the action plan is in development.	Memorandum of Understanding, (NHS England Carers Toolkit) action plan is being developed.	Memorandum of Understanding, (NHS England Carers Toolkit) action plan is being developed. *Paused pending completion of systems intervention project	Green

<p>Review of the Carers Assessment process</p>	<p>It is expected that the corporate intervention team will be working with the Carers Service to implement a new Carers Assessment Process in the first half of 17/18.</p>	<p>The Carers Service Systems Intervention commenced on the 10th July and is currently in the data and measures phase. This work is taking priority and will determine how the service is delivered in the future. It is anticipated that the intervention will run until December.</p>	<p>The Carers Service Systems Intervention has completed the check phase and have commenced redesign. The process of redesign and, (potentially) roll in, is likely to take until Christmas 2017.</p>	<p>The New Carers Assessment process is now designed and being rolled in from the 15th January. The process involves no forms for the carer and involves a carer led conversation which is not skewed or predetermined by questions directed by a form. The new process has been well received by carers and staff. Early indications suggest reduced end to end times and significantly fewer process steps for staff. New measures have been designed and the service will be working with the CCG to establish a new monitoring and reporting agreement.</p> <p>Plans for 2018 include exploring further potential for service development including reviewing and refocusing outreach and partnership work, exploring potential for more joined up working with health and social care colleagues on cases where a carers worker could be the lead professional for a couple/whole family and considering the staffing structure and resources needed in this new way of working.</p>	<p>Green</p>
---	---	---	---	--	---------------------

Key function: Learning Disability Services				
Objective 2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
<p>De-commissioned 66% of in house service. Re-commissioned services that focus on the 4 outcomes Preparing for Adulthood Work / Health / Independence & Learning / Relationships and Community 'Block contracts' replaced with individual budgets. Introduction of a named worker for all service users. Movement from generic providers to providers with a focus on independence and personal development.</p>	<p>Completed a service review for people who would be described as 'at risk' under Transforming Care. Significant growth in Social Enterprises and work related activity. Customer and Carer satisfaction is outstanding. A 5 year Day Service Strategy and Action Plan has been developed and is available with an emphasis on sustainable growth, diversity and a move to non-service, low cost socially inclusive solutions</p>	<p>Completed a day service review for people who would be described as 'at risk' under Transforming Care. Significant growth in Social Enterprises and work related activity. Customer and Carer satisfaction is outstanding. A 5 year Day Service Strategy and Action Plan has been developed and is available with an emphasis on sustainable growth, diversity and a move to non-service, low cost socially inclusive solutions Significant growth in confidence/independence/customer and carer satisfaction The increase in spend over several years has stopped with predicted underspend 2017-8</p>	<p>Completed a day service review for people who would be described as 'at risk' under Transforming Care. Significant growth in Social Enterprises and work related activity. Customer and Carer satisfaction is outstanding. A 5 year Day Service Strategy and Action Plan has been developed and is available with an emphasis on sustainable growth, diversity and a move to non-service, low cost socially inclusive solutions Significant growth in confidence/independence/customer and carer satisfaction The increase in spend over several years has stopped. While there has been progress we need to establish equitable and sustainable funding arrangements. We need to develop the market further but not over extend to create vulnerabilities. We need to continue to develop an outcome focus and develop ways of aggregating progress in outcome achievement and we need to further create non service solutions</p>	Amber

<p style="text-align: center;"> Dedicated Transition Workers A National Demonstration site A Partners in Policy making pilot working with Education, Portsmouth College and In Control to develop innovative ways of planning and to address many of the issues that affect Transition. </p>	<p> In collaboration with education colleagues: Designing information and decision making tools to support people to take control of their planning Developing formats for planning in both Children and Adults services that support the focus of the 4 outcomes Designing services (eg Day Services as above) to deliver outcomes related to the 4 PfA outcomes Developing the 'Local Offer' to provide the information that people need about what is available and how they access it. Also to help them think through what is right for them Working with 'In Control', Colleges, young people and their families as part of a Partners in Policy making project to improve post 16 transitions and ensure that all are working together to deliver in relation to the 4 outcomes </p>	<p> In collaboration with education colleagues: Designing information and decision making tools to support people to take control of their planning Developing formats for planning in both Children and Adults services that support the focus of the 4 outcomes Designing services (eg Day Services as above) to deliver outcomes related to the 4 PfA outcomes Developing the 'Local Offer' to provide the information that people need about what is available and how they access it. Working with 'In Control', Colleges, young people and their families as part of a Partners in Policy making project to improve post 16 transitions and ensure that all are working together to deliver in relation to the 4 outcomes </p>	<p> The main area of focus this last quarter has been to review and develop protocols across different service areas. Looking at what's missing, whether there is further scope for alignment of protocols and whether in fact they are working. The main gap is the lack of a clear protocol for people who may be eligible for services as an adult who weren't as children. This has a negative impact on quality of any planning and transition. A draft protocol has been proposed which looks at outline eligibility assessment at 14 and a flagging Panel to make sure that support in planning is sustained. A transformation Fund bid will look to dedicate some resource to supporting young people often with autism to plan for a successful transition We are continuing to re design the 'Local Offer' to provide the information that people need about what is available and how they access it. We have had no funding for transitional cases There needs to be more evidence of PfA outcomes in EHCPs in non LD cases Again in non LD cases there needs to more shared ownership across agencies for people with a special educational need This is being progressed by the PfA group which is chaired BY LD and reports to Autism Community Forum, LDPB and SEND Board </p>	<p>AMBER</p>
---	--	---	---	---------------------

<p>2 stakeholder conferences. Set up a sub group of the Partnership Board. 5 significant housing developments underway. Use of assistive technology (Just Checking) to promote further independence. Increasing the number of up to 8 flats with communal areas.</p>	<p>A 5 year Housing and Support Strategy and Action Plan is available. Transformation funding will be required to take forward</p>	<p>Have developed a 3 year Housing and Support Strategy and Action Plan is available. Transformation funding will be required to take forward. 2 stakeholder conferences held. Set up a sub group of the Partnership Board. 5 significant housing developments underway. Use of assistive technology (Just Checking) to promote further independence. Increasing the number of up to 8 flats with communal areas.</p>	<p>Funding has been agreed for 3 posts to take forward the Housing and Support Transformation Strategy.</p> <p>The process for establishing a new framework for Supported Living providers has begun</p> <p>The largest Residential Care provider in the City gave a months notice of closure and all residents were successfully moved to improved alternatives.</p> <p>A 12 person resource made up of 2 4 person flats and 4 maisonettes on Eastern Rd opens in March</p>	<p>AMBER</p>
--	---	--	--	--------------

<p>Planning to move from a one stop shop to offer a menu of services. Conversion of 2 houses to support emergency placements and provide for people who need a smaller quieter environment. Gig Buddies established in Portsmouth.</p>	<p>Ongoing</p>	<p>Adaption of 2 houses completed. Awaiting approval from CQC. Gig Buddies established and partnerships established</p>	<p>Adaption of 2 houses completed. Awaiting approval from CQC.</p> <p>Gig Buddies established and partnerships established</p> <p>Manager of Russets resigned and when new Manager in post there will be a comprehensive review of the Service</p>	<p>Amber</p>
<p>Page 205</p> <p>Integrated team established - CQC rating 'Outstanding'. Single line management Named Worker system.</p>	<p>Developed a link worker system so services have a Named Worker. Every G P surgery in Portsmouth has a Link Nurse Health facilitation training is available to all providers. Supporting people to have Health Action Plans.</p>	<p>Developed a link worker system so services have a Named Worker. Every G P surgery in Portsmouth has a Link Nurse Health facilitation training is available to all providers. Supporting people to have Health Action Plans. 80% of service users have a Named Worker</p>	<p>Developed a link worker system so services have a Named Worker. Every G P surgery in Portsmouth has a Link Nurse Health facilitation training is available to all providers. Supporting people to have Health Action Plans. 80% of service users have a Named Worker</p>	<p>Green - 100% target re Named Worker will be achieved by Feb</p>

<p>Carer's newsletter published All new contracts require that providers involve Carers and Service Users Training Service users and Carers to 'Enter and View' records. Provider forum in place.</p> <p>Page 206</p>	<p>Engagement in collaborative projects with Housing, Education and Culture to explore attracting external funding through these partnerships.</p>	<p>Outcome focussed and collaborative Support planning processes and format in place People First Advocacy group established LD Partnership Board and sub groups in place Involvement of service users and carers in tendering Involvement of stakeholders in strategy development</p>	<p>Outcome focussed and collaborative Support planning processes and format in place People First Advocacy group established LD Partnership Board and sub groups in place Involvement of service users and carers in tendering Involvement of stakeholders in strategy development.</p> <p>Carers will be involved in selection process of Respite Manager and hopefully in evaluation of tenders in relation to Supported Living Framework</p>	<p>Amber</p>
--	--	--	---	---------------------

Key function: Safeguarding Adults

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
<p>Page 207</p> <p>Local authority safeguarding functions to be located in one place</p>	<p>The Adult MASH (commenced in April 2015) has all Adult and Children Safeguarding teams in one location in Portsmouth, enabling strategic discussions to happen swiftly for individual cases. This also enables intelligence and action when there is crossover when a vulnerable adult is at risk and a child is at risk in the same family.</p>	<p>The Adult Multi-Agency safeguarding Hub (MASH) is co-located with the children's MASH. Good working relationships are in place across all agencies. However the Adult MASH lacks dedicated health input and this impacts on the ability of the team respond efficiently when concerns raised relate to nursing / hospital care.</p>	<p>In Q1, it was reported that the Adult MASH lacks dedicated health input and this impacts on the ability of the team respond efficiently when concerns raised relate to nursing / hospital care. A plan has been formulated in Q2 to trial having a nurse based in the adult MASH.</p>	<p>In Q1, it was reported that the Adult MASH lacks dedicated health input and this impacts on the ability of the team respond efficiently when concerns raised relate to nursing / hospital care. A plan has been formulated in Q2 to trial having a nurse based in the adult MASH. In Q3 work continues to try to establish funding for this post.</p>	<p>Amber</p>

<p style="text-align: center;">Timely intervention in safeguarding</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 208</p>	<p>Established timely discussions with police to determine any criminal investigation /element to any concerns raised, and whether the enquiry will be single agency; or whether there is a need for a joint enquiry under section 42 of the Care Act.</p> <p>The challenge for the future will be whether it is possible to gain a presence from agencies such as Adult Mental Health in the MASH.</p>	<p>The team is able to respond to most concerns raised within 24 hours. However they are challenged to meet this target for police referrals which are increasing in number. The MASH regularly receive referrals that on triage are requesting an assessment under the care act, rather than requesting action under s42 Care Act.</p>	<p>The team continue to be challenged to meet a 24 hour response to increased police referrals.</p>	<p>Discussion in progress with the police to reduce the volume of inappropriate referrals into the Adult MASH. This will allow the team more time to focus on their core business.</p> <p>A systems intervention is planned to begin in March 2019. This will review all area's of the Adult MASH and will provide the required evidence to inform service improvements.</p>	<p>Amber</p>
--	---	---	---	--	---------------------

Residential Homes - PCC has three residential units for clients with dementia			
Key progress Q1	Key progress Q2	Key progress Q3	RAG Rating
<p>Work exploring funding options to employ a greater staffing capacity to care appropriately for residents.</p> <p>Working with internal and external partners to devise creative options for activities ie 'men in sheds' situated in the unit gardens. Working with UPAN to involve students in working creatively with residents.</p> <p>Exploring funding options for activities coordinators across the 3 dementia units (minimum of 2 x 37hrs per unit).</p> <p>Working with HR regarding Comensura ability to manage demand for dementia residential units (including Russets).</p> <p>Ongoing work exploring options available regarding the longevity of both premises.</p> <p>Some work has already started regarding the creation of a new activities area. This includes a hairdresser, vintage team room & sweet shop in both units</p>	<p>Employ a greater staffing capacity to care appropriately for residents.</p> <p>Working with internal and external partners to devise creative options for activities and involve students in working creatively with residents.</p> <p>Improve the physical environment of the home</p>	<p>As highlighted previously, there are significant issues regarding recruitment and retention of residential care staff, this is a national and a local issue. A recruitment campaign has been devised with the objective of recruiting and retaining more care home staff in order to improve the quality of care in homes and to reduce agency dependency. This will aim to:</p> <ul style="list-style-type: none"> Recruit 60 care home staff by December 2018. Improve sentiment towards to caring careers from the benchmark by December 2018. Host a recruitment event that attracts 30 attendees in June 2018. Reach over 25,000 people from the target audience through social media channels by December 2018. <p>ASC has also developed a programme for energising people around the idea of support for our care homes under the banner "Be There for Care". The programme has achieved through the success of a city council 'Bake Off' to support the opening of the Vintage Tea Room in Edinburgh, generating cake from 70 entries and raising £283 to support projects. The associated communication also supported donations of sweets for the sweet shop created in Edinburgh House. This showed what can be achieved when communication resource is applied to a project, and when the workforce of the organisation can be engaged on a topic. In the care homes owned and managed by PCC, this includes a volunteering project, corporate social responsibility project, intergenerational projects and income generation to sustain change.</p> <p>A vintage tea rooms and sweet shop has been opened in Hilsea Lodge and a Tovertafel Table has also been sourced for two homes promoting stimulation and interaction for people with dementia.</p> <p>ASC has established a turnaround team which has two main aims:</p> <ul style="list-style-type: none"> Review the current PCC residential homes and plan and support the implementation of the changes that ensure CQC compliance and sustainable quality change Ensure the effective acquisition of an alternative provider for the provision of residential & nursing care within Harry Sotnick House <p>The turnaround team will be led by Angela Dryer, Deputy Director of Adults, who will dedicate 3 days a week to leading this significant improvement work.</p>	<p>Red - we continue to have issues with recruitment, though the plans in place should have an impact.</p> <p>Amber - finance available for residential care homes is limited. Seeking volunteer efforts increases a sense of community and is a way to help achieve without significant budget resource.</p> <p>Green - these resources will enable engagement and activity for people with dementia.</p> <p>Red - the turnaround team work needs to take effect and begin to produce improvements.</p>

PCC 609

PUBLIC HEALTH

FUNCTION: Reduce smoking and tobacco use towards the national average from current baseline

Objective	Key progress Q1	Key progress Q2	Progress Q3	RAG rating
<p>Continue to work with Trading Standards to limit the trade of illicit tobacco</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 210</p>	<p>Retail visits - 5 visits joint operation day (prior to festival season) of action with police, licensing and immigration in Southsea (19/04). 6 visits (04/04) (one owner of all 6 premises) with Fire Safety Officer when raised concerns over adjoining accommodation (fire breaks/doors/sep alarm systems). 10 (19/06) visits Fratton & Milton to carry out Community Alcohol Partnership survey one year on (24 visits still to do). Chalk spray wall/pavement by licensed premises with U18 - Proxy purchasing it's illegal. 5 visits (05/05) with Police re Op Sceptre (knife crime). Entered visits to record on APP - share relevant intel with Police/HMRC/TSSE Follow up visits - 5 following the test purchase failures in March advice given & expectations to compliancy, training/records viewed. 7 visits (04/05) following test purchase failures in April and revisit 2 from March failures 2 visits (06/06) follow up to breaches of licensing compliancy Test purchasing (Sunday 23/04) 1 for Eliquid (2nd failure) 5 re-tests alcohol 28 tests alcohol (5 failures)</p>	<p>1 - Number of retail visits - advisory and retail inspections 7 visits to retailers checks and advice given 14 visits to Community Alcohol Partnership area (Fratton & Milton) to complete retailer surveys, one year on 5 visits for the DoH mini project through TSSE to check compliancy with SPoT (standardised packaging of tobacco) and TRPR (tobacco related products regs re flavours) seized products at 4 out of the 5 visits 3 - Number of test purchases conducted 14th July 14 visits - 6 failures - 5 retests from April 1 failed 2nd time 29th September 12 visits - 4 failures - 4 retests from July 1 failed 2nd time 4 - Enforcement days Saturday 16th September search dog day for illicit tobacco PACE interview 20/07/2017 PACE interview 22/08/2017 5 - Products seized Cigarettes - 8004 sticks Hand Rolling Tobacco - 7,000g Alcohol - 4 ltrs spirits as stolen goods Blunts (wraps) - seized 74 packets as flavoured Fruit shisha - 450g</p>	<p>Report from TS still to follow:</p> <p>Link to outcome for prosecution for illegal tobacco. https://www.portsmouth.co.uk/news/crime/illegal-tobacco-worth-10-000-found-in-portsmouth-shop-1-8351793</p> <p>Currently undertaking independent e-cigarette/vaping traders to ensure are compliant with new regulations.</p> <p>Further roadshows being planned for the year ahead. This are well attended and bring good intelligence from members of the public on illegal sales for tobacco</p>	<p>GREEN</p>

Delivery of smoking cessation through Locally Commissioned Services (LCS) and the wellbeing service	WBS Smoking data are reported one quarter behind. Q4: 265 set quit date with 146 successfully quit (55%). 8 pregnant women set quit date with 1 successful quit.	Smoking data reported one quarter behind Q1 2016/17 data for WBS & LCS: 210 set quit date 99 achieved 4 week quit	Smoking data reported one quarter behind Q2 17/18 data for WBS & LCS: TBC set quit date TBC achieved 4 week quit	GREEN
Continue work with maternity services and within secondary care, promoting screening, brief advice and referral	There has been further training with midwives. Maternity have agreed to put in a business case from their contracts department for more carbon monoxide monitors.	PH now attend the Maternity Contract Review meetings to have input in to SATD activity.	Participating in task and finish group led by Public Health England to undertake CLear assessment with maternity services to tackle smoking at time of delivery.	GREEN

Support inclusion of stop smoking support in the 0-19 programme and through supporting a whole-school smokefree policy

Page 212

There are no dedicated pathways for provision of smoking cessation or prevention programmes for 0-19. Opportunities are currently being examined through mapping the pathway.

No updates - this development work is still on going

Following wellbeing service restructure, a meeting is organised with the early help and prevention team to ensure a smooth pathway for stop smoking approach.

Whole school approach included in children's physical health and wellbeing strategy for Portsmouth.

GREEN

FUNCTION: Improve physical activity rates from current baseline with a focus on walking and cycling

Objective	Key progress Q1	Key progress Q2	Progress Q3	RAG rating
Provide public health evidence and support to the Local Transport Plan and Local City Plan	Working with Transport Team on proposed Old Portsmouth Area Traffic Study, providing PH strategic input and advice.	Submission made to Local City Plan consultation, which included evidence on the potential physical and mental health benefits of planning policy.	Continuing input to Local Plan with health data. PH have been asked to be on the working group for planning developments in Commercial Rd, North End, Fratton.	GREEN
Support the implementation of the local Air Quality strategy	Modelling by the central govt Joint Air Quality Unit has estimated that Portsmouth within compliance levels by 2021. We are supporting Transport with Local Air Quality Plan to reach compliance in shortest possible time.	Public Health continue to support the implementation of the Air Quality Strategy, and the DPH has met with the new Director of Regeneration to share approaches and priorities.	Ongoing support with advice and data where requested.	GREEN

Function: Mitigate against the ill-health effects of child poverty from current baseline

Objective	Key progress Q1	Key progress Q2	Progress Q3	RAG rating
Membership of and provide and public health advice to the Portsmouth Poverty Taskforce	Mark Sage will be joining PCC's new Suicide Prevention Action Group, led by Jane Leech (Public Health), to identify the links with poverty and financial hardship and action required.	Suicide Prevention (SP) Action Plan: Priority 1: Reduce the Risk of Suicide in High-Risk Groups - links SP with Poverty Co-ordinator. Specific outcomes to be mapped by Q3.	Suicide Prevention & tackling Poverty Actions mapped in SP Action Plan. Sign off on Plan to take place at February 2018 Health & Wellbeing Board. Implementation activity to commence Q4.	GREEN

<p>Delivery of 0-19 services and monitoring health outcomes against the Memorandum of Understanding with Children's Services</p>	<p>Input into setting health visitor key performance indicators. Input into early help and prevention team contracting monitoring meeting. MoU being finalised.</p>	<p>Attending the Healthy Child Programme Overview Group as assurance process for public health outcomes</p>	<p>Working alongside colleagues in the children's families and education department to provide oversight to redesign of the health visiting offer, monitor the 0-19 offer through the Healthy Child Programme Overview Group and consider future procurement options.</p>	<p>GREEN</p>
<p>Promotion of restorative practices in the 0-19 agenda</p>	<p>Supporting restorative practice as a key principle underpinning work of the children's department.</p>	<p>Supported bid put forward to the public health transformation fund using restorative approach for family conferences</p>	<p>Designing evaluation to assess application of restorative practice training by practitioners in practice.</p>	<p>GREEN</p>
<p>Continuation of support to the infant feeding action plan</p>	<p>Supporting the Healthy Weight Quality Improvement Project. Active member of the PHE SE region task and finish group to increase healthy start vitamin uptake.</p>	<p>Chair Infant feeding strategy group meetings. Supporting the plan and implementation of the annual infant feeding workshop.</p>	<p>Annual Infant Feeding Workshop held on 11th January. 34 attendees.</p>	<p>GREEN</p>

FUNCTION: Reduce self-harm and suicide from current baseline

Objective	Key progress Q1	Key progress Q2	Progress Q3	RAG rating
<p>Address bullying and self-esteem, Child Sexual Exploitation reduction and awareness of self-harm in the PSHE/Healthy Schools programme and through supporting a whole-school mental health and well-being approach</p>	<p>Active member of the Wellbeing Subgroup for schools. This group is developing an implementation plan for the Wellbeing and Resilience Strategy to be embedded in all schools in Portsmouth. Support the Early Help & Prevention team develop a PSHE traded service offer to schools / youth services. Self-harm needs assessment completed and discussed at the Childrens Safeguarding Board. Agreed for steering group to be convened to discuss, agree and prioritise recommendations.</p>	<p>Failed to recruit to PSHE development officer post. Awaiting confirmation of next steps from the Early Help & Development Team.</p>	<p>An on-line PSHE survey has been distributed to all primary and secondary schools in the city to identify their needs. Young people PSHE focus groups have been organised for the end of February to ensure young people's view are included in any recommendations.</p>	<p align="center">AMBER</p>

FUNCTION: Reduce rates of drug related deaths from current baseline

Objective	Key progress Q1	Key progress Q2	Progress Q3	RAG rating
<p>Ensure full implementation of the drug and alcohol treatment service, using active contract management to improve cost effectiveness and good outcomes</p>	<p>Service fully implemented, and being actively contract managed.</p>	<p>Service fully implemented, however there has been a significant drop in the number of alcohol clients accessing treatment. This is being addressed by the provider.</p>	<p>The service provider has commenced in-reach into QA to improve joint working with the Alcohol specialist nurses. A Harm Reduction worker has commenced in post, this is aimed at getting older and vulnerable drug users, such as homeless, on to 'low threshold prescribing', to improve reduce illicit drug use, improve their health and reduce deaths amongst these high risk groups.</p>	<p>GREEN</p>
<p>Support inclusion of awareness of drug related harms in the PSHE/Healthy schools programme</p>	<p>Awaiting appointment of PSHE development post in the Early Help team</p>	<p>Failed to recruit to PSHE development officer post. Awaiting confirmation of next steps from children's families and education colleagues</p>	<p>An on-line PSHE survey has been distributed to all primary and secondary schools in the city to identify their needs. Young people PSHE focus groups have been organised for the end of February to ensure young people's view are included in any recommendations</p>	<p>AMBER</p>

Page 23

FUNCTION: Reduce unwanted pregnancy from current baseline

<p>Increase the uptake of long-acting reversible contraceptives (LARC) in general practice, maternity and terminations of pregnancy pathways through on-going promotion</p>	<p>LARC activity being monitored. Scoping survey to determine qualified practitioners available in Portsmouth to increase activity complete.</p>	<p>Scoping feasibility of a "buddy" system LARC LCS</p>	<p>Scoping the training requirements and associated costs of upskilling GPs and practice nurses to provide LARC and exploring the possibility of providing a training bursary to encourage more GPs to train. Have started discussions with both the CCG and Solent regarding increasing LARC uptake in Primary Care, and using Solent to meet higher end LARC need.</p>	<p>AMBER</p>
<p>Maintain the sexual health contract with Solent, ensuring relevant Public Health outcomes are met</p>	<p>Ongoing business as usual. Awaiting contract to be signed by Solent.</p>	<p>Ongoing business as usual. Contract signed.</p>		<p>GREEN</p>
<p>Support inclusion of awareness of unwanted pregnancy in the PSHE/Healthy schools programme</p>	<p>Awaiting appointment of PSHE development post in the Early Help team</p>	<p>Failed to recruit to PSHE development officer post. Awaiting confirmation of next steps from children's families and education colleagues</p>		<p>AMBER</p>

FUNCTION: Reduce health and social care need in later life

<p>Improve co-ordination of volunteer and third sector input throughout PCC; working with the Directorate of Community and Communication, Independence and Wellbeing Team - Adult Social Care; and the CCG</p>	<p>BB Supporting Dir. Community and Communication with 'Project Bridge' which brings together PCC, PH, CCG and VCS to provide seamless support for clients. Initial meeting of Project Bridge has taken place (DLT also attended) to meet and understand the issues. BB supporting working groups and next stakeholder meeting set for Sept 2017.</p>	<p>The Portsmouth Together team has now moved to sit within the Directorate of Community and Communications.</p>	<p>DLT sits on 'Project Bridge' to provide representation from PH. Scope for future involvement as project evolves, keeping a watching brief. Current project relates to Sitting Service and is not directly with PH purview.</p>	<p>GREEN</p>
<p>Improve population vaccination coverage (seasonal influenza, shingles)</p>	<p>Had introductory meeting with health protection colleagues and requested assurance given to DPH through quarterly meetings. Trainee attended working group. PCC seasonal influenza vaccination offer planned.</p>	<p>Identified one primary school not accepting offer of school aged immunisations. Meeting arranged with NHS England screening and immunisation team. PCC staff seasonal influenza vaccinations co-ordinated by public health team.</p>	<p>Regular attendance at NHS Wessex screening and immunisation group. Promoted information regarding seasonal influenza vaccinations to frontline social care staff in additional to usual access routes.</p>	<p>GREEN</p>

FUNCTION : Reduce the impact of the 'toxic trio'

Objective	Key progress Q1	Key progress Q2	Progress Q3	RAG rating
Promote Alcohol Identification and Brief Advice (IBA) in secondary care: e.g. using Vitalpac at QA	Working with Portsmouth Hospitals NHS Trust to develop a plan to roll out IBA across inpatient wards in 18/19	Engaging with PHT who are seeking to improve their systems to implement this fully as part of a new CQUIN from April 2018	No change since Q2. IBA goes live for inpatients at QA during Q1 of 18/19	AMBER
Promote alcohol IBA in primary care: Increase referral from GP surgeries through Alcohol Awareness training to staff; IBA training to pharmacies and other professionals	Pharmacies are delivering alcohol brief advice, as part of locally commissioned services.	Ongoing work, however scope to deliver this could be impacted by the service review and savings affecting the Wellbeing service	No further change, Wellbeing service has been going through a service review/redesign.	RED
Implement improved and more integrated supported housing for drug and alcohol users, work with The Society of St James and Portsmouth City Council partners to expand accommodation (housing and day service), providing an increased number of supported housing and move-on bed spaces	An additional 9 bedspaces of move on have been provided by better use of buildings, with a further 11 to come in future months.	The homeless day service has relocated from 1st Sept. freeing up the previous building in Kingston Road to be converted into move-on accommodation.	Conversion work being undertaken on Kingston Road premises.	GREEN
Partnership working with Portsmouth City Council Licensing Department, Trading Standards and the Police's Licensing and Violent Crime Team	Partnership working is effective between the different staff teams, communication is excellent.	This continues to be effective. Public Health will be providing additional support to Trading Standards in the coming quarter, particularly around under-age sales.	No change from previous quarter.	GREEN

Fully engage with and support the Safe Portsmouth Partnership multi-agency complex cases priority work, developing a multi-sectoral approach to meeting their needs	Updated report have gone to SPP with recommendations and progress.	Ongoing work by the Safer Portsmouth Partnership	No change from previous quarter.	GREEN
Work closely with the domestic abuse lead and the Safer Portsmouth Partnership to support the domestic abuse agenda, especially where it interplays with substance misuse by providing public health input to domestic abuse strategy group	Public Health are active members of the Domestic Abuse strategy group	Recently reviewed the domestic abuse data collection and updated performance measures within adult substance misuse.	No change from previous quarter	GREEN
Ensure domestic abuse screening takes place within substance misuse services and appropriate support and onward referral is provided	Monitoring of domestic abuse screening and referral is undertaken as part of contract monitoring.	As above	No change from previous quarter	GREEN

Housing and Property Services

FUNCTION: HOUSING MANAGEMENT - To provide advice and support when needed, to enable people to solve problems and					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Rent Arrears	Rent Arrears at 27/03/2017 £1,639,646	Rent Arrears at 19/06/2017 £1,566,184 - reduction of £73K on 2017 Baseline	Rent arrears at 25/09/2017 £1,563,149 - a further reduction of £3k from Q1 and £76k in total on our original March 2017 baseline.	Rent Arrears at 31/12/2017 £1,382,094 - this is a 12% (181K) reduction on the Q2 figure and a 16% (258K) reduction on the original baseline amount	Green
Rental income - rent arrears as a percentage of Gross Annual Debt (GAD)	2.15%	2.07%	2.06%	1.84%	Green
voids Measure - Occupancy Rate	98.8%	98.8%	98.7%	98.9%	Green
FUNCTION: HOUSING MANAGEMENT - REPAIRS AND MAINTENANCE - The right repair at the right time					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
For all repairs undertaken by our repairs contractors, the percentage that were fixed first time.	83.6% (March 2017)	83.6%	83.7%	83.8%	Amber
Repair service provider Customer Satisfaction (out of 10)	9.99 (March 2017)	9.99	9.99	9.99	Green

Valid FRAs for HRA blocks six storeys and above (%)	97.5% (March 2017)	100%	100%	100%	Green
Valid FRAs for HRA blocks five storeys and below (%)	77.3% (March 2017)	100%	100%	99.9% The outstanding FRA relates to a new build scheme (Buriton Close) an FRA will be part of the scheme handover.	Green
No. outstanding FRA reviews for HRA blocks six storeys and above (%)	5% (March 2017)	0%	0%	0%	Green
No outstanding FRA reviews for HRA blocks five storeys and below (%)	23.3% (March 2017)	25.5%	0%	0%	Green

<p>HRA Legionella risk assessments in date (%) <i>In accordance with the legislation [Legionella Regulations - L8 Approved Code of Practice - The control of legionella bacteria in water systems] as an employer PCC has to complete and regularly review a risk assessment for all communal water installations. In accordance with the corporate PCC Legionella Policy the assessment period has been set at every three years, although this is not a legal requirement.</i></p>	<p>New measure</p>	<p>95.6% (n.173) <i>All assessments recommend precautionary measures that need to be taken to prevent outbreaks of Legionnaires disease and these are applied and monitored by PCC in all instances. Consequently even though a risk assessment may be out of date the preventative regime is still in place.</i></p>	<p>Amber</p>
--	--------------------	---	---------------------

<p>HRA Dwelling Gas Safety Certificates in date <i>The Gas Safety (Installation and Use) Regulations 1998 requires Landlords to use a Gas Safe Registered contractor to ensure that each appliance flue and installation pipework [owned by the Landlord] is checked for safety within 12 months of being installed and at intervals of not more than 12 months since it was last checked for safety.</i></p>	<p>New Measure</p>	<p>99.6% (n.13,235) <i>Out of date certificates are as a result of failed access. Every opportunity is taken to gain access with court action used as and when necessary. All the out of date certificates are in the process of gaining access.</i></p>	<p>Amber</p>
---	--------------------	--	---------------------

<p>Dwelling Electrical Safety Certificates in date <i>Electrical inspections to identify any works required are recommended to be undertaken every 10 years although this is not a legislative requirement, this measure identifies the number of dwellings where electrical certificates do not exceed 10 years as a percentage of all housing stock</i></p>	<p>New measure</p>	<p>97.8% (n.14,239) <i>Out of date certificates are as a result of failed access. Every opportunity is taken to gain access with court action used as and when necessary. All the out of date certificates are in the process of gaining access.</i></p>	<p>Amber</p>
---	--------------------	--	---------------------

<p>Communal Electrical Safety Certificates in date <i>This is not a legislative requirement but good practice in accordance with the IET Wiring Regulations - Fixed Electrical Wiring - Electrical Installation Condition Report - BS7671:2008 advises that communal areas should be tested every five years as a minimum.</i></p>	<p>New measure</p>	<p>95.7% (n.758) <i>A competent electrician is employed to inspect the fixed wiring in the communal areas in blocks of flats and each certificate recommends a period for further inspection. Such inspections are in addition to the normal repairs service which will ordinarily pick up, and rectify, urgent matters as they arise. This is part of a rolling programme with a plan to have 100% by the end of Q.4</i></p>	<p>Amber</p>
--	--------------------	---	---------------------

1608226

<p>Emergency Lighting Drop Test in date <i>This is not a legislative requirement but good practice in accordance with - Emergency lighting Testing - BS 5266: Part 8, 2004 (BS EN 50172: 2004) - Emergency Lighting Systems.</i> <i>The British Standard recommends that an annual test is carried out to ensure the back-up batteries used to energise the lighting in the event of a mains power failure last for a minimum of three hours.</i> <i>Most emergency light fittings have a green LED that shows when the battery is charging, such installations are checked monthly and repairs raised for any fittings which don't appear to be charging.</i></p>	<p>New Measure</p>	<p>99% (n.473) <i>In the event of a mains electrical failure, batteries are used to provide temporary lighting. This figure indicates the number of tests of these batteries which has been undertaken</i> <i>This is part of a rolling programme with a plan to have 100% by the end of Q.4</i></p>	<p>Amber</p>
--	--------------------	---	---------------------

<p>Dry Riser Test in date <i>Dry risers are a pipework installation installed in taller buildings (commonly six stories and above) that the Fire and Rescue service connect their firefighting appliance to in the event of an emergency. This then makes water available to their hoses at a connection point on each floor.</i></p>	<p>New Measure</p>	<p>100% (n.60) <i>Although not a statutory requirement, the dry risers are tested annually in accordance with the Code of Practice for Non automatic fire-fighting systems in buildings BS 9990:2015. The common failures in these systems are normally the result of vandalism, missing end caps and the like, and these are routinely rectified in between inspections by the responsive repairs service.</i></p>	<p>Green</p>
---	--------------------	---	---------------------

FUNCTION: HOUSING OPTIONS - provide a suitable home when needed

Objective	2017 Baseline (where known)	Key progress Q1	Key Progress Q2	Progress Q3	RAG rating
Households joining the Housing list average per month	157.7	119.7	140.8	155	N/A
No of Properties let - all tenures average per month	103.9	87	64.5	101.05	Green
Homelessness - No. of Approaches average per month	97.5	93.5	92.5	93.5	N/A
Percentage becoming intentionally Homeless average per month	9.3	10.9	4.0% - This is due to a number of factors including a rise in case complexity and capacity issues within the team	5.6%	N/A

19
20
21
22

FUNCTION: Dog Kennels - to meet the statutory requirement to accept and house all stray dogs and to ensure as many as possible are reunited with their owners, or given a suitable new home					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q3	Progress Q3	RAG rating
Total number of Portsmouth dogs accepted	69 (Ave. per quarter)	57	64 Spare capacity in the kennels continues to be used to generate income by homing dogs from other local authorities in the area.	60 Spare capacity in the kennels continues to be used to generate income by homing dogs from other local authorities in the area.	Green
% of stray dogs returned to their owner or rehomed	83.6%	94.7%	93.8%	98.3% Portsmouth stray kennels maintains its positive position for returning strays back to their owners.	Green
FUNCTION: Disabled Facilities Grants - to adapt housing (for those with disabilities) to help keep people safe, independent and improve the quality of life.					
Objective	2017 Baseline (where known)	Key progress Q1	Key progress Q2	Progress Q3	RAG rating
Number of Disabled Facilities Grants works completed	20	55	41		Green

FUNCTION: Houses of multiple occupancy - to take any necessary steps to ensure that a person lives within a home environment that does not pose any significant risks to health, safety or welfare

Objective	2017 Baseline (where known)	Key progress Q1	Key progress Q2	Progress Q3	RAG rating
Total HMO licenced properties in the city	2949	2966	2983	<p>30</p> <p><i>DFG work is dependent upon the type of adaption work being undertaken. Some are completed quickly following approval others, such as extensions take longer. Although the figures appear to be reducing for completed works, demand for adaptations is still high and at the moment we are on target regarding spend and the number of adaptations completed for this financial year.</i></p>	Green

Page 230

FUNCTION: Leasehold services - The correct charge at the right time with help and support when needed

Objective	2017 Baseline (where known)	Key progress Q1	Key progress Q2	Progress Q3	RAG rating
No. of leasehold properties	1988	1998	2004	3014	Green

FUNCTION: CLEAN CITY TEAM - to help keep the city safe, clean and tidy and provide help and support where needed

Objective	2017 Baseline (where known)	Key progress Q1	Key progress Q2	Progress Q3	RAG rating
Issuing of fixed penalty notices for littering	333 FPNs issued Apr 2016-Mar 2017	43 FPNs issued during qtr 1 (16 for qtr 1 in 2016)	61 FPNs issued during qtr 2 (106 for qtr 2 in 2016)	41 FPNs issued (126 for Q3 in 2016) This drop is due to sickness absence and a staff member leaving, a new officer has been in post since mid-December)	Amber
New demands per month - ASB	36 per calendar month	40 per calendar month	38 per calendar month	25 per calendar month	Green
New demands per month - Rough Sleepers	17 per calendar month	17 per calendar month	31 per calendar month This is an issue seen is seen across the country. This will be addressed by the restarted Street Cultural Panel and new High Street Wardens.	25 per calendar month Winter beds opened 6th December	Amber
New Demands per month Drug related	7 per calendar month	12 per calendar month	16 per calendar month	14 per calendar month	Amber
New demands per month - Dog fouling	61 per calendar month	34 per calendar month	22 per calendar month	43 per calendar month (typically increases during the winter period due to the darker evenings)	Green

FUNCTION: GREEN AND CLEAN (LAH) - to help keep council housing areas safe, clean and tidy and provide help and support where needed					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
To reduce the tonnage of bulky waste on LAH land	46.4 tonnes per calendar month (avg)	41.2 tonnes per calendar month (avg)	45.18 tonnes per calendar month (avg)	37.35 tonnes per calendar month (avg)	Green

FUNCTION: WASTE MANAGEMENT (COLLECTION AND DISPOSAL) - to enable recycling and remove waste on the due collection day					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Refuse collection tonnage (avg per month)	4013 tonnes per month (avg)	4045 tonnes per calendar month (avg)	3944 tonnes per calendar month (avg)	3910.53 tonnes per calendar month (avg)	Green
Recycling tonnage (avg per month)	718.40 tonnes per calendar month (avg)	694.50 tonnes per calendar month (avg)	685.44 tonnes per calendar month (avg)	682.07 tonnes per calendar month (avg)	Amber
PCC recycling contamination rate	11.22%	11.72%	10.06% - the trial of bins for rubbish is hoped to raise recycling rates	11.71% Work continuing with the contractor and residents to address this	Amber
Number of members of the Green waste club		7275	7424	7619	Green
PCC recycling rate	23%	23.9	-	24.7%	Amber

Fly Tipping	33 per calendar month	35 per calendar month	50 per calendar month - this is being addressed by enabling the community wardens to focus on investigating and enforcing fly-tips	43 per calendar month - tonnage is continuing to reduce (62.86 tonnes total) number slightly up but the tonnage collected down from an average of 26 tonnes per month in Q3 last year to 23.5tonnes in Q3 this year	Amber
Bin Collection (misses)	10 per day	13 per day	12 per day	13 per day	Green

Transport, Environment and Business Support

FUNCTION: TRANSPORT AND ENVIRONMENT					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Delivery of the Local Transport Schemes to improve the transport network and road safety (LTP3)	Planned capital programme for 2017-18, consisting of 25 schemes, 5 of which were brought forward from the previous year's plan.	8 of the schemes are in the scoping, feasibility and consultation stage. 10 are in the Project Initiation phase. 6 are at the design stage. One is under construction.	11 of the schemes are in the scoping, feasibility and consultation stage, some consultation is taking place after project initiation. 2 schemes are in the Project Initiation phase. 9 are at the design stage. 3 are under construction.	5 of the schemes are in scoping, feasibility, and consultation stage. 9 are at the design stage. 7 are under construction and 4 are complete.	GREEN
Adoption of key Transport Planning strategies.	The Air Quality Strategy, LED lighting strategy and new Local Transport Plan are to be put forward for Member approval.	The Air Quality Strategy was approved by Members. Consultation has begun on the LED lighting strategy.	The Air Quality Action plan was adopted and Action Plan published. LED lighting consultation is complete and tenders have been issued. The Local Transport Plan is currently being reviewed.	Further work is taking place on the Air Quality action plan before consultation in the summer of 2018. Preferred suppliers for the LED lighting project have been preferred selected. The LTP has been updated.	GREEN
Highway alterations carried out by private developers and other non-Highway Authority bodies meet the standards of the Highways Authority	Demand led work determined by the number of developments in the city that affect the highway.	2 developments were completed and are fully compliant with the Highways Act. 10 are in the design checking phase. We are working with one developer make their scheme compliant. A further 7 schemes are on site and being monitored.	The works on a further 3 schemes are complete but require amendment before sign off. 3 schemes are in progress on site at present. 10 schemes are in the design check phase.	4 schemes have now satisfactorily completed and are still within the 12 month maintenance period. 6 schemes are in progress on site, 4 schemes are ready to start and a further 4 schemes are in the design check phase.	GREEN

Monitoring and, where possible, improving journey times on key routes in the city.	The Council has secured DfT funding for further data analysis. Implementation is due in 2017-18.	PCC is currently procuring a journey time monitoring system. This stage should be complete in Q3. We plan to commence journey time monitoring by the end of March 2018.	The installation of Journey time sensors is due to be completed by end of October 2017.	20 blue-tooth sensors installed along Eastern corridor and data being collected. Minor issues with certain sensors under investigation by the supplier & manufacturer.	GREEN
Delivery of targeted accident prevention and traffic safety campaigns.	Road Safety and Active Travel programme for 2017-18.	The Quieter routes scheme for cyclists to navigate across the city safely was launched. Delivery of Street Skills to encourage cycle safety for Year8/9 pupil began in Q1, to continue throughout the school year.	A range of road safety events delivered in Q2: 2 cycle safety campaigns. The Driver safety and street skills programmes were delivered in Junior and senior schools. Joint Local Authority Junior schools Champion Of Champions events. Child Car seat checks (nominated for 2 national awards).	1130 people attended our second Glow Ride event to promote cycling and being visible in winter. Delivered street safety Skills to 540 school pupils. Supported the Safe Drive Stay Alive campaign. 338 cyclists participated in the 'Be Bright' engagement events around the city. Close pass operation engaged with 8 drivers.	GREEN

Delivery of a programme of Active Travel events to encourage walking and cycling.	Planned programme for delivery in 2017-18.	The Junior Road Safety Officer programme involving 16 schools began. 600 pupils were trained in Bikeability. Road safety training was delivered to 260 Year 6 pupils. Phase 1 of the Pompey Monster walk to school campaign is complete.	Active travel events delivered: Pompey Monster Scheme launched in two further schools. Cycle safety training for pupils starting senior school. Scootability for all pupils in Fernhurst school. Summer Series events to encourage cycling and safety - 660 attendees.	Delivered the Pompey Monster campaign in two more schools reaching 331 pupils and families and ran half term library events as well as weekly keyring collections. The plan to deliver the 'Modeshift Stars' to all Portsmouth Schools has 17 schools signed up so far. This will be delivered in Q4 onwards.	GREEN
---	--	---	--	--	--------------

FUNCTION: MANAGEMENT OF PARKING OPERATIONS

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Channel shift and greater efficiency of parking operational services	Preparation work for moving to virtual permits was complete.	The move to Virtual parking permits took place in June 2017. Online renewal of permits is planned to become available in Q3.	The introduction of online renewal of residents' permits is on course to go live at the beginning of Q3.	Online renewal of residents' permits went live as planned in Q3.	GREEN
Increase the use of off street managed car parks	New measure	Use of Isambard Brunel multi-storey car park has increased. We are currently reviewing requests from companies to rent spaces in other locations.	No change to report this quarter.	No change to report this quarter	GREEN

Additional parking services for business clients	Have been successful in renewal and winning contracts to provide services and expertise to other organisations.	We continue to provide services to other organisations, including providing Blue Badge enforcement training across the country.	We delivered Blue Badge Enforcement training to a number of Welsh authorities, and are responding to requests for training from other authorities.	Requests from other authorities have been reviewed.	GREEN
Install new Variable Message Signs (VMS) to provide driver and parking information regarding Southsea sea front.	New initiative	The contract has been awarded. New signs to be installed by the end of Q2	It is now anticipated that the signs will be installed in Q3.	Progress had been delayed due to limited resources and a high workload, combined with some unforeseen issues affecting the plan and changes to operational methods. Installation is now expected in Q4.	Amber

FUNCTION: BUSINESS SUPPORT AND EMPLOYMENT< LEARNING AND SKILLS SERVICES

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2		RAG rating
Commercial success of the Enterprise Centres, measured through occupancy levels and income	94% occupancy £1million income	95% occupancy rate across the 3 centres. Income is on target, due to high occupancy and marketable rates.	93% occupancy rate across the 3 centres. There have been some moves within the centres as businesses expand. Income is on target.	Occupancy rates reduced to 89% due to businesses moving on. There were 6 vacancies and 10 new occupants in Q3. Income is still on target.	GREEN

<p>Progress against demand for support services and from customer feedback</p>	<p>Popular networking event franchise bought for the year. Other networking and business support offered to unit holders and other small businesses.</p>	<p>New speakers and businesses continue to attend the networking events. Costing is underway for the improvement of facilities at the centres.</p>	<p>The networking events continue to be popular with new businesses attending each month. Improvements to IT connectivity at Victory Business Centre are in the planning stage.</p>	<p>The networking events are attracting around 25 small businesses from the Portsmouth area each month. Upgrade to units and IT connectivity are underway at Victory Business Centre.</p>	<p>GREEN</p>
<p>Successful delivery of all ELS programmes and contracts.</p> <p>Page 238</p>	<p>Targets and expectations of the funding bodies and prime contractors.</p>	<p>All contracts across ELS are performing well and at this stage achieving the necessary outcomes and maintaining quality standards</p>	<p>All contracts across ELS are performing well and achieving the necessary outcomes and maintaining quality standards.</p>	<p>Contracts continue to achieve Minimum Performance Levels and maintain quality assurance. In Q3 we signed a new 5 year contract - the Department of Work Pensions Work And Health Contract to start in January 2018.</p>	<p>GREEN</p>
<p>Number of people supported to gain skills for life and work through the Community Learning Service.</p>	<p>New measure that shows skills gained for both work and enabling people's inclusion and independence.</p>	<p>2016/2017 academic year due to end in Q2, has been very successful. 1,363 individual learners starting 2,116 courses (33% increase on the previous year).</p>	<p>2016/17 has been the strongest year since the service restructure, with a 29% increase in learner numbers. By the end of the academic year there were 1443 learners and 2261 enrolments. The service aims to sustain this increase over the next academic year.</p>	<p>2017/18 academic year has seen a positive start with learner numbers for the first term slightly increased on those of 2016/17 so the service is currently on track to sustain last year's growth.</p>	<p>GREEN</p>

<p>No of people supported to move into sustainable employment through the Employment Learning and Skills Service.</p>	<p>ELS programmes enable 213 people to enter employment in 2016-17</p>	<p>Employment programmes run by ELS enabled 51 job entries. In addition 25 customers sustained employment of 6 months and 155 sustained employment of 7+ months.</p>	<p>Employment programmes run by ELS enabled 39 job entries. In addition 18 customers sustained employment of 6 months and 161 sustained employment of 7+ months. There have been 25 TEPs - Transitional Employment Placements</p>	<p>Employment programmes run by ELS enabled 37 job entries. A further 181 customers sustained employment of at least 6 months. There have been 25 TEPs - Transitional Employment Placements</p>	<p>GREEN</p>
<p>Growth of apprenticeships provided within the Council delivered by the Employment Learning and Skills Service.</p>	<p>Fig at Q4 2016-17 was 35.</p>	<p>34 apprenticeships were underway at the end of Q1. Some apprenticeships have completed. There has been an anticipated stall in recruitment prior to the introduction of the levy. Since then 10 more have begun; an increase on this time last year.</p>	<p>Numbers have remained constant this quarter at 34 which is comfortably in excess of the 24 apprentices needed to break even. The team will look to increase its team of assessors to increase capacity going forward.</p>	<p>Numbers have increased to 36 and are expected to rise to 42 apprentices in Q4, with 2 to of them moving to a higher level. The team's assessment capacity has increased to 45 with the potential to extend this further in line with demand.</p>	<p>GREEN</p>
<p>Positive balance of income and expenditure for PCMI manufacturing.</p>	<p>Budget as at Q4 and income projections for the year.</p>	<p>Income has increased by 10 % compared to Q1 in 2016-17.</p>	<p>Both expenditure and income are currently below projections. However the forecast to year end is a balanced outcome.</p>	<p>Expenditure and income below budget for Q3 due to seasonal slow-down. Resource has been allocated for a sales campaign.</p>	<p>Amber</p>

Key function: Economic Growth					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Improve skills levels	NVQ Level 4 30.1% of residents qualified.	NVQ Level 4 34.7% of residents qualified a 4.6% improvement.	No update to previous statistics reported last quarter. Main focus is on levy payers to boost Level 4 via apprenticeships; this is working well.	Progression of the apprenticeship strategy and preparing for the Future Portsmouth event on 9/3/18 and National Apprenticeship Week.	Green
Increase Foreign Direct Investment (FDI) in the city Page 240	3 FDI successes	7 FDI successes 22% of Solent Total.	Due to be reported end of year. Good progress as 2 successes already recorded and a further 6 in progress.	Evidence is being collected for 8 FDI projects. Team training is underway for the new data hub launched by the Department of International Trade.	Green
Increased business survival by providing business with targeted business support	85.8% survival rate in previous year at 12 months.	86.6% survival at 12 months	No update to previous statistics reported. Entrepreneurial Spark running with 60 entrepreneurs main outcome is to improve survival.	The ESpark programme was very successful with 541 enablement hours delivered. 36 businesses graduated from the programme, 12 jobs were created and they raised £245,000 investment.	Green
Review Market offer within the city	Draft Strategy produced for comment and discussion	Draft Strategy produced for comment and discussion	Actions taken forward from the strategy. These actions include improved market offer in Southsea. New Christmas markets for 2018 and new food quarter in Commercial Rd market.	Southsea Christmas market was very popular. Markets in Cosham are being progressed involving two operators. A contract is now in place to transform the Commercial Road Christmas market this year.	Green

Key function: Development management

Objective	2017 Baseline (where known)	Key progress Q1	Key Progress Q2	Progress Q3	RAG rating
<p>Ensure applications dealt with in national standard timeframes: major applications (target 60%)</p>	<p>The Major 'application type' achieved 85% for the year end. This is substantially above the national target.</p>	<p>The Major 'application type' achieved 100% for the year end. This is substantially above the national target. Good use of extensions on major applications</p>	<p>The Major 'application type' achieved 100% on time for the second consecutive quarter. This is substantially above the national target. Good use of extensions on major applications</p>	<p>The Major 'application type' achieved 88%, being substantially above the national average.</p>	<p>GREEN</p>
<p>Ensure applications dealt with in national standard timeframes: minor applications (target 65%)</p>	<p>The Minor 'application type' achieved 82% for the year end. This substantially exceeds the national target.</p>	<p>The Minor 'application type' achieved 80% for the year end. This substantially exceeds the national target.</p>	<p>The Minor application type achieved 66% which is just achieving the national standard; however has room to improve over the coming quarters to achieve the year end level of 2016-17.</p>	<p>The Minor application type achieved 65%, this being the national standard. This is reflective of the higher application numbers and is expected to improve over the last quarter.</p>	<p>GREEN</p>
<p>Ensure applications dealt with in national standard timeframes: other applications (target 80%)</p>	<p>The Other 'application type' achieved 89% for the year end. This is 9% above the national target.</p>	<p>The Other 'application type' achieved 84% for the year end. This is 4% above the national target. High intakes resulted in an increase on hand applications resulting for 219 at the start of the quarter to 272 at the end.</p>	<p>The Other application type achieved 79% which is below the national standard. This is a reflection on the higher numbers of applications with the capacity building expected to improve this performance each quarter through to year end.</p>	<p>The Other application type achieved 82% being an improvement on Q2 and above the national standard. Expecting continued improvement in Q4.</p>	<p>Amber</p>

CULTURE AND CITY DEVELOPMENT

Key function: Libraries and Archives

Page 4

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Reading Total Loans/issues	570,646 total for the year less than last years figures but in line with national trends.	Interventions include stock focus groups and a stock selection review to increase issues Target to sustain Q1 145,810	Total for Q2 259,199 There have been some inaccuracies with the self serve kiosks, and this figure may be subject to change in Q3 when all data is retrieved.		Amber
Information enquiries	Years total 113,350	Stats provided in Q4 Target support for vulnerable groups continue .Target is 5% increase	Stats provided in Q4 Target support for vulnerable groups continue .Target is 5% increase	Stats provided in Q4 Target support for vulnerable groups continue .Target is 5% increase	Green
Digital: use of Peoples network	105,840 total PN hours	Decrease last year and target is to sustain this year and with IT services to decrease downtime as demand is high for this service. Stats provided in Q4	Decrease last year and target is to sustain this year and with IT services to decrease downtime as demand is high for this service. Stats provided in Q4	Decrease last year and target is to sustain this year and with IT services to decrease downtime as demand is high for this service. Stats provided in Q4	Amber

Health & wellbeing: proposal for health hub	ACE bid was unsuccessful but furniture is being purchased using funds from the Macmillan project	Total for Q3 387,054 Some reduction in issues due to the Mobile being off the road for 14.5 days due to mechanical repairs. Confirm Q2 data now retrieved. As Bookfest in Q4 the target may be achievable	Wellbeing Hub in place by end of Q2 awaiting official launch 11/10/17 Bid to Public Health Transition Fund awaiting outcome	Wellbeing Hub successfully launched and in use for shared work with PH professionals.	Green
Learning: taster sessions	1,107 total for the year improved last year with support from Portsmouth & Highbury colleges	Target is to increase by 5% Q1 245	Q2 611 figure boosted by new courses beginning September 2017	Q3 897 on target but some decline, as predicted Dec. 2017	Green
Cultural: Bookfest participants	945 total	Target is to increase by 10% this year continuing to improve the programming and timings for a depth and breadth of audience	Festival and stats to be delivered Q4 Programme is now agreed and in print	Festival and stats to be delivered Q4 Leaflet and programme launched. Tickets will go on sale January 2018	Amber
Children Promise: Summer Reading Challenge	2,846	Expected grow of 5% as in previous years. Total will be provided in Q2	Expected grow of 5% as in previous years. Q2 3001 participants. Target achieved	Target achieved in Q2	Green
Six Steps: V1 Helpline Enquiries	4,610 total	ongoing engagement with VI community Target to sustain. Q1 1,211	Q2 2,898 NB a dip is anticipated for Q3 due to the absence of the VI Officer due to ill health	Q3 3,341 Slight decrease due to injury sustained by officer. Still on target	Amber
Continue to Increase virtual visits by 5% from 2014 to 2017 to 5% annually	Virtual issues 45,928 Virtual Enquiry 49,178 Total 95,106	Target is to increase by 5% Target to be provided in Q4	Target is to increase by 5% Target to be provided in Q4	Target is to increase by 5% Target to be provided in Q4	Green

Retain 1m physical visits	974,631` Total visits for 2016/17	Sustain the target Total to be provided in Q4	Sustain the target Total to be provided in Q4	Sustain the target Total to be provided in Q4	Amber
Retain SLS traded service buy back SLS Reader development participants	97% Buy back Total Portsmouth Book Award and Literature Quiz participation 8,377	97% target Retain - this figure will be subject to number of pupils on role. Total will be provided in Q4	Total will be provided in Q4 when buy back forms submitted. Current indicators are good and satisfaction high	Total will be provided in Q4 when buy back forms submitted. Current indicators are good and satisfaction high	Green
Transfer CALM Archive catalogue to Spydus 10 and Civic Server with internet access	Currently on aged PCC Server and accessed via PC's in PHC only	Work scoped and costs/workstreams identified. Funding identified.	Test environment in place and testing is underway	Some delays due to technical issues and testing not yet complete	Red
Develop independently accessed web pages or website for Public Libraries, School Library Service and Portsmouth Archives	Currently virtual access limited for digital access to services, event booking, sales and communication	Work scoped and engagement with PCC support and independent providers. Funding identified	Soft market testing underway. Selection of supplier due in Q3	Specifications written and contract to be awarded	Amber

Key function: Museums and Visitor Services

Objective	2017 Baseline (where known)	Key progress Q1	Key progress Q2	Key progress Q3	RAG rating
<p>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)</p>	<p>See Project list</p>				
<p>Delivery of the new Butterfly House for Cumberland House</p> <ul style="list-style-type: none"> - Demolition phase - Restoration phase 	<p>Works on track for completion 2nd Quarter 2017</p>	<p>Work completed, and minor building snagging items remain. First delivery of pupae are in situ with several butterfly already hatched and on the wing</p> <p>Official opening planned for 19th August</p>	<p>Museum staff and volunteers trained by BH specialist. Butterfly House opened on 19th August as planned. 13,000 visits in first month of opening.</p> <p>Focus for next Q is planting and external interpretation.</p>	<p>Achieved Q2 but the application of a zoo licence remains outstanding</p>	<p>GREEN</p>

<p>Sustain visitor numbers 300,000 across all museums</p>	<p>Total 267,100</p>	<p>Total Q1 77,944. 6% less than same quarter last year but figures more impressive when considering 16,000+ loss due to closure of D-Day Museum since March 2017. Although Cumberland House lower figures this should be addressed by the opening of the Butterfly House in August</p>	<p>Total Q2 105,690, 12% down on same Q last year. Figures reflect that D-Day Museum is closed (22,000+ visits last year). Visits at all other sites have increased.</p> <p>Visits for year as a whole are 182,155, 11% down on the previous year. This is almost entirely due to D-Day Museum being closed and therefore is as expected</p>	<p>Total : 213,175</p> <p>Overall visitor figures are down by 30,228 (12.42%) at the same time last year. However, when D Day museum visitor numbers reduced the numbers overall have increased by 18,679 (9.60%).</p> <p>Group Visit figures overall are up by 1.230 (7.89%).</p> <p>Overall on target but Q4 quieter quarter in terms of footfall</p>	<p>AMBER</p>
--	----------------------	---	--	--	---------------------

Key function: Parks and Open Spaces

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
<p>Provision of new premises for council and contractor staff to accommodate vehicles, workshop and storage</p>	<p>Currently operating at several satellite sites and long term premises solution still to be confirmed .</p>	<p>Temporary operations continue at the Burrfields Road depot. Decision to demolish former farm buildings at Burrfields Road so that site can be used to accommodate all operations over long-term.</p>	<p>Temporary operations continue at the Burrfields Road depot.</p> <p>Steps taken to stop unpermitted use at adjacent lorry park site, but no opportunity to terminate lease currently.</p> <p>Work on demolition brief to commence.</p>	<p>Agreement in principle to include lorry park building in demolition.</p> <p>Progress of demolition brief subject to legal confirmation of lease amendment alongside settlement of outstanding rent review.</p>	<p>Amber</p>

<p>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.</p> <p>Page 248</p>		<p>Nursery and growing project in first months of operation at Avenue de Caen. Small commercial venture with opportunities of support from volunteers including this with learning disabilities.</p> <p>Rock gardens friends group discussions</p>	<p>Nursery site has 9 regular volunteers (2 of which are supported volunteers) for the 4 days the Centre is open. Overall number of volunteers recorded is 13. Volunteers have achieved 365 hours since mid-June.</p> <p>Working with Rock Gardens volunteers to re-stock the site after major plant loss following winter storms</p>	<p>Volunteer support remains strong despite the garden centre being quieter during the winter months. Number of supported volunteer days currently at 9 per week, with continued work to increase this aspect.</p> <p>First phase of Rock Gardens re-planting has been completed with volunteers.</p> <p>Working with Fratton Big Local to deliver play area and open space improvement to Kingston Recreation Ground, following extensive engagement of the local community</p>	<p>Green</p>
<p>Provide an effective and efficient service providing VFM</p>	<p>Grounds maintenance contract completed and in house. Fully integrated and staff Taped by Q4</p>	<p>-Portchester Crematorium tender process for their grounds maintenance contract developed and completed ready for tender -Preparatory work continues for new Arbicultural contract -Cost management model of new grounds maintenance service populated and monitored</p>	<p>In-house grounds maintenance operation within budget at Q2.</p> <p>Operational costs being monitored for first financial year review.</p>	<p>In-house grounds maintenance operation within budget at Q3.</p> <p>Operational costs being monitored for first financial year review.</p>	<p>AMBER</p>

<p>Provide open spaces that are safe to visit:</p>	<p>PSPO's, ASB measures, diversionary activities</p>		<p><i>Operational actions</i> :Daily inspection of sites continues and is reported to all managers. The engagement with Safe, Clean Tidy Team (and Police) as required is coordinated as a result of inspections . The installation of the temporary mobile unit continues to be mobilised as required.</p> <p><i>Strategic actions</i> :Use of good design principles to combat ASB when planning and implementing changes to sites. Linking into local plan adoption of 2018</p>	<p><i>Operational actions</i> :Daily inspection of sites continues and is reported to all managers. The engagement with Safe, Clean Tidy Team (and Police) as required is coordinated as a result of inspections . The installation of the temporary mobile unit continues to be mobilised as required.</p> <p><i>Strategic actions</i> :Use of good design principles to combat ASB when planning and implementing changes to sites. Linking into local plan adoption of 2018</p>	<p>Amber</p>
<p>Protect the city natural open spaces</p>	<p>Wildflower planting, new/replacement tree planting</p>		<p>Additional wildflower areas across the city - 'Urban Meadows' - have proved very popular, with positive feedback through many channels</p>	<p>2018 wildflower locations being finalised whilst sponsorship is secured. New areas being considered in addition to those sown last year.</p> <p>90 new and replacement trees to be planted in the 2018 planting season</p>	<p>Green</p>

Key function: Registrars and Coroners

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Achieve 100% birth registrations with 5 working days	100% achieved In 5 working days	100% - data end of year	Projected 100%	Projected 100%	Green
Achieve 100% still birth registrations with 5 working days	100% achieved In 5 working days	100% - data end of year	Projected 100%	Projected 100%	Green

<p>Achieve 100% registrations of death within 2 working days of appointment request</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 251</p>	<p>Achieved appointments offered same day of next day. National problems with registering deaths in 5 days of death. This is due to Drs not signing the MCCD in time and also delays caused by Bereavements Services not issuing MCCD's to relatives in a timely manner. Ongoing discussions with QA to reduce waiting times.</p>	<p>100%- data end of year</p>	<p>Projected 100%</p>	<p>Projected 100%</p>	<p>Green</p>
<p>Achieve 100% declaration of marriage and civil partnership within 10 working days of appointment request</p>	<p>100% achieved In 10 working days</p>	<p>100% - data end of year</p>	<p>Projected 100%</p>	<p>Projected 100%</p>	<p>Green</p>
<p>Customer satisfaction with registrars service</p>	<p>99.05%</p>	<p>99.05% - data end of year</p>	<p>Projected 100%</p>	<p>Projected 98 - 100%</p>	<p>Green</p>

<p>Achieve timeliness targets for inquest for those cases that take over 1 year</p>	<p>Achieved</p>	<p>Achieved - data end of year</p>	<p>Achieving - data end of year</p>	<p>Achieving- data Q4</p>	<p>Green</p>
<p>Complete options appraisal re mortuary and bereavement service</p>	<p>Feasibility phasing continues .The preliminary option appraisal identify West Sussex as a key partner to support the business model and discussions are ongoing .</p>	<p>Feasibility study continuing. Further information being sought.</p>	<p>No further business modelling has been undertaken as awaiting information from West Sussex to inform financially feasible. Geographical location means travels time is a challenge</p>	<p>Without West Sussex included in the options appraisal , project No longer being considered as no longer financial feasibility . Geographic location was the problem area which would not work for West Sussex.</p>	<p>Red</p>

Key function: Seafront Services

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Support the seafront business economy and encourage start up and economic growth Page 253	2 additional seasonal concessions in 2017	Pop Up Portsmouth : Deliver 4 pop up concessions to support small businesses along the seafront. Q1 4 kiosk benchmarked and sourced and demand determined. project plan drafted	3 start up businesses were supported over the late summer season and a total of 19 weeks of trading. Spring and summer programming and locations to be completed end of Q3. Winter storage for some units to be sourced and operating plan to be completed Q3 with KPI on number of business and weeks of trading	Completed in Q3 and plans and fees and charges for the 3 pop up schemes to be agreed in Q4 . Winter maintenance continues on pop ups There were 3 concessions supported as part of the car boot programme run by PCC this season	Green
Develop key heritage sites for sustainable modern usage	Southsea castle :development micro brewer / café and wedding programme	Activate Lump Fort as an opportunity. Brief completed and site cleared	Lumps Fort was put out to the market and a procurement exercise is at Stage 2 with potential offers	Lumps Fort submission was withdrawn. Review of all documentation taking place with proposed resubmission to the market in Q4 Peter Ashley centre also being explored as a sustainable site. Working with Historic England on options around repairs and maintenance	AMBER

Reduce crime and Fear of Crime along the seafront

CCTV
Lighting
Diversionary activities
Partnership working
Building maintenance

CCTV and security: Mobile unit installed at Hilsea splashpool. Business case for extra CCTV at Hotwalls submitted
Overnight security at Canoe Lake
Lighting :catenary lighting maintenance check in place and repair quarterly commissioned
Diversionary activities: not completed but will be built into motivate programme next year
Partnership working : multi agency meeting set up for January to combat ASB
Building maintenance: replaced vandalism as priority on beach huts. shelters/ splashpool and removed graffiti .
Capital bid submitted to replace combustible material at Lumps Fort beach huts
Edwardian shelter s: challenges on the Colas contract
In **Q3** look to explore a **master plan for canoe lake areas** to regenerate the site in addition make it a safer place for the public to enjoy

CCTV and security: Improved CCTV Agreed for Hotwalls camera and funding identified
Lighting :catenary lighting maintenance check in place and repair quarterly commissioned
Diversionary activities: meeting arranged with Motivate to discuss diversionary activities on Governors Green and Andres Simpson sailings . Discussion with 1851 Trust
Partnership working : multi agency meeting set up for January to combat ASB programme from May to September 2018 . Possibility of Public Health transformation funding for weekend working coverage at peak time . Bid to be worked up Q4
Building maintenance: beach huts/splashpool/pop ups / volleyball court/ BBQ bins
Capital bid submitted to replace combustible material at Lumps Fort beach huts as a more robust approach to combat asb
Edwardian shelter s: challenges on the Colas contract still continuing
Master plan for canoe lake areas to regenerate the site in addition make it a safer place for the public to enjoy deferred to Q4

AMBER

Review byelaws and review and simplify layers of restriction	The current legislation enables a direct transfer from DCO to PSPO. Q1 consultation for PSPO is still planned	BBQ Byelaws Dog orders	Dog orders :Written to Kennel Club for their consultation Byelaws: Reviewing template PSPO to replace DCO BBQ laws ;No action on BBQ Bylaw at this time	The dog control changes with the new PSPO has gone to Kennel Club and the Police and Crime Commissioner for consultation. The template bylaw has been reviewed, the project team consulted and legal approved the draft PSPO	Amber
Improve accessibility for those with mobility difficulties regarding access to the beach	One accessible area on Eastney beach for wheelchair users	Discuss with equalities and team and add as agenda for Disability forum. Identify capacity in team for research project on latest technologies	Projects officers in Culture undertaken benchmarking exercise to investigate options in other shingle beach seaside resorts	Current disability access planned to extend on beach in Q4 at Coffee Cup. New planned sea defences have increase number of disability access on the draft proposals	Red
Support the Coastal Defence team in preparation for Southsea Sea defence work	2 update meetings held and project superhot identified	<ul style="list-style-type: none"> - Seafront team on project team to help shape delivery - Consultation with team on intelligence and data - Liaison with engineers on issue on log curtain moat drainage - Liaison with team on site for preparatory GI work 	<ul style="list-style-type: none"> - Southsea Updates received monthly basis for wider cutler distribution - Poster campaign on seafront completed - GI works and map information completed - Gave CD management team opportunities for Liaison on the work on Long curtain moat and capital bids 	<ul style="list-style-type: none"> - Updates continue to be received and understand that further plans to be put out for consultation in Q4 - Support given for liaison with seafront businesses & key event organisers to understand impact of works <p>Further monthly updates to be set up with CL&S cabinet member</p>	AMBER

<p>Develop and curate the Hotwalls studio site to prepare for alternative operating model in 2 years</p>	<p>-Financial modelling of income and spend -Operational manual for site developed -13 artists on site Marketing from University secured for 1 year -Snagging period continues</p>	<p>Operational plan developed and key areas of work : -Snagging period ends and maintenance contracts sourced developed and completed - Interpretation panels sourced designed and completed -Resin bonded areas outstanding completed -Canopies completed and installed - Contractor leaves studio 10 and new opportunity developed and marketed -Moivat8 SLA developed and confirmed for commissioning to combat anti-social behaviours in summer season -recruitment for 18 month contract for Hotwalls Studio Development Manager</p>	<p>Studio 10 tenant secured an have developed a healthy short list for future studio opportunities. -Completed rental reviews and renewals. Moved from licence agreements to 1 year leases for studio tenants. -Studio tenants taking up business support from Shaping Portsmouth - Christmas Events programme developed. -Wash up with Motiv8 and new improved programme developed for next year -Hotwalls studio Development Manager interview and recruited starting 1st November -Investigative works on Round Tower water ingress commenced to understand source of leaks -Options for Pest control explored</p>	<p>Round Tower :water egress has improved due to the work completed so far making a positive impact : - Re-asphalt of viewing platform - Ventilation below the platforms - repointing - air brick replacement Further improvements are being explored to maximise capital interventions for the regeneration of this site and full utilisation of the tower to be realised. A specialist reconnaissance survey supplemented with targeted NDT investigations will analyse masonry structure ready for Q4</p> <p>Facilities :Snagging period continues with issues on the intruder and fire alarm system and options for replacement . Faulty LED lighting on the seaward side of the Hotwalls and on the Tower ongoing investigations</p> <p>Festive market : run by PCC and considered success via positive feedback and 900 footfall and reach on Facebook was 220,000</p> <p>Events apprentice : funded through the Coastal Communities fund .Healthy response to the advert with over 50 applications and start date targeted February ready to develop the Round Tower and parade ground for a suitable events schedule</p>	<p>GREEN</p>
--	---	--	---	---	---------------------

Key function: Visitor Services

Objective	2017 Baseline (where known)	Key progress Q1	Key Progress Q2	Key Progress Q3	RAG rating
<p>Increase in visits from “staying visitors” over 3 years of 8% from 2016 to 2019</p> <p>Page 257</p>	<p>The South East data shows an increase in domestic overnight trips regionally of around 5% and international overnight trips of around 9% so this would indicate positive trending for the city in September data Continuing this momentum through the initiatives outlined in 2017 -2020 marketing strategy adopted at PRED in Q4 2017</p>	<p>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</p>	<p>Headline 2015 figures received (as delay in full 2016 report). These draft figures indicate an increase of 1.5% in staying trips (domestic 0.3%, international 8.3%).</p> <p>Increase in nights spent is up by 4.2% - i.e. people are staying longer.</p>	<p>No update</p>	<p>GREEN</p>
<p>Increase visitor spend of 10% over 3 years from 2016 to 2019</p>	<p>The South East data has an increase in associated in visitor spend indicating a positive outlook for Portsmouth figures to be released in Q3 2017</p>	<p>2016 data is on target to be released Q3 2017</p>	<p>See above as detail not yet available</p>	<p>No update</p>	<p>GREEN</p>

Key function: Sports and Leisure Facilities management

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
<p>Completion of Capital Investment works at the Mountbatten Centre and Wimbledon Park Sports Centre for completion by 31st March 2018</p>	<p>NA</p>	<p>Specifications and programme being reviewed by BH Live.</p>	<p>The works for the Mountbatten Centre capital investment have been out to tender and an order is soon to be placed to enable the works to be completed by the end of March 2018.</p> <p>A planning application has been submitted for the Wimbledon Park Sports Centre scheme. The programme for completion is now Autumn 2018.</p>	<p>The work commenced in December 2017 at the MBC for completion end of March 2018</p> <p>Parking Survey being undertaken at Wimbledon parks Sports Centre to assess impact of proposed development</p>	<p>Amber</p>
<p>Replacement of new floodlight system at the Mountbatten Centre athletics and cycle tracks for completion by end of October 2017</p>	<p>NA</p>	<p>Specification being finalised and tender documents being prepared</p>	<p>Following a successful tender exercise, works have started on site for completion by the end of October 2017.</p>	<p>Works successfully completed on time Q3</p>	<p>Green</p>

Resolution of outstanding maintenance issues at the Mountbatten centre following termination of management contract Remedial actions and programmes for rectification to be agreed by 31 st March 2018.	NA	Independent technical reports being finalised before distribution to previous contractor identifying issues that need to be resolved.	Discussions continuing with previous contractor to agree required works and associated responsibility.	Ongoing but progress has been made towards a settlement	Amber
Increase use of council's contracted sports facilities by 5%	1,332,272 attendances	April - June 2016, 368,513 April - June 2017, 422,452	July - September 2016, 334,772 July - September 2017, 421,916	October -December 2016: 314,956 October-December2017: 431,244 5% increase on contracted sports facilities on target	Green
Procurement for management of the Outdoor Centre		prepare a briefing paper for Cabinet Member on the future of Portsmouth Outdoor Centre	Instigate the 'break clause' in the current contract and proceed to a full procurement for a new provider for this service	Procurement went live in July 2017 and was completed and preferred bidder commenced operation 1 st November 2017	Green

Key function: Environmental Health

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
<p>Shellfish: provide weekly specimens to FSA to secure shellfish bed designation</p>	<p>Resources required for sampling are diverting significant staff resource away from other statutory functions</p>	<p>Sampling remains a priority. Resources assigned to the detriment of other statutory service delivery areas. Requirement of industry and CEFAS met in Q1. Impact of storm discharges upon sampling requirements remains a concern. FSA involvement possible</p>	<p>Sampling continuing in line with classification requirements. Engagement with the FSA in respect to the possibility of norovirus (NV) in shellfish flesh as a result of Southern Water (SW) discharges. SW slow in responding to requests for information. Oyster classification for both harbours to be decided by CEFAS and FSA prior to season beginning - likely to start 1st November (decided by IFCA). Pre-classification sampling of Fareham lake continues</p>		<p>Amber</p>

Food hygiene: produce an annual plan in line with statutory requirements and minimise slippage against the plan	2016/17 delivered on time. Failure to comply with the FSA Food Law Code of Practice has subjected service to the attention of the FSA auditing team	Food Operating Plan to be published in Q2. Continued deviation from Food Law Code of Practice. Additional resources required if FSA decide to launch full audit -discussions continue	FOP published in Q2. FSA appear reasonably satisfied with operational issues generally - full audit now unlikely. Prescribed intervention program running behind - approx. 150 premises (8/12 weeks work) - low risk premises not currently being inspected. Reserve funding approved for temporary EHO - hard to fill post - no appointments made		Green
Port Health – Maintain income levels at £60,000 pa	Income met in 2016/17	Remains on track in Q1	Moderate confidence in achieving target		Green
Pest control – exceed income target of £156,000	Income met in 2016/17	Remains on track in Q1	Moderate confidence in achieving target		Green
Community burials: facilitate timely, dignified burials; aim to recover 80% costs from estates	Cost recovery rates met in 2016/17	Demand for service continues to increase - resulting in pressure upon resources assigned to recover costs from estates. Staff resource diverted onto other service priorities in first half of 2017/18 (IDOX delivery). Achieving annual target compliance is in doubt	Demand remains higher than 2016 / 2017. Confidence in achieving target consequently reducing. Demand of service can increase during winter		Amber

<p>Air quality – ensure new DEFRA review and assessment annual reporting requirements are met</p>	<p>Annual statement of air quality delivered in Q2 2016/17</p>	<p>Annual statement of air quality will be published in Q2 of 2017/18</p>	<p>Completed - Annual Statement of AQ and Source Apportionment Study published. Monitoring of pollutants ongoing. Interest in AQ remains high. DEFRA confirm no requirement for PCC to undertake a feasibility study into clean air zones in July. AQ action planning process beginning - Transport leading</p>		<p>GREEN</p>
<p>Pollution control: continue to deliver all statutory environmental protection requirements with >95% satisfaction rate</p>	<p>Huge range of functions delivered with service complaint target rate achieved</p>	<p>Review of services scheduled in Q3/Q4 to re-examine service delivery protocols and maximise service effectiveness. Objective remains on track heading into Q2</p>	<p>Provisional review of services ongoing to 2018/2019. Objective remains on track heading into Q3. Impact of IDOX implementation as yet unclear but likely to impact upon achieving target until completed.</p>		<p>AMBER</p>

Key function: Trading Standards

Objective	2017 Baseline (where known)	Key progress Q1	Key Progress Q2	Key Progress Q3	RAG rating
<p>Primary Authority Partnerships – maintain the 10 current partnerships and pursue other opportunities as they arise</p>	<p>Number of partnerships fell in 2016/17 due to resource provision assign to their maintenance and delivery</p>	<p>Struggling to maintain existing partnerships in Q1. Review of partnerships undertaken in Q1 - income likely to fall</p>	<p>Unlikely to meet target - number of PAPs currently stands at 6 - income has fallen. To develop new agreement/s in Q3 - Income to be recovered through financial investigation work in Q3/Q4</p>		<p>RED</p>
<p>Investigate consumer crime – intervene using civil and criminal law to assist consumers in recovering loss, and take court action where appropriate</p>	<p>Service delivery mechanism examined in 2016/17 following review of Regulatory Services</p>	<p>New business plan published in Q1 - service priorities realigned to match objective</p>	<p>Ongoing - Implementation of new services delivery mechanisms set back as a result of significant staffing changes in Q2 - unlikely to be resolved until Q4. Number of high profile court cases pending</p>		<p>AMBER</p>

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	Service delivery mechanism examined in 2016/17 following review of Regulatory Services	Objective remains a Q1 priority - focusing upon premises where intel' suggests significant breaches of law / licence conditions occur. Single FTE assigned. Funding not guaranteed into 2018/19	Ongoing - Resolution to funding issues ongoing - resolved in the short term. Relatively high levels of enforcement activity being undertaken		AMBER
Proceeds of crime – maximise amounts of compensation and confiscation recovered and work in partnership with other local authorities	Service delivery mechanism examined in 2016/17 following review of Regulatory Services	New business plan published in Q1 - services priorities realigned to match objective	Ongoing - Changes in staffing being planned to deliver greater levels of POCA work moving forward in Q3 - in line with business plan		AMBER

Key function: Civil Contingencies

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Development of a shared emergency planning service with Southampton City Council	A shared management arrangement has been in place since December 2016. Both authorities aspire to develop a shared service by end March 2018.	A shared Emergency Planning Duty Officer system has been developed with Southampton City Council, enhancing response capabilities significantly target date to be launched (July 2017)	Joint Emergency Planning Duty Officer system went live in July as planned. Further shared service proposals have been developed; work is underway to establish the HR and decision-making processes required to ensure in place by q4.	The draft shared service proposal and role profiles have been developed with PCC and SCC team members. Formal consultation will take place in Q4	AMBER
Development and maintenance of PCC Business Continuity Management arrangements	The corporate business continuity planning arrangements required review to accommodate the latest standards and organisational changes.	A new Corporate Business Continuity Policy, setting out the new approach to Business Continuity, was signed-off by Corporate Governance Group on 12/4/17	6 Directorate Business Continuity workshops were completed in this quarter. The remaining 3 workshops will be completed in q3, and plan reviews in q4	All remaining business continuity workshops were completed in December. Plan review will take place Q4	AMBER

<p>Ensure effective corporate preparation for and response to emergencies</p>	<p>PCC emergency plans are compliant with statutory requirements, up-to-date and tested in emergency response</p>	<p>Successful activation of 'Move to Critical' Plan, following national increase in terror threat level.</p> <p>Contingency arrangements provided to support high-rise cladding operation following Grenfell Tower fire.</p> <p>Royal Navy Command & Control event participation in preparation for QEC First Entry Portsmouth operation.</p>	<p>Successful activation of 'Move to Critical' Plan, following the second national increase in terror threat level this year.</p> <p>Support provided to operation related to unaccompanied asylum seeking children at Port</p> <p>Successful QEC First Entry Portsmouth operation</p> <p>Joint Emergency Planning Duty Officer system has performed well during the 15 incidents experienced this quarter</p>	<p>The team responded to 31 incidents in their period including adverse weather events, oil pollution, unaccompanied asylum seekers children support, school bomb threat, and the first exit of the HMS Queen Elizabeth 11. The team also supported the successful delivery of the larger sale LIVEX strategic exercise of the Local Resilience Forum</p>	<p>GREEN</p>
--	---	---	--	---	---------------------

Community and communications

Key function: Channel Shift Programme and City Helpdesk					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
NEW: City helpdesk: maintain customer satisfaction levels above 90% Page 25	Customer satisfaction is now measured continually rather than six monthly, creating a more stable measure. This will continue to be measured	Q1 satisfaction level: 67%	Q2 satisfaction level: 88%	92.61%	Green
NEW: City helpdesk: reduction in overall offline customer contacts	193,237 customer contacts on the phone and through ground floor customer services and cashiers in 2016/17	56,622 contacts in Q1 - Q1 is busiest quarter as a result of annual council tax bills so this figure is expected	50,051 contacts in quarter two	22,299 contacts in Q3 (revs calls removed, metric to be reviewed ahead of quarter 4)	Green
Increase in payments made online, through direct debit and via other automated channels	Online income in 2016/17 was £9,884,000	Online income for Q1 is £2,769,963.	Online income for Q2 is £2,591,623.14	Online income for Q3 is £2,605,014.05	GREEN

Increase in digital transactions via web and app forms	Total web and app forms submitted in 2016/17 was 22,790	6,861 web and app forms were submitted in Q1.	7,261 web and app forms were submitted in Q2	7,171 web and app forms in Q3	GREEN
---	---	---	--	-------------------------------	--------------

Key function: Revenues and Benefits					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Council Tax collection rate	95.33% - Increase in overall tax base by 6% (annual increase was 3.7%), some of this increase was attributed to proactive work around: Single Person Discount review completed making significant improvement to the tax base Empty property discount removed making significant improvement to the tax base	Q1 2017/18 collection at 28.41%. Performance varies by -0.13% compared to Q1 2016/17. Collection has been impacted by changes to the council tax support scheme; however the outlook at quarter 1 suggests collection for the year will remain fairly stable and comparable to 2016/17.	Q2 2017/18 collection at 54.79%. Performance varies by -0.44% compared to Q2 2016/17 As with Q1 17/18, collection has been impacted by changes to the council tax support scheme, however we continue to believe that 17/18 performance will be broadly comparable to 2017/18.	Q3 2017/18 collection at 81.23%. Performance varies by -0.59% compared to Q3 2016/17. As with the first half of 17/18, collection has been impacted by changes to council tax support, however we continue to believe that performance will be broadly comparable to 2016/17 as a result of a greater number of council tax payers making arrangements over 12 months.	GREEN

NNDR collection rate	99.80% - Best ever year for NNDR in year collection	Q1 2017/18 at 32.49%. Performance varies by -0.69% compared to Q1 2016/17. 2017/18 billing has been impacted by the revaluation of the rating list (first change in 7 years), and the late introduction of additional supporting reliefs. The outlook for collection remains comparable with 2016/17.	Q2 2017/18 collection at 58.64%. Performance varies by -0.3% compared to Q2 2016/17. As with Q1 17/18, collection has been impacted by the revaluation of the rating list. Outlook for collection for the full year continues to be anticipated as comparable with 2016/17.	Q3 2017/18 collection at 83.2%. Collection varies by 1.48% compared to Q3 2016/2017. As with the first half of 17/18, collection has been impacted by the revaluation of the rating list, and despite the comparative drop in collection compared to 16/17, we continue to anticipate a comparable performance this year.	GREEN
Cycle time for new claims	21 Days	21.97 days.	24.60 days.	23.38 days	AMBER
Cycle time for changes of circumstance	7 Days	7.27 days.	8.64 days	8.48 days	Green
Housing Benefit overpayments raised	£3,193,839	£525,155.	£1,473,438	£2,628,432. The level of debt raised has increased as a result of the Government's RTI/RBI initiatives.	GREEN
Level of outstanding housing benefit debt	£8,975,702 - Overall Housing Benefit debt below £9million, decreased from end of previous year by £15k (this is in spite of over 3 million extra debt raised in 16/17)	£8,605,725	£8,727,185	£9,132,015. Increases in overpayments raised as a result of the RTI/RBI initiatives have resulted in debt exceeding £9m. This however has a positive impact on the HB Windfall Budget as good collection is not resulting in increased costs with bad debt provision.	GREEN

<p style="text-align: center;">Housing Benefit subsidy received</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 270</p>	<p>£105,490,323 - 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 remains steady 98.16% at end of Q4 (97.98% at end of Q4 2015/16)</p>	<p>The level of expenditure recouped via subsidy at the end of Q1 2017/18 is 98.35%, an improvement of 0.14% against 2016/17. Total subsidy for 2017/18 is currently forecast at £104,836,841. The total subsidy value is reduced in comparison to 2016/17 as a result of reduction to Housing Benefit expenditure, which is in the main attributable to welfare reform changes.</p>	<p>The level of expenditure recouped via subsidy at the end of Q2 2017/18 is 98.05%, a reduction of 0.06% against 2016/17. Total subsidy for 2017/18 is currently forecast at £102,264,368. The total subsidy value is reduced in comparison to 2016/17 as a result of reduction to Housing Benefit expenditure, which is in the main attributable to welfare reform changes.</p>	<p>The level of expenditure recouped via subsidy at the end of Q3 2017/18 is 97.82%, a reduction of 0.34% against 2016/17. Total subsidy for 2017/18 is currently forecast at £102,264,368. The total subsidy value is reduced in comparison to 2016/17 as a result of reduction to Housing Benefit expenditure, which is in the main attributable to welfare reform changes. The reduction is subsidy recovery is attributed to the level of debt raised which has a positive impact on the HB Windfall budget.</p>	<p style="text-align: center;">GREEN</p>
---	--	--	---	--	---

Key function: New Business and Traded Services

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Income generation targets: Design £150,000	£191,692 - Despite reducing print through the MAP project, design maintained sufficient income to meet the cost of the service	£40,342 in quarter one	£39,682 in quarter two	£39,668.04 in quarter three.	GREEN
External income generation target of £30,000 from Port Creative, encompassing design, marketing, communications and market research		£17,000 in Q1	£18,536 in quarter two	£3041 (note £19K to be paid in Jan 18) year to end of Dec total profit - £16,954	GREEN

<p>Commercial Services Benchmark £4.3m in 2015/16</p>	<p>£4,096m - Gross income reduced to several key services ceasing and continued impact from school acadamisation programme. It is worth noting at the outset of traded services it was assumed the value of support services delivered to schools was 4.3m with increased acadamisation and cost saving initiatives by schools it is likely that the position will continue to deteriorate therefore for 2017/18 the focus will be delivering framework opportunities for academies and securing work from other authorities</p>	<p>£4,326,831 gross income achieved by June 2017. Traded Services team continue to discover areas of activity that have not been charged for and processing these through the online ordering portal.</p> <p>The traded services team will also be rolling on the 2nd year provision for schools incorporating a 2.14% uplift.</p>	<p>Closing income for the academic year 2016/17 £4,419,289.</p> <p>2017/18 is the 2nd year of a 2 year contract in which we simply apply an inflation increase of 1.38%. However schools and academies do systematically give 6 months notice to drop certain services, due predominately to the academisation process. Services that schools tend not to renew when converting include Finance Services, Payroll and Information Services producing a deficit in gross income. Additionally, schools are not permitted to receive Insurance cover once academisied- this will produce a deficit of £140k in gross income this academic year.</p> <p>Current 2017/18 income is £3,924,130 by December 2017. Additional services to be added during the year include IS SIMS licenses £60k. Other ad hoc training and services will also be sold throughout the next 8 months improving the income picture.</p> <p>Services not renewed for 2017/18 academic year include Governor Support worth £52k and PSHE £6K last academic year.</p>	<p>GREEN</p>
--	--	---	--	---------------------

Key function: Democracy					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Achievement of statutory timelines in relation to Fol	91.6%	70%.	60.7%	63%	Amber

Key function: Communications and marketing					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Equivalent advertising value of media coverage generated by PR activity	£905K generated in 2016/17	£244,286	£363,392	£340,522	GREEN
% of staff who feel well-informed and proud to work for the council	Measured through staff survey, planned for autumn 2017. Target of 75%	N/A	Staff survey in July 2017. 63.94% of staff are proud to work for the council and 60.47% of staff feel well-informed	N/A	GREEN
Social media reach	Target: 650,000	600,031	1,066, 325 (organic reach: 532,196)	1,587,507 (organic reach 533,394)	GREEN

Email marketing and communication reach	Target: 50,000	32,355 emails sent	42,052 emails sent	70,301 emails sent	GREEN
Email unique subscribers	10,000 - Year 1	4045	4434 unique subscribers at end September 2017	12,243 unique subscribers end	GREEN
Email open rate	Target: 50%	Average 39% open rate in Q1	36.47%	average 39.09%	GREEN

HR, Legal and Performance

Key function: Human Resources					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Sickness absence	8.2 days per employee per year	8.1 days per employee per year	8.08% per employee per year. Sickness absence has reduced considerably from previous years, and compares well to other similar organisations, but has "bottomed out" in recent months. A Wellbeing Co-ordinator (funded from Public Health) is now being appointed to promote employee wellbeing, which should have a longer-term impact on sickness rates.	8.2 Sickness absence has reduced considerably from previous years, and compares well to other similar organisations, but has "bottomed out" in recent months. A Wellbeing Co-ordinator (funded from Public Health) is now being appointed to promote employee wellbeing which should have a longer-term impact on sickness rates	Amber
Restructures and other organisation change successfully managed	Achieved	Achieved	Achieved. A variety of restructures have taken place or are currently underway which may involve redundancies, redeployments or other changes. These have all been successfully managed during the last quarter.	Achieved A variety of restructures have taken place or are currently underway which may involve redundancies, redeployments or other changes. These have all been successfully managed during the last quarter	GREEN

<p>No successful Employment Tribunal cases as a result of poor HR practice</p>	<p>Achieved</p>	<p>Achieved</p>	<p>Achieved - no cases have reached the ET during the last quarter. This reflects the quality and accuracy of HR advice and support during the period.</p>	<p>Achieved. No cases have reached the ET during the past quarter. This reflects the quality and accuracy of HR advice and support during the period</p>	<p>GREEN</p>
<p>Recruitment end-to-end time (i.e. to employment start date)</p> <p>Page 27</p>	<p>66 days</p>	<p>62.75</p>	<p>59.5% - this figure includes both the time taken to recruit, plus the notice period of the successful candidate. As such, any performance below 60 days is considered to be strong.</p>	<p>67.1 days Increased since last quarter due to a number of more senior recruitments (where longer notice periods exist). This figure includes both the time taken to recruit, plus the notice period of the successful candidate. As such, and performance around 60 days is considered to be strong</p>	<p>GREEN</p>
<p>Apprenticeship numbers</p>	<p>74 (including pipeline)</p> <p>Numbers anticipated to increase sharply in 17/18 due to introduction of apprenticeship levy</p>	<p>109 (including pipeline)</p>	<p>116 - the apprenticeship levy is providing more opportunities for apprenticeships to be created. A framework of training providers has been set up, and extensive promotion by HR staff is having a positive effect. There has also been some initial success in promoting apprenticeships in schools.</p>	<p>119 The apprenticeship levy is providing more opportunities for apprenticeships to be created. A framework of training providers has been set up, and extensive promotion by HR staff is having a positive effect. There has also been some initial success in promoting apprenticeships in schools</p>	<p>GREEN</p>

Key function: Directorate

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2		RAG rating
Traded Services: reduce dependency on cash-limit finance by developing trading opportunities	48% of service funded through cash limit	Achieved	Achieved - the directorate continues to be successful in developing external clients for HR services, Internal Audit and strategy/project support.	Achieved. The directorate continues to be successful in developing external clients for HR services, Internal Audit and strategy/project support.	GREEN

Key function: Legal Services					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2		RAG rating
Turnaround times on childcare cases (% within 26 week target)	77% within 26 weeks	83%	93% - this represents an excellent performance and places the council amongst the best performing nationally. Performance is a combination of efforts between legal and Children's Services.	89% - this represents an excellent performance and places the council amongst the best performing nationally. Performance is a combination of efforts between legal and Children's Services.	GREEN
No major projects delayed due to failures to provide effective legal support	Achieved	Achieved	Achieved	Achieved	GREEN
Land Charges – complete searches within 20 working days	100%	Achieved	Achieved - 100% of searches completed within published deadline.	Achieved	GREEN

Key function: Internal Audit					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
% annual audit plan complete	100%	23%	50% - on target to complete 100% by end of the year.	83% - on target to complete 100% by end of year	GREEN
Number of exceptions identified	6 critical, 124 high	0 critical, 30 high risk	0 critical, 45 high risk	0 critical, 71 high risk	GREEN

Key function: Corporate Strategy					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Maintain schedule of funding opportunities	Regular updates provided to Leader	Achieved	Achieved Regular scanning undertaken and reports made to leader of potential opportunities.	Achieved. Regular scanning undertaken and reports made to leader of potential opportunities	GREEN
Achieve statutory deadlines regarding annual governance statement and performance statement	Achieved	Achieved	Achieved	Achieved	GREEN

FINANCE AND INFORMATION SERVICES

Key function: Financial Governance and Accountability					
Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Prepare a Medium Term Financial Strategy	MTFS approved by full Council as part of annual Budget	Annual review underway	Forecast updated	Forecast updated and recommendations included within February Budget report	GREEN
Approve a Balanced Budget and associated level of Council Tax	Budget and council tax approved by Full Council for required level of savings	Budget setting process starts	Services identifying savings proposals / income opportunities to meet target £4m reduction in 2018/19 budget and £12m over 3 years	Savings for 2018/19 approved by City Council in December 2017. Final budget and future year forecasts to City Council February 2018	GREEN
Approve a minimum level of general reserves	£7m	£7m	£7m	£7m for 2017/18 increasing to £8m from 2018/19	GREEN
Approve a fully funded 5 year capital programme	Capital programme approved by Full Council	Refresh of current programme underway & new bids process starts	New bids prepared	Refresh of existing capital programme completed. Draft report on new programme being prepared for approval at City Council February 2018	GREEN

Statutory timescales achieved for Statutory Financial Statements	30 th June 2017	The annual target of 30 June has been achieved	PCC has prepared financial statements within the statutory deadline of 30 June	N/A	GREEN
Unqualified Audit Opinion achieved	PCC achieved an unqualified audit opinion for the 2015/16 accounts	Audit for 2016/17 underway- no issues identified so far	Subject to satisfactory completion of outstanding items, the auditors expect to issue an unqualified opinion on the Council's financial statement.	Audit opinion delivered late due to external auditor resources. Final unqualified opinion received January 2018	GREEN
Quarterly financial reporting to Cabinet achieved	Q3 delivered 21/3/17.	Outturn scheduled September 2017	Q1 forecast reported to Cabinet on 28/9/17	Q2 forecast considered by Cabinet on 11 December 2017	RAG rating
Pay.net implemented	On Hold - Dependency upon completion of current upgrade to PIMS and Spydus systems	Request to supplier for information re formatting to upload data to EBS	Registrars now live. Libraries expected to be implemented in December	Libraries specification complete- awaiting delivery from supplier	GREEN
Bank reconciliation completed within 4 weeks of month end	Complete to March & awaiting sign off	April & May complete. June 90% completed	September complete	November substantially complete (95%)	GREEN

Transparency information published on time	Delivered	Delivered but one week delay in May due to website upgrade	Delivered	Delivered	GREEN
---	-----------	--	-----------	-----------	--------------

Key function: Maximising the resource available to the council

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Average return on new investment (of surplus plus cash balances) to exceed LIBID rates	Exceeded investment returns target for new investment	Most of new investment returns have exceeded target	Most of new investment returns have exceeded target	Average return on new investment exceeding LIBID rates	GREEN
Debt recovery indicators : Actual (target) Council Tax NDR	97.8%(95.33%) 98.8% (99.8%)	94.8%(95.33%) 96.3%(99.8%)	94.55%(95.33%) 99.1%(99.8%)	94.61%(95.33%) 97.9%(99.8%)	GREEN

Key function: Maintaining the resilience of financial services operations

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Up to date business continuity plan	Review planning	Contact details and process changes updated	Review of Plan by Civil Contingencies Officer. Desktop scenario undertaken	No further action in quarter	GREEN
Planned EBS availability to be within performance standard of 98% availability in working hours	Performance maintained	Performance maintained	Performance maintained	Performance maintained	GREEN

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

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
<p>Spending within allocated budgets – deficits in adults’ social care and children’s social care reducing as per agreed plans</p>	<p>Forecast deficits: ASC £1.2m CS £1.6m</p>	<p>Strategies to close the gap in both services have been approved by Cabinet on 29/6/17</p>	<p>Q1 forecast outturn reported overall underspend across the Council of £1.5m including deficits of ASC £1.4m and CS of £2.8m</p>	<p>Q2 forecast outturn reported overall underspend across the Council of £2.5m. This included deficits of £2.4m in Children’s Services and £.75m in Health & Social Care. These were offset by underspends in other portfolios and an improvement in return on Treasury Management activities. Each of Children’s and Adults services have an underlying deficit of £1.8m</p>	<p>AMBER</p>

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

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Implementation of new forecasting and budgeting tools	Preparing to be fully operational in Q1	Operational in all Civic based Finance teams and rolled out to some service managers	Operational in all Civic based Finance teams and rolled out to some service managers	Moved into BAU	GREEN
Maintain Enterprise Management System(EBS) upgrade and patching programme	Latest RPCs updated	Latest RPCs updated	Latest RPCs updated	Latest RPCs updated	GREEN
Invest in EBS hardware requirements	Hardware installed –go live deferred until jumbo ports installed	Jumbo ports now installed Migration of EBS hardware scheduled for 26-29 /8/17	Migration completed	Project Completed, Hardware stable now entered BAU phase	GREEN
Payment performance indicators	77%	77%	79%	90%	AMBER

Paid 10,000 internal & external staff on time	Achieved	Achieved	Achieved	Achieved	GREEN
--	-----------------	-----------------	-----------------	-----------------	--------------

Key function: IT performance Metrics

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
Availability (24/7) 1. Availability of the LAN 2. Availability of the WAN 3. Availability of the SWAN Network 4. Availability of the Telephone System 5. Availability of Top 30 Systems 6. Availability of The Peoples Network	1. 100% 2. 99.7% 3. 100% 4. 99.7% 5. 97.5% 6. 99.7%	1. 100% 2. 99.6% 3. 100% 4. 100% 5. 98.8% 6. 99.4%	1. 100% 2. 99.5% 3. 100% 4. 100% 5. 97.5% 6. 99.7%	1. 100% 2. 99.7% 3. 100% 4. 100% 5. 99.9% 6. 99.8%	Green Availability of the internet, network and top key systems continues to remain stable.
Service Desk 1. Telephone Call Wait Time < 30 secs 2. Calls abandoned in the last 7 days 3. Incidents fixed at first point of contact	1. 94.8% 2. 2.8% 3. 95.6%	1. 95.01% 2. 2.5% 3. 91.32%	1. 93.8% 2. 2.5% 3. 89.2%	1. 96.8% 2. 3.1% 3. 92%	Green Performance from the Service Desk remains high. A problem was identified with a message that lead to abandoned calls. This has been resolved.
Incidents 1. Total Incidents (I'S) raised 2. I's Currently Open 3. I's Resolved with a Workaround	1. 597 2. 155 3. 44	1. 542 2. 210 3. 29	1. 487 2. 220 3. 18	1. 462 2. 256 3. 9	Amber Mobile Phone Interim Solution has had a positive impact on incidents - Less incidents are being recorded.

Requests 1. Requests Currently Open 2. Standard Requests closed < 10 Days	1. 233 2. 197	1. 307 2. 76.3%	1. 325 2. 74.6%	1. 350 2. 78.5%	Amber Resolution within 10 days for standard requests has improved
Problems 1. Problems Raised 2. Problems Open	1. 3 2. 97	1. 3 2. 98	1. 4 2. 104	1. 1 2. 113	Amber A large number of problems will be addressed by a number of currently active projects.
PSN accreditation IS Toolkit (Connection to NHS) PCIDSS (Payment Card processing)	Accredited Accredited Accredited	Accredited Accredited Accredited	Accredited Accredited Accredited	Accredited Accredited Accredited	Green
Security 1. SPAM 2. Malware	1. 99.9% 2. 99.8%	1. 99.9% 2. 99.9%	1. 99% 2. 99.9%	1. 99.9% 2. 99.9%	Green Q2 saw an increase in attacks. Trend has been improved to ensure more spam is caught before entering PCC infrastructure.

Key function: Strategic IT support and development

Objective	2017 Baseline (where known)	Key progress Q1	Progress Q2	Progress Q3	RAG rating
1) Produce Category Management Plan 2) Produce IT Strategy 3) Restructure IT 4) Digital Strategy 5) Cyber Security Strategy	1) Done 2) Done 3) In progress 4) Produced 5) Done	1. Done 2. Done 3. Done 4. In progress 5. Done	1. Done 2. Done 3. Done 4. In progress 5. Done	1. Done 2. Done 3. Done 4. Done - Submitted LFFN bid 5. Done	Green
6) Disaster Recover as a Service(DRaaS) Page 289	<ul style="list-style-type: none"> - Procurement specification - Supplier tender evaluation work completed 	Appointment made; design proposal submitted for scrutiny by IT Architecture Practice; project manager assigned; initial technical workshops with Microsoft complete	Implementation workshops have prepared the environment for the Proof of Concept(POC); applications for POC being selected; DRaaS POC planned for November/December; lessons learned to date informing design development for wider IT strategy	Proof of Concept has shown - <ul style="list-style-type: none"> • Set up of test Azure environment • Dedicated connection to Azure • Replication of test applications to Azure platform • Recovery and testing of applications within the test Azure environment from PCC LAN 	GREEN

This page is intentionally left blank

Appendix 3 - projects

Children's Services: Projects						
Project	Target Date	Key progress and issues arising	On track - time (RAG rating)	On track - budget (RAG rating)	On track - outcomes (RAG rating)	Key project risks
Stronger Futures	Long-term change programme	<ul style="list-style-type: none"> • Prevention and Early Help service up and running and fully staffed • Revised targeted health visiting service (ECHO) - on target for April 2018 launch • Roll-out of restorative practice training on target • New Edge of Care service established to provide intensive support to prevent children, particularly adolescents, coming into care • Work has begun to strengthen further our support for children in care using a Trauma-informed approach with support from the Coram and Tavistock national centres. <p>Key issues remain Troubled Families PBR claims but plan in place to address</p>	n/a	amber	amber	<p>Not achieving TF PBR target</p> <p>Not impacting sufficiently on demand for children's social care, against the background of wider headwinds (eg reduction in school pastoral staff)</p> <p>Not impacting sufficiently on care placement stability</p>

<p>Portsmouth Education Partnership</p>	<p>Ongoing</p>	<p>The Portsmouth Education Partnership is now well established. The Strategic Board has agreed to continue with the current structures but to rename the Operational Group as the School Improvement Board to better reflect its function. The Teacher Recruitment and Retention Group and the Inclusion Group are well attended and action plans are in place with task and finish groups assigned for particular workstreams. This is in addition to the Behavioural and Attendance Group and the Post-16 Forum which also sit under the PEP.</p> <p>More schools are engaged and the PEP groups are being strengthened with additional school members. The Portsmouth Education Strategy 2017 – 2020 has now been published together with a 2 page summary. The PEP website www.portsmoutheducationpartnership.co.uk is now live and will be regularly updated.</p> <p>Bids were submitted to the Strategic School Improvement Fund Round 1 in Q1. The Challenge the Gap bid was successful (£200k supporting 18 schools in the city) and was one of only six successful bids across the SE and the only successful bid in the Solent and Hants sub region. A bid to improve the outcomes of pupils in mainstream schools on SEN Support was submitted for R2. This was also successful, securing £200k in Q3 to support 18 mainstream schools across the city. Bids are likely to be submitted in Q4 for R3 of the SSIF focusing on literacy at KS2, maths across all key stages and an Early Years bid also.</p> <p>The Partnership and Schools Inclusion Manager (Sarah Christopher) was appointed at the end of Q2 and has been able to step up Partnership activity and communications very effectively.</p> <p>Annual meetings with all 12 MATs were held in Q3. Minutes and key actions from the meetings were shared with the RSC.</p> <p>This quarter we have stepped up our challenge to schools around educational inclusion, tightening our protocol around reduced timetables including writing to schools (in Q4) where students have been on reduced timetables for more than 6 weeks without an appropriate plan to restore full time education. We are working through the Partnership to ensure appropriate school led peer oversight of challenge in this area, and on elective home education.</p>	<p>Green</p>	<p>Green</p>	<p>Amber</p>	<p>Future funding support from the LA in 2018/19. The support the council has been able to provide has been crucial in getting the PEP off the ground. Further support will be needed but ultimately the success of the PEP will depend on buy-in from schools so that it becomes a school-led Partnership. More and more schools are becoming engaged and can see the value of the PEP - this augurs well for its future.</p>
--	----------------	--	--------------	--------------	--------------	--

<p>Planning and delivering sufficient school places for the city</p>	<p>Ongoing</p>	<p>Primary capacity remains very tight and a 30-place bulge class was required for September 2017 at Beacon View Primary Academy to take into account pressures in the Paulsgrove area. Overall surplus capacity at primary is >2%.</p> <p>Secondary capacity is reducing as the increased primary numbers from the last few years flow through. By September 2020, the city will not have sufficient secondary places without further expansion of secondary schools. Feasibility works are being undertaken to inform the capital bids which were submitted to Members in Q3, linked to £3m DfE basic need funding allocation for 2019/20 and estimated basic need funding for 2020/21 and 2021/22. Due to the lead-in time for works, urgent action is now required to address capacity for September 2020 and beyond.</p> <p>The annual School Capacity and Places data return (SCAP) to the DfE was completed in Q2 - deadline end of July 2017. This has refreshed the pupil forecasts and is informing future actions and capital bids.</p> <p>Remodelling of Cliffdale and Redwood Park Academies is underway but funding needs to be secured to complete the works at Redwood Park - part of the bid to Members in Q3. The Vanguard Centre will open in Sept 2018.</p> <p>The Special Free School is subject to a competition to appoint an academy sponsor (held during Q3), and a feasibility study for the site at Wymering which will commence in Q4. Both are due to conclude by the end of April 2018.</p>	<p>Green</p>	<p>Amber</p>	<p>Amber</p>	<p>Funding is required to enable secondary expansion works - subject of a capital bid to Members in Q3.</p> <p>DfE funding is lagged and future funding methodology from DfE could be subject to change.</p> <p>Funding is required to complete the remodelling of Redwood Park Academy - subject of a capital bid to Members in Q3 and contribution from schools (recommendation to Schools Forum in Q4)</p>
---	----------------	--	--------------	--------------	--------------	---

Children's Social Care IT system replacement	March 2020	Procurement process underway.	Green	Green	Green	Licence for current system expires March 2020. Process has started to ensure appropriate and well managed transfer.
Residential review and Staying Close	Ongoing	Innovation money for a Staying Close project allowing young people ongoing access to residential care support. This is linked to a residential care review following increased demand and disruption.	Green	Green	Green	

Adults' Services: Projects						
Project	Target Date	Key progress and issues arising	On track - time (RAG rating)	On track - budget (RAG rating)	On track - outcomes (RAG rating)	Key project risks
OPPD Systems Intervention	March 2018	First Tranche of System thinking for leaders learning is complete and second tranche being organised.	Green	Green	Green	Time required for leaders to learn new roles.

Health & Social Care Blueprint	July 2018	Work streams have been defined for integrated working within the localities and working groups established.	Amber	Amber	Amber	Management capacity to lead the project. Agreement between ASC and Solent regarding format.
Integrated Discharge Service (QA)	September 2016	Environmental issues are still an issue. The seconded lead for integrated discharge has returned to their own organisation and a permanent recruitment is being discussed. Challenges continue with staffing capacity, though recent temporary recruitment should impact.	Amber	Amber	Amber	Temporary staffing is a specific budget issue. Working practices without a lead constitute a risk to the project.
Transition between Swift / AIS and System 1	October 2018	The project has taken a significant length of time to get to signed contract stage. Train the trainer training has commenced in Q4. The impact on the business is high, as the system will be designed and owned by ASC and resources to migrate data are limited.	Red	Red	Red	Staffing capacity to manage the project.

<p>Achieving Financial Balance</p>	<p>March 2018</p>	<p>Savings Plans have been submitted by service areas to achieve the overall balance. There is still a potential impact on the budget of the HMRC Tribunal Decision announced in April 2017. The latest Government announcement has deferred potential back pay issues again.</p> <p>The current year budget was set based upon the consistent 24 month trend of reducing Residential care offset by increasing Domiciliary care and flat client volumes in Nursing care. Post the budget setting process these trends ceased with Domiciliary care and Residential volumes stabilising. The cause of these trend changes is still under investigation.</p> <p>The number of older people requiring support has increased, this is compounded by a higher rate for service users than budgeted</p> <p>This overspend is as a result of the ongoing cost pressures within Daycare and Supported Living following their restructuring in 2016/17. This also reflects in year pressure as a result of the closure of residential homes in the city.</p>	<p>Red</p>	<p>Red</p>	<p>Red</p>	<p>ASC continues to operate in a challenging budget environment, with considerable market instability and the increasingly complex needs of people who have care and support needs.</p>
---	-------------------	--	------------	------------	------------	---

Property and Housing Projects						
Project	Target Date	Key progress and issues arising	On track - time (RAG rating)	On track - budget (RAG rating)	On track - outcomes (RAG rating)	Key project risks
Horatia House & Leamington House Cladding Removal (Tower Blocks, LA Owned)	February 2018	Removal of Aluminium Composite Material (ACM) Cladding is underway, mast climbers and cradles being erected. Horatia House removal of cladding complete (mid-December)	Green	Amber	N/A	If Central Government do not fund the removal costs re-cladding this will be a budget pressure on the capital program
Horatia House & Leamington House Re-Cladding (Tower Blocks, LA Owned)	Feasibility	A feasibility study including structural investigation is being undertaken to evaluate options for re-cladding both blocks	Green	Red (No budget allocated)	N/A	If DCLG do not fund the costs re-cladding this will be a budget pressure on the capital program
High rise retrofitting sprinkler system	Underway	Feasibility to retrofit sprinkler systems in high rise and sheltered housing blocks.	Green	Red (No budget allocated)	N/A	If DCLG do not fund the installation and the works are deemed to be essential this will be a budget pressure on the capital program

Replacement Social Housing Schemes (Capital) (3 in total - see below):						
Site - Blendworth Crescent Name of Development - <u>Steep Close</u> No. of Properties - 48 (20 x Houses, 28 x flats)	April 2018	Project is due for completion 2 months earlier than planned	Green	Green	Green	
Site - Arthur Pope House Name of Development - <u>Ivy Close</u> No. of Properties - 60 (9 x Houses, 51 x flats)	June 2018	Project is due for completion 2 months earlier than planned	Green	Green	Green	
Site - Kingsclere Avenue Name of Development - <u>Fred Francis Close</u> No. of Properties - 38 (30 x Houses, 8 x flats)	February 2019	Project is due for completion 8 months later than planned due to s278 process	Amber	Amber	Amber	
Wilmcote House	7 Nov 2016	External Cladding, window and roof - overrun contract period	Red	Amber	Green	Contractor claims EOT and delays to let vacant properties - expected completion is 31 st March 2018)

Universal Credit Full Service roll-out in Portsmouth and Havant	Aug 2018	Currently, only single, first time tenants who do not have children are eligible for Universal Credit (UC) - the full roll-out for all tenancy types will commence in Sep 2018 in Portsmouth and Nov 2018 in Havant - Staff training and tenant awareness raising is planned	Green	N/A	N/A	Date for the rollout and other changes may affect our plans.
Sheltered Housing Care Provision - currently running a trial at Ian Gibson Court to provide care to residents in a new way	Nov 2018	Pilot project underway whereby PCC directly employs staff to provide ASC funded/arranged packages of care to residents of Ian Gibson Court.	Green	Green	Green	Final costs outcome will depend upon the final model of provision. However these costs will likely be mitigated by consistent and better managed care provision. Evaluation planned April 2018.
Revise the accreditation scheme for the private rented sector	August 2018	To look at the current problems associated with the private rented market and then then see if a consultation is required under Section 56 and 80 Housing Act 2004	Green	Green	Amber	Changes in the Section 56 process if Government confirm that they are extending mandatory licencing
Waste Collection Contract Extension decision (contract period ends 30 Sep 2019 with option to extend for 2 years)	Jul 2018	Currently working on appraisal of options with regard to extending or procurement Consideration required regarding the future approach to waste collection (trials ongoing)	Green	Green	Green	Decision needs to be made leaving enough time for procurement exercise

Introduction of High Street Wardens	Dec 2017	<p>Portfolio reserves have been made available to recruit four new High Street Wardens who have the purpose of helping to keep the city safe, clean and tidy.</p> <p>These new resources will be working as part of Community Warden team, focusing on issues which arise in the high street area, including rough sleeping, begging and problems arising from them.</p> <p>Recruitment of four extra posts (2 in January and 2 in February 2018) is planned.</p>	Green	Green	N/A	<p>The service will not work if the correct number and quality of staff are not recruited High street wardens will need the engagement of other agencies, both internal to the council, and external such as the police. If this doesn't happen the impact of the wardens will be reduced .</p>
--	----------	---	-------	-------	-----	---

<p>Trial of wheelie bins for rubbish</p>	<p>End 2018</p>	<p>Waste Management are rolling out the provision of wheelie bins for rubbish to suitable areas across the city. The aim is to tidy streets by containing rubbish, to constrain the amount of rubbish produced and increase the amount which is recycled.</p> <p>It began in 2016 in Highbury, and has since been rolled out in Paulsgrove in Q2, and in Hilsea in Q3. Two further areas will be provided with bins and then the success will be assessed.</p> <p>To date the amount of rubbish collected in these has reduced by approximately 15%, which has positive impacts on the environment and the finances of the council</p>	<p>Green</p>	<p>Green</p>	<p>Amber</p>	<p>The main risks are: That the positive impacts upon rubbish and recycling are not seen in other areas. Funding is not made available to provide bins to other areas if this trial is proven to be successful</p>
---	-----------------	--	--------------	--------------	--------------	--

<p>Preparation for the implementation of the Homelessness Reduction Act 2017.</p>	<p>April 2018</p>	<p>Housing Options are preparing for the introduction of the Homeless Reduction Act 2017. The Act will extend the statutory homeless duties to include a prevention duty.</p> <p>Key Issues in the Implementation plan are</p> <ul style="list-style-type: none"> • Increasing staff resources • Improving the skill sets of front line staff and managers • Improving the legislation knowledge of front line staff and managers • Adapting IT to manage the new stages and reporting requirements 	<p>Green</p>	<p>Green</p>	<p>Green</p>	<p>Key risks in the implementation are</p> <ul style="list-style-type: none"> • Knowledge of staff and managers. • IT changes • Relationships with Private Sector Landlords to increase options • Workload pressures (mitigated by additional staff)
<p>Data Management project</p>	<p>Summer 2018</p>	<p>Across the directorate, services collect and store a lot of data, much of it containing personal information. This project, encompassing preparations of the GDPR, restructuring of data storage and emphasis on good information culture, has required a project team to be created.</p>	<p>Amber</p>	<p>Green</p>	<p>Green</p>	<p>Staff will be seconded into the team from across the directorate. The volume and complexity of work will vary in each team, so will only be known as work starts in each team.</p>

Waste and Safe, Clean and Tidy IT system development	Summer 2018	Following interventions into these areas, new IT systems are being developed for the collection and allocation of work. These will enable the customers and staff to log demand in an effective and efficient way. They will also interconnect with the PCC website and My Portsmouth app. Work is being undertaken with no additional resources.	Green	Green	Green	The project relies upon the channel shift team who could be directed onto other work. The exact timetable for introduction depends upon workloads and the success of testing.
---	-------------	---	-------	-------	-------	---

Major Transport, Environment and Business Support Projects

Project	Target Date	Key progress and issues arising	On track - time (RAG rating)	On track - budget (RAG rating)	On track - out comes (RAG rating)	Key project risks
The Hard Interchange	May 2017	Construction is complete and the terminal is in use. Defects identified in the snagging phase are being addressed.	G	A	G	None identified.
Eastern Road Waterbridge	Oct 2017	All works are complete. PCC are now seeking to recover some costs for related to the water leak from Southern Water.	G	G	G	Decision on the acceptance of the bridge into the PFI highway network could present a risk to its future maintenance.
North Portsea Island Flood Defence scheme	2022	Phase 3 is under construction at Tipner, (completion expected Autumn 2019). Detailed design for the remaining phases is nearing completion. Efficiency savings have also been achieved on the project so far.	G	G	G	Unforeseen ground conditions and significant areas have caused some delay and resulted in additional work. The overall project within budget and time.

Southsea Flood Defence scheme	2026	An Integrated Delivery Team (IDT) has been established to deliver the project. The Design Development phase is complete and a series of design decisions are being explored further with stakeholders including extensive public engagement.	G	A	G	Scheme affordability under the Environment Agency's Partnership Funding system continues to be a risk and additional funding will be required to enable public realm enhancements with the scheme.
Traffic Management Centre IT infrastructure upgrade.	Sep 2017	Stratos system is installed and operational. Decommissioning of the old system is progressing.	A	G	G	Decommissioning of the old system is still in progress to enable direct control by PCC of the motorway Variable Message Signs (VMS) system.
Traffic signals optimisation programme (TSOP)	Dec 2017	Nine junctions are now complete. Defects identified are being addressed. The remaining junctions will be completed in Q4.	G	G	G	Satisfactory resolution of defects from the first few junctions completed.
Eastern Corridor	Mar 2018	Construction of the first phase projects are underway. Awaiting prices for several phase 2 schemes. Designs are due to be submitted got the remaining improvements.	G	A	G	Short timescale affecting ability to spend all allocated funds this financial year (in accordance with DfT grant).
Anglesea Road/ Park Road junction improvements	Apr 2018	Demolition is planned to commence in February 2018 followed by the construction of the new crossing.	G	G	G	Objections to the design could delay construction of the new crossing.
Street lighting upgrade	May 2019	Contract terms were agreed and the trial installation completed. Main installation will begin in Q4.	G	G	G	Achieving agreement to the necessary changes to the PFI contract.

Dunsbury Park	2015 2016 2018 2018 2019 2019 2019- 2025	Highways Works - complete Plot 2 (Fatface) complete Enabling works ongoing contract let <i>(anticipated completion mid 2018)</i> Plot 3a pre let unit under negotiation. Plot 3b speculative development (business case) Plot 4a in negotiation <i>(expected completion late 2019)</i> Expected negotiation and completion of other plots	G	G	G	The Dunsbury Hill development represents a significant investment by PCC, the ability to attract tenants and recover that investment is partly dependant on the long term performance of the UK economy.
Limberline Phase III	2016 March 2018	Practical Completion was November 2016 The aim was to have 90% occupancy rate by March 2018. 100% occupancy was achieved in Q3.	G	G	G	Project complete.
Property investment Fund	31 March 2018	£133M committed. 10 Assets purchased. A further asset, Portsmouth Retail Park currently being developed. Completion on site is expected in Q4.	G	A	A	Lack of suitable stock to acquire In house resource
Developing plans for the City Centre Infrastructure as part of the City centre masterplan.		Planning application submitted December 2017. Live bids include LEP bid, Housing Infrastructure Fund, HGF and IDPF. Work has now commenced on land acquisition	G	A	A	Risks include not getting planning permission, not getting funding, not being able to acquire land by agreement and using Compulsory Purchase Order powers.

<p>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.</p>	<p>2036</p>	<p>Work is progressing with Savills Team to explore Super P. Ongoing discussions with Natural England and the Environment Agency. Horsea Island East land transferring from MOD. Firing Range transfer anticipated April 2019. Ongoing work to progress Country Park - Veolia making progress with restoration and landscaping work.</p>	<p>G</p>	<p>G</p>	<p>G</p>	<p>Risk associated with development adjacent to Portsmouth Harbour Special Protection Area (SPA) and the project's ability to satisfy Habitat Regulations.</p>
--	--------------------	---	-----------------	-----------------	-----------------	--

Culture and City Development Projects

Project	Target Date	Key progress and issues arising	On track - time (RAG rating)	On track - budget (RAG rating)	On track - outcomes (RAG rating)	Key project risks
Transformation of D-Day Museum: Continue to deliver the 5 year transformation of the D-Day Museum start work on site (May 17)	March 2018	Base-build contract running late but planned opening date maintained by overlapping with exhibition fit out contractors Finalising contract with exhibition designers has been lengthy process. This means that some work packages are very tight and the installation period for the museum team is under pressure at final approval stage for much of copy, case lay-outs and graphics	A	G	G	Capacity of in-house museum team at the end of the Programme
Environmental Health : transition of Civica APP into the Uniform suite of products (IDOX) - extend the use of IDOX DMS to provide integrated document management	2019	Operationally transfer has taken place. Functionality problems will take at least 6 months to resolve and are likely to run into 2018 / 2019 The project has not been signed off by Regulatory Services but as this data has transferred operationally the project has been completed in terms of monitoring	G	G	A	

<p>Update the Library 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</p>	<p>2018</p>	<p>All above completed in 2016/17: Transfer LMS server to hosting civic server Implement E DI invoicing model Develop events booking functions Develop Volunteer access Develop Mobile app</p> <p>The piece of work going forward to 2017/18 is the Update of the Archive CALM catalogue .Stages are :</p> <ul style="list-style-type: none"> • Scoping project and obtain costs - completed in Q1 • Create test environment and work with copied collection data • Training • Upload data 	<p>G</p>	<p>g</p>	<p>G</p>	
---	-------------	---	----------	----------	----------	--

Community and Communication Projects

Project	Target Date	Key progress and issues arising	On track - time (RAG rating)	On track - budget (RAG rating)	On track - outcomes (RAG rating)	Key project risks
Delivery of the channel shift/digitalisation programme	On-going	Revs forms are live; Housing Benefit Claim form has been launched, as have forms for waste. Capital bid/spend to save to be submitted in Oct 17 for next phase for programme.	G	G	G	
Implementation of Universal Credit (including the Local Support Framework)	On-going	292 housing benefit cases to date have been cancelled due to claiming universal credit (since 28/03/2016). No Issues (DWP run programme). Full live service is planned for September 2018 for Portsmouth.	N/A	N/A	N/A	
Tell Us Once	Complete	Tell us once project complete, enabling PCC to offer service to customers reporting the death of a resident. Whilst this has been launched, an attempt is to be made to introduce this process further to include Portsmouth's housing service.	G	G	G	

HR, Legal and Performance Projects

Project	Target Date	Key progress and issues arising	On track - time (RAG rating)	On track - budget (RAG rating)	On track - outcomes (RAG rating)	Key project risks
Devolution/ combined authority	N/A	Ongoing dialogue at political level and with DCLG	NA	NA	NA	Dependant on political and governmental decisions
Business Intelligence	31/12/17 (initial implementation)	Initial implementation now complete. Future development and roll-out of BI now being scoped and progressed	G	G	G	Complex project involving Finance and IS as well as HR. Risks around technology, data conversion and management buy-in

Apprenticeship levy (potential cost c£700k per year)	31/3/18	Majority of framework contracts now let for array of training provision. Work ongoing with services to identify opportunities for apprenticeships. Overall number of apprentices continuing to increase. Schools apprenticeship officer now in post and working with schools to identify opportunities	G	G	G	Risk of not having sufficient training providers to meet demand. Also risk of having insufficient job roles suitable for apprenticeships
Replacement of learning management system	31/3/18	New supplier selected and implementation commenced	G	G	G	Implementation and data conversion risks
Military Covenant	31/3/18	Initial application for gold award unsuccessful. Work ongoing to position council for resubmission	G	G	A	Depends on multi-agency working
Workplace Wellbeing	31/3/18	Public Health funding for Wellbeing Co-ordinator approved. Recruitment underway	G	G	Outcomes to be defined	Need to define outcomes and means of measurement to ensure value for money of spending

Finance and IS Projects

Project	Target Date	Key progress and issues arising	On track - time (RAG rating)	On track - budget (RAG rating)	On track - outcomes (RAG rating)	Key project risks
Municipal Energy Company	Autumn 2018	Final business case agreed Project on track for launch Autumn 2018	Green	Green	Green	Progression to controlled market entry Not achieve target uptake.
Purchase 2 Pay roll-in	Ongoing	Complete now BAU	Green	N/A	Green	Inaccurate data from services
Business intelligence -roll out to managers	Spring 2018	Planned rollout of BI to Finance & HR professionals for extended UAT testing from November 2017 successfully achieved Presentations to Directors completed during December 2017 in accordance with rollout plan. Further rollout to users planned from February 2018.	Green	Green	Green	Reliance on support from software supplier whilst in house capacity is built
Employee benefits portal	ongoing	Following launch of AVC wise across Council, take up increasing month on month	Green	Green	Green	
Property investment Fund	ongoing	£63m acquisition funding remaining	Green	Green	Green	Regulation changes
Hampshire community bank	ongoing	Continue to work with HCB to develop the bank to a point where they can apply for a licence	Amber	Green	Amber	Failure to achieve license by shareholders longstop date

Internet upgrade	April 2018	Schools building management systems to remain in place until spring. Network migrations aligned to network consolidation programme and down time suitable for users e.g. half term for Schools Wide Area Network (SWAN)	Green	Green	Green	Disruption to services during migration
TPP – ASC	October 2018	Supplier appointments complete. Kick off meetings held with case management and finance system suppliers. Internal project team established and meeting series booked. 'Train the trainer' in place and rolls out for the team in February and March.	Red	Amber	Green	Technical integration of case management and financial control modules
Children's SWIFT/CCM System Replacement	January 2019	Tender process complete and preferred supplier identified. Statutory stand still period ends early February. Contract negotiations and formal appointment to follow in February.	Green	Green	Green	Automatic data migration from Swift
Upgrade obsolete IT service management software – self-service etc.	April 2018	23 no. development workshops complete. Implementation of configuration from workshop between December 2017 and February 2018. Go live moved to April 2018 due to extended data migration and verification activities and avoid End of Year.	Green	Green	Green	Effective data migration from sources into new ITSM
GDPR	May 2018	Information assessment ongoing across PCC, end of February deadline for submissions. Approximately 70% received to date. Discovery of compliance with software suppliers underway. Information Commissioner's Office (ICO) continues to issue guidance to which the corporate programme responds.	Red	Green	Red	Potential volume of work required before May deadline
End of year test and live hardware upgrade - Housing revs & bens ?	November 2017	The hardware upgrade is complete and handed over to Business as Usual	Green	Green	Amber	Project Complete

Bring Your Own Device	To be determined	Business Partners verifying demand from Services; coordination with corporate mobile offering	Green	Green	Green	Identification of detailed requirements
------------------------------	-------------------------	---	--------------	--------------	--------------	--

Appendix Four - Risk Register

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
Children, families and education								
Alison Jeffery (Director of Children's Services)	Savings pressures leading to increased workloads for social care staff		H	H	H	Increased risk around quality of social work practice	Ongoing monitoring as part of quarterly reporting . This risk has begun to materialise,	Personal injury to child;
Alison Jeffery (Director of Children's Services)	Savings pressures leading to increased workloads for social care staff					Reduced attractiveness of PCC as an employer	notwithstanding additional investment in SW posts. The position is being monitored closely against the background of keen competition regionally to recruit social workers.	financial loss to authority; failure to achieve objectives
Alison Jeffery (Director of Children's Services)	Reduced LA investment in specialist domestic services may increase numbers of children exposed to this		M	M	M	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. The inclusion of DA services within Children and Families should help to ensure DV expertise across a wider workforce.	Personal injury; reputational damage through poor inspection judgement leading to pressure on social workers.
Alison Jeffery (Director of Children's Services)	Refocusing staff time on more vulnerable families increases rather than decreases demand on		M	H	M	Increased demand and pressure on resources	Referrals have been steady for the first two quarters at broadly the 2017/16 rate but continuing to monitor.	financial loss to authority; failure to achieve objectives

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
	statutory social care as more need is uncovered							
Alison Jeffery (Director of Children's Services)	Failure to make successful claims under Troubled Families Programme		M	M	M	Reduced income available to the authority for investment in services	Struggling to capture progress adequately in order to make claims but are making progress.	financial loss to authority; failure to achieve objectives; reputational damage
Alison Jeffery (Director of Children's Services)	Future of children's IT system - linked to Adult Social Care system		H	H	H	System becomes unaffordable and ineffective as user base reduces (ASC withdrawal) - local and national risk	Decisions have been taken and funding allocated for a new system. Implementation will be a key project for 17/18	Financial loss; failure to achieve objectives
Alison Jeffery (Director of Children's Services)	Process of academisation for schools distracts schools from improving teaching and learning		M	H	M	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.	Failure to achieve objectives
Alison Jeffery	Process of		M	H	M	Reduced income	Traded Services income	Financial

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
(Director of Children's Services)	academisation of schools leads to a reduced traded service income for PCC (across a range of traded services, not just those in education)					for PCC	from schools and academies has held up reasonably well , but some services are being affected particularly those in relation to back office functions e.g. Legal, HR, Finance, etc. However, there are also opportunities. MATs encompass schools outside of the LA area and there are now services that are being signed up to all schools within a MAT including those outside of Portsmouth	loss
Alison Jeffery (Director of Children's Services)	Failure to provide enough secondary school places in 2022		M	H	H	Failure to meet statutory duty to provide school places; secondary school students in Portsmouth have to attend schools outside the city (if places are available).	The risk can only be mitigated through obtaining and using sufficient basic need capital allocations to provide new places. We estimate the allocations from the Government should be sufficient; bids have been submitted to members in anticipation of this.	Breach of statutory duty; significant impact on students and reputational damage.
Alison Jeffery (Director of Children's Services)	Failure to attract sufficient high quality teaching and school leader		High	High	High	Vacancies in key subject areas and leadership posts and reliance on	The PEP has identified this risk as a key priority and an Initial Teacher Training / Teacher	Reputational damage. Failure to

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
	posts					temporary / supply / interim positions will impact on progression and attainment of pupils.	Recruitment & Retention Group has been established. An action plan for 2018/19 has been agreed.	achieve targets set by the PEP.
Adult social care								
Innes Richens, Director of Adults Services	PCC owned and Operated Residential Care Homes	High	High	High	More frequent hospital admissions or moves to a nursing home as the behaviour cannot be managed within the current staffing ratio. Adverse ratings for PCC home based on September 2017 inspection.	Exploring funding options for staff across the 3 dementia units Action Plan drafted and submitted to CQC addressing immediate concerns. Second action plan to address further being prepared.	Exploring funding options for staff across the 3 dementia units (minimum of 2 x 37hrs per unit) Action Plan drafted and submitted to CQC addressing immediate concerns. Second action plan to address further being prepared.	Staffing Reputational
Innes Richens, Director of	ASC Intervention	High	High	High	Moving to a systems	Seeking permission to plan an	Corporate Systems Thinking board chaired by	Failure to achieve

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
Adults Services					thinking approach requires establishing 'constancy of purpose' and creating the right conditions for staff to work in a systems thinking way. Centralised support services are unable to support ASC, due to driving waste steps into ASC process and consuming capacity. Corporate policy	intervention in support services from the Systems Thinking Board	the Leader of the Council has agreed for an intervention to be carried out with support services.	objectives

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
					frameworks conflict with the local direction of the service.			
Innes Richens, Director of Adults Services	Achieving a Balanced Budget	High	High	High	Not delivering a balanced budget due to insufficient resources. Ninety people alone account for £7.7 million of ASC expenditure, including those with intensive care needs costing up to £2,700 per week.	Savings plans are in action from each service with monthly monitoring. Access to transformation fund to try to move to less dependence on statutory services.	Savings plans are in action from each service. Monthly monitoring, new monies announced by the chancellor in the Spring 2017 budget.	Budget

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
					<p>2.25% of clients with a funded package of care account for 16% of the budget in LD services. In addition 2 people without LD cost £224k per annum in 2017/18.</p> <p>The impact of the Deprivation of Liberty Safeguards assessments on ASC continue to be significant</p>			

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
					. ASC had 786 referrals in 2014/15, (£330K) 1473 in 2016/17 (£527k) and circa 1680 in 2017/18, (£542k).			
Innes Richens, Director of Adults Services	SWIFT/AIS Migration	High	High	High	The delay in implementation constitutes a significant risk to PCC given that SWIFT/AIS support is being reduced and is likely to deteriorate by this time. No test environm	Contract has now been signed and a working group established. However there is a significant impact on staffing use for data migration and design.	Contract is due to be signed in October 2017	Information Technology

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
					ent available at Q3.			
Innes Richens, Director of Adults Services	Domiciliary Care Resources	High	High	High	Continued inability to contract for domiciliary care support for people living in their own homes. Risk of impact on health & wellbeing, increased risk of admission to residential care. Impact on ASC budget of more expensive provision.	Transformation fund bid approved to recruit for a 'wrap around' domiciliary care service based on reablement. There remains a recruitment challenge.	Plan drafted to bid for transformation fund.	Resources
Public Health								
DPH	Insufficient focus on system prevention and early intervention in	System wide working with partners	L	M	L	Failure to reduce demand on services	Working with partners to ensure the Portsmouth Health and Care Programme is sufficiently	Failure to achieve objectives

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
	system-wide plans						focused on prevention and early intervention	
DPH	Reduction in funding in services, including for vulnerable people eg. drug and alcohol services, oral health, healthy child programme	Commissioned services	H	M	H	Population health outcomes decline	Managed through service redesign, retender of services and performance management of providers, where possible.	Failure to achieve objectives
Property and Housing								
James Hill/Meredydd Hughes	Removal and replacement of the ACM cladding system on Leamington House and Horatia House	DCLG testing of cladding systems				If Central Government do not fund the removal costs re-cladding this will be a budget pressure on the capital program	In dialogue with DCLG on the issue of funding	Financial risk
James Hill/David Mearns	Universal Credit Full Service roll-out in Portsmouth and Havant in Sept and Nov 2018	Current experience of UC Live Service and feedback from others already on Full Service				Large numbers of PCC tenants unable to pay their rent and associated administrative problems affecting normal support to other tenants	Staff training and tenant awareness raising is planned	Financial risk Risk of service deterioration
Colette Hill/Vince Venus	Waste Management - Fluctuations in the income received from the sale of recyclable material	PI risk register	H	M	H	Change in the currency exchange rates, plus changes in national and international markets, could lead to a reduction in the	Veolia have short-term contracts in many of the markets around the world	Financial

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
						income received		
Colette Hill/Vince Venus	Waste Management - Change in the structure of the waste management arrangements in Hampshire over the long term could impact upon the costs and environmental impacts of recycling and disposing of household waste	PI risk register	L	H	M	The current contract for waste disposal across Hampshire ends in 2031. Changes in arrangements before this time could lead to financial costs for the three disposal authorities, which includes Portsmouth.	PCC works at all levels with other political organisations in Hampshire. Contract is in place until 2031	Political and financial
Colette Hill/Vince Venus	Waste Management - Approaching the end of the current waste collection contract in 2019	Waste Collection contract risk register	H	L	M	Current contractor may not retain the contract A new operator would need to take control of the service and this could lead to a temporary interruption in service	Two year extension is possible Good contract management Professional contractors Change will be project managed	Financial and contractual
Paul Fielding	Compliance with GDPR legislation		M	M	M	Council is found not to be collecting, using, storing or transferring data in compliance with the GDPR legislation after 25 th May 2018.	Project team is supporting directorate to ensure compliance. Focus is on perceived high risk areas. Training has been provided to all managers. Corporate support for the project, especially for how IT systems will become	Financial, legal, reputational

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
							compliant.	
Transport Environment and Business Services								
All managers and staff	Risk arising in the course of delivering infrastructure projects and maintaining the road network; enforcement of proper use of the network; delivering travel related events; managing business premises; providing transport and delivering employment learning and skills services for vulnerable children and adults.		L	H	M	Reputation of the city and the City Council with residents, businesses, investors and funding agencies.	Meeting legal requirements under Health and Safety legislation for working on the highway and other sites. Procurement of contracts to include health and safety requirements. Health and Safety training for all staff and sharing of good practice. Management of Health and Safety including fire protection in all premises. Protective measures and equipment for particular vulnerable workers. Quality control in Highways design. Safeguarding and risk assessments included in service and event planning.	Personal injury / harm (to staff/contractors and residents)
Pam Turton and Martin Lavers	Risk to air quality from vehicles especially in areas of congestion. Flooding from sea water and surface water.		M	H	M/H	Negative impact on public health. Damage to property; disruption to businesses and services; financial loss.	Cross directorate Air Quality Action Plan in place to tackle air pollution which includes improvements to the road network, behaviour change and a shift to cleaner travel options. Sea defence strategy	Environmental damage

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
							flood defences underway; and improvements to surface water management the city.	
Pam Turton, Martin Lavers, Liz Crate	Overspend on large infrastructure projects and contractual issues. That the city's parking strategy discourages travel to the city for business and leisure. Failure to generate sufficient income from contracts and services to sustain Employment, Learning and Skills programmes.		L	L	L	Poor use of capital finance and impact on effect on future programmes. Negative impact on the local economy and income for the council.	Effective management and governance of projects. Have an effective parking strategy for the city that balances the needs of all stakeholders. The ELS service works to maintaining excellent standards to secure full payment of all income due; and a positive reputation to secure access to future contracts and funding streams.	Financial loss
All managers	E.g. Blue badges and s278 notices. Flood Waters Act and Health and Safety at Work Act.		L	L	L	Reports to monitoring agencies, changes, possible fines.	Adequate resourcing and expertise in these areas of responsibility.	Compliance with statutory duties and responsibilities.
All managers	Lack of investment or failure to secure capital for major infrastructure projects, or that we would not have the capacity to deliver these.		M	M	M	Effect on bidding for funding and contracts, reduced investment and growth. Poor service delivery, and loss of potential to deliver	Work with internal and external partners to ensure support commitment to major schemes and ensure that the Infrastructure team have the capability to deliver them.	Failure to achieve objectives (both strategic and operational)

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
	Lack of consensus to enable strategies to be implemented in full e.g. active travel, air quality, sustainable transport. Insufficient staff capacity due to reduced funding and pay constraints. Lack of revenue funding to maintain or improve current levels of service, e.g. road safety education and campaigns. Under-achievement on the Employment, Learning and Skills (ELS) programmes.					future services. Reputational damage and its effect on future plans, projects and initiatives.	Review the Local Transport Plan and working closely with Portfolio holder to ensure support for the plan. The team structure for the directorate provides a core of experienced staff supported by flexible resources with specialist skills to provide value for money. Continue to bid for funding for transport initiatives will mean that resources can be recruited to deliver them this year. Continue to bid for internal and external funding to support critical work programmes that address travel and transport issues in the city.	
Culture and City Development								
Stephen Baily (Director of Culture and City Development)	Reduction in budgets					Reduced services and resilience	Forecast outturn for 2017/18 as at Q2 indicates an overspend of £4k. It is likely that this will be absorbed in the remaining months of the year and that the service will be within budget by 31 March	Failure to meet objectives
Stephen Baily (Director of Culture and City Development)	Reduction in budgets					Deterioration of buildings and assets		

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
							2018. Plans are currently being formulated to deliver the required 2018/19 savings.	
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
Museums and Visitor Services	Security of collections against loss, theft, damage by fire or flood	At any time and especially when showing a particularly valuable or rare collection	L		L	Loss or damage and collections for city and for loan internationally	PDR's, 1:1's every 4 weeks and team meetings. Collections Policy and actions. Accreditation standards. Invest in Volunteer standards and	Financial and reputational
Events service	Events not properly risk assessed	At any time and especially at large events	L		L	Significant risk to public safety	PDR's, 1:1's every 4 weeks and team meetings. Robust events process/ PESAG process/ wash up process / events strategy / events review/ partnership working	Legislation (e.g. Health & safety)
Cemeteries	Cemeteries lack of capacity; Changing community needs e.g. different religions; Reduction in demand for traditional burials, increase in other religious/cultural burials, insufficient	Constant as demography of the city changes Once capacity is approaching maximum	L		L	Failure to deliver our statutory duty	Prepare a report on the future of burials in the city - to include estimated religious needs; Be aware of statutory legislation and requirements, plan alternatives if necessary e.g. land buying. 15-20 year capacity	Environmental/ reputational

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
	space/layout to accommodate, extra land required, financial impact							
Community and communication								
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	Budget Impact Statement	High	Med	Med	Increased service times, increase in error rate, reputational damage	Reviewing opportunities of partnership working and new income streams . Channel shift implementation	Failure to achieve objectives
Louise Wilders (Director of community and communications)	Ability to implement change - level of corporate buy-in and understanding of channel shift	Project documentation.	Med	High	Med	Wasted opportunity to achieve on-going corporate savings Poor customer service outcomes	Channel shift moving to BAU and digitisation programme. More services are requesting support.	Failure to achieve objectives
Louise Wilders (Director of community and communications)	Heavy exposure to national political dynamic around welfare reforms and local taxation	Project / Operational plans.	High	High	High	Abandonment of existing plans, changes in scope and responsibility, new initiatives (e.g. 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
Louise Wilders (Director of community and communications)	Heavy exposure to national political dynamic around electoral issues	Operational plans.	High	High	High	New initiatives eg. voting age changes, boundary reviews, changes to electoral registration, electoral timetables	Managing resources to meet needs	Failure to achieve objectives

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
Louise Wilders (Director of community and communications)	Resourcing and ability to run elections. Currently resourced by a very small team, and under-resourced in relation to comparators. Currently supported through the good will of staff across the organisation, but the experience that is periodically used to support the running of elections is also beginning to leave the organisation.	Operational plans.	Low	Low	Low	Delays / reputational damage.	Appropriate funding levels have now been agreed, as a result impact reviewed as low.	Failure to achieve objectives
Louise Wilders (Director of community and communications)	No clear plan from DWP for migration to Universal Credit. Impact of rents being paid direct to recipient, and the tangible and non-tangible costs to all directorates.	Project / Operational plans.	High	Med	Med	Risks to successful implementation leading to poor outcomes for population.	Horizon scanning national policy developments. Whilst it is planned that new claims will be rolled out in Portsmouth from September 18, the current outlook for full migration is 2021 We are part of a key stakeholder group, and are using some one time funding to deploy some specialist support in the civic offices.	DWP run programme

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
HR, Legal and Performance								
Jon Bell (Director of HR, Legal and Performance)	Reduced capacity	Day to day management activity	Low	High	Green	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
Jon Bell (Director of HR, Legal and Performance)	Recruitment and retention of key staff as economy continues to grow	Business Planning and workforce development	Medium	High	Amber	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

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
Jon Bell (Director of HR, Legal and Performance)	Reduced effectiveness of governance	Audit reports and day to day HR and legal activity	Medium	High	Amber	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
Jon Bell (Director of HR, Legal and Performance)	Increased dependency on external income	Budget planning	High	Low	Green	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
Jon Bell (Director of HR, Legal and Performance)	Dependency on key staff to deliver to internal and external clients. Additional strain on staff due to additional travelling etc		Medium	Medium	Amber	Loss of key staff, potential impacts on wellbeing, leading to inability to deliver service	Workforce planning to develop skills of wider group of staff. Regular 1-2--1s for staff where support and welfare needs are discussed	Failure to achieve objectives

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
Finance and information services								
Chris Ward, Director of Finance and IT	Requirement to produce significant share of the council's savings target	Financial support to services and Council priority schemes	M	H	M	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 and deliver expected service Risk in complying with statutory duties and responsibilities
Chris Ward, Director of Finance and IS	Maintaining financial resilience arising from staff reductions	Lack of cover, expertise and continuity	M	M	M	Reduction in service delivery and financial control	Ongoing review of business processes to ensure efficient service delivery. Raise income as a mechanism to avoid staff reductions	Delay in achievement of objectives Risk of breaching statutory duties and responsibilities
Chris Ward, Director of Finance and IS	Default of an investment counterparty where the council has invested	Treasury Management strategy	L	H	L	Financial loss	Changing credit ratings of counterparties is kept under constant review.	Financial loss Reputational damage

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
	significant sums							
Chris Ward, Director of Finance and IS	Ability to restore financial and other systems post 'event'	IS DRP	L	H	M	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 Reputational damage
Chris Ward, Director of Finance and IS	Pay levels - currently unable to compete in the financial market to attract, recruit and retain appropriately skilled staff	Professional Accountancy staff EBS	H	H	H	Increased costs to PCC of consultants, agency staff and recruitment campaigns	Development of in-house trainee programme for finance	Failure to achieve objectives Risk in complying with statutory duties and responsibilities
Chris Ward, Director of Finance and IS	Bringing forward closing of accounts deadline by four weeks - new statutory deadline	Resourcing priorities	M	H (Reputationally) L (on Council	M	Reduction in time to complete accurate statutory reports Adverse Audit report	2015/16 accounts closure programme reduced by two weeks - plan to reduce 2016/17 by a further two weeks	Failure to achieve objectives Risk in

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
	from 2017/18			services)				complying with statutory duties and responsibilities Reputational damage
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	Aging technology increases risks to PCC business modernisation	M	H	M	Inefficient ways of working across PCC and partners	With the IT Strategy, Category Plan , IT restructure and Digital City Strategy either complete or underway likelihood is now downgraded from H to M	Failure to achieve objectives and deliver expected service
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	Potential insufficient resource to address business need	L	M	L	Impact upon business change Impact upon time, cost and quality schedules	This continues to be low risk and has not got close to being realised during the last quarter. Consideration to be given to removing from Risk Register.	Failure to achieve objectives and deliver expected service
Chris Ward,	Roadmaps,	Increased	L	H	M	Risk that parts of	Introduction of "best in	Financial

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
Director of Finance and IS	contract pipeline and NPD - insufficient project prioritisation, supplier relationship management and contract management	costs to PCC				the IT infrastructure become obsolete (e.g. ITSM and Traffic Management Centre).	Class" Architect Practice and Competencies. Further Governance resource from restructure	loss; Operational degradation; reputational damage
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 and IT infrastructure cannot be achieved on time	L	H	M	Loss of PSN accreditation; security or data breach	Latest Security audit was credited with being the best that the IT has had so far. External threats however remain an ever present risk.	Financial loss; Failure to maintain organisational business objectives; reputational damage
Chris Ward, Director of Finance and IS	Inadequate Strength of Cyber-security arrangements - other local authorities have received ransomware attacks: end user alert-based system at the moment leaves PCC vulnerable	Loss of key business systems and data breaches	H	H	H	Potential multiple impacts - high likelihood and high impact	Continuous improvements to detection and protection are being implemented. Work underway to further procure and implement SIEM industry standard detection and remediation. Measures taken to address issue include educating the authority on how to	Financial loss; Operational degradation; reputational damage

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
	because e a "zero day attack" could evade our current defences.						identify malicious emails and security threats	
Chris Ward, Director of Finance and IT	Single points of failure in ICT infrastructure and systems access	Loss of key business systems and ability to maintain IT operations to support PCC business activities	H	H	M	Key information unavailable - impacts on frontline and critical activity	Firewalls are being patched and updated along with DRaaS solution being progressed to reduce SPOTs	Failure to achieve objectives; Operational degradation; Impact on Frontline Service Delivery
Chris Ward, Director of Finance and IT	Ability to upgrade Northgate hardware prior to yearend activity Complete?	Existing equipment past expected life	M	H	L	System failure - unable to collect income	Temporary infrastructure used to complete year end. Risk either to be accepted with annual provision of hardware to support year end or project initiated with funding to replace old equipment.	Financial loss & Reputational damage
Chris Ward, S151 Officer	Legislative/statutory guidance/budget changes	External	M	M	M	Government regulation to restrict LA investment activities	Explore setting up new company, respond to consultations, lobby government	Financial loss

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
Chris Ward, Director of Finance and IT	PFI contract	Renegotiation of contract	M	L	M	Unaffordability / contract failure	Strong negotiating strategy, effective engagement with contractor, strong contract intelligence	Financial loss
Chris Ward, S151 Officer	Serious instance of fraud	Council wide	L	H	L		Robust Audit plan including fraud detection strategy	Reputational damage
Chris Ward, S151 Officer	Data Breaches		L	H	L		Clear desk policy Policy reminders	Reputational damage & fine
Chris Ward, S151 Officer	Entrepreneurial activities	Stated ambition of Council	M	H	L		Reviewed by independent expert, strong & experienced management structure, legal advice, strong performance management, solid due diligence & frequent monitoring	Financial loss
Chris Ward, S151 Officer	Failure to deliver a balanced budget over time	Delivery of Council services	L	M	L	Unable to deliver service outcomes. Not fulfilling statutory role	Prioritise resource towards high risk activities Reserves & Contingency provision Robust budget monitoring and management arrangements	
PORT								
Mike Sellers	Revenue	Reporting	L	H	H	Loss of ferry	Port Users Meeting,	Financial

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
(Port Director)						operator.	Operator / Management meetings, Strategy meetings (pricing), Min. guarantees, long term agreements, meet customer requirements.	risk. Failure to achieve objectives.
Mike Sellers (Port Director)	Revenue	Reporting	H	M	H	Lack of funding to successfully maintain and develop port.	Strategic planning, strong relationship with Members, good communication.	Financial risk. Failure to achieve objectives.
Rupert Taylor (Harbour Master)	Revenue	Reporting	L	H	H	Section 75 debt payable following an employment-cessation event.	Planning, mitigation options utilised.	Financial risk. Failure to achieve objectives.
Rupert Taylor (Harbour Master)	Maritime	Reporting	L	H	H	Maritime incident such as fire, collision or grounding or blocking of the harbour.	Port Marine Safety Code and Annual Audit.	Maritime risk. Failure to achieve objectives.
Rupert Taylor (Harbour Master)	Maritime	Reporting	L	H	H	Terrorist alert on a vessel approaching the Port.	Liaison by Harbour Master with Queens Harbour Master and Police. Involvement with Port Facilities Security Officer.	Maritime risk. Failure to achieve objectives.
Mike Sellers (Port Director)	Port Operations	Reporting	H	L	H	Brexit. Reduced and slower throughput	Awareness of Brexit plans. Good communication and	Port Operation risk.

Risk owner	Risk Area	Where risk identified	Risk Likelihood	Risk impact	Current Risk Status	Potential outcomes	Mitigation/ commentary	Type of Risk
						in the Port. Potential increased requirements for trader provider facilities.	liaison with Border Force, and other groups including The BPA, UK Chamber of Shipping and Customs agency in MMD.	Failure to achieve objectives.
Kalvin Baugh (Ferry Port Manager)	Port Operations	Reporting	M	H	H	Security alert within the port.	Port Security Plan.	Port Operation risk. Failure to achieve objectives.
Kalvin Baugh (Ferry Port Manager)	Port Operations	Reporting	M	H	H	Environmental incident within the Port resulting in pollution.	Emergency Plan and Environmental Impact Assessment.	Port Operation risk. Failure to achieve objectives.
Rupert Taylor (Harbour Master)	Port Operations	Reporting	L	H	H	Serious health and safety incident within the Port affecting staff, port users or the general public.	Health and Safety procedures and Risk Assessments.	Port Operation risk. Failure to achieve objectives.

This page is intentionally left blank



Title of meeting:	Governance & Audit & Standards Committee
Date of meeting:	9 th March 2018
Subject:	Councillor training & development
Report by:	City Solicitor
Wards affected:	None
Key decision:	No
Full Council decision:	No

1. Purpose of report

- 1.1 This report is to update the Governance & Audit & Standards Committee on the position of training for councillors and to offer a proposed training calendar for 2018 following the Local Government elections.

2. Recommendations

- 2.1 Governance & Audit & Standards Committee to approve the annual training plan prior to delivery (Appendix 1)
- 2.2 Group Leaders to support attendance on required training

3. Background

- 3.1 The annual training programme comprises:
- Induction training for new members (Code of Conduct, Equalities etc.)
 - Committee training for members (and standing deputies where relevant) prior to the first committee meeting. Training for the Planning and Licensing Committees is required before members are permitted to sit on those Committees
 - Required training (Safeguarding Adults & Children and Looked After Children) - three yearly refresher currently recommended with an e-learning refresher accessed annually
 - Personal development training (e.g. Using Social Media) - optional
- 3.2 The costs of the programme are primarily officer time in design and delivery of training sessions. Training commissioned in from external consultants is funded from the corporate training budget (with the exception of G&A&S training). The decision to commission external training is based on value for money (e.g. to draw upon expert training providers with experience of delivery to councillors) and subject to usual procurement rules.

4. Reasons for recommendations

- 4.1 It is recommended that the proposed training plan be approved subject to consultation with Group Leaders following the May 2018 Local Government elections. This would ensure that the training plan meets the needs of councillors, including those newly elected and would offer an opportunity for the G&A&S Committee to include additional elements based on any highlighted risks and concerns.
- 4.2 As agreed at the G&A&S committee on 15th September 2017, Group Leaders will encourage the uptake of training and HR will report to them on the attendance of their members.
- 4.3 The cyclical approach to training is outlined in figure 1 and was agreed at G&A&S) on 15th September 2017. This model would be used to inform the training offer and ensure it meets the needs of the group leaders and their council members.

5. Equality impact assessment

- 5.1 This report does not require an Equality Impact Assessment as it does not propose any new or changed services, policies or strategies.
- 5.2 Equality Impact Assessment training has been included in the annual training plan for council members.

6. Legal comments

- 6.1 Aside from the Code of Conduct, and the rules on member interests on decisions, given the context of potential legal challenge, and the legislative parameters, duties, and procedural obligations, within which particular decisions are made it is important for members to receive guidance and training on their roles and responsibilities.

7. Director of Finance's comments

- 7.1 The cost of the annual training programme for members is included within existing revenue budgets

.....
Signed by:

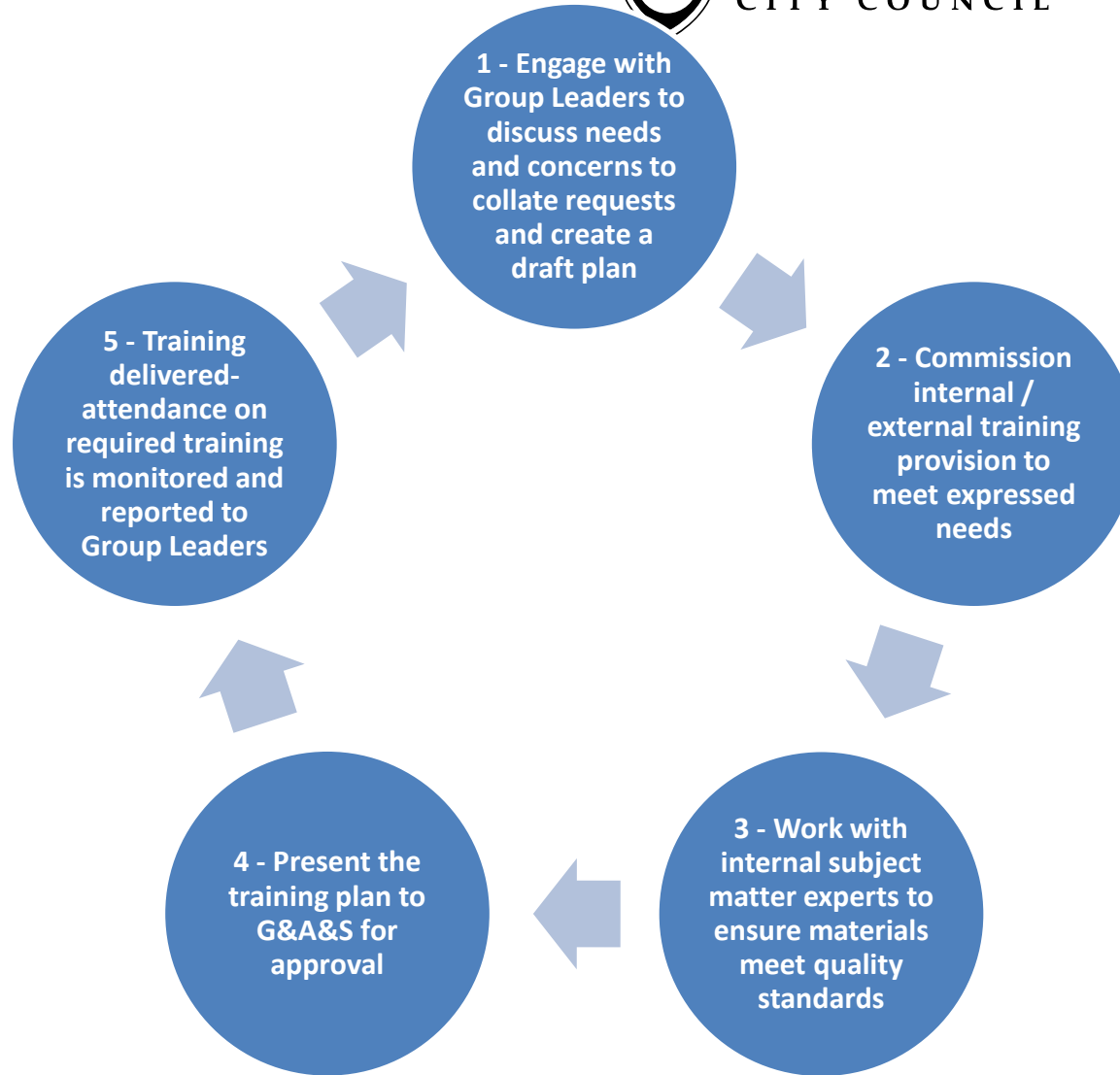


Figure 1 - Agreed HR responsibilities - annual training cycle

Appendices:**Appendix 1 Training Calendar for Council Members****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

.....
Signed by:

Elected Member Training Calendar - 2018



Training calendar

Welcome to the elected member training calendar 2018

Overview

For ease of understanding, the training calendar has been split into four sections:

- Induction training
- Committee training
- Priority training
- Personal development training

Any councillor is welcome to attend any training event within this calendar. Wherever possible, training will be offered with a variety of dates and times (with an early evening option included).



When you see this symbol by the title of a course, this indicates that it is of high importance, and you are strongly encouraged to attend.

All other training is offered for your personal development.

If you would like to book a place on any of the training events in this calendar, or you have any training or development needs that are not covered in this directory, please get in touch and we will try to find a solution for you.

Roland Bryant

HR Business Partner - Learning & Development

HR - Floor 1, Core 5-6

Roland.Bryant@portsmouthcc.gov.uk

Tel: 023 9284 1092

Contents

For new councillors:

- Code of Conduct
- Induction for new councillors
- Finance
- Enhanced skills for councillors

Priority training:

- Safeguarding Children & Adults
- Looked after Children
- Safeguarding Children e-learning (refresher)
- Homelessness
- Health & Safety
- Equalities Impact Assessments

Committee training:

- Governance, Audit & Standards Committee
- Employment Committee
- Planning Committee
- Licensing Committee

Personal development opportunities:

- Systems Development Service
- Social media
- Understanding mental health
- PREVENT (preventing violent extremism)
- Presenting with impact, debating with confidence
- Restorative Practice Awareness



Code of Conduct

(Induction Training)

Who is this course for?

New councillors

Who is running this course?

This session will be facilitated by Michael Lawther (Deputy chief Executive & City Solicitor)

What will it cover?

It is **essential** that all new councillors have received their Code of Conduct training prior to the Annual Council meeting on the 15th May 2018

When and where?

9th May 2018 - 4:00pm to 5:00pm - Deputy Chief Executive's office, floor 3, core 4, Civic Offices

10th May 2018 - 5:00pm to 6:00pm - Deputy Chief Executive's office, floor 3, core 4, Civic Offices

11th May 2018 - 3:00pm to 4:00pm - Deputy Chief Executive's office, floor 3, core 4, Civic Offices

14th May 2018 - 5:00pm to 6:00pm - Deputy Chief Executive's office, floor 3, core 4, Civic Offices



Induction for new councillors (Induction Training)

Who is this course for?

New councillors

Who is running this course?

This session will be facilitated by David Williams (Chief Executive) and Michael Lawther (Deputy chief Executive & City Solicitor)

What will it cover?

This briefing session is designed to welcome you to Portsmouth City Council, to give you an opportunity to ask questions of the Chief Executive and the Deputy Chief Executive. The session will also provide you with some basic orientation information about our organisation.

When and where?

8th May 2018 - 3:00pm to 4:00pm - Chief Executive's office, floor 3, core 4, Civic Offices

8th May 2018 - 5:00pm to 6:00pm - Chief Executive's office, floor 3, core 4, Civic Offices

10th May 2018 - 11:00am to 12:00pm - Chief Executive's office, floor 3, core 4, Civic Offices

10th May 2018 - 3:00pm to 4:00pm - Chief Executive's office, floor 3, core 4, Civic Offices

11th May 2018 - 11:00am to 12:00pm - Chief Executive's office, floor 3, core 4, Civic Offices



Finance Briefing

(Induction Training)

Who is this course for?

New councillors

Who is running this course?

This session will be facilitated by Chris Ward (Director of Finance)

What will it cover?

This briefing session is designed to provide an overview of the city council's financial processes and position. Briefly it will include:

- Local Government Finance and Framework
- Financial Cycle and Process
- Financial Challenge
- Council Plan

Where and when?

2nd July 2018 3:00pm to 5:00pm in the Executive meeting room, floor 3, core 4 Civic Offices

16th July 2018 3:00pm to 5:00pm in the Executive meeting room, floor 3, core 4 Civic Offices



Enhanced Skills for New Councillors (Induction Training)

Who is this course for?

Although designed for new councillors, all members are welcome to attend this training.

Who is running this course?

This course will be facilitated internally by officers from Democratic Services and HR

What will it cover?

This session is designed to support you to get the most from council meetings. It will build on knowledge gained at the induction session, plus experience from the first few months after election.

Indicative content:

- The function of committees
- Decision making
- Getting the most from council meetings (e.g. using Standing Orders, Notices of Motion etc.)
- Practical skills of being a councillor (including contacts for resident's enquiries and problems)

Where and when?

TBC



Safeguarding Children & Adults (Priority Training)

Who is this course for?

All councillors need to attend this training every 3 years. The part of this training that relates to children's safeguarding has been commissioned in response to an Ofsted recommendation.

Who is running this course?

This course will be facilitated internally by experts from the children and adult safeguarding teams

What will it cover?

- The Care Act and its implication for safeguarding adults
- The aims of adult safeguarding
- Portsmouth's approach to safeguarding adults
- The role of the Adult Safeguarding Board
- Roles and responsibilities in safeguarding adults and children
- The legal aspects of safeguarding children
- The role of the Children's Safeguarding Board
- Actions to take if you have a concern

Where and when?

22nd May 2018 6:00pm to 8:00pm Collingwood training room floor 1 core 5/6 Civic Offices

24th May 2018 6:00pm to 8:00pm Collingwood training room floor 1 core 5/6 Civic Offices



Looked After Children (Priority Training)

Who is this course for?

All councillors need to attend this training every 3 years

Who is running this course?

This course will be facilitated internally by the Head of Looked After Children Services and supported by foster carers

What will it cover?

- The demographics of children in care in Portsmouth
- Improving the life chances of those leaving care (e.g. around employability, education etc.)
- Portsmouth's strategy for Looked After Children
- Your responsibility towards Looked After Children as a Corporate Parent

Where and when?

8th June 2018 - 5:30pm to 7:30pm Collingwood training room floor 1, core 5/6 Civic Offices

5th July 2018 - 6:00pm to 8:00pm Collingwood training room floor 1, core 5/6 Civic Offices



Safeguarding Children E-Learning

Who is this course for?

All councillors need to undertake this training as a refresher requirement in the years preceding their attendance on the Safeguarding Children and Looked after Children Training (those courses are refreshed 3 yearly)

Who is running the course?

This training is delivered through e-learning which will be accessed through the Portsmouth Learning Gateway (being launched 16/04/18). A personal 'log on' will be sent to Council Members after the launch date.

What will it cover?

This e-learning module aims to:

- Provide introductory training on how to work together to safeguard and promote the welfare of children
- Provide introductory training on the importance of information sharing in keeping children safe
- Provide introductory training about 'early help' process and practice

Learning outcomes:

At the end of the course, participants will be able to:

- Recognise potential indicators of child maltreatment: physical, emotional and sexual abuse and neglect
- Follow local policies and procedures
- Identify what action to take when you have safeguarding concerns including to whom you should report your concerns to and seek advice and support from.
- Describe the legal framework and guidance for information sharing
- Identify the 7 golden rules for information sharing
- Recognise key principles such as confidentiality and consent
- Identify children with additional needs early
- Describe Common Assessment Framework (CAF), Team Around the Child and Lead Professional processes to support children and families



Homelessness (Priority Training)

Who is this course for?

All councillors need to attend this training every year

Who is running this course?

This course will be facilitated internally by the Homelessness and Rough Sleeper Strategist Sharon George & Elaine Bastable, Housing Options Manager

What will it cover?

This session will cover the following topics:-

- Street homelessness and rough sleeping. (prevention & support)
- The statutory responsibilities for the Local Authority, which includes new legislation around the Homeless Reduction Act which is effective from 1 April 2018.

Where and when?

Wednesday 13th June 2018 - Endeavour training room, floor 1, core 5/6 Civic Offices

Or

Thursday 14th June 2018 - Endeavour training room, floor 1, core 5/6 Civic Offices



Health & Safety for Members

(Priority Training)

Who is this course for?

All members are strongly encouraged to complete this training.

Who is running this course?

This training is covered via an e-learning module and has been created by PCC's Health & Safety Manager.

What will it cover?

This e-learning package will take you through the special responsibilities you hold under Health & Safety law

Where and when?

The e-learning can be accessed anywhere (via the internet) as it is held on PCC's Learner Management System. A link will be sent directly to all new councillors.

This course will take less than an hour to complete



Governance & Audit & Standards (Committee Training)

Who is this course for?

This session is for members of the Governance & Audit & Standards Committee and their Standing Deputies.

All members, however, are welcome to attend this training to enhance their knowledge about this committee.

Who is running this course?

This training will be offer in-house in partnership with Ian Fifield of LG Futures. Ian is a very experienced trainer in this area, who has been supporting our development for a number of years.

What will it cover?

- The role of the Governance & Audit & Standards Committee
- How the committee fits into the overall governance framework
- The role of the committee in governance, risk management, internal control, audit and financial management
- Key ways that the committee can make a positive difference
- Treasury Management Focus
- Key opportunities, risks and challenges for Portsmouth City Council
- Adding organisational value

What will it cover?

- The role of the Governance & Audit & Standards Committee
- How the committee fits into the overall governance framework
- The role of the committee in governance, risk management, internal control, audit and financial management
- Key ways that the committee can make a positive difference
- Treasury Management Focus
- Key opportunities, risks and challenges for Portsmouth City Council
- Adding organisational value

Where and when?

17th May 2018 - Collingwood training room, floor 1, Core5/6, Civic Offices

4th June 2018 - Britannia training room, floor 1, Core 5/6, Civic Offices



Planning Committee (Committee Training)

Who is this course is for?

This course is for members of the Planning Committee and their Standing Deputies.

All members however, are welcome to attend this training to enhance their knowledge about this committee.

Who is running this course?

This training will be facilitated by Claire Upton-Brown, Asst. Director Culture & City Development

What will it cover?

- The significance of the authorities development plan
- Key concepts of planning [e.g. viability]
- Listed buildings
- Conservation areas
- Standards and governance for planning committee members
- Understanding the planning code of conduct
- Appropriate responses to residents and developers
- Committee members conduct
- The wider agenda of planning for all members [e.g. representations; planning issues for residents.]

Where and when?

TBC



Employment Committee Training (Committee Training)

Who is this course for?

This course is for members of the Employment Committee and their Standing Deputies.

All members are welcome to attend this training to enhance their knowledge about the role of the committee

Who is running this course?

This course will be facilitated by Jon Bell, Director of Legal, HR and Performance

What will it cover?

- Role & purpose of the Employment Committee
- Introduction to HR policies
- Overview of Job Evaluation
- Process of Senior Officer appointments

When and Where?

23rd May 2018 - 6:00pm to 8:00pm Nelson training room, floor 1 core 5/6 Civic Offices

25th May 2018 - 6:00pm to 8:00pm Nelson training room, floor 1 core 5/6 Civic Offices



Licensing Committee (Committee Training)

Who is this course for?

This course is for members of the Licensing Committee.

All members, however, are welcome to attend this training to enhance their knowledge about this committee.

Who is running this course?

This training will be facilitated internally by Nickii Humphreys (Licensing Manager)

What will it cover?

- The role of the Licensing Committee
- Responsibilities and decision making for members of the committee
- The quasi-judicial role of the committee
- The principles of natural justice
- The role and function of the licensing authority under the various statutory provisions
- Decision making
- Member conduct
- Human rights

Where and when?

TBC



Equalities Impact Assessments

Who is this course for?

All members are strongly encouraged to attend this training.

Who is running this course?

This training will be run in-house in partnership with McKenzies, who are a leading provider of Equality and Diversity Consultancy in the UK. They have a client base of over two hundred organisations across the public and private sector.

This training programme is designed exclusively around the needs of elected members. Training for officers in this area is also being delivered to complement this training.

What will it cover?

The aim of this training is to provide you with the information you need about EIAs to enable you to ask the right questions. It aims to help ensure that the needs of all parts of the community have been considered in proposals, proper consultation has taken place and that assessments are not a 'tick-box' exercise. It aims to support you to identify inequality and discrimination by using a comprehensive assessment process.

- The purpose of EIAs
- A refresher on legislation
- Questions and considerations when an EIA has taken place
- Understanding positive and negative impacts
- Statutory roles and responsibilities

Where and when?

TBC

Systems Development Service briefing (Personal Development Training)

Who is this course for?

All members are welcome to attend this course.

Who is running this course?

This course will be facilitated by members of PCC's Systems Development Service

What will it cover?

The aim of this session is to provide an overview of the Systems Development Service, who are a team of in-house consultants. The Service works in partnership with Portfolio Holders and Directors to identify efficient ways of working and the improvement of customer service standards.

Briefly it will cover:

- The method used for identifying and streamlining processes
- The leadership mindset changes needed to work to this method
- Review of the outcomes of interventions taken within PCC
- Overview of current interventions
- Invitation to find out more and become involved

Where and when?

5th June 2018 - 6:00pm to 8:00pm Collingwood training room floor 1, core 5/6 Civic Offices

6th June 2018 - 6:00pm to 8:00pm Collingwood training room floor 1, core 5/6 Civic Offices



Social Media

(Personal Development Training)

Who is this course for?

All members are welcome to attend this course.

Who is running this course?

This course will be run in-house by an external trainer

What will it cover?

The aim of this course is to outline and explore safe, effective and lawful use of Social Media (e.g. Facebook, Twitter etc.)

Where and when?

TBC

DRAFT



Understanding Mental Health (Personal Development Training)

Who is this course for?

All members are welcome to attend this course.

Who is running this course?

This course will be run in-house by Jane Leech from Public Health

What will it cover?

A short course aimed at identifying mental health and wellbeing issues that are prevalent in the population and how these can be supported including signposting to local and national resources and services.

- developing skills and confidence to discuss mental health and wellbeing
- explain mental health and wellbeing by using self-help principles
- identify local mental health resources and services

Where and when?

TBC

DRAFT

PREVENT (preventing violent extremism) training (Personal Development Training)

Who is this course for?

All members are welcome to attend this course.

Who is running this course?

This course will be facilitated internally by Charlie Pericleous, Prevent Coordinator for Portsmouth

What will it cover?

Prevent is part of the UK's counter terrorism strategy. This workshop will help participants to identify the issues and preventative measures from the Government strategy aimed at tackling the radicalisation of individuals, both in the UK and elsewhere (stopping people from becoming a terrorist or supporting terrorists or violent extremists).

Briefly it will cover:

- The current risk level and local/national context
- The Prevent Strategy and its aims
- Recognise individuals / groups who may be vulnerable to terrorism and the influence of extremist groups
- Explain why some people are able to influence and manipulate others to commit crimes
- Recognise when a vulnerable individual may be in need of help and describe what support is available to vulnerable individuals
- The referral procedure for those that may be vulnerable to extremism and what interventions are possible

Where and when?

7th June 2018 - 6:00pm to 8:00pm Nelson training room Floor 1, core 5/6 Civic Offices

11th June 2018 - 6:00pm to 8:00pm Nelson training room Floor 1, core 5/6 Civic Offices

Presenting with impact, debating with confidence (Personal Development Training)

Who is this course for?

All members are welcome to attend this course

Who is running this course?

This will be delivered in-house by an externally commissioned trainer

What will it cover?

This workshop aims to increase confidence to present and debate professionally at council meetings. The workshop will consider the impact of social media, the rise and influence of the citizen journalist and how to be 'media savvy' when discussing controversial issues or politically sensitive subjects at meetings where journalists could be present.

You will learn how to:

- Plan and prepare systematically for all presentations and debates
- Be aware of your impact on journalists and the public at streamed meetings
- Identify and develop your own key messages
- Hone your messages and get them across with more professionalism
- Build empathy with your audiences when speaking in public
- Present written reports
- Focus attention on the key issues so your audience will accept your message
- Overcome nerves when presenting
- Conduct successful meetings – from preparing key messages, to taking control of the agenda.
- Deal with challenging behaviour and awkward audiences
- Handle awkward questions or hostile questions from the floor

Where and when?

TBC

Restorative Practice Awareness

Who is this course for?

All members are welcome to attend this course.

Who is running this course?

The course will be delivered by a colleague from the pool of Restorative Practice trainers who are currently rolling out a programme of restorative practice training across children's services in the city.

What will it cover?

The course will provide a brief introduction into restorative practice including restorative conversations, a look at how it is being used in services for Children (including schools) and the benefits in using this approach.

- Describe principles and key concepts of restorative practice
- Be able to model restorative conversations and techniques

Where and when?

TBC

This page is intentionally left blank



Title of meeting:	Governance & Audit & Standards Committee
Date of meeting:	9 March 2018
Subject:	Changes to the Standing Orders (Council Procedure Rules)
Report by:	City Solicitor
Wards affected:	N/A
Key decision:	No
Full Council decision	Yes

1 Purpose of Report

To ask members to consider a proposed revision to the content of the Standing Orders.

2 Recommendations

It is recommended that the Committee:

- 2.1 Considers the proposed amendments to the Standing Orders in accordance with the revisions set out in Appendix 1 to this report.
- 2.2 Recommends to Council that the revised Standing Orders are adopted.
- 2.3 Agrees that the City Solicitor may make amendments to the standing orders to reflect any changes arising out of legislative changes, deal with typographical alterations or amend the layout of the document, none of which would change the material substance of the standing orders.

The Local Democracy Manager shall provide copies of the revised Standing Orders to all Councillors prior to the start of the next Council meeting following their approval.

3 Background

- 3.1 Whilst changes to standing orders have been made from time to time over recent years, they were last fully reviewed by the then Standards Committee on 14 September 2009.
- 3.2 The views of the Standing Orders Working Party have been sought prior to the preparation of this report. Their views have been taken into account in the preparation of the proposed amendments.
- 3.3 It is important that the Standing Orders clearly and unambiguously set out how council meetings are to be regulated.
- 3.4 The proposed amendments are intended to bring the document up to date and promote orderly business in Council meetings.

4 Reasons for recommendations

The following proposed amendments are made for consistency and clarity:

- 4.1 There are a number of minor amendments that relate to gender neutral language, syntax, officer / postholder titles and unnecessary duplications. These minor amendments are shown in the Appendix.

The following significant amendments have been made:

- 4.2 *Standing Order 13 (b)(vi)* - this clause has been amended so that a member is allowed to propose an adjournment of 10 minutes to allow (with the agreement of the Lord Mayor) the presentation of any amendment to a petition response.
- 4.3 *Standing Order 14* - the Six Month Rule has been amended to make it clear that it applies to both members of the public and Councillors.
- 4.4 *Standing Order 28* - this has been amended to make it clear that where there is questioned and objected business a Councillor may question or object.
- 4.5 *Standing Orders 32 and 41* - Notices of Motion order and Motions and Amendments order have each been amended to make it clear that submitted notices of motion are validly received by email service.
- 4.6 *Standing Order 60* - this has been amended to make it clear that the Chair has the authority to adjourn the meeting.

5 Equality Impact Assessment (EIA)

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

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.

.....
Signed by: City Solicitor

Appendices:

Appendix 1 - Standing Orders (tracked copy)

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	N/A

STANDING ORDERS FOR THE REGULATION OF BUSINESS

The Council Procedure Rules (known as Standing Orders) set out the rules of debate and procedure for the conduct of meetings of the Council, including where necessary their application to committees, sub-committees and other bodies.

The Standing Orders are:

1.	Suspension of Standing Orders	3
2.	Interpretation	3
3.	The Lord Mayor	3
4.	Publicity, Notice and Access to Meetings	3
5.	Annual Meeting	3
6.	Ordinary Meetings	4
7.	Time of Meetings	4
8.	Changes to Schedule of Meetings	4
9.	Extraordinary Meetings	4
10.	Order of Business – Annual Meeting	4
11.	Casual Vacancies	5
12.	Contested Positions	6
13.	Order of Business and Time of Meetings – Council Meetings	6
14.	Six Month Rule	7
15.	Variation of Order of Business	7
16.	Selection of New Lord Mayor and Deputy Lord Mayor	7
17.	Questions for the Cabinet or Chair	7
18.	Adjourned Meetings	8
19.	Seating Plan	9
20.	Quorum	9
21.	Counting Out	9
22.	"Confidential" and "Exempt" Information	9
23.	Circulation of Minutes and Reports	9
24.	Deputations	10
25.	Questions by the Public at Council Meetings	11
26.	Urgent Council Business	11
27.	Reports and Recommendations of the Cabinet, Governance and Audit and Standards Committee, Employment Committee, Scrutiny Panels and Health and Wellbeing Board	12
28.	Questioned and Objected Business	12
29.	Oral Questions by Members	13
30.	Presentations	13
31.	Plans to be Exhibited	13
32.	Notices of Motion	13
33.	Motion not Moved	14
34.	Conduct of Councillors and Members of the Public in Meetings	14
35.	References to Employees of the Council	14
36.	Conduct - The Public	14
37.	Councillors' Right to Speak	14
38.	Time Allowed to Speakers	15
39.	Points of Order and Points of Explanation	16
40.	Motions and Amendments without Notice	16
41.	Motions and Amendments	17
42.	One Amendment at a Time (Not Applicable at Council Meetings)	17

43.	Notice of Further Amendment (Not Applicable at Council Meetings)	17
44.	Amendments and Further Amendments (Not Applicable at Council Meetings)	17
45.	Amendments and Further Amendments (Applicable at Council Meetings)	18
46.	Next Business, Closure and Adjournment	18
47.	Right of Reply	18
48.	Voting	19
49.	Application of Standing Orders to other Council meetings including Regulatory committees and Panels	19
50.	The Cabinet and Committees - Continuation in Office	19
51.	Quorum of Cabinet and Committees	19
52.	Absence of Chair	20
53.	Special Meetings	20
54.	Appointment and Quorum of Sub-Committees	20
55.	Councillors speaking at meetings where they are not members of the committee	21
56.	Councillor's request for additional items to be added to agenda	21
57.	Addition of Urgent Items to the Agenda	21
58.	Urgent Decisions by Chief Executive	21
59.	Informal Meetings	22
60.	Respect for Chair and Chair's Decision	22

Where the term “relevant body” is mentioned under the Standing Orders it relates to the Cabinet, committee, sub-committee or overview and scrutiny panel and this item shall be construed as appropriate.

The Council Procedure Rules contain some mandatory standing orders and other standing orders to reflect local custom and practice. Mandatory standing orders are also reflected in the other Procedure Rules set out in this Constitution.

Councillors and officers shall comply with these Standing Orders at all times.

These Standing Orders shall be subject to further review.

Note: Flowcharts for Full Council meetings are included on pages 23 and 24.

A. Introduction

1. Suspension of Standing Orders

Any Standing Order except No. 8, (Changes to Schedule of Meetings), 10 (Order of Business- Annual Meetings), 46 (Next Business, Closure and Adjournment) and 60 (Respect for Chair and Chair's Decision) may be suspended by a majority of the Councillors present, subject to the usual rules of debate.

2. Interpretation

The words and phrases listed below have the meaning shown:

"Agenda": The notice for a meeting

"Chair": the person presiding at a meeting.

"Committee": means a Committee; a Sub Committee; joint Committee; overview and scrutiny panel

"Days": calendar days, including bank holidays.

"In writing" includes submission by email or fax

"Local Democracy Manager" the person in that role or ~~his~~the nominated substitute

3. The Lord Mayor

The Lord Mayor shall be Chair of all full Council meetings.

B. Meetings of the Council

4. Publicity, Notice and Access to Meetings

- (a) The Agenda, Minutes and Reports for all Council and Committee Meetings will be made available at the Civic Offices Information Desk for inspection by the public as soon as practical following their publication.
- (b) Public notice of the time and place of any meeting ~~will~~should be given at least 7 days before the date of the meeting, unless the Council meeting is held at shorter notice.
- (c) Meetings of the Council are open to the public.
- (d) The Council may decide to exclude the public from a meeting during any item when considering exempt or confidential information.
- (e) Notification of the meeting will be given by a "summons" (agenda) which ~~will~~should be provided to each councillor at least 7 days before the meeting, unless the Council meeting is held at shorter notice.

5. Annual Meeting

The annual meeting shall normally take place on the third Tuesday in May.

6. Ordinary Meetings

In addition to the Annual Meeting normal meetings for the transaction of general business shall be held at least six times in each year.

7. Time of Meetings

Unless the Lord Mayor in consultation with the Leader decides otherwise, the Annual Meeting shall start at 10.~~30~~00 am and other meetings of the Council shall start at 2.00 pm.

8. Changes to Schedule of Meetings

At the Annual Meeting a programme of ordinary meetings of the council for the year will be agreed. No variation to this programme (~~except for~~including the cancellation of a meeting) will be allowed except at the request of the Lord Mayor and with the agreement of the Leader. The revised date shall be

- a) within seven days of the original date;
- b) Notified to all councillors at least 7 days before the original date.

Note: that as a matter of best practice, the Lord Mayor should notify all Group Leaders of his/her intention to cancel a full council meeting before formal notice is communicated to all other Members and made known to the general public.

9. Extraordinary Meetings

An Extraordinary Meeting may be called by the Chief Executive at the request of:

- a) the Lord Mayor in consultation with the Leader and the Monitoring Officer
- b) the Council by resolution
- c) ten Councillors by notice which has been signed by those Councillors and specifies the business proposed to be transacted.
- d) the Monitoring Officer

The items to be included on an Extraordinary Council meeting agenda shall be approved by the Lord Mayor, in consultation with the Monitoring Officer, subject to Deputations being permitted on all open business before the Council for decision.

10. Order of Business – Annual Meeting

The order of business of the Annual Meeting of the Council shall normally be to:

- a) elect the Lord Mayor and Deputy Lord Mayor of the City;
- b) approve the minutes of the last meeting;
- c) receive any announcements from the Lord Mayor;
- d) elect the Leader of the Council

- e) appoint -
 - (i) a Governance and Audit and Standards Committee comprising six Councillors
 - (ii) a Planning Committee comprising nine Councillors
 - (iii) a Licensing Committee comprising fifteen Councillors
 - (iv) an Employment Committee comprising six Councillors
- f) appoint the following overview and scrutiny panels –
 - (i) Scrutiny Management Panel comprising nine Councillors
 - (ii) Health Overview & Scrutiny Panel comprising six Councillors
 - (iii) Housing & Social Care Scrutiny Panel comprising six Councillors
 - (iv) Education, Children & Young People Scrutiny Panel comprising six Councillors
 - (v) Traffic, Environment & Community Safety Scrutiny Panel comprising six Councillors
 - (vi) Economic Development Culture & Leisure Scrutiny Panel comprising six Councillors
- g) appoint Chairs and Vice-Chairs of all the listed committees and panels. No Councillor may be appointed as a chair or vice-chair of a committee or Cabinet during his or her term as Lord Mayor. No Cabinet Member shall be appointed to serve on the Governance and Audit and Standards Committee. Additionally, neither the Lord Mayor nor Deputy Lord Mayor may sit on the Cabinet.
- h) appoint Councillors and other Council representatives to Hampshire Fire and Rescue Authority, Hampshire Police Authority, Langstone Harbour Board and Local Government Association
- i) appoint to each committee or panel up to three named deputies (five in respect of the Planning Committee) from each political group such standing deputy to deputise at request of the councillor on the committee or panel
- j) consider any other business set out in the agenda
- k) approve a programme of ordinary meetings of the Council for the year

~~Note: Should the Council wish to depart from the above structure it would require prior consultation with the Governance and Audit and Standards Committee~~

11. Casual Vacancies

Any vacancy on a committee, panel or other body must be filled by the Council at the next Council meeting after the vacancy has arisen. In respect of Cabinet, a vacancy may be filled at any time by the Leader of the Council.

12. Contested Positions

If there are more than two people nominated for any one position to be filled and there is not a clear majority of votes in favour of one person, then the name of the person with the least number of votes will be taken off the list and a new vote taken. The process will continue until there is a majority of votes for one person. If there is a contest for more than one vacancy, those nominees receiving the highest number of votes will be appointed.

13. Order of Business and Time of Meetings – Council Meetings

(For Extraordinary meetings see Standing Order 9 above)

- a) Council meetings shall begin at 2.00pm. In the event that the Lord Mayor wishes the meeting to start at a different time notice must be given to Councillors at least 7 days before the date of the meeting.
- b) The order of business at every meeting of the Council shall normally be to:
 - i. choose a person to preside if the Lord Mayor and Deputy Lord Mayor are absent;
 - ii. where any councillor has a pecuniary interest in respect of an item at the meeting, he or she must declare this at the beginning of the meeting or as soon as practicable after arriving or when the interest becomes apparent. Where a Councillor has declared a pecuniary interest and has had to leave the room the business may not proceed after the discussion of the item until the Councillor has been asked to return to the room.;
 - iii. approve as a correct record and sign the Minutes of the last meeting of the Council. No motion or discussion shall be allowed on the Minutes except as to their accuracy ~~and any objection on that ground must be made by motion~~;
 - iv. urgent business brought forward in accordance with Standing Order 26 Urgent Cabinet Business;
 - v. receive any Lord Mayor's announcements;
 - vi. receive and debate written petitions (submitted from the public at least 12 days before the meeting and which contain at least 500 signatures and are on issues either (a) within the power of Full Council or, (b) the petitioner has requested it be debated by Full Council even if Full Council is not the decision making body; this is on the basis that the Local Authority, through any part of its political management structure, has not previously considered the matter which is the subject of the petition within the preceding 24 months following submission.

That for petitions concerning issues which the Local Authority has already considered within the preceding 24 months following petition submission, at least 1000 signatures would be required to trigger a Council debate if the matter is within the powers of the Full Council, or the petitioner so requests.)

(Full Council debates will commence with the lead petitioner being given 6 minutes to present their petition, followed by the Administration proposing its response to the petition and the normal rules of debate applying and if proposed by any member an adjournment of up to 10 minutes may take place

with the agreement of the Lord Mayor to allow the presentation of any amendment to be considered).

~~vii.~~ vii. deputations from the public in accordance with Standing Order 24

~~vii.~~ viii. answer questions from the public submitted under Standing Order 25

~~viii.~~ ix. receive and consider matters for decision referred by Cabinet, Overview & Scrutiny, Governance and Audit and Standards Committee Health and Wellbeing Board and Employment Committee or referred by the Chief Executive

~~ix.~~ x. receive Reports submitted by the Overview and Scrutiny Panels

~~x.~~ xi. consider motions in the order in which notice has been received;

~~xi.~~ xii. answer questions submitted by Councillors under Standing Order 17

14. Six Month Rule

No Councillor or member of the public may ask a further question under these Standing Orders, on the same subject, within 6 months of a Councillor or member of the public previously doing so. This provision does not apply in the event that the council is reconsidering a matter within this 6 month period.

15. Variation of Order of Business

The order of business can only be varied by the consent of the Council.

16. Selection of New Lord Mayor and Deputy Lord Mayor

The Council at a meeting preceding the Annual Council meeting shall agree a Lord Mayor and Deputy Lord Mayor to be proposed at the Annual Council meeting. Following the appointment of the Lord Mayor at the Annual Meeting, the Lord Mayor shall preside over Council for the next municipal year and thereafter will normally be succeeded by the Deputy Lord Mayor.

QUESTIONS BY COUNCILLORS

17. Questions for the Cabinet or Chair

(For Extraordinary meetings see Standing Order 9 above)

- a) At any meeting a Councillor may, subject to the six-month rule, ask
 - i. the relevant Cabinet Member or Committee Chair any question relating to the Council's powers or duties or which affects the City but which is not otherwise before the Council;
 - ii. any of the Council's representatives serving on the Hampshire Fire & Rescue Authority, Hampshire Police Authority, Langstone Harbour Board and the Joint Crematorium Board, may to comment to the Council in relation to any matter arising from an answer submitted under this Standing Order .
- b) Questions in an acceptable form must be given to the Local Democracy Manager by 12 noon eleven days before the day of the meeting.

- c) With the permission of the Cabinet Member or Committee Chair, a Councillor may ask any question relating to urgent business for which the usual notice has not been given.
- d) The Local Democracy Manager will circulate with the agenda questions to be asked under (a) above. Questions will be answered in the chronological order they are received, except that any Councillor who submits more than one question will not have their second or subsequent questions answered until all other Councillors' first round questions have been answered; the same procedure to be followed until all questions have been exhausted.
- e) The notice of the question under (a) above may indicate that a written answer may be given. Where the question is answered in writing, the written answer will be circulated at the meeting to Councillors.
- f) The Cabinet Member, committee chair or representative to whom the question is addressed may ask another Councillor to answer the question. The person answering the question shall provide a concise reply to the original or supplementary question(s). Whilst whomsoever is answering the question must make every endeavour to give a full oral answer, an original question may be the subject of a written reply if it is believed that a detailed reply is required that could best be provided in a written form because of the length and/or complexity of the answer to be given which would be circulated to all Councillors within 7 days.
- g) On any matter arising out of the reply -
 - i. The Councillor asking the original question may ask up to two supplementary questions that must arise directly out of the original question or the reply;
 - ii. Any other Councillor will be limited to one supplementary question that must arise directly out of the original question or the replies;
 - iii. No debate may take place on the reply to a question or any supplementary question.
- h) Every member of the Council may ask one question. If they wish to ask more than one question the questions shall be asked in rotation in the order in which they were received. Forty five minutes will be allowed for questions under this Standing Order. Where a question is begun an answer will be provided even if the 45 minutes period has been exceeded. If the question has not been put, a written reply will be provided within 14 days and circulated to all members.
- i) If a Councillor asking a question is not present when that question is reached, a written reply will be forwarded to the Councillor for information.

18. Adjourned Meetings

- a) When a meeting is adjourned it will reconvene the following day at 4.00 pm, unless the Council decide otherwise.
- b) When a meeting is adjourned to any other day in the future, notice of the date of the adjourned meeting must be sent to each Councillor and must specify the

business to be transacted. A second print of any reports or recommendations will not be sent with the notice.

19. Seating Plan

A seating plan for Council Meetings will be drawn up and amended from time to time by the Local Democracy Manager in consultation with the Leader of the Council and Leader of the Opposition. It will come into effect at the next Council Meeting after being approved by them.

20. Quorum

A quorum is one third of the Councillors. If a quorum is not present at the beginning of a meeting, the Chair must adjourn the meeting or bring it to an end.

21. Counting Out

Whenever the Chair believes or a Councillor or the Local Democracy Manager points out that less than one third are present, the Local Democracy Manager must call over the names of the Councillors. If less than one third are present the Chair must declare the meeting closed and the names of the Councillors who are present will be recorded in the minutes. Any business not disposed of must be considered at the next meeting.

22. "Confidential" and 'Exempt' Information

Councillors and Independent non-elected Members who receive –

- a) 'confidential' or 'exempt' information within the meaning of the Local Government Act 1972, or
- b) information in a draft copy of any report or document, or
- c) information in any report or document bearing an indication that its contents are to be treated as confidential or commercially sensitive, must not disclose that information except –
 - i. to another Councillor entitled to have that information;
 - ii. to an officer of the Council authorised to receive it; or
 - iii. where the Council has given permission to disclose it;

This Standing Order shall be construed as forming part of the Code of Conduct.

The unauthorised disclosure of 'business confidential' documents and information shall be considered a breach of this Standing Order.

23. Circulation of Minutes and Reports

- a) A printed copy of the minutes of every meeting shall be sent to each Councillor prior to the next ordinary meeting.

- b) Where the next Council meeting is an extraordinary meeting the minutes will be submitted to the next ordinary meeting of the Council for confirmation and signing.

24. Deputations

The Council may receive deputations on a matter, where notice has been given, which is before that meeting of the Council for decision. The following rules will apply –

- a) Notice of the intended deputation stating which agenda item it refers to and its purpose must be received in writing by the Local Democracy Manager (or the Head of Planning Services in the case of a planning application) by 12 noon on the working day preceding the meeting.
- b) When the deputation is given it must relate to the agenda item in respect of which it is made
- c) In respect of a Planning Committee matter an objector, or a local ward Councillor, may ask for a matter to be considered by the committee rather than under the scheme of delegation in which case the following provisions will apply:-
 - i. ~~i.~~ In respect of a planning application which affects only one ward, only ward councillors may make a deputation on the matter once it has been referred to the planning committee for consideration. Where the application affects more than one ward any Councillor may address the Planning Committee with the consent of the Chair of Planning in consultation with the Monitoring Officer. Further with the consent of the Chair of Planning in consultation with the Monitoring Officer, if the Lord Mayor wishes to make a deputation that deputation may be made by another councillor.
- d) any member of the public who objects to the application may make a deputation subject to the provisions below
 - i. The Council may waive the giving of notice in any case it considers appropriate.
 - ii. No person may speak for more than 6 minutes per deputation.
 - iii. The total time for those in favour and against a proposal will be 12 minutes respectively. If more than 2 people wish to speak for or against a proposition, the time allocated to each will be reduced proportionately, unless they agree otherwise amongst themselves how to apportion the 12 minutes.
 - iv. Those attending may make a written or verbal presentation which may be supplemented by a modest visual aid such as a single plan, photograph or video recording. This will be retained by the Council. Video recording presentations are included within the time allowed to deputations.
 - v. Questions to deputations will be permitted, but only to clarify a statement.

25. Questions by the Public at Council Meetings

(For Extraordinary meetings see Standing Order 9 above)

A total of 15 minutes will be allowed at each meeting for questions from members of the public on matters relating to the functions of the City Council (*Generic term "City Council" covers "Cabinet"*)(except that no questions will be allowed at meetings to approve the Budget and the Annual Meeting).

- a) Notice of questions in an acceptable form must be given to the Local Democracy Manager by 12 noon eleven days before the day of the meeting.
- b) If the Local Democracy Manager believes the question does not relate to the functions of the City Council or is vexatious or frivolous, or relates solely or mainly to the interests of an individual (such as a planning application, an application for benefit or for housing accommodation), it may be disallowed after consultation with the Monitoring Officer.
- c) A question must be asked in person at the Council meeting by the questioner and will be answered orally by the relevant Cabinet Member or Committee Chair.
- d) The Local Democracy Manager will circulate to Councillors at the meeting the questions to be asked under this Standing Order. Questions will be answered in the chronological order they are received, except that any member of the public who submits more than one question will not have their second or subsequent questions answered until all the other members of the public 'first round' questions have been answered; the same procedure to be followed until all questions have been exhausted.
- e) The questioner may ask one supplementary question arising directly from the answer. No discussion or debate will take place on the question, but any Councillor may move that a matter raised by a question be referred to the Cabinet, Committee or Scrutiny Panel. Once seconded, such a motion will be voted on without discussion.

26. Urgent Council Business

- a) The Leader of the Council and any Cabinet Member may bring forward at any meeting of the Council or the Cabinet under the appropriate item on the agenda any urgent and important business, notice of and a written summary of which, shall have been given to the ~~Head of Customer, Community & Democratic Services~~ Local Democracy Manager and the appropriate group spokespersons not later than 5pm on the day preceding the meeting.
- b) Neither the Leader nor any other Cabinet Member shall speak for more than 6 minutes on the totality of the business each has brought forward under this Standing Order.
- c) Any matter brought forward by the Leader of the Council or appropriate Cabinet Member will be open to questioning –
 - i. by each of the other relevant group spokespersons, and

- ii. If the matter that has been brought forward has a significant impact upon an individual ward, the ward councillors

each of whom may speak for not more than 6 minutes.

- d) In the event of any matter requiring a decision being brought forward, the normal rules of debate will apply.

27. Reports and Recommendations of the Cabinet, Governance and Audit and Standards Committee, Employment Committee, Health and Wellbeing Board and Scrutiny Panels

The reports and recommendations of the Cabinet, Governance and Audit and Standards Committee, Employment Committee, Health and Wellbeing Board and Scrutiny Panels shall be put to the Council by the Chair one at a time. Those to which no objection is made will be deemed to have been approved and adopted.

28. Questioned and Objected Business

- a) A Councillor has the right to "question" or "object" to any report or recommendation from the Cabinet, Governance and Audit and Standards Committee, Employment Committee, Health and Wellbeing Board ~~and~~, Scrutiny Panels and Licensing Committee. Where a Councillor asks a question, the Chair will establish whether any other Councillor has a question, and the nature of those questions. Any Councillor wishing to raise an objection must also indicate at this stage. All questions shall then be put and answered by the Leader of the Council, relevant Cabinet Member, or the committee or panel chair as appropriate. In the event that an objection has been raised the matter will be deferred to be debated after the question has been answered.
- b) Where a Councillor wishes to question or object they must stand and call out "question" or "object" when asked to indicate when they object by the Chair. If more than one Councillor objects, the Chair will take the objectors in the subsequent debate in the order in which they raised their objection.
- c) Any recommendation to which objection has been raised will be deferred until all of the reports and recommendations of the Cabinet, Committees and Panels have been put. Objected recommendations and reports beginning with those of the Cabinet will then be proposed, seconded and open for discussion.
- d) Any Councillor who has objected to any item and is not present at the time the item is due to be considered will be deemed to have withdrawn their objection. In that situation any other Councillor present at that time may then object to the item.
- e) Where a Councillor withdraws his/her objection before speaking, any other Councillor may object to the item in their place.
- f) Where a report of the Cabinet or a Panel is submitted for information, or where an item otherwise falls within the delegated powers of a Committee, no motion or amendment to it may be moved.

29. Oral Questions by Members

At any meeting a Councillor may ask the appropriate Cabinet Member, Committee Chair or the Chair of any Panel any question upon their respective published reports and proceedings which are before the Council. The question must be asked before the Council has finished considering the item.

30. Presentations

If required by the Leader or relevant Cabinet Member or Chair of any Committee, Panel or leader of the opposition a presentation of up to a maximum of 15 minutes may be made, and subsequently questions may be put for a further 15 minutes thereby not exceeding 30 minutes in total, for the whole item relating to the presentation.

31. Plans to be Exhibited

Whenever any plan is referred to in any item submitted to the Council, a plan must be made available.

32. Notices of Motion

- a) Every Notice of Motion, including those submitted by email, must be in writing, signed by at least two Councillors and delivered by 12.00 noon 12 days before the meeting to the Local Democracy Manager. If such a notice is submitted by email, Such a notice may be submitted by email it must be sent separately by the individual members concerned. (These rules do not apply when a notice of motion is not disposed of and is deferred to the next meeting.)
- b) As long as the Notice of Motion is received before the 12 days it will be placed on the agenda unless
 - i. it is not a matter within the jurisdiction or interests of the Council;
 - ii. it is a matter which has within the previous 6 months been considered by the Council.

In the event that there is any dispute in relation to a proposed notice of motion the matter shall be referred to the Monitoring Officer who shall decide whether it may be presented to Council in consultation with the Lord Mayor where practicable.

- c) Notices of motion shall be entered in the agenda of the Council meeting in the order in which they were received.
- d) Motions included in the agenda must be formally moved and seconded. The mover (but not the seconder) has the right to address the Council for up to three minutes on the question only of whether the motion should be debated at that meeting. Other councillors may not speak nor move any amendment. The motion will then be referred without discussion to the Cabinet or relevant Committee unless the Council agrees to deal with the Motion at that meeting. In that case, the normal rules of debate will apply. Any motion referred to Cabinet or Committee (note this currently includes scrutiny panels) shall be reported back to Council within three scheduled council meetings unless Full Council expresses an earlier date at the time of the referral. When the matter is back before Council for consideration, the normal rules of debate will apply. The

mover and seconder will have the right to attend and speak on the Motion at the meeting of the Cabinet or Committee to which it is referred.

- e) A Councillor may not propose a Motion under this Standing Order within six months of consideration by a full meeting of the City Council. Eligibility of such motions will be determined by the Local Democracy Manager following consultation with the Lord Mayor.

33. Motion not Moved

If a motion is not moved, it will be treated as abandoned unless postponed by consent of the Council and may not be moved without fresh notice.

C Rules of Debate and Role of the Chair

34. Conduct of Councillors and Members of the Public in Meetings

- a) The Chair may within his or her absolute discretion direct any person
 - i. to withdraw any improper expression
 - ii. to stop any irrelevance, repetition, unbecoming language or breach of order
 - iii. to stop their speech or deputation or question or speaking further on an item.
 - iv. to withdraw any statement which is defamatory.
 - v. to remove any food from the Council Chamber.
- b) The Chair may order any further steps to restore order ([see standing order 60](#)).

35. References to Employees of the Council

- a) The Chair shall rule out of order any comments relating to the conduct or capability of any officer unless that officer's conduct or capability is the subject matter before the Council.
- b) If any such question arises it must be dealt with in exempt session.

36. Conduct - The Public

- a) No member of the public may bring into any part of the room where a meeting has been convened any musical instrument or instrument for making noise or any flag, banner or placard. Any person who attempts to do so ~~may~~ will be refused admission or asked to leave the meeting.
- b) In the case of general disturbance in any part of the room open to the public the Chair may order that part or the whole of the room to be cleared.
- c) The public and broadcasters are permitted to film or record meetings to which they are allowed access so long as they do so from areas specifically allocated to them and in a manner which does not disrupt the running of the meeting.

The use of digital and social media recording and communication tools including Twitter, Blogging or audio recording will be allowed so long as it does not interfere with the running of the meeting.

The filming or recording of members of the public is prohibited in circumstances where they are not making representations to the meeting.

Where a member of the public who is addressing the meeting does actively object to being filmed, they should also not be filmed.

The Chair of the meeting or anyone designated by the Chair shall stop the meeting and take appropriate action if anyone breaches the rules governing the filming, photographing and recording of Council meetings

37. Councillors' Right to Speak

- a) Councillors must stand when speaking and must address the Chair.
- b) Councillors may only question or object to a report or recommendation under Standing Order 28 or speak or cast a vote from their designated places in the Chamber.
- c) While a Councillor is speaking, all other Councillors must remain seated unless raising a point of order.
- d) When Councillors address the Chair or refer to the Lord Mayor, Deputy Lord Mayor or individual Councillors, they must use the titles 'Lord Mayor', 'Deputy Lord Mayor' and 'Councillor' or 'Chair' respectively.
- e) The Chair must call Councillors to speak strictly in the order in which each Councillor has indicated his/her intention to do so. If two or more Councillors rise to speak at the same moment, the Chair shall decide the order in which they are to speak.
- f) A Councillor's remarks must be confined to the question under discussion or to a point of order. No Councillor may address the meeting more than once on the same question, unless permitted to do so by the Council.

38. Time Allowed to Speakers

No Councillor may speak for more than 6 minutes on the question under discussion or in moving a motion or amendment, except this shall not apply at the Council Tax meeting when -

the Leader of the Council is moving or replying to the debate and any question arising on the Council Tax estimates and

the Leaders of each Group are speaking during the debate and any question arising on the Council Tax estimates.

39. Points of Order and Points of Explanation

- a) A Councillor may rise on a point of order and shall be entitled to be heard immediately. A point of order shall only relate to an alleged breach of a standing order and a Councillor shall begin by specifying the standing order and then state the way in which he or she considers it has been broken.
- b) A Member who has spoken on any question may make a short explanation of any point which may have been misunderstood or misinterpreted. The Member is entitled to be heard immediately but must begin by making a succinct statement of what is to be explained. Remarks must then be strictly confined to the explanation. The explanation must be a brief statement of fact and not further argument on the question before the meeting.

40. Motions and Amendments without Notice

Any of the following proposals may be moved without notice:

- a) To appoint a Chair for the meeting or the remainder of the meeting.
- b) Motions relating to the accuracy of the minutes.
- c) To vary the order of the Agenda.
- d) Subject to Standing Order 45, a Motion or amendment arising out of consideration of an item on the Agenda.
- e) To refer or refer back an item to the Cabinet or a Committee, subject to a majority in the meeting, together with an explanation from the mover as to why the matter cannot be resolved.
- f) To appoint the Cabinet, a Committee, Sub-Committee, Panel or any other body, or a person to it.
- g) To adopt reports and recommendations before it.
- h) To receive, adopt or otherwise take action on any report of the Leader of the Council or a Cabinet Member under Standing Order 26.
- i) For the proposer to withdraw a Motion.
- j) To extend the time limit for speeches.
- k) To put the question to the vote immediately.
- l) To adjourn the debate.
- m) To adjourn the Meeting.
- n) To suspend one or more Standing Orders.
- o) To exclude the public from the Meeting.

- p) Any other motion which arises directly or indirectly out of the business immediately under discussion.

41. Motions and Amendments

- a) A motion or amendment shall not be discussed unless it has been proposed and seconded.
- b) The terms of the motion (unless printed in the Agenda) or amendment must be disclosed before the conclusion of the speech by its mover. The Chair shall require it to be written down and given to the Chair and circulated in the Chamber (whether electronically or otherwise) immediately after being seconded and before it is discussed further or put to the meeting.
- c) An amendment must be relevant to and a modification of the proposition.
- d) An amendment shall be -
- e) to leave out words; or
- f) to leave out words and insert or add others; or
- g) to insert or add words.
- h) An amendment may not introduce a new proposal or simply negate the motion before the Council.
- i) After a motion or amendment has been moved and seconded, it may not be withdrawn except with the agreement of the Council. No debate will take place on whether to agree to its withdrawal.
- j) No motion or amendment which would have a financial effect on the Council may be moved unless it specifies the source of funding.

42. One Amendment at a Time (Not Applicable at Council Meetings)

- a. When an amendment has been moved and seconded, it must be voted upon before any further amendment is voted upon.
- b. A Councillor who has either moved or seconded an amendment on the original proposition or anything which has replaced it may neither move nor second any further amendment.

43. Notice of Further Amendment (Not Applicable at Council Meetings)

Notice of a second or subsequent amendment must be given and its terms disclosed before the beginning of the reply to the debate on the first amendment.

44. Amendments and Further Amendments (Not Applicable at Council Meetings)

When an amendment is carried it displaces the proposition and becomes the substantive proposition. Further amendments to the new substantive proposition may be moved, seconded and discussed. Once all the amendments are disposed of, the substantive proposition will be put to the vote without further debate.

45. Amendments and Further Amendments (Applicable at Council Meetings)

In respect of Council Meetings only -

- a. After introduction by the relevant proposer notice of all amendments must be moved and seconded before the commencement of the debate on the original motion. Unless Councillors otherwise agree, no Councillor may move an amendment or further amendment during the course of debate on the original motion.
- b. Paragraph (a) will not apply to the Budget debate.
- c. A Councillor who has either moved or seconded a proposal may not move or second any amendment to that proposal, likewise any member who has proposed and seconded an amendment, cannot propose or second a further amendment.
- d. Before commencement of the debate the Chair will advise the Council of the sequence in which motions and amendments will be voted upon following the debate and the effect of certain proposals on others.

The original mover of the motion may choose to accept any amendment which has been put which may then become part of the substantive motion which then becomes the matter before them.

46. Next Business, Closure and Adjournment

- a) A Councillor who has not spoken may, at the conclusion of a speech of another Councillor, move without comment "that the question is put to the vote immediately" or "that the Council adjourn". If this motion is seconded and the Chair believes that the question has been sufficiently discussed, the motion will be put to the vote without amendment or discussion. If it is carried, the mover of the original motion may exercise the right to reply; the question will then be put to the vote, or the subject of debate will be deemed to be disposed of for that day, or the meeting will be adjourned, as the case may be.
- b) A Councillor who has spoken may not vote on the motion that the question is put to the vote or on a motion that the Council proceed to the next business.

47. Right of Reply

- a) The mover of the original motion giving rise to any question will have the right to reply to the debate on any question.
- b) The reply must not exceed 5 minutes in duration and must relate solely to points raised in the debate. After the reply has begun no other Councillor may speak on the question.
- c) Immediately after the reply -
 - i. the Chair will remind the Council of the sequence in which motions and amendments will be voted upon following the debate and which, if any, motions or amendments will fall if others are carried; and

- ii. voting will then proceed without any further debate or question.

48. Voting

- a. Every decision must be determined by a show of hands (or a ballot in respect of appointments) unless a recorded vote is requested. To be present for a vote a Councillor must be in an allocated their designated seat. When a vote is taken the Chair will announce the decision.
- b. A recorded vote may be requested by 8 Councillors standing in their designated places before the vote is taken. A recorded vote will be required in any event in respect of budget and council tax items.
- c. A recorded vote will be taken by Councillors standing in their places and then sitting as their names are called. The recorded vote will show how each Councillor voted or abstained.
- d. Any Councillor who so wishes may have their opposition/abstention to a decision recorded in the minutes, provided that they have made this request clearly to the meeting and before the next item on the agenda is called.

D. Other Council Meetings including regulatory committees

49. Application of Standing Orders to other Council meetings including Regulatory committees and Panels

The above standing orders apply to all meetings of the council including the regulatory committees and individual decision making meeting of Cabinet Members and panels with the following exceptions or alterations for meetings other than Council

- a) Councillors need not stand when speaking in meetings other than Council
- b) speaking from designated places does not apply
- c) a recorded vote may be requested by a majority of the Councillors present

E. Continuation in Office, Quorum, Meetings & Committee Business

50. The Cabinet and Committees - Continuation in Office

- a) The Cabinet and all Committees continue until the successor is appointed by Council.
- b) The Cabinet nor any Committee may not meet between the fourth day after the day of the ordinary election of Councillors and the date of the Annual Meeting of the Council in any year.
- c) No Cabinet nor Committee meetings (except Licensing Committee) shall be held during August except when the Chair considers it necessary for the transaction of urgent and important business.

51. Quorum of Cabinet and Committees

- a) A quorum for a Committee is one third of the membership of the Committee.

- b) A quorum for the Cabinet is 3 Councillors.
- c) If a quorum is not present at the beginning of a meeting, the Chair may adjourn the meeting or bring it to an end.

52. Absence of Chair

- a) If the Chair is absent from any part of a meeting, the Committee must appoint a Chair for that period. No Councillor may preside at their own election. If the Chair is present at the meeting the Chair must chair the meeting.
- b) If the Chair is absent from any part of the meeting if there is a vice-chair and they are present they will preside over the meeting for that period. If there is no vice-chair then the committee must appoint a Chair for that period.

53. Special Meetings

- a) The Chair may summon a special meeting of a Committee at any time.
- b) A special meeting must be summoned if a request is received in writing from one third of the total number of members of the Committee. The agenda for any special meeting must set out the business to be considered.
- c) The Local Democracy Manager or Monitoring Officer ~~may~~will arrange for a special meeting of the committee at any time in agreement with the Chair.-

54. Appointment and Quorum of Sub-Committees

- a) The Council or a Committee may appoint Sub-Committees from whichever Councillors they think appropriate and may refer or delegate to them whatever powers the Council or Committee has.
- b) All Sub-Committees must appoint a Chair if one is not appointed by the Council or a Committee. (Except in the case of a Licensing Sub Committee where each sub committee must appoint its own chair).
- c) A quorum of a sub-committee shall be -
 - i. For a membership of five or more - 3
 - ii. For a membership of less than five - 2
 - iii. Except in the case of a Licensing sub committee when it must be a quorum of 3
- d) In the case of Governance and Audit and Standards sub-committees the quorum shall be 2.
- e) If a quorum is not present at the beginning of a meeting, the chair must adjourn the meeting or bring it to an end.
- f) The Council or a Committee may appoint to each Sub-Committee one named Member of each Group to act as standing deputy. The standing deputy may deputise at the request of the Member of the Sub-Committee. Attendance as

deputy will be in accordance with rules issued from time to time by the Local Democracy Manager after consultation with the Group Leaders.

55. Councillors speaking at meetings where they are not members of the committee

~~All Councillors are entitled to attend meetings of the Cabinet and of Individual Portfolio Members and address the meeting on items on the agenda.~~

A Councillor may-is entitled to attend and speak at any council meeting for up to 6 minutes subject to the following provisions:-

- a) Panel:- a councillor may only speak at the invitation of the panel;
- b) Licensing sub committee:- a councillor may ~~only speak at the committee when making a deputation at the request of the local community in accordance with the law~~ make a deputation at Licensing Sub Committee as long as they have given the required statutory notice within the prescribed timescales
- c) Planning Committee:- a councillor may only speak at the committee when making a deputation in accordance with Standing Order 24 above
- d) Employment sub- committee:- a councillor may only speak when requested to do so by the sub committee chair, otherwise the advice of the Monitoring Officer should be sought before attending any such sub committee.

56. Councillor's request for additional items to be added to agenda

- a) A Councillor may require additional items to be added to the agenda of Council, Cabinet or committee meetings. The Council, Cabinet or committee may decide not to consider the item if the Councillor does not attend
- b) In respect of a Cabinet meeting a Councillor must obtain the permission of the Leader to add an item to the agenda.
- c) No Councillor may require an item of business to be included on an agenda if the subject matter has been considered by the City Council, the Cabinet, or a Committee within the preceding six months.

57. Addition of Urgent Items to the Agenda

The committee chair may agree to add additional items to the agenda if the committee chair on the advice of the local democracy manager considers the matter to be urgent and that the decision must be made before the next meeting of that committee.

58. Urgent Decisions by Chief Executive

- a) Decisions may be taken as a matter of urgency by the Chief Executive if he/she considers it necessary to do so in the interests of the efficient administration of the council's services to exercise any of the powers of the Council.
- b) Prior to exercising this provision the Chief Executive must consult with and take into account the views of:

- i. the Leader, Leader of the Opposition and Chair of the Governance and Audit and Standards Committee in respect of Council decisions;
- ii. the Leader and relevant portfolio holder, if appropriate, Leader of the Opposition and relevant Group Spokesperson, if appropriate in respect of Cabinet decisions;
- iii. the Chair and Vice-Chair in respect of Employment Committee decisions.

In the event that the appropriate consultees referred to above are unavailable before making the decision then the Chief Executive shall consult with their respective Deputies or Vice Chairs; or another Member of the Employment Committee in respect of Employment Committee decisions

All such decisions shall be reported to the relevant decision making body at its next meeting.

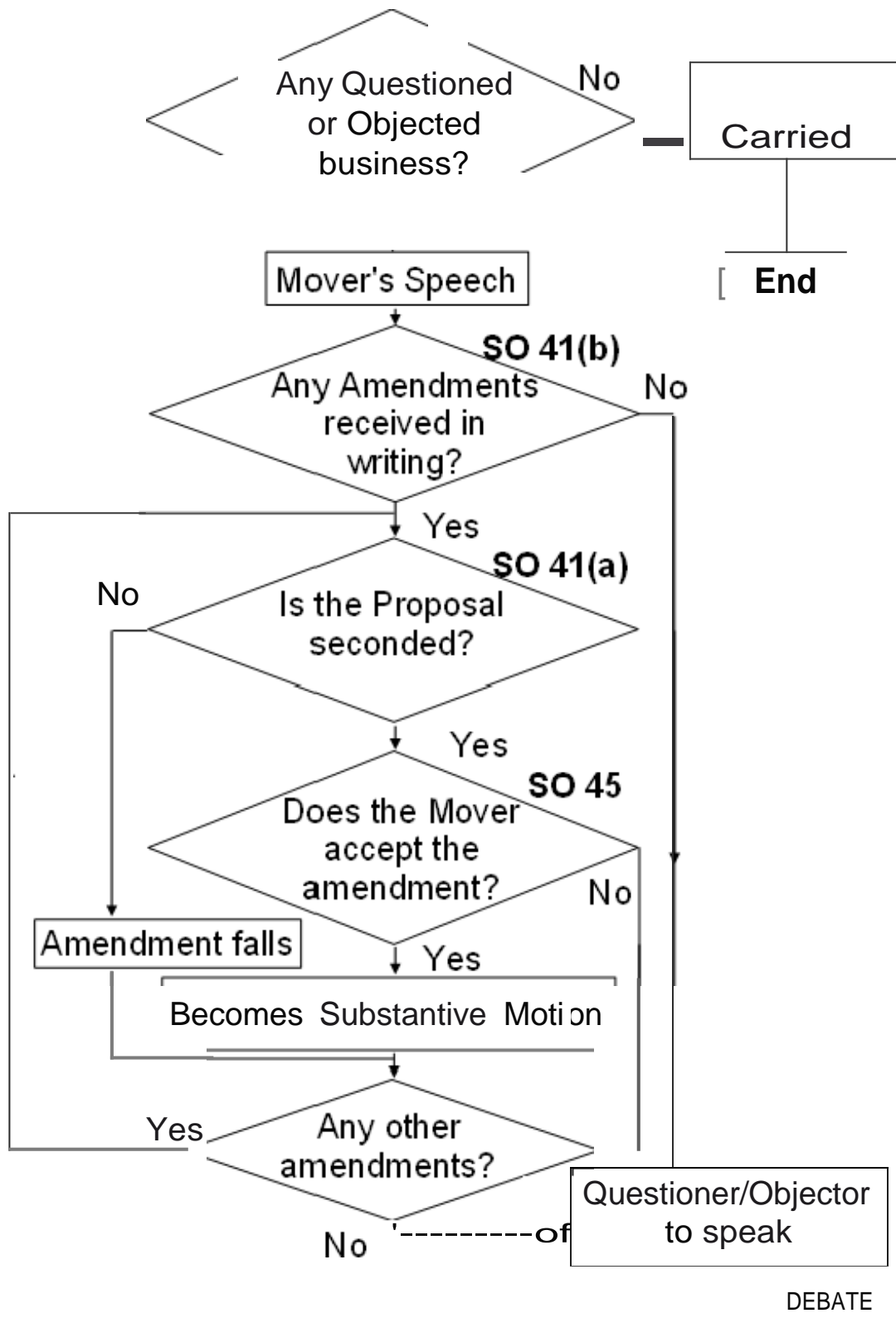
59. Informal Meetings

Informal meetings may be called by the Leader of the Council in consultation with the Chief Executive and Monitoring Officer to discuss any business e.g. revision of Standing Orders and the City Plan and that such meetings be held in closed session.

60. Respect for Chair and Chair's Decision

- a) The Chair's ruling on any matter in relation to the interpretation or application of these standing orders shall be final and not open to discussion.
- b) Councillors must respect the authority of the Chair and address him or her accordingly.
- c) When the Chair stands up during a debate, any Councillor then standing must immediately stop speaking and sit down.
- e)d) The Chair may adjourn the meeting.

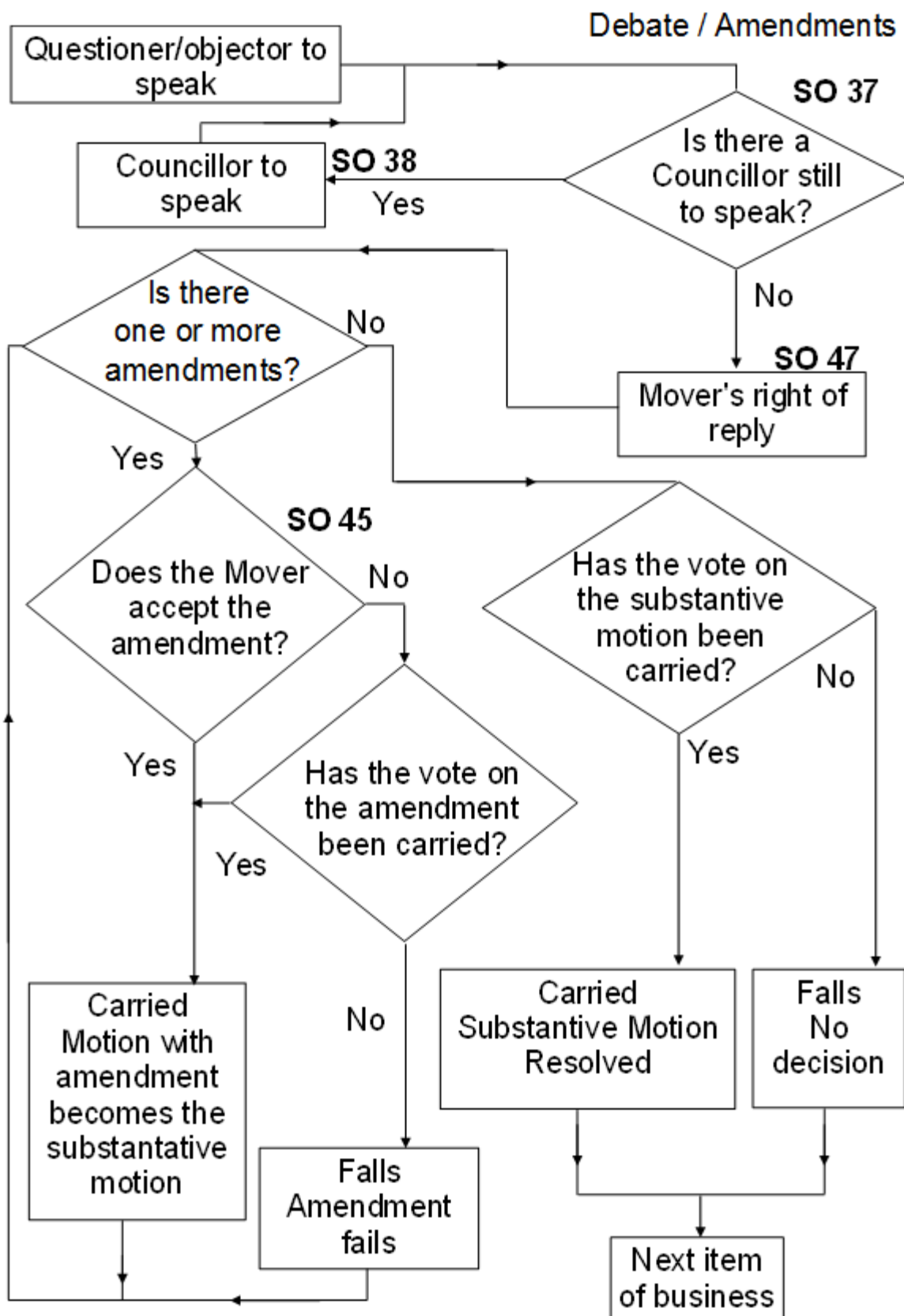
Questioned/Objected Business



DEBATE

25/01/11

11/1707/16



25/01/11



Title of meeting:	Governance and Audit and Standards Committee
Date of meeting:	9 March 2018
Subject:	Proposed amendments to the Council's constitution Part 2, Decision Making
Report by:	City Solicitor
Wards affected:	N/A
Key decision:	No
Full Council decision:	Yes

1. Purpose of report

To consider the attached revised Part 2 Decision Making and its adoption as part of the Council's constitution.

2. Recommendations

Members are asked to

1. Approve the proposed amendments to Part 2 Decision Making of the Council's constitution at Appendix 1 to this report and recommend adoption by Full Council on 20 March 2018, subject to paragraph 2.4 below.
2. Agree that the City Solicitor may make amendments to the scheme of delegation which reflect changes in legislation, structure within the Council or typographical amendments, none of which would result in changes in extent of delegations to officers.
3. Agree that the City Solicitor may make amendments to the constitution to reflect any changes arising out of legislative changes, deal with typographical alterations or amend the layout of the document, none of which would change the material substance of constitution.
4. Note the amendments to Part 2 Section 3 Responsibility for Cabinet Functions as these responsibilities are within the gift of the Leader.

3. Background

The Constitution Working Group, being comprised of cross party membership of Governance and Audit and Standards Committee have agreed amendments to Part 2 Decision Making of the constitution. The proposed amendments are now brought before Governance and Audit and Standards Committee for consideration and approval.

4. Reasons for recommendations

- 4.1. The Council's constitution is a working document and is reviewed to ensure it is up to date in terms of legislation and to maintain best practice in efficient and accountable decision making, scrutiny and ethical standards.
- 4.2. The Council's constitution includes a range of codes, rules and protocols that together with the Standing Orders form part of the Authority's ethical and decision making framework.
- 4.3. During the past year, the Constitutional Working Group have reviewed Part 2 Decision Making of the constitution and suggested a number of amendments, together with officer proposals.
- 4.4. The Governance and Audit and Standards Committee has responsibility for advising the Council on the Constitution, codes, rules and protocols that form the Authority's ethical framework.
- 4.5. To assist in ensuring that the scheme of delegation is kept up to date, it is proposed that the City Solicitor is given authority to make amendments to the scheme which reflect changes in legislation, structure within the Council or typographical amendments, none of which would result in changes in extent of delegations to officers.
- 4.6. Further it is proposed that the City Solicitor is also given similar authority to amend all aspect of Constitution to reflect any changes arising out of legislative changes or deal with typographical alterations. None of which would be intended to change the material substance of constitution.

5. Equality impact assessment

The contents of this report do not have any effect on the protected characteristics and therefore an equalities assessment is not required.

6. Legal implications

- 6.1. As this involves a change in the Council's constitution, the changes must be referred to the Governance and Audit and Standards Committee for recommendation for approval by the Council.
- 6.2. The Committee has authority by virtue of the Council's constitution under Part 1 Article 15 to make recommendations to Council for amendments to the constitution.

7. Director of Finance's comments

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

.....
Signed by:

Appendices

Appendix 1: Part 2 Decision making of the Constitution - track change copy

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

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

.....
Signed by:

This page is intentionally left blank

Part 2

Decision Making

PART 2 - AREAS OF RESPONSIBILITY

Section 1 - Purpose

One of the primary purposes of the Constitution is to make it clear where responsibility for particular functions lies and which person or body (council or committee, cabinet) makes the decision.

All decisions will be made in accordance with the principles set out in Chapter 13 of the Constitution.

Section 2 - Committee responsibilities

The responsibilities of the following committees (and sub-committees where appropriate) are set out below

~~Development Control~~Planning Committee
Licensing Committee
Governance & Audit & Standards Committee
Employment Committee

Development ControlPlanning Committee (9-10 members)

Functions relating to town and country planning and development control, as specified in Schedule 1 to the Local Authorities (Functions & Responsibilities) (England) Regulations 2000 (the functions regulations), and which are set out below for ease of reference -

Planning matters:-

1. Power to determine application for planning permission.
2. Power to determine applications to develop land without compliance with conditions previously attached.
3. Power to grant planning permission for development already carried out.
4. Power to decline to determine application for planning permission.
5. Duties relating to the making of determinations of planning application.
6. Power to determine application for planning permission made by a local authority, alone or jointly with another person.
7. Power to make determinations, give approvals and agree certain other matters relating to the exercise of permitted development rights.
8. Power to enter into agreement regulating development or use of land.
9. Power to issue a certificate of existing or proposed lawful use or development
10. Power to serve a completion notice.
11. Power to grant consent for the display of advertisements.
12. Power to authorise entry onto land.
13. Power to require the discontinuance of a use of land.
14. Power to serve a planning contravention notice, breach of condition notice or stop notice.
15. Power to issue an enforcement notice.
16. Power to apply for an injunction restraining a breach of planning control.
17. Power to determine applications for hazardous substances consent, and related powers.
18. Duty to determine conditions to which old mining permissions, relevant planning permissions relating to dormant sites or active Phase I or II sites, or mineral permissions relating to mining sites, as the case may be, are to be subject.
19. Power to require proper maintenance of land.
20. Power to determine application for listed building consent, and related powers.
21. Power to determine applications for conservation area consent.
22. Duties relating to applications for listed building consent and conservation area consent.
23. Power to serve a building preservation notice, and related powers.

24. Power to issue enforcement notice in relation to demolition of unlisted building in conservation area.
25. Powers to acquire a listed building in need of repair and to serve a repairs notice.
26. Power to apply for an injunction in relation to a listed building.
27. Power to execute urgent works.

Common land

1. Power to register common land or town or village greens, except where the power is exercisable solely for the purpose of giving effect to -
 - a. an exchange of lands effected by an order under section 19(3) of, or paragraph 6(4) of Schedule 3 to, the Acquisition of Land Act 1981; or
 - b. an order under section 147 of the Enclosure Act
2. Power to register variation of rights of common.

Other consents and licences

1. Power to permit deposit of builder's skip on highway.
2. Power to license planting, retention and maintenance of trees etc in part of highway.
3. Power to authorise erection of stiles etc on footpaths or bridleways.
4. Power to license works in relation to buildings etc. which obstruct the highway.
5. Power to consent to temporary deposits or excavations in streets.
6. Power to dispense with obligation to erect hoarding or fence.
7. Power to restrict the placing of rails, beams etc. over highways.
8. Power to consent to construction of cellars etc. under street.
9. Power to consent to the making of openings into cellars etc. under streets, and pavement lights and ventilators.

Highways

Functions relating to public rights of way as set out in the schedule to the Functions and Responsibilities (Amendment) Regulations 2001, which are set out below for ease of reference –

1. Power to create footpath or bridleway by agreement.
2. Power to create footpaths and bridleways.
3. Duty to keep register of information with respect to maps, statements and declarations.
4. Power to stop up footpaths and bridleways.
5. Power to determine application for a public path extinguishment order.
6. Power to make a rail crossing extinguishment order.
7. Power to make a special extinguishment order.
8. Power to divert footpaths and bridleways.
9. Power to make a public path diversion order.
10. Power to make a rail crossing diversion order.
11. Power to make a special diversion order.
12. Power to require applicant for an order to enter into an agreement.

13. Power to make an SSSI diversion order.
14. Duty to keep register with respect to applications under sections 118ZA, 118C, 119ZA and 119C of the Highways Act 1980.
15. Power to decline to determine certain applications under section 121C of the Highways Act 1980.
16. Duty to assert and protect the rights of the public to use and enjoyment of highways.
17. Duty to serve notice of proposed action in relation to an obstruction on the highway.
18. Power to apply for variation order under section 130B of the Highways Act 1980.
19. Power to authorise temporary disturbance of surface of footpath or bridleway.
20. Power temporarily to divert footpath or bridleway.
21. Functions relating to the making good of damage and the removal of obstructions.
22. Powers relating to the removal of things so deposited on highways as to be a nuisance.
23. Power to extinguish certain public rights of way.
24. Duty to keep Wildlife and Countryside Act 1981 definitive map and statement under review.
25. Power to include modifications in other orders, under section 53A of the Wildlife and Countryside Act 1981.
26. Duty to keep register of prescribed information with respect to applications under section 53 (5) of the Wildlife and Countryside Act 1981.
27. Duty to reclassify roads used as public paths.
28. Power to prepare map and statement by way of consolidation of definitive map and statement.
29. Power to designate footpath as cycletrack.
30. Power to extinguish public right of way over land acquired for clearance.
31. Power to authorise stopping up or diversion of footpath or bridleway.
32. Power to extinguish public rights of way over land held for planning purposes.
33. Power to enter into agreements with respect to means of access.
34. Power to provide access in absence of agreement under section 37 of the Countryside and Rights of Way Act 2000.
35. Power to make limestone pavement order under the Wildlife and Countryside Act 1980.

Other miscellaneous functions set out in the schedule to the Functions and Responsibilities (Amendment) Regulations 2001, as follows -

1. Powers relating to the preservation of trees.
2. Powers relating to the protection of important hedgerows.

Other Powers:

Powers within Part 8 of the Anti-Social Behaviour Act 2003 relating to high hedges.

Licensing Committee (15 members)

Licensing matters:

Functions relating to licensing and registration as set out in Schedule 1 to the functions regulations, which are set out below for ease of reference -

1. Power to issue licences authorising the use of land as a caravan site ("site licences").
2. Power to license the use of moveable dwellings and camping sites.
3. Power to license hackney carriages and private hire vehicles.
4. Power to license drivers of hackney carriages and private hire vehicles.
5. Power to license operators of hackney carriages and private hire vehicles.
6. Power to register pool promoters.
7. Power to grant track betting licences.
8. Power to license inter-track betting schemes.
9. Power to grant permits in respect of premises with amusement machines.
10. Power to register societies wishing to promote lotteries.
11. Power to grant permits in respect of premises where amusements with prizes are provided.
12. Power to issue cinema and cinema club licences.
13. Power to issue theatre licences.
14. Power to issue entertainments licences.
15. Power to license sex shops and sex cinemas.
16. Power to license performances of hypnotism.
17. Power to license premises for acupuncture, tattooing, ear-piercing and electrolysis.
18. Power to license pleasure boats and pleasure vessels.
19. Power to register door staff.
20. Power to license market and street trading.
21. Power to license night cafés and take-away food shops.
22. Duty to keep list of persons entitled to sell non-medical poisons.
23. Power to license dealers in game and the killing and selling of game.
24. Power to register and license premises for the preparation of food.
25. Power to license scrap yards.
26. Power to issue, cancel, amend or replace safety certificates (whether general or special) for sports grounds, and to issue prohibition notices.
27. Power to issue, cancel, amend or replace safety certificates for regulated stands at sports grounds.
28. Power to issue fire certificates.
29. Power to license premises for the breeding of dogs.
30. Power to license pet shops and other establishments where animals are bred or kept for the purposes of carrying on a business.
31. Power to register animal trainers and exhibitors.
32. Power to license zoos.
33. Power to license dangerous wild animals.
34. Power to license knackers' yards.
35. Power to license the employment of children.
36. Power to license persons to collect for charitable and other causes.
37. Power to grant consent for the operation of a loudspeaker.
38. Power to grant a street works licence.
39. Power to license agencies for the supply of nurses.
40. Power to issue licences for the movement of pigs.
41. Power to license the sale of pigs.
42. Power to license collecting centres for the movement of pigs.
43. Power to issue a licence to move cattle from a market.
44. Power to sanction use of parts of buildings for storage of celluloid.

45. Power to approve meat product premises.
46. Power to approve premises for the production of minced meat or meat preparations.
47. Power to approve dairy establishments.
48. Power to approve egg product establishments.
49. Power to issue licences to retail butchers' shops carrying out commercial operations in relation to unwrapped raw meat and selling or supplying both raw meat and ready-to-eat foods.
50. Power to approve fish products premises.
51. Power to approve dispatch or purification centres.
52. Power to register fishing vessels on board where shrimps or molluscs are cooked.
53. Power to approve factory vessels and fishery product establishments.
54. Power to register auction and wholesale markets.
55. Duty to keep register of food business premises.
56. Power to register food business premises.
57. Power to issue near beer licence.
58. Power to register premises or stalls for the sale of goods by way of competitive bidding.
59. Power to make closing order with respect to take-away food shops.
60. Power to approve premises for the solemnisation of marriages and civil partnerships.

Other powers (licensing)

Powers to deal with matters under the Licensing Act 2003

Licensing Sub committees A, B, C, D & E, each comprising three members of the Licensing committee, and two named alternate members.

Functions and Powers to deal with the following licensing matters:-

1. determination of application for premises licence where representations have been made,
2. section 31(3) (determination of application for provisional statement where representations have been made),
3. section 35(3) (determination of application for variation of premises licence where representations have been made),
4. section 39(3) (determination of application to vary designated premises supervisor following police objection),
5. section 44(5) (determination of application for transfer of premises licence following police objection),
6. section 48(3) (consideration of police objection made to interim authority notice)
7. section 72(3) (determination of application for club premises certificate where representations have been made),
8. section 85(3) (determination of application to vary club premises certificate where representations have been made),
9. section 105(2) (decision to give counter notice following police objection to temporary event notice),
10. section 120(7) (determination of application for grant of personal licence following police objection),

11. section 121(6) (determination of application for renewal of personal licence following police objection), or
12. section 124(4) (revocation of licence where convictions come to light after grant etc),
13. any function under section 52(2) or (3) (determination of application for review of premises licence) in a case where relevant representations (within the meaning of section 52(7)) have been made,
14. any function under section 88(2) or (3) (determination of application for review of club premises certificate) in a case where relevant representations (within the meaning of section 88(7)) have been made, or
15. any function under section 167(5) (review following closure order), in a case where relevant representations (within the meaning of section 167(9)) have been made.

Governance and Audit and Standards Committee (6 members)

The Governance and Audit and Standards Committee shall have the following roles and functions:

Audit Activity

1. To consider, approve or otherwise deal with:
 - a. The ~~Internal Audit Manager~~Chief Internal Auditor's annual report and opinion, and a summary of Internal Audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.
 - b. Summaries of specific internal audit reports as requested.
 - c. Reports dealing with the management and performance of the providers of Internal Audit services.
 - d. Reports from Internal Audit on agreed recommendations not implemented within a reasonable timescale.
 - e. The External Auditor's annual letter, relevant reports, and the reports to those charged with governance.
 - f. Specific reports as agreed with the external auditor.
2. To receive and comment upon the Audit Charter together with its Terms of Reference and Audit Strategy.
3. To comment on the scope and depth of external audit work and to ensure it gives value for money.
- ~~4. To liaise with the Audit Commission over the appointment of the Council's external auditor.~~
- ~~5.4.~~ To commission work from Internal Audit in accordance with the agreed Audit Strategy, and External Audit.

Regulatory Framework

1. To consider amendments to the Council's Constitution and to make such recommendations to the Council as may be necessary.
2. To review any issue referred to it by the Chief Executive or a Director, or any Council committee.
3. To monitor and take decisions in respect of the effective development and operation of risk management and corporate governance in the Council.
4. To monitor and take decisions in respect of the Council policies on the anti-fraud and anti-corruption strategy
5. To oversee and take decisions in respect of the authority's Annual Governance Statement.
6. To consider and take decisions in respect of the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.
7. To consider the Council's compliance with its own and other published standards and controls, including the Annual Governance Statement.
8. To monitor call in and urgency arrangements set out in Part 3 of the Constitution and submit a report to the City Council if the Committee considers it necessary.

Accounts

1. To review the Annual Statement of Accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
2. To consider the External Auditor's report to those charged with governance on issues arising from the audit of the accounts.

Other functions

1. Power to make standing orders.
2. Duty to approve the authority's statement of accounts, income, and expenditure and balance sheet or record of receipts and payments (as the case may be).

~~School Transport & Student Awards Appeals (3 members of Governance, Audit and Standards)~~

~~Councillors no longer sit on appeal panels (Council minute 32/2014 – 18th March 2014).~~

Standards

In respect of standards matters the Committee will have the following roles and functions:

1. promoting and maintaining high standards of conduct by Councillors, ~~co-opted members and church and parent governor representatives~~
2. assisting councillors, ~~co-opted members and church and parent governor representatives~~ to observe the Code of Conduct
3. monitoring the operation of the Code of Conduct
4. advising, training or arranging to train Councillors, ~~co-opted members and church and parent governor representatives~~ on matters relating to the Code of Conduct;
5. granting dispensations to Councillors, ~~co-opted members and church and parent governor representatives~~ from requirements relating to interests set out in the Members' Code of Conduct;
6. complaints about the conduct of the City Council or any of its committees, sub-committees, members (whether or not they relate to maladministration) including the power to investigate any complaint against any member of the City Council, and any facts brought to the attention of the Committee by the Council's Monitoring Officer
- ~~7. subject to 5 and 6 to resolve what further action should be taken (if any), including the administering of any warning or reprimand to the Councillor concerned~~
- ~~8. to make recommendations to the Council on any changes to the Council's procedures, guidelines or standing orders relating to the conduct of members~~
- ~~9. to make recommendations that a member be removed from a committee, sub-committee or any other body~~
- ~~10. to determine the procedure to be adopted in each case including, if appropriate, an initial meeting to examine papers to establish whether a prima facie case exists~~
- 11.7. to review complaints handling and Ombudsman investigations
- 12.8. to keep under review the Council's "whistle blowing" policy
- 13.9. to be responsible for member training and development

Employment Committee (6 members)

Functions relating to the following matters as set out in Schedule I to the functions regulations -

(To be read in conjunction with the officer employment procedure rules)

Functions relating to pensions

1. Power to appoint staff, and to determine the terms and conditions on which they hold office (including procedures for their dismissal)
2. To be the committee of Portsmouth City Council responsible for the strategic overview of workforce/employment matters to ensure the delivery of good quality services to the people of Portsmouth.
3. To approve key strategies as the basis for people management within Portsmouth City Council, including:
 - a. People management strategy
 - b. Pay strategy
 - c. Learning and development strategy
 - d. Workforce development strategy
 - e. Health and safety strategy
 - f. members learning and development strategy
4. To be responsible for the recruitment of directors.
5. In respect of ~~directors~~ the following posts, to be responsible for their recruitment, which will be subject to Full Council approval ~~who do not also hold the following statutory posts:~~
 - a. Section 151 Officer;
 - b. Monitoring Officer;
 - c. Director of Public Health
 - ~~e-d. Head of Paid Service~~

~~to be responsible for their recruitment, discipline and dismissal including redundancy.~~
- ~~6. In respect of the Section 151 Officer and Monitoring Officer, to be responsible for their recruitment, the appointment of which will be subject to Full Council approval~~
- ~~7. In respect of the Chief Executive, the recruitment is reserved to Full Council and in relation to Chief Executive, Monitoring Officer and Section 151 Officer, any matters in relation to their discipline, dismissal for a reason other than redundancy. These powers are reserved to Full Council~~
- ~~8.6.~~ The following bodies will report to this committee
 - a. Joint health and safety forum

- b. ~~Joint staff~~Staff Joint committeeCommittee
- c. ~~Joint staff/officer forum~~Officer and Staff Forum

Senior Officer Appeals (3 members)

~~The role and function to hear personnel appeals against grievances, dismissals, performance, retirements on the grounds of ill-health and redundancy, from senior officers to include Head of Paid Service, Monitoring Officer, Section 151 Officer and directors subject to the provisions for appointment and dismissal of Head of Paid Service, Monitoring Officer and Section 151 Officer as set out in officer employment procedure rules.~~

1 ~~Disciplinary, Ill-health and Performance~~

~~The committee may:-~~

- a ~~confirm the action of the manager~~
- b ~~quash the action of the manager~~
- c ~~substitute for the decision of the manager any other management action~~

~~which is permitted by the city council's employment policies~~

2 ~~Redundancy~~

~~The committee may:-~~

- a ~~allow the appeal~~
- b ~~dismiss the appeal~~
- c ~~instruct the manager to implement an alternative solution~~

~~as permitted by the city council's employment policies~~

3 ~~Grievances~~

~~The committee may:-~~

- a ~~settle grievances of individual employees under the city council's grievance procedure.~~
- b ~~instruct the manager in any case where, having heard the appeal, it appears to the committee that a substantial change should be made to the contract of employment of an individual employee, or that changes should be implemented that affect more than one employee, as permitted by the city council's employment policies.~~

Section 3 - Responsibility for Cabinet Functions

The following pages set out the allocation of responsibilities within the Cabinet. The portfolios are expressed in broad terms and may be varied only by the Leader.

The principles of responsibility are:

1. The Cabinet comprises a Leader with Cabinet Members and will carry out all of the City Council's functions which are not the responsibility of any other part of the City Council, whether by law or under this constitution.
- 1.2. The Leader appoints the Cabinet and allocates roles to them.
- 2.3. The Cabinet will be responsible collectively.
- 3.4. All decisions will be recorded, with reasons.

Although the Cabinet is collectively responsible operational and day to day management of the Council has been delegated to officers in accordance with the Scheme of Delegation set out below.

The constitution provides for individual decision making to be made by Cabinet Members in the areas of responsibility set out below.

The Leader

Responsible for:-

1. Over-arching responsibility for the performance of the council.
2. Principal spokesperson for the council.
3. Overall responsibility for style priorities and strategic policy and strategic management of the council.
4. To take lead responsibility for the council's corporate priority to achieve less poverty.
5. Responsible for championing social inclusion.
6. Chairing of the Cabinet.
7. Final arbiter between Cabinet Members
8. Overall responsibility for the finances of the council.
9. Responsibility for public relations.
10. Corporate, economic and financial policies, plans and programmes, including the revenue estimates and capital estimates.

Cabinet Member for ~~Health and Social Care~~Adult Social Care and Public Health

Responsible for:-

1. The council's corporate priority to achieve good health for all and safe independent lives for vulnerable people.
2. Social Services, including commissioning, providing and planning services for older people and in the areas of; physical disability; mental health; learning disability; and ancillary facilities.
3. City health plan.
4. Community care plan.
5. All matters relating to the city council's functions in relation to promoting healthy living and preventing ill health.

Cabinet Member for Housing

Responsible for:-

1. The council's corporate priority to achieve decent affordable homes.
2. Local authority and social housing.
3. Council rents for housing and ancillary facilities.
4. Private housing conditions and housing defects.
5. Relations between private landlords and their tenants.
6. Residential caravan site.
7. Any other functions conferred on the city council as a housing authority.
8. Community development.
9. Grants and loans to housing associations and voluntary organisations for housing purposes, and for community purposes.
10. Liaison with and responsibility for relations with external bodies in relation to housing priorities.

Cabinet Member for Children and Families and Education

Responsible for:-

General

1. The Lead Member for Children and Families and Education is politically accountable for ensuring the Local Authority fulfils its legal responsibilities for safeguarding and promoting the welfare of children and young people.
2. The Lead Member for Children and Families and Education has a strategic political role as a member of the Council in respect of decisions on Local Authority Children's Services.
3. Only one person can be the statutory Lead Member for Children's ~~Services~~ and Families, but the role and responsibilities are broad. The Lead Member may therefore need to be supported by one or more other selected Members. The remit of the support roles can be as wide as the Local Authority wishes, as long as the Lead Member maintains an effective overview of all services for children and retains overall political accountability.

Children and Young People

To take the lead responsibility for the Council's statutory responsibilities, functions and accountabilities in respect of children and young people, to include:

1. Safeguarding and promoting the welfare of children and young people including the Local Children's Safeguarding Board (participant observer)
2. Promoting outcomes for Looked After Children (LA), protecting the interests of those children and young people and chairing the Corporate Parenting Board
3. Lead Member for the Portsmouth Children's Trust and the development and implementation of the Children's Trust Plan
4. Ensuring that children and young people, parents and carers are able to make a contribution to the development of services
5. Ensuring effective governance and monitoring frameworks are in place within the Local Authority and key partnerships
6. Championing effective integration in Children's Services, working in partnership with the Children's Trust
7. Promoting better outcomes for children and young people Grants and loans to appropriate voluntary organisations
8. Responsibility for aligning with the Portfolio holders for Health and Social Care, Community Safety and Housing in respect of the delivery of those services and how children and young people are impacted upon by those services
9. Children's Centres
10. Children's Social Care services for children and families Youth services and facilities

Education

~~To take lead responsibility for the Council's corporate priority to achieve improved education standards and first class learning opportunities. The Council's functions in respect of education, includes (but is not limited to):~~

- ~~1. Allocation of resources and commissioning of services~~
- ~~2. Attendance on the Schools Forum~~
- ~~3. School governance~~
- ~~4. School improvement and intervention (chairing the Schools Standards Improvement Group)~~
- ~~5. Admissions~~
- ~~6. Pupil Place Planning~~
- ~~7. School Attendance, Exclusions and Reintegration Education Welfare Service~~
- ~~8. Special Education Needs and behavioural issues~~
- ~~9. Education Psychology, Portage, Sensory Impairment and Specialist Teacher Advisor Services~~
- ~~10. Music Service Nursery Education Early Years~~

Overall performance

1. Overall performance of the Directorate for Children's Services ~~and Education~~ in respect of these functions.
2. Holding the Director of Children's Services ~~and Education~~ to account in respect of these functions.

Cabinet Member for Education

To take lead responsibility for the Council's corporate priority to achieve improved education standards and first class learning opportunities. The Council's functions in respect of education, includes (but is not limited to):

1. Allocation of resources and commissioning of services
2. Attendance on the Schools Forum
3. School governance
4. School improvement and intervention (chairing the Education Advisory Board)
5. Admissions
6. Pupil Place Planning
7. School Attendance, Exclusions and Reintegration Education Welfare Service
8. Special Education Needs and behavioural issues
9. Education Psychology, Portage, Sensory Impairment and Specialist Teacher Advisor Services
- 11.10. Music Service Nursery Education Early Years

Overall performance:

1. Overall performance of the Directorate for Children's Services in respect of these functions.
2. Holding the Director of Children's Services and to account in respect of these functions.

Cabinet Member for Planning, Regeneration & Economic Development

Responsible for:-

1. The council's corporate priority to achieve good prospects and a better environment.
2. The built environment including:
 - a. Structure and local planning
 - b. Conservation areas and schemes
 - c. Buildings of architectural and historic interest
3. Economic Development, including tourism
4. Encouraging the development of land outside the city council's ownership for industrial and commercial uses in accordance with the provisions of the city plan.
5. Marketing the city for inward investment and to attract visitors and provide support for further diversification of the economic base.
6. Developing and protecting employment opportunities in partnership with other authorities both in the Portsmouth Travel to Work Area and elsewhere, and with business, government, voluntary organisations and the University of Portsmouth.
7. Managing the city council's international economic relations and regional economic work in the UK, but excluding twinning and other forms of friendship or association with other cities and communities.
8. The exercise of any other powers and functions of the city council in relation to economic development.
9. Formulating and implementing proposals for each of the district shopping centres.
10. Entertainments and conferences.
11. Seafront illuminations.
12. The city council's functions as harbour authority, in respect of pilotage, and the development, operation, maintenance and control of the Commercial Port, including the continental ferry port, the Camber Docks, Flathouse and Albert Johnson Quays and ancillary facilities, and including all land and property held for port operational purposes.
13. Street trading amenities policy within the highway (excluding licensing provisions).
14. Building regulations and control.
15. Land and property assets of the city council including advising the council on changes to the approved policies on those matters including compulsory purchase orders.
16. Local legislation and other parliamentary proceedings, including Harbour Revision Orders and Transport Works Act orders.
17. Management of the city council's administrative buildings
18. Camping and non-residential sites.

Cabinet Member for Traffic and Transportation

Responsible for:

1. The council's corporate priority to *improved public transport*.
2. Traffic and transportation issues, including:
 - a. Transportation policies and programmes
 - b. Transport engineering tendered bus/ferry services
 - c. Public transport co-ordination and publicity
 - d. Subsidies to local passenger transport services and concessionary fares schemes
 - e. Construction and maintenance of highways and bridges, traffic management and road safety, street lighting, signposting, other street furniture, road naming and house numbering
 - f. Traffic engineering including road safety, accident investigation, safety audit and urban traffic control.
 - g. On and off-street vehicle parking
 - h. Such other activities as may contribute to the actual and effective movement of people and goods to, from or within the City of Portsmouth
 - i. Such other functions as may contribute to managing, maintaining and improving the transport infrastructure of the City.
3. Dangerous trees on or adjacent to the highway.

Cabinet Member for Culture ~~and~~, Leisure and Sport

Responsible for:

1. Museums, art galleries and their collections.
2. Promotion of arts within the City.
3. Libraries.
4. Historical publications of the city council.
5. Maintenance of City records and archives, (excluding the Modern Records Service).
6. To liaise and be responsible for relations with cultural organisations.
7. Indoor and outdoor recreation, including sports.
8. Community Services and facilities, including community centres.
9. Parks and open spaces.
10. Allotments.
11. Grants to appropriate voluntary organisations.

Cabinet Member for Environment and Community Safety

Responsible for:-

1. Emergency Planning
2. Crime prevention and reduction, including:
 - a. Preparing and recommending a strategy for crime prevention in Portsmouth;
 - b. Monitoring its implementation and making recommendations from time to time to amend it.
 - c. To promote, consider and approve schemes for crime prevention in Portsmouth; including publicity projects and campaigns, and the making of grants or loans for the purpose of promoting crime prevention in Portsmouth.
 - d. Closed circuit television (CCTV) systems.
 - e. Anti-Social Behaviour Unit and related initiatives.
 - f. Community Wardens.
3. Youth Justice
4. To liaise and be responsible for relations with external bodies carrying out duties related to the Council's functions including the following:
 - a. Police and Crime Panel
 - b. Hampshire Fire and Rescue Service
 - c. Hampshire Magistrates' Courts Committees
 - ~~d. Coroner's Service~~
5. Sports Ground Safety (excluding licensing provisions).
6. Public Protection matters including the enforcement of legislation relation to:
 - a. Trading Standards and associated matters
 - b. Health & Safety at work.
 - c. Food Safety and Food Hygiene.
 - d. Smoke free Premises and Vehicles
 - e. Infectious Disease Control
 - f. Port Health
 - g. Animal Health & Welfare
 - h. Miscellaneous Matters including Sunday Trading and specific licensing and registrations, welfare burials and compulsory removal of persons to care.

7. Such other functions as may contribute towards the assessment and fulfilment of present and future needs in the field of public protection.
8. Grants and loans to voluntary bodies in respect of any of the functions listed above
9. Waste Management, Refuse collection and disposal (including the recycling of waste, the functions of the City Council as Waste Collection Authority and Waste Disposal Authority).

~~10. Cemeteries.~~

~~11.10.~~ Street and beach cleansing.

~~12.11.~~ Public conveniences.

~~13.12.~~ Litter.

~~14.13.~~ Dog fouling.

~~15.14.~~ Stray dogs

~~16.15.~~ Maritime oil pollution and its consequences.

~~17.16.~~ Coast protection, sea defences and land drainage.

~~18.17.~~ Environmental protection including noise, air quality, smoke control, contaminated land, other pollution matters and pest control

~~19.18.~~ Dangerous land, buildings and other structures (minimal involvement but responsible for securing of dangerous land and buildings in order to prevent public access.)

~~20.19.~~ To liaise and be responsible for relations with external bodies carrying out duties related to the Council's functions including the following:

~~a. Portsmouth and Gosport Joint Board~~

~~b.a. Langstone Harbour Board~~

~~c.b. Portchester Crematorium ~~Joint Committee. Carbon reduction/sustainability/renewable energy~~~~

Cabinet Member for Resources

Responsible for:-

1. Financial, Information Technology and other resources of the city council (other than property) and advising the city council on changes to its approved policies on those matters.
2. Internal audit and relations with external audit.
3. Management of the support services of the city council
4. Local taxation (including the city council's functions relating to funds) and rating (including business rates).
5. Modern Records
6. Grants to voluntary organisations.
7. Twinning and other forms of friendship or association with other cities and communities.
8. Coroner's Service
- 7.9. Cemeteries

Section 4 - Joint Arrangements

The following joint arrangements, referred to in Part 1 Chapter 11, have created the formal body(ies) described, to discharge the functions and responsibilities referred to

-

1. *Portchester Crematorium Joint committee*

This is an executive function, discharged jointly between the councils of Portsmouth, Gosport, Fareham and Havant under the terms of a formal agreement.

The joint committee is responsible for the management and operation of the crematorium, and the employment of the crematorium staff, which includes a registrar and manager, clerk, treasurer, engineer, and horticultural consultant. The day to day management and operation is delegated to the registrar and manager. The joint committee is subject to a separate financial regime from the 4 authorities, and has separately audited accounts.

2. *Project Integra Management Board*

Project Integra's mission is to manage waste generated by households in Hampshire, gaining benefits from integration, scale, synergy and influence. This Board comprises 15 members, appointed by each partner authority (Hampshire County Council; Southampton City Council; Portsmouth City Council and the Hampshire district councils) and one co-opted member representing Hampshire Waste Services.

The Board is responsible, amongst other things, under the terms of a formal agreement, for –

- a. developing a strategic policy framework within which the partner authorities can each discharge their functions as waste disposal authority/waste collection authority, as appropriate;
- b. discharging functions in respect of making arrangements for the recycling of waste;
- c. producing and implementing an approved annual business plan.

The formal agreement also provides for the appointment of a joint policy review and scrutiny committee.

Section 5 - Chief Officers' Delegated Authority

The City Council, the Cabinet, and Regulatory committees have delegated various functions, powers, and responsibilities to chief officers.

In discharging these, chief officers are required, in certain circumstances, to give all members of the council advance notice of a proposed decision, using the Member Information Service (MIS). Any member of the council can, before the decision is taken, request that the matter is remitted back to the person or body responsible for the function so that it (and not the chief officer) can take the decision.

The list of delegations subject to the MIS rules is set out in Section 5A.

In all other cases, chief officers are empowered to act without giving notice to members of the council, and the list of such delegations is set out in Section 5B.

Both lists contain details of -

1. any limitations or conditions attaching to the use of any delegation;
2. whether the function or power is the responsibility of the City Council; the Cabinet, or a regulatory committee;

All chief officers and managers are authorised to take all necessary actions to implement decisions of the City Council, the Cabinet and committees of the council, including -

1. commitment of resources within approved budgets and in accordance with financial regulations;
2. the service, placing or publication of any necessary statutory or other notices.

City of Portsmouth Member Information Service (M.I.S.)

1. The following powers, duties and functions of the city council, cabinet and regulatory committees shall be delegated to the officers indicated below (or an officer within their department nominated by them for that purpose), subject to the rules in the following paragraphs.
2. An officer may choose to publish an intended decision in MIS before exercising the delegated power.
3. The proposals shall be identified by a heading, must be summarised, must identify any ward or wards affected by the proposal, and must name the officer or officers who can be contacted for further information about the proposal (with their telephone extensions).
4. A member may require that any proposed decision within MIS shall be referred to the relevant Cabinet / Member or committee for decisions within the time period specified within the MIS. No decision shall be made under delegated powers should an item be 'called in'.
5. Those powers delegated may be amended from time to time by the City Solicitor to remove anomalies and ambiguities to reflect structural and legislative changes.
6. Any regulatory committee or the Cabinet, may vary the powers which they have delegated.

The following powers are delegated subject to M.I.S. provisions above:-

1. **TO CHIEF EXECUTIVE, DEPUTY CHIEF EXECUTIVE AND DIRECTORS:-**
 - a. In consultation with the **Director of Finance and IS:-**
 - i. The incurring of capital expenditure of more than £100,000 up to a limit of £500,000.
 - ii. Subject to (b) below, to approve additional capital expenditure or overspending above £50,000 when the additional expenditure has not been provided in the estimates, when equivalent savings can be identified within the approved estimates.
 - iii. Subject to (b) below, to approve additional revenue expenditure or overspending of £50,000 or more when the additional expenditure has not been provided in the estimates, when equivalent savings can be identified within the approved estimates.
 - iv. Determining the level of any fee or charge (including a new fee or charge or reduction in an existing fee or charge), where first any fee or charge is otherwise than in accordance with RPI or secondly where the Director of Finance and IS believes there are corporate policy implications in the proposal.
 - b. In consultation with the **Director of Finance and IS:-**
 - i. Overspending on an approved contract sum above the greater of £1,500 or 0.5% (capital) or 5% (revenue) up to the greater of a limit of £5,000 or 0.5% (capital) or 5% (revenue).
 - ii. Payments of grants to voluntary bodies including clubs and societies above £5,000.
 - c. In consultation with the **Director of Finance and IS:-**

The purchase or leasing of any computer hardware or software, or other similar equipment above £100,000.

d. Consultation

To finalise the city council's comments on any matter where the city council is a consultee.

2. **TO THE DIRECTOR OF REGENERATION DEVELOPMENT CONTROL MANAGER:**

a. Except in respect of applications where the Development Control Manager has outright delegation, to grant or refuse all applications for planning permission or other consents under the town and country planning legislation (including for hazardous substances), which are not a departure from the Development Plan or do not have implications for the council's general policies. For the avoidance of doubt, this includes the granting of operative, planning resolutions for city council development and when the decision would be contrary to views expressed by statutory consultees or material planning representations received as a result of publicity given to the proposals.

b. Approve minor changes to conservation area boundaries.

c. To determine complaints received in respect of high hedges and to take such other action under Part 8 of the Anti-Social Behaviour Act 2003 as may be appropriate.

d. To grant or refuse applications for telecommunications code operator proposals under part 24 of the Town and Country Planning General Development Order. This power is subject to consultation with the chair, vice-chair and opposition spokesperson (or their nominees) of the ~~development control committee~~ Planning Committee when the proposed decision would be contrary to views expressed by statutory consultees or representations received as a result of publicity given to the proposal.

e. The closure or restriction of rights over any highway, other than closures under Section 14 or 16A of the Road Traffic Regulation Act 1984.

f. Except in respect of traffic regulation orders where there is outright delegation, to approve, vary or otherwise deal with traffic regulation orders where objections have been received and have not been subsequently withdrawn.

e.g. _____

3. **TO THE DIRECTOR OF HOUSING AND PROPERTY SERVICES PROPERTY**

In respect of proposals affecting property held under the Housing Revenue Account:-

a. To approve the principle of disposal of land and premises;

b. To grant leases or licenses to occupy land or buildings for up to seven years at less than the best rents reasonably obtainable;

- c. The appropriation of land and property between holding powers, subject to consultation with the relevant chief officer and the Director of Finance and IS.
- d. To agree offers for or exchanges of land.
- e. In consultation with the ~~Development Control Manager and the Director of Transport, Environment and Business Support~~ Director of Regeneration to give permission for installation of communications services and services equipment, electricity sub-stations and other minor works or wayleaves in or on any council premises or land under ~~his~~ their management.
- f. To agree terms for the variation of covenants for land and property previously sold by the council.

~~4. TO THE DIRECTOR OF TRANSPORT, ENVIRONMENT AND BUSINESS SUPPORT AND ASSISTANT DIRECTOR OF CULTURE AND CITY DEVELOPMENT (PLANNING) IN CONSULTATION WITH EACH OTHER~~

~~5.4.~~ TO THE MONITORING OFFICER

- a. To settle claims made against the council up to £50,000 and in respect of industrial injuries, up to £~~200~~250,000.
- b. To prepare and complete deeds of release in respect of covenants which are no longer applicable.

~~6.5.~~ TO THE LOCAL DEMOCRACY MANAGER

To make member and officer level appointments to outside bodies and organisations on those occasions when time does not permit the appointment to be made at a council meeting or by the appropriate portfolio holder.

~~7.6.~~ TO THE DIRECTOR OF HR, LEGAL AUDIT AND PROCUREMENT PERFORMANCE

To approve the harmonisation of corporate personnel and related policies in force in PCC and HCC, and to approve any review of existing (or introduction of new) human resources policies, after appropriate consultative procedures have been followed.

The powers, duties and functions were revised under council Minute 71/07.

Delegation of decision making to officers

- 1 Chief Executive
- 2 City Solicitor and Deputy Chief Executive
- 3 Director for Finance and IS
- 4 Director of HR, Legal Audit and Procurement Performance
- 5 Director of Property
- ~~6 Director of Transport, Environment & Business Support~~
- ~~6 Director of Regeneration~~
- 7 Director of Culture and City Development
- ~~8 Director of Regulatory Services, Community Safety and Troubled Families~~
- 9 Director of Community and Communication
- 10 Director of Adult Social Care
- 11 Director of Children's Services
- 12 Director of Public Health
- ~~13 Director of Integrated Commissioning Unit~~
- 14 ~~The Port Manager~~ Director of the Port

Scheme of delegation to officers

The Chief Executive and Deputy Chief Executive with responsibility for the directorates have concurrent powers to act in respect of the delegations set out below.

The delegated powers are subject to the terms of the following general conditions:

1. All delegated functions shall be deemed to be exercised on behalf of and in the name of the council, or the Cabinet, as the case may be.
2. The exercise of a delegated power shall:
 - a. be in accordance with the city council's adopted policies
 - b. not amount to a new policy or extension ~~of an~~ or amendment of an existing policy
 - c. be subject to the requirements of standing orders, financial rules, contract procedure rules and HR policies
3. An officer to whom a power is delegated may nominate or authorise another officer of the council to exercise that power. The term director and officer includes the chief executive and deputy chief executive, as appropriate.
4. Any reference to any act of parliament includes reference to regulations or subordinate regulations made under that Act.
5. References to any sum shall be increased annually by reference to such inflation index as the Director of Finance and IS considers appropriate. The Director of Finance and ~~Information Service~~IS shall notify the directors annually of the relevant sums.
6. Where the exercise of powers is to be subject to prior consultation with another officer, that officer may give his or her views in general terms in advance to apply to any particular circumstance, to remove the need for consultation for each proposal.
7. Delegation to officers is subject to -
 - a. the right of the council, the Cabinet or any committee to decide any matter in any particular case (the officer may in any case in lieu of exercising his/her delegated power refer to the Cabinet or a committee for decision)
 - b. any restrictions, conditions or directions of the Cabinet or a committee

Delegation to Directors

General

These powers may be delegated by the directors to another officer.

Financial Management

1. To incur routine revenue expenditure. (For the avoidance of doubt 'routine' expenditure includes items of a repetitive and largely unvarying nature such as purchase of minor office equipment and materials).
2. To incur non-routine revenue expenditure within the budget.

Staffing within Directorate

1. To appoint staff.
2. To approve contractual arrangements for staff. planned overtime.
- ~~3.~~ To apply the Council's HR policy with regard to staff employed within the directorate remit with regard to appointments, dismissal and redundancy.
- ~~3.4.~~ Confirmation of appointments on completion of probationary period.
- ~~4.5.~~ To approve flexible working arrangements in accordance with the Council's policies.
- ~~5.~~

Miscellaneous

1. Where appropriate, to submit tenders and quotations and to undertake the supply of goods and services to other Local Authorities and public bodies in so far as such goods and services can be provided within the existing resources of their departments, subject to consultation with the city solicitor on the terms of any proposed contract.
2. To exercise the council's statutory powers of entry, of requisitioning information, and of executing work in default and recovering costs where appropriate, in connection with or for the purpose of carrying out any function delegated to an officer (including enforcement of any decision of the council taken under delegated powers or otherwise).
3. To apply for planning permission and any other necessary planning consents for development by the council in connection with or for the purpose of carrying out any function delegated to an officer.
4. To sell surplus vehicles, stores and other equipment for the best price obtainable and to write-off any such items which have become unfit for use and of no value, in accordance with agreed Council policy.
5. Following an investigation into a complaint, to make an ex-gratia/ compensation payment up to a limit of £2,000 for any one case, or in agreement with the Monitoring Officer for an amount in excess of £2,000, and to advise the relevant Cabinet Member or Chair of any such payment.
6. To award contracts within agreed budgets and in accordance with Council policies.

Emergencies

If the Council needs to act urgently in any matter including, without limitation, complying with the Emergency Response Plan and other council response plans or taking any action under new legislation of powers, the Chief Executive may authorise any action taken or expenditure occurred as necessary. A Director may act in the place of the Chief Executive where the Chief Executive is unwell, unobtainable or where there is no Chief Executive in post. The Chief Executive, or Director as appropriate, may delegate responsibility to another nominated Officer where it is considered appropriate.

TO THE DIRECTOR CONCERNED AFTER CONSULTATION WITH THE DIRECTOR RESPONSIBLE FOR HR, ~~LEGAL~~ AUDIT AND PERFORMANCE

1. To appoint and dismiss staff below Chief Officer level.
2. To act as the authorising officer for the use of covert surveillance under the Regulation of Investigatory Powers Act 2000.
3. To refer cases of suspected dishonesty on the part of council employees to the police for investigation after consultation where necessary with the City Solicitor.
- ~~4. Following the completion of an IT salary benchmarking exercise, authority for resolving changes in the remuneration of IT staff in the computer services unit and information systems unit be delegated to the Director of Finance and Information Service and the Director of HR, Legal and Performance in consultation with the Chair, vice chair and opposition spokespersons of the employment committee.~~

TO THE DIRECTOR CONCERNED IN CONSULTATION WITH THE DIRECTOR RESPONSIBLE FOR FINANCE AND INFORMATION SERVICE

1. To approve extensions of sick pay up to a maximum of 6 months.
2. To dispense with or relax the requirements for contracts to provide for liquidated damages and for indemnities.
3. To approve overspending on a contract sum up to the greater of £1500 or 0.5% (capital scheme) or 5% (revenue scheme). For amounts above this refer to MIS.
4. Subject to the following paragraph, to incur additional revenue expenditure or overspending up to the sum of £50,000 where estimate provision has not been made, but where equivalent savings can be found within the relevant budget heading.
5. To incur capital expenditure up to a limit of £100,000.
6. Subject to paragraph 3 above, to approve additional capital expenditure or overspending up to £50,000 when the additional expenditure has not been provided in the estimates, when equivalent savings can be identified within the approved estimates for the relevant portfolio or committee.
7. To determine the increase in any existing fee or charge where increases are proposed in line with RPI, subject to any rounding.

8. To add any supplementary credit approval (SCA) to the approved budget and to authorise its expenditure for the purpose allocated, subject to a report for information on the MIS on the receipt of the SCA and the subsequent action taken.
9. To purchase, lease or otherwise acquire Information Technology hardware, software or communications products or services up to a value of £100,000.

CHIEF EXECUTIVE

The Chief Executive is also the Council's Head of Paid Service, which is a statutory function. For further details regarding this function, please refer to Section 4F of the Constitution

1.
 - a. In the absence of the Chief Executive and Deputy Chief Executive, to nominate a director to exercise all or any of the functions of the Chief Executive during any absence of the Chief Executive, and to advise all councillors accordingly.
 - b. In the event of a vacancy in the office of a director, the Chief Executive is authorised to appoint another director or Senior-senior officer to act temporarily in his or her place and with the full delegated authority of the officer concerned, and to advise all councillors accordingly.
 - ~~c. Other than the appointment of the s.151 officer or Monitoring Officer, appoint another officer to conduct disciplinary proceedings in any general or specific case where the Chief Executive considers it inappropriate for a director to conduct these proceedings.~~
2. To appoint any officer as the proper officer, ~~authorised officer or appointed officer under any provision in a statute or statutory instrument~~ where allowed by statute.
3.
 - a. To authorise directors who wish to undertake lectures or write articles on issues arising solely or mainly from their employment, position and experience with the city council, to undertake the work associated with the preparation and delivery of such activities in normal working hours, subject to all fees being paid to the city council;
 - b. To authorise directors to lecture at a College or other establishment throughout a collegiate year.
4. Pursuant to the statutory appointment of Electoral Registration Officer to appoint any officer(s) as Deputy Electoral Registration Officer with full or partial powers in accordance with Section 52 (2) of the Representation of the People Act 1983.

CITY SOLICITOR AND DEPUTY CHIEF EXECUTIVE

The City Solicitor is also the Council's statutory Monitoring Officer. For details of this function please refer to Section 4F of the Constitution

1. To take the opinion of counsel or instruct counsel.
2. To be responsible for the conduct and investigation into complaints against councillors under the arrangements approved by Council.
3. To institute and conduct any prosecution or any other legal proceedings on behalf of the council.
4. To defend any proceedings against the council and to counterclaim for damages or other relief
5. To settle claims made against the council up to a limit of £50,000, or to seek damages or other relief for any amount, and in the event of claims arising out of industrial injury to settle claims up to £250,000 and the relevant cabinet member or chair to be advised periodically of claims that have been settled. In the event of a financial settlement of termination of employment, to agree this jointly with the Director of Finance and IS.
6. To represent the council at any meeting of creditors and to take any action that may be necessary to protect the council's interests in connection with company insolvency or personal bankruptcy.
7. To secure legal advice to, or to act in appropriate cases for, employees assaulted by members of the public in the course of their duties, where criminal proceedings might be justified and the police are not taking action.
8. To consider and take action including the service, variation or withdrawal of any statutory notice.
9. Subject to the above, to complete legal agreements on behalf of the Council.
10. To undertake the council's functions under the Commons Registration Act 1965, and where applications are well founded to apportion rights of common and to amend the commons register.
11. To secure the provision of and to manage a local land charges service, and to execute the council's functions under the Local Land Charges Act 1975.
12. To attest the council's seal.
13. To appear and to authorise any other officer to appear on behalf of the council, in the magistrates court, county court, or other appropriate court or tribunal.
14. To take such steps as shall be necessary in respect of any breach of any licensing requirements.
15. To make such consequential changes to the constitution as may be required to reflect legislative changes, council decisions or where required typographical alterations ~~or~~ amendments.
16. To approve applications to fly flags.
17. To convene a special panel and appoint three members (in political proportionality) from the Governance & Audit ~~committee~~ Committee, as and when necessary, to deal with matters arising from a particular registration where individuals exercise their right to make representations under the Registered Homes Act 1984.

DIRECTOR OF HR, LEGAL AUDIT AND PROCUREMENT PERFORMANCE

- ~~1. To agree temporary posts provided costs are contained within service staffing budgets (in accordance with Council's Conditions of Service).~~
- ~~2. Employment of consultants to advise on specialist aspects of work within the relevant Service Area.~~
- ~~3. Advertisement of staff vacancies within establishment (in accordance with the Council's recruitment procedures).~~
- ~~4. To fill a post without advertisement (in consultation with the relevant Director and appropriate Trade Unions).~~
- ~~5. Appointment of staff to posts below second tier.~~
- ~~6. Determination of starting point within grade.~~
- ~~7. To sign job offers and/or contract of employment for:
 - ~~a. Corporate Director appointments;~~
 - ~~b. Director appointments (by Chief Executive or responsible Director)~~~~
- ~~8. To agree flexible contracts, homeworking and term-time working (in consultation with relevant Director and appropriate Trade Unions).~~
- 9.1. Exercise of the discretion contained within the National Conditions for sick payment entitlements.
- ~~10. Approval of car purchases and car leases in accordance with Council's Conditions of Service and the Council's relevant policies (in consultation with the Director of Finance and IS).~~
2. Extension of industrial accident pay (in consultation with the Director of Finance and IS).
- ~~11.3. Arrange insurance cover for the Council.~~
- ~~12. Approval of application of Council Service Related Additional Payments Scheme.~~
- ~~13. Approval of variations to Council payment schemes (in consultation with employee representatives).~~
- 14.4. To implement the Council's disciplinary and grievance procedures in accordance with Council's Conditions of Service.
- ~~15. To sign contracts for external employment services within approved budgets (with agreement of Corporate Director or Officer delegated by one of these).~~
- ~~16. Authorising attendance of Officers at professional, administrative and educational meetings, conferences and courses.~~
- ~~17. To determine new organisation structures below Director level provided that:
 - ~~a. there are no resultant redundancies;~~
 - ~~b. the change is following consultation with relevant staff, existing staff; and~~
 - ~~c. the change can be contained within service budgets.~~~~
- 18.5. To make ex-gratia payments in respect of claims not exceeding £1,000 in respect of damage or injury resulting from the actions of clients looked after by the Council both in relation to young people and adults.
- ~~19. General organisation of services within policy laid down by Council.~~

~~20.6.~~ To approve compensation and other payments to all current and former employees of the Council (other than employees in maintained schools) ~~who are covered by section 37 of the Education Act 2002~~ by way of a settlement agreement in consultation with the relevant ~~Head of Services~~ director to an amount not exceeding £1050,000. ~~For amounts over £10,000 to approve compensation in consultation with the relevant Director and Director of Finance.~~

21.7. Honoraria

- a. If honoraria payments of £1000 or over or paid to 5 or more staff for the same reason, then must be authorised by Director of HR, ~~Legal and Procurement~~ Audit and Performance. Director for HR, ~~Legal and Procurement~~ Audit and Performance must be consulted in advance and authorise the payment.

22.8. Acting up allowance

- a. For periods of less than 4 weeks must be agreed in advance by the Director of HR, ~~Legal and Procurement~~ Audit and Performance.

23.9. Career Break Scheme

- a. Consideration to be made initially by manager and then in conjunction with Director of HR, ~~Legal and Procurement~~ Audit and Performance.

24.10. Early termination of employment payments

- a. Decisions on redundancy or early retirement in the interests of efficiency of the service of any member of staff other than those employed under JNC Conditions of Service will be taken by the relevant Director in consultation with the Director of HR, ~~Legal and Procurement~~ Audit and Performance and the Director of Finance and IS.

25.11. Emergency Management guidelines

- a. The decision to implement this policy will be undertaken by the Director of HR, ~~Legal and Procurement~~ Audit and Performance liaising with the Chief Executive or Deputy Chief Executive.
- b. The decision to deactivate this policy will be taken by the Director of HR, ~~Legal and Procurement~~ Audit and Performance in consultation with the Chief Executive and subsequently communicated to managers.

26.12. Exit interviews

- a. The Director of HR, ~~Legal and Procurement~~ Audit and Performance, the Deputy Chief Executive or Chief Executive will conduct the exit interview where an employee is on JNC for chief officer grade.

27.13. Flexible retirement

- a. Staff on JNC Terms and Conditions of Employment
 - i. Where flexible retirement results in a pension strain cost or the reduction in salary following 'retirement' is less than 20%, approval will be required by the Employment Committee. The Director responsible for HR or his / her representative will present a report to the committee detailing the facts of the case.
- b. All other staff
 - i. For approval where there is no pension strain and the reduction is met - line manager and relevant director.
 - ii. For approval where there is a pension strain and /or the reduction is not met - Director and Director of Finance and IS.

28.14. Grading

- a. Grades for posts will be assessed under the JESS job evaluation scheme.

- b. There will be a delegation to directors in consultation or with the agreement of the Director of HR, Legal and Procurement Audit and Performance to ensure equity of treatment and effective process.

~~29. Ill health retirement~~

- ~~a. Employees have two routes of appeal against the initial decision:
 - i. Appeal against the decision of PCC to dismiss;
 - ii. Appeal against the ill health retirement pension decision which is made using the Internal Dispute Resolution Procedure (IDRP).~~
- ~~b. Final decision should be made in consultation and agreement with the Director of HR, Legal and Procurement.~~

~~30. Job share~~

- ~~a. All posts are open to job sharing unless a case for their exemption is made and accepted by the Director of HR, Legal and Procurement. Exceptions are rare and will only be granted in exceptional circumstances.~~

~~31. Recruitment and Retention~~

- ~~a. All proposed solutions for recruitment and retention will be consulted and agreed with the Director of HR, Legal and Procurement.~~

~~32. Relocation scheme~~

- ~~a. Employees to whom this benefit applies will normally be expected to move within 26 weeks of taking up their appointment. This period may be extended by a further 26 weeks with the approval of the relevant director and the Director of HR, Legal and Procurement.~~
- ~~b. In exceptional circumstances the 26 weeks separation allowance may be extended to a maximum of 52 weeks at the discretion of the service manager in consultation with the Director of HR, Legal and Procurement.~~

~~33. Special leave~~

- ~~a. Up to 4 weeks unpaid leave may be authorised by the line manager.~~

~~15. Over 4 weeks unpaid leave must be discussed with the relevant senior manager in HR and authorised by the relevant director.~~

~~16. Policies~~

~~To manage and approve any deviation from the following policies:~~

- ~~a. Ill health retirement;~~
- ~~b. Job share~~
- ~~c. Recruitment and retention~~
- ~~d. Relocation~~
- ~~e. Special leave~~

~~34.17. Staff Joint Committee consultation~~

a. On the employer's side, the Director of HR, ~~Legal and Procurement~~Audit and Performance (or nominated deputy) ~~must~~shall attend.

Audit Function

1. To refer cases of suspected dishonesty on the part of council employees to the police for investigation after consultation where necessary with the City Solicitor.

DIRECTOR OF FINANCE AND ~~INFORMATION SERVICES~~

The Director of Finance and IS is also the Council's statutory Section 151 Officer and for his functions in that capacity see Section 4F of the constitution.

Finance Function

- 1.2. To write off debts above £500 which are considered to be irrecoverable or not economically recoverable.
- 2.3. To approve the payment of pension costs.
- 3.4. To pay all increases in salaries, wages, fees or allowances approved in national negotiations where these are mandatory or which have otherwise been approved by the city council.
- 4.5. To grant rate relief.
- 5.6. Council Tax and NDR Rates
 - a. The power formally to request information from and to identify persons liable to pay Community Charge council Tax or national non-domestic rate.
 - b. The powers to impose and quash penalties for failure to supply information or for supplying inaccurate information or for similar acts or omissions.
 - c. Power to reduce or remit the National Non-Domestic Rate in cases of hardship and to determine applications for discretionary charitable rate relief.
- 6.7. To pay members remuneration allowance and, travelling ~~and subsistence~~ allowances as approved by Council.
- 7.8. To make deductions from employees' pay on behalf of approved bodies or trade unions in return for a suitable service charge.
- 8.9. Where an employee is absent from work as a result of personal injury, to make payments of sick pay for a period not exceeding the sickness allowance to which the employee is entitled under the national sick pay arrangements, subject to the employee signing an appropriate undertaking with regard to possible third party claims, and completing an accident report.
- 9.10. To make deductions from employees pay for salary sacrifice schemes.
- 10.11. To deal with~~approve~~ applications for the transfer of mortgaged properties.
- 11.12. To ~~act on instructions from directors to~~ recover sums due to the city council.
- 12.13. ~~[S151 Officer to authorise, from time to time, in accordance with Regulation 24 of the Valuation and Community Charges Tribunals Regulations 1989 any proceedings before such a Tribunal and in accordance with Section 223 Local Government Act 1972 to initiate or appear on behalf of the council in any proceedings before the Magistrates Court in connection with the Community Charge, council Tax or National Non-Domestic Rate, for officers of the Council to represent the Council in such proceedings.~~
- 13.14. To collect all income due to the city council.
- 14.15. To raise loans and issue bonds as required, which have been authorised by the council to meet capital and revenue requirements by such methods and on such terms as considered necessary.
- 15.16. To approve or refuse applications for repayment of bonds and mortgage loans.
- 16.17. To ~~arrange insurance cover for the council,~~manage the Insurance Fund.
- 17.18. To release funds from the contingency provision within the limits set out in the financial rules.

~~18-19.~~ The powers and duties of the city council with regard to the demand, collection and recovery of community charges, council tax and the national non-domestic rate, and all other income due to the city council.

~~19-20.~~ To lend surplus funds.

~~20-21.~~ To approve changes in the interest rate of mortgaged properties and give notice of changes.

22. To authorise jointly with the ~~city~~ City solicitor ~~Solicitor~~ financial settlements on termination of employment.

Internal Audit

~~21.~~ In accordance with the Local Government Act 1972, the Accounts and Audit Regulation 2015 specifically requires that a relevant authority must have an effective internal audit function excluding the Annual Internal Audit Opinion, this being specifically delegated to the Chief Internal Auditor.

IS Function

~~22-23.~~ To ensure that the following arrangements meet the required security standards and that the intended systems are ~~a good fit~~ compatible with the Council's technical standards and infrastructure:-

- a. to authorise where data is to be hosted external to the PCC infrastructure (i.e. in the Cloud);
- b. to authorise the purchase of systems that are to be hosted on the PCC infrastructure

24. The Director of Finance and IS, or his delegated representative, to authorise any departure from standards regarding point 25 above. The determination and interpretation of adherence to standards is at the sole discretion of the Director of Finance and IS or his delegated representative.

–Procurement Function

25. Tenders / Contracts

General supervision and progressing of contracts.

Execution of work and invitation for and acceptance of tenders for recurring or non-recurring items provided for in the approved annual revenue estimates and estimates for the General Housing Repairs Fund, except items reserved by the Cabinet for further approval.

Acceptance of tenders for demolition works approved by the Cabinet or Full Council.

Acceptance, renewal and variation of maintenance contracts for installed equipment within the approved estimates.

To determine the selling prices of goods and services in relation to trading activities.

~~23-26.~~

DIRECTOR OF PROPERTY AND HOUSING

General

1. To manage the repair and maintenance of all council property and land enabling the council to maintain and improve its properties as appropriate in accordance with the council's asset management strategy including but not limited to response repairs, void repairs, planned and cyclical maintenance.
2. To be responsible for the management and development of council assets, included but not limited to lease management, adaptation, acquisition, the direct construction of assets and disposal to third parties.
3. To manage the council's housing estates and the dwellings on them, including the allocation of accommodation and exercise the council's powers as a housing authority

Acquisition, disposal, investment and development

- ~~1. To identify and assess opportunities for asset development and investment including the management and chair of the asset development board~~
- ~~2. To provide market advice (including tenant demand, price, availability, type of transaction) to inform wider development decisions~~
- ~~3. To provide all valuation advice regarding development and investment (including assessments of existing use)~~
- ~~4. To undertake asset acquisitions and disposals~~
- ~~5. To carry out all functions required to manage the Council's property investment fund including but not limited to acquisition and disposal of assets in and out of the fund, management, appointment of consultants and annual performance reporting.~~
- ~~6. To assist the Property & Housing Finance Manager in modelling and assessing financial appraisals~~
- ~~7. To maintain and update the Asset Development Programme plan~~
- ~~8. To provide relationship management of key public sector partners via the One Public Estate project.~~
- ~~9. To lead on the creation and management of any development company and its subsidiaries on behalf of the authority.~~
- ~~10. To provide property lead and support to all corporate projects and service reviews~~

- ~~11. Where the city council have approved a purchase and the relevant expenditure, to settle terms up to the approved figure.~~
- ~~12. Where the council have approved the direct construction of an asset and the relevant expenditure, to enter into contract and discharge the functions required to complete the development of the asset.~~
4. To approve the appropriation of assets between the Housing Revenue Account and the General Revenue Account.
- ~~5. In consultation with the city solicitor, to accept blight notices which s/he considers to be valid and which are served in respect of properties affected by city council proposals.~~
- ~~6. Where the council has resolved to make a compulsory purchase order, to settle terms for the purchase of property within the relevant approved budget.~~
- ~~7. To make payments on account of up to 90% of estimated compensation for compensation in relation to claims for the value of interests in property and claims for disturbance, where the council have resolved to make a compulsory purchase order.~~
- ~~8. In conjunction with other officers concerned, to settle claims not exceeding £5,000 for compensation under Section 596 of the Housing Act 1985 and under the provisions of the Land Compensation Act 1973.~~
- ~~9. To agree terms for the acquisition of freehold or leasehold interest, where funding has been approved.~~
- ~~10. In consultation with the Director of City Development and Culture and the Director of Transport, Environment and Business Support to give permission for installation of communications services and services equipment, electricity substations and other minor works or wayleaves in or on any council premises or land under his management.~~
- ~~11. To agree terms for the disposal of land and premises (including disposal on a freehold or leasehold basis) where the council have approved the principle of disposal.~~
- ~~12. To dispose of freehold interests where the market value does not exceed £150,000.~~
- ~~13. To accept offers and to agree terms and conditions for the sale of land and property.~~
- 14.5. To dispose of vacant or tenanted properties where the market value is greater than £250,000 by way of private treaty or public auction, where the principle of disposal has been agreed by the city council.
- 15.6. To agree terms for the variation of covenants for land and property previously sold by the council.

Management of corporate assets

1. To agree leases up to a term of 150 years and licence non-residential properties including land at the best rents obtainable.
2. To grant, building agreements, licences, easements and wayleaves.
3. To serve notices under the Landlord and Tenant Act 1954 to determine leases with a view to renewal on fresh terms.
4. To serve notices under Part II of the Landlord and Tenant Act 1954 where the council wishes to oppose the grant of new tenancies or wishes to protect future interests as a tenant of leased property.
5. To agree surrender and lease renewal transactions including leases of up to 150 years.
6. To service Section 146 notices under the Law of Property Act 1925, in situations where breach of covenants of commercial leases occur and where appropriate to regain possession by means of peaceable re-entry.
7. To approve the lettings of any premises under the control of the council to approved, non-profit making organisations, including charities at less than market value, after consultation with the appropriate chief officer.
8. To undertake all functions appropriate to the management of property held under trust by the city council including authority to agree with and submit to the Charity Commissioners 'schemes' relating to the future management or disposal of such property.
9. To authorise the termination of any lease, licence, easement, or wayleave to use or occupy non-residential land and property.
10. To grant service tenancies of council owned land and buildings.
11. To place orders for reactive maintenance and emergency works to council owned buildings and structures.
12. To settle claims and requests for ex-gratia payments not exceeding £1,500 subject to the city solicitor being satisfied that the council are likely to be legally liable.
13. To represent the council in proceedings before the courts including but not limited to:
 - a) To make proposals for the alteration of the valuation list.
 - b) To serve notices of objection concerning proposed assessments of hereditaments.
 - c) To enter into agreements as to the proposed assessments of hereditaments.
 - d) To secure alteration, inclusion or deletion of any rating assessment of property owned or occupied by the council.
 - e) The power to appeal (if such be given to the council) against any valuation banding.

14. Recovery of costs - Where services are provided externally to the Council, the power to recover the full cost of the provision of those services.
15. Work on behalf of other public bodies - Power to carry on work on behalf of other public bodies.
16. To determine the selling prices of goods and services in relation to trading activities.
17. To agree terms of disposal for areas of land and vehicular access rights to owners or tenants who are in the process of purchasing their council house.

Mortgages

1. After consultation with the City Solicitor and Director of Finance and Information Service, to approve lettings of property in mortgage to the city council on terms that do not adversely affect the council's interests as mortgagee.
2. Where a mortgagor of the council fails to comply with any covenants in his legal charge (other than those relating to payment of principal and interest) after written warning of the default, to authorise the city solicitor to institute proceedings for possession of the mortgaged security; and where appropriate jointly with the Director of Finance and Information Services, and city solicitor to exercise the council's power of sale under the legal charge.
3. To instruct the City Solicitor where a property is in mortgage with the city council and an order for possession has been granted for mortgage arrears:
 - a) To arrange for re-possession of the property,
 - b) To arrange for disposal on the open market at the best price reasonably obtainable, and
 - c) To complete the disposal

Housing Property Management

1. To grant or refuse requests for the inclusion of other land with premises where the secure tenant is exercising the right to buy and to serve appropriate notices, under Section 184 of the Housing Act 1985.
2. To grant or refuse requests received from tenants purporting to exercise the right to exchange under Section 92 of the Housing Act 1985.
3. To prepare and serve all appropriate notices under Part IV of the Housing Act 1988 in respect of land held for Housing purposes.
4. To serve notices of seeking possession or notices to quit on tenants of council dwellings in rent arrears or otherwise in breach of their tenancy agreements or on the President of the Probate Division where the tenant has died and subject to any right of succession.
5. In consultation with the city solicitor to take legal proceedings for the possession of council dwellings and/or for the recovery of rent arrears.

6. To decide when to grant tenancies where no statutory right of succession applies.
7. To deal with tenants' requests to carry out improvements to their dwellings under the Housing Act 1985.
8. To settle unpaid accounts with utility companies under Section 33 Local Government (Miscellaneous Provisions) Act 1976.
9. Authority to approve where reasonable or refuse assignments and offer secure tenancies to the assignees under the Housing Act 1985, Section 91.
10. To supply indemnities, under Section 442 of the Housing Act, 1985 to building societies and other recognised bodies in appropriate cases.
11. To make all payments to tenants of city council accommodation for home loss, disturbance, removal and allied expenditure involved in either temporary or permanent moves.
12. In respect of the under-occupation of houses to make payments to city council tenants in accordance with the council's approved scheme.
13. To manage the council's housing estates and the dwellings on them, including the allocation of accommodation and exercise the council's powers as a housing authority for that purpose.
14. To administer the sale of council dwellings under the 'right to buy' provisions, including the determination of applications for the waiver of any requirement to repay discount.
15. To repurchase suitable ex-council properties, including leasehold flats.
16. To agree nomination rights under schemes to be carried out by social housing landlords.
17. To enter into contract for tenancy related support services.
18. To enter into contracts or leases to provide temporary homelessness accommodation.
19. To serve Notices under Section 146 Law and Property Act 1925 on its long leaseholders who are in breach of the lease.
20. In respect of tenancy relation issues:
 - a) To take action, including the service of notices, in respect of the unlawful eviction of tenants and the harassment of occupiers of tenanted property.
 - b) To take action, including the service of notices, to obtain information, rent books, insurance arrangements and other documents relating to tenanted property.
 - c) To take action under the rent acts to recover from landlords sums paid in excess of recoverable rents.

1. Where the council have approved the repair, refurbishment or improvement of an asset and the relevant expenditure, to enter into contract and discharge the functions required to complete the work to the asset.
2. In his discretion authorise repairs which the city council does not have a statutory obligation to carry out.
3. To exercise the council's powers and duties in respect of the following:
 - a) sanitation, sanitary conveniences and appliances in buildings and workplaces, drains, sewers, water closets cleansing, decorating or cleaning filthy or verminous premises, cleansing or destruction of filthy or verminous articles, accumulation of rubbish, neglected sites, prevention of damage by pests, food storage accommodation, defective premises, ruinous and dilapidated buildings, protection of unoccupied buildings and structures, and statutory nuisances.
 - b) repairs notices, deferred action notices, closing orders, demolition orders, standards of amenity provision, overcrowding of dwellings, management and means of escape from fire in houses in multiple occupation, including enforcement, determination and variation of any notices, orders and directions, and the power to execute work.
4. To approve or refuse grants for improvements and repairs, applications for improvement loans, and home insulation grants and loans.
5. Recovery of costs - where services are provided externally to the council, the power to recover the full cost of the provision of these services.
6. Work on behalf of other public bodies - power to carry on work on behalf of the public bodies.
7. To agree terms for rights of light and air affecting council property.
8. To exercise the council's powers and duties in respect of the following:
 - a) sanitation, sanitary conveniences and appliances in buildings and workplaces, drains, sewers, water closets cleansing or destruction of filthy or verminous articles, accumulation of rubbish, neglected sites, prevention of damage by pests, food storage accommodation, defective premises, ruinous and dilapidated buildings, protection of unoccupied buildings and structures, and statutory nuisances.
 - b) All relevant parts of the Housing Act 2004 including, enforcement, notice of entry, determination of works and variation of any notices, orders and directions, and the power to execute the work, with or without the permission of the homeowner. Power to set amenity provision and space standards for houses in multiple occupation. And subject to consultation with the appropriate executive member

over the level of fees to be charged for any aspects of cost recovery available within the Housing Act 2004.

- c) To license any mobile home site as required and in consultation with the appropriate Executive Member, set a reasonable fee for doing so.
- d) Maintain a list of and sample any private water suppliers within the area, as required by the Private Water supply regulations. In consultation with the appropriate Executive Member, set a fee for undertaking this work.
- e) Supply of public utility services to tenanted dwellings including in consultation with the City Solicitor the recovery of costs incurred.

9. In respect of tenancy relation issues:

- a) To take action, including the service of notices, to obtain information, rent books, insurance arrangements and other documents relating to tenanted property.
- b) To take action under the rent acts to recover from landlords sums paid in excess of recoverable rents.

10. In respect of private sector housing policy -

- a) To establish (in consultation with the executive member) a waiting list with suitable criteria for grant applications outside action areas; and to report this for information on MIS
- b) To extend the agency service to householders wishing to improve their properties but who are not eligible for grant aid initially within the proposed Action Area)
- c) To initiate action in any of the areas listed in housing minute 50/97 in a sequence which will best maintain approved levels of annual expenditure, following consultation with the appropriate executive Member. To develop an approved builders scheme
- d) To consider and determine -
 - a. Applications for mandatory disabled facilities grants;
 - b. Applications for renovation grants; HMO grants; common parts grants; and home repair grants.
- e) To approve, in consultation with the appropriate executive Member, changes to the weighting of the criteria used for the assessment of renovation grants where the application is made by a landlord.

11. To exercise the council's powers and duties to appoint authorised officers and authorised persons for any purpose within the responsibilities of the Director.

12. As part of the private sector housing strategy to operate and manage a home improvement service;

Repair and Maintenance of Council Assets and Land

1. To carry out the right repair at the right time to Council assets within the appropriate scope of service that ensures the Council meets customer demand for the repairs and maintenance service.
2. To undertake all of the Council's statutory asset repairs and maintenance obligations and maintain appropriate records including but not limited to the following:
 - a. Gas safety inspection and servicing in accordance with the Gas Safety (Installation & Use) Regulations 1998
 - b. Electrical inspection in accordance with the Landlord and Tenant Act 1985
 - c. Legionella testing in accordance with the Approved Code of Practice L8 (The Control of Legionella Bacteria in Water Systems) of all communal water systems and large water storage tanks
 - d. Passenger lifts and stairlifts servicing in accordance with general health and safety legislation including the Lifting Operations and Lifting Equipment Regulations 1998 (LOLER)
 - e. Fire risk assessments and prevention in accordance with the Housing Act 2004 and the Regulatory Reform (Fire Safety) Order 2005
 - f. Asbestos management in accordance with the Control of Asbestos Regulations 2012
 - g. Housing health and safety rating in accordance with the Housing Act 2004
3. To maintain and regularly review an asset management strategy and business plan for all Council assets.
4. To assess the condition of the Council's assets, develop asset management plans and undertake schemes to meet demands to maintain and improve Council assets.
5. To maintain and update asset management plans for Council assets including but not limited to planned maintenance of assets, structural work to non-traditional properties, energy performance of assets, environmental improvements, mechanical and electrical services to installations and sites suitable for potential development.
6. To continually assess and utilise all Council assets to provide suitable assets to meet customer demand when needed including but not limited to refurbishment, change of use, reconfiguring layouts, disabled adaptations, improving energy performance, area regeneration and environmental improvements..
7. To maintain a bespoke repairs and maintenance stock database that will capture all the relevant data required to enable measures to support the management of the repairs and maintenance service.

8. To evaluate all Council assets and assess the financial benefits to the Council including vacant dwellings, this can include but not limited to the development of land including garage and parking sites, the conversion of existing buildings, the sale and acquisition of properties.
9. To recruit, train, support and develop the skills of the repairs and maintenance teams to meet the demands they receive and provide a complete in-house surveying service.
10. To assess the most appropriate procurement route that will enable a contractor to be appointed that provides value for money for the specific project or service required to include but not limited to using existing service providers, gaining quotes, utilising an agreed select list or tenders utilising a framework contract or tendering a specific one off contract.
11. To enter into contract with a contractor to provide a repairs and maintenance service or undertake a specific project in accordance with the Council financial rules and standing orders.
12. To accept the surrender of contracts for a repairs and maintenance service or specific project and seek novation, assignment or procurement of work elsewhere for completion as appropriate.
13. To enter into contract with a consultant to provide specialist surveying services and advice as appropriate where it is not proportionate to provide the service in-house or there is insufficient capacity including but not limited to building surveys, architect and design services, measured surveys, structural surveys, mechanical and electrical design, asbestos surveys and energy surveys.

Clean City

1. Cleansing or destruction of filthy or verminous articles, accumulation of rubbish, neglected sites, prevention of damage by pests, food storage accommodation, defective premises, ruinous and dilapidated buildings, protection of unoccupied buildings and structures, and statutory nuisances.
2. To exercise the council's powers and duties including serving notices and taking appropriate action in respect of the following:
 - Collection, disposal and treatment of controlled waste; receptacles for housing hold waste; commercial or industrial waste; disposal of waste collected; payments for recycling and disposal of waste; powers for recycling waste; powers to require removal of waste unlawfully deposited; removal and disposal of abandoned vehicles.
3. To exercise the council's powers and duties including:
 - a. The power to appoint inspectors and authorised persons.

- b. (subject to consultation with the city solicitor, to institute legal proceedings and to represent the council in appropriate cases).
4. To grant or refuse consents, to serve notices and take any necessary action including recovery of costs in respect of the following:
- a. Assertion and protection of public rights to use of highways.
 - b. Unlawful damage or disturbance to highways and footways, unauthorised marks on highways.
 - c. Control of deposit and removal of builders' skips.
 - d. Planting trees in or near the highway.
 - e. Removal of deposits on the highway.
 - f. Snow clearance.
 - g. Prevention of soil or refuse being washed out in the street.
 - h. Removal of projections from buildings.
 - i. Trees, shrubs, hedges overhanging the highway, or which are dangerous.
 - j. Prevention of water falling on or flowing on to the highway.
 - k. Barbed wire fences.
 - l. Dangerous land adjoining street.
 - m. Control of deposit of building materials.
 - n. Making of excavations in streets.
 - o. Construction of fence/hoarding, or other structure in connection with erection or demolition of building.
 - p. Privately owned bridges.
 - q. Construction of buildings over highways.
 - r. Erection of apparatus across a highway.
 - s. Construction of cellars under a carriageway of a street.
 - t. Cellars and opening under streets and pavement lights and ventilation.
 - u. Vehicle crossings over footways and verges.
 - v. Repairs to private streets.
 - w. Encroachments in, on or over the public highway.
5. To exercise the council's powers and duties including serving notices and taking appropriate action in respect of the following:
- a. Offence of leaving litter; summary proceedings by litter authority; Duty to keep public registers; Powers in relation to abandoned shopping and luggage trolleys including the power to authorise officers to carry out functions under Section 99 and schedule 4 of the EPA 1990; restrictions on the importation etc of waste; seizure, detention and disposal of stray dogs.
 - b. To enforce and otherwise deal with the offence of dog fouling, including authority to appoint 'authorised officers' (not necessarily under his direct managerial control of city council employees) to enforce the Portsmouth Dogs (Fouling of Land) Act Designation Order 1997 (as may be amended from time to time by Clean Neighbourhoods & Environment Act 2005 sec 59 and the Anti-social Behaviour, Police & Crime Act 2014 with regard to Community Protection Notices and Public Space Protection Orders).

Environment Enforcement Team Delegated Authority

Offence Type	FPN AMOUNT SET BY PCC or REPORTED FOR PROSECUTION ONLY
Littering	£75
Number of Dogs a person may have under their Control	Not currently in force in Portsmouth and would require a change to the current control order
Dog Fouling	£75
Dogs in Prohibited areas, off lead etc.	£75
Dog issues, off lead on designated highways.	No FPN reported for prosecution only
Aggressive Dog issues or without name tags	No FPN reported for prosecution only
Dog issues on private land.	No FPN reported for prosecution only
Exposing Vehicles for sale on the road	Enforcement under taken by parking only and no FPN currently authorised for PCC to use for this offence (£100)
Repairing vehicles on the road	Enforcement under taken by parking <u>only and no FPN currently authorised for this offence</u> (£100)
Fly Posting or affixing things on highways structures	No FPN available for this offence must be reported for prosecution only <u>£75.00</u>
Presentation of Domestic Waste	£60 Civil Debit <u>+ costs</u>
Presentation of trade waste	£100
All Highways Issues affecting the PFI Contract (skips, building materials, damage to the highway, fly posting etc.)	No FPN available for any Highways Act 1980 offences but they must be reported for prosecution only
Obstructions of the Highway	No FPN available for this offence must be reported for prosecution only
Fly Tipping	No FPN available for this offence must be reported for prosecution only <u>£400</u>
Duty of care Waste transfer documentation	£300
Waste Carriers Licence	£300
Sec 108 Investigation	No FPN available for this offence must be reported for prosecution only
Fly Posting (Private Land issues)	No FPN available for this offence must be reported for prosecution only

	<u>£75</u>
Fly Posting (Highways)	No FPN available for this offence must be reported for prosecution only
Graffiti	<u>£75</u> £75
Private Land and buildings issues which are detrimental to the amenity of an area. E.g. dumped waste on private land	No FPN available for this offence Issuing of notices requiring actions to be undertaken as laid out if not complied with must be reported for prosecution.
Prevention of Pests/vermin	No FPN available for this offence Issuing of notices requiring actions to be undertaken as laid out if not complied with must be reported for prosecution
Removal of waste from jointly owned private land	No FPN available for this offence Issuing of notices requiring actions to be undertaken as laid out if not complied with must be reported for prosecution
Sealing up of Dangerous Building/Land	No FPN available for this offence Issuing of notices requiring actions to be undertaken as laid out if not complied with must be reported for prosecution
Unauthorised Distribution of Literature.	£75
Litter & Refuse Clearing notice	Now rescinded but replaced by Community Protection Notices
Street litter control notice	Now rescinded but replaced by Community Protection Notices
Litter abatement notice for statutory undertakers	No FPN available for this offence must be reported for prosecution only
Vehicles being used for advertising	No FPN available for this offence must be reported for prosecution only
People living in vehicles on the highway overnight	No FPN available for this offence must be reported for prosecution only
Community Protection Notices for Environmental & ASB issues	£100
Public Space Protection Orders	£100
<u>Householders Duty of Care</u>	<u>No FPN available for this offence at this time so must be reported for prosecution only, but FPN will be introduced in 2018</u> <u>£400</u>

DIRECTOR OF REGENERATION

1. To grant or refuse consents, to serve notices and take any necessary action including recovery of costs in respect of the following -
 - a. Assertion and protection of public rights to use of highways
 - b. Unlawful damage or disturbance to highways and footways; unauthorised marks on highways
 - c. Control of deposit and removal of builders' skips;
 - d. Planting trees in or near the highway;
 - e. Removal of deposits on the highway;
 - f. Snow clearance;
 - g. Prevention of soil or refuse being washed into street;
 - h. Removal of projections from buildings;
 - i. Trees, shrubs, hedges overhanging the highway, or which are dangerous;
 - j. Prevention of water falling on or flowing on to highway;
 - k. Barbed wire fences;
 - l. Dangerous land adjoining street;
 - m. Control of deposit of building materials;
 - n. Making of excavations in streets;
 - o. Construction of fence/hoarding, or other structure in connection with erection or demolition of building;
 - p. Privately owned bridges;
 - q. Construction of buildings over highways;
 - r. Erection of apparatus across a highway;
 - s. Construction of cellars under a carriageway of a street;
 - t. Cellars, and openings under streets and pavement lights and ventilation;
 - u. Vehicle crossings over footways and verges;
 - v. Repairs to private streets
 - w. Licences for street works and new road
 - x. Encroachments in, on, or over the public highway.
 - y. The erection of Direction Signs by private individuals or outside bodies.
2. To take such action as is considered necessary to secure compliance with the provisions of the Rights of Way Act 1990.
3. To accept offers of land for dedication for highway purposes, and to carry out works or pay costs and expenses in adopting the land, up to a total of £5,000.
4. To approve the marking of the word "Entrance" or "Disabled" on the carriageway where requested by the occupants of premises, and to ask in the case of "Entrance" the occupant to meet its cost.
5. To decide any request for a disabled parking space where a car is not available but the applicant is clearly in need of assistance.
6. To object to the proposed naming of a street by developers or any other person.
7. To allocate street numbers to small infill developments in the city, and to allocate street names and building names.
8. Temporary restrictions:-
 - a. To authorise any necessary action in respect of temporary traffic restrictions for all purposes.
 - b. Power to set the level of fees payable by outside bodies for temporary restrictions undertaken on their behalf.

9. Powers and duties in respect of traffic regulation orders where no objections are received to a proposed order or where an objection is received but subsequently withdrawn.
10. To agree terms for agreements with developers under Section 38 of the Highways Act 1980.
11. To agree terms for agreements under Section 278 of the Highways Act 1980 (contributions towards off-site highway infrastructure).

Transport

12. To operate and manage the city council's off street car parking.
13. To operate and manage on street pay and display schemes.
14. To exercise the council's powers and duties in respect of:-
 - a. the enforcement of traffic regulation orders, including the power to appoint civil enforcement officers
 - b. residents' parking schemes
15. The powers and duties under the Reservoirs Act 1975 including authorising the issue of statutory notices, entry upon land, and exceptionally, the taking of emergency action to protect persons or property.
16. To exercise the council's powers and duties as highway authority.

17. Trading

- a. To trade services within the directorate.
- b. To determine the selling prices of goods and services in relation to trading activities.

18. Recovery of costs

- a. Where services are provided externally to the Council, the power to recover the full cost of the provision of those services.

19. Work on behalf of other public bodies

- a. Power to carry out work on behalf of other public bodies.

20. Coastal Flood and Erosion Risk Management / Drainage

The council's functions in respect of coastal protection

- a. to exercise the Council's powers and duties in respect of the Flood and Water Management Act 2010 and Coast Protection Act 1949;
- b. to negotiate and authorise all necessary work with Government departments, statutory and non-statutory agencies and organisations to manage flood risk and drainage.

21. Economic Development and Business Support

~~a. — to provide technical, professional and financial support to businesses and training / employment / learning organisations who are either operating, or wish to operate within the city and the sub-region;~~

~~b.a.~~ to enable activity by the Council or its agents to assist businesses and thereby stimulate economic growth, improve the city's skills base and individual and community prosperity.

Property Investment

22. To take such steps as shall be considered necessary to protect the council's interest in land and property.
23. Acquire properties that provide long term investment in accordance with corporate objectives. To carry out all transactions required to manage the councils investment fund in line with the property investment strategy

Acquisition, disposal, investment and development

24. To identify and assess opportunities for asset development and investment including the management and chair of the asset development board
25. To provide market advice (including tenant demand, price, availability, type of transaction) to inform wider development decisions
26. To provide all valuation advice regarding development and investment (including assessments of existing use)

~~27. — To undertake asset acquisitions and disposals~~

~~28.~~27. To carry out all functions required to manage the Council's property investment fund including but not limited to acquisition and disposal of assets in and out of the fund, management, appointment of consultants and annual performance reporting.

~~29.~~28. To assist the Directorate Finance Manager in modelling and assessing financial appraisals

~~30.~~29. To maintain and update the asset development programme plan

~~31.~~30. To provide relationship management of key public sector partners in relation to property.

~~32.~~31. To provide property lead and support to all corporate projects and service reviews

~~33.~~32. Where the city council have approved a purchase and the relevant expenditure, to settle terms up to the approved figure.

- ~~34.33.~~ _____ Where the council have approved the direct construction of an asset and the relevant expenditure, to enter into contract and discharge the functions required to complete the development of the asset.
- ~~35.34.~~ _____ In consultation with the City Solicitor, to accept blight notices which s/he considers to be valid and which are served in respect of properties affected by city council proposals.
- ~~36.35.~~ _____ Where the council has resolved to make a compulsory purchase order, to settle terms for the purchase of property within the relevant approved budget.
- ~~37.36.~~ _____ To make payments ~~on account of up to 90% of estimated compensation~~ for compensation in relation to claims for the value of interests in property and claims for disturbance, where the council have resolved to make a compulsory purchase order.
- ~~38.37.~~ _____ In conjunction with other officers concerned, to settle claims not exceeding ~~£50,000~~ ~~£5,000~~ for land compensation.
- ~~39.38.~~ _____ To agree terms for the acquisition of freehold or leasehold interest, where funding has been approved.
- ~~40.39.~~ _____ To give permission for installation of communications services and services equipment, electricity sub-stations and other minor works or wayleaves in or on any council premises or land under his management.
- ~~41.~~ ~~To agree terms for the disposal of land and premises (including disposal on a freehold or leasehold basis) where the council have approved the principle of disposal.~~
- ~~42.40.~~ _____ To dispose of freehold interests where the market value does not exceed £150,000.
- ~~43.41.~~ _____ To accept offers and to agree terms and conditions for the sale of land and property.

Planning

- ~~44.42.~~ To prepare and submit the local planning authority's views to ~~working parties, policy formulation and implementation work review the plan, the consultation and deposit drafts, proposed modifications and adoption of the plan.~~
- ~~a. internal parties within Portsmouth City Council, and~~
- ~~b. external parties responsible for policy formulation, including but not limited to commenting on consultation papers and assisting the policy formulation associated with government departments (except formal responses to draft and final versions of regional planning guidance).~~
- ~~45.43.~~ To prepare and submit the local planning authority's views to working parties on implementation work related to statutory development plan issues affecting the whole or part of the local planning authority's area, to review any statutory development plan, to conduct the consultation, arrange the deposit of drafts, to consider proposed modifications and ultimately secure the adoption of required statutory development plans. and policy formulation related to the preparation of

~~minerals and waste policy (except resolutions to review the plan, the consultation and deposit drafts, proposed modifications and adoption of the plan).~~

~~46.44. To prepare and submit the local planning authority's views to working parties, and policy formulation related to the preparation of minerals and waste policy (except resolutions to review the plan, the consultation and deposit drafts, proposed modifications and adoption of the plan). ~~comment on consultation papers and assist the policy formulation associated with government departments (except formal responses to draft and final versions of regional planning guidance).~~~~

47.45. To publish -

- a. new planning advice or guidance notes and amend existing notes and to repeal the same where appropriate;
- b. future heritage guideline documents.

~~48.46. To make, confirm or otherwise deal with Directions to create local restrictions on permitted development rights made under the Town & Country Planning legislation relating to General Permitted Development, taking into account any representations received.~~

General Matters

49.47. _____ To determine -

- a. whether development would fundamentally conflict with or prejudice the implementation of any statutory development plan;
- b. whether development would materially conflict with or prejudice the implementation of any of the policies or general proposals of the NPPF or with a fundamental provision of a statutory development plan.
- c. all planning applications where they do not involve a departure from the development plan and where -
 - i. no adverse representations are received from statutory consultees;
 - ii. other representations are not based on material planning considerations; and
 - iii. no request has been received to attend committee as a deputation
- d. whether any representations made are based on material planning grounds in consultation with Highways:
- i. whether a highway diversion and/or stopping-up order under the Town and Country Planning legislation should be made and subsequently confirmed where unopposed, or
- ii. whether a highways diversion and/or stopping-up order under the Town and Country Planning legislation should be referred to the appropriate appellate body for determination where opposed.

~~50.48. Applications to register land on the Council's Assets of Community Value Register~~

~~51.49. Applications to register land as [Town and Village Green]~~

~~52.50. To prepare and submit -~~

a. Recommendations on any items before the Planning Committee

a.b. _____ the local planning authority's observations on development proposals within other local authority areas and proposals by government;

b.c. _____ observations on applications and consultations not covered by the Town & Country Planning legislation which seek the council's views as local planning authority.

~~53-51.~~ To determine whether an environmental assessment statement is required for relevant development projects under the Town and Country Planning ~~(Assessment of Environmental Effects) Regulations 2011.~~ legislation and environmental legislation

~~54-52.~~ To determine whether an environmental impact assessment is required for relevant development projects.

~~55-53.~~ In consultation with the ~~city~~ City solicitor ~~Solicitor~~, to approve or refuse applications under Sections 191 and 192 of the Town and Country Planning Act 1990 ~~(applications~~ for certificates of lawfulness of existing or proposed use or development) ~~and as amended by the~~ under Sections 191 and 192 of the Town and Country Planning Act 1990 and any successor legislation. ~~(General Development Procedure) 1995.~~

~~56-54.~~ To advertise as statutorily required or publicise in such way ~~as~~ he considers considered necessary any planning application under Town and Country Planning legislation.

~~57.~~ ~~Subject to the MIS rules, to grant or refuse applications for telecommunications code operator proposals under the Town and Country Planning (Permitted Development) (Telecommunications) Order 2013. This power is subject to consultation with the chair, vice-chair and opposition spokesperson (or their nominees) of the Planning committee when the proposed decision would be contrary to views expressed by statutory consultees or representations received as a result of publicity given to the proposal. Deal with all other Prior Notification applications under the same mechanism~~

~~58-55.~~ To serve statutory notices in respect of listed buildings and conservation areas.

~~56.~~ To deal with conservation area tree notices including considering objections and representations, and to take such action as ~~he considers~~ considered appropriate.

~~59.~~ To authorise variation of conditions attached to planning consents where such variation does not require a formal application.

~~60.~~

~~61.~~ Authority to vary conditions attached to planning consents where such variation does not require a formal application.

~~62-57.~~ To authorise the making of and to confirm or otherwise deal with tree preservation orders, taking into account any objections and representations received.

~~63-58. To administer and monitor the enforcement, collection and spend of all planning obligations under Section 106 of the Town and Country Planning Act and the Community Infrastructure Levy Regulations~~

~~64. To make, confirm or otherwise deal with Directions made under Article 4(2) of the Town & Country Planning (General Permitted Development) Order 1995?, taking into account any representations received.~~

~~65. To serve enforcement notices and pursue prosecutions.~~

~~66. To serve notices under Section 215 of the Town and Country Planning Act.~~

~~67. To administer and monitor the collection and spend of all obligations under Section 106 of the Town and Country Planning Act and the Community Infrastructure Levy Regulations.~~

~~68. The closure or restriction of rights of any highway.~~

~~59. To grant or refuse consent, to serve notices and to take other necessary action in respect of building plans and the Building Regulations.~~

~~69-60. To grant or refuse applications for advertisement consent.~~

~~70. In the case of Sports Grounds to which the Safety of Sports Grounds Act 1975, the Fire Safety and Safety of Places of Sport Act 1987, and the Football Spectators Act 1989 apply:~~

~~a. To issue safety certificates, following consultation with the relevant safety advisory group.~~

~~b. To monitor, enforce and amend safety certificates as necessary after consultation with the safety advisory group.~~

~~c. To take any action including prosecution that might prove necessary to secure compliance with the terms of safety certificates.~~

~~d. To make a reasonable charge in respect of amendments to safety certificates.~~

~~e. To issue prohibition notices following consultation with the Chief Executive, Chief Fire Officer or Chief Constable. Any proposal to cancel a safety certificate would be referred to the licensing committee.~~

Contentious Matters

~~61. To decide whether to issue a contaminated land notice/remediation notice under environmental protection legislation and to take any preparatory and/or consequent steps to such an action~~

~~62. To take enforcement action and prosecution or other appropriate disposal in relation to listed buildings and conservation areas~~

~~63. To recommend appropriate breaches of tree preservation orders for prosecution or other disposal to the City Solicitor~~

64. In relation to breaches of planning control, to serve enforcement notices, breach of condition notices, planning contravention notices and to take any other action including but not limited to serving statutory notices, making an application to court or making statutory demands for information in consultation with the City Solicitor and to recommend breaches of planning control for prosecution or other disposal to the City Solicitor where appropriate.

65. In relation to anticipated breaches of planning control, to seek the City Solicitor's advice on seeking an injunction.

66. To serve statutory notices relating to land having a detrimental effect upon the amenity of an area under all enabling legislation.

67. To serve notices and to take other necessary action, including the recommendation of prosecution or other disposal to the City Solicitor, in respect of building plans and the Building Regulations.

68. In planning appeals and inquiries, to either:

- a. Present the Council's case in appropriate matters; or,
- b. Act as expert witness and seek the advice of the City Solicitor to procure advocacy services in appropriate matters.

Environmental Matters

69. To administer public registers of land which may be contaminated, and to appoint inspectors and authorised persons for the purposes of establishing whether land is contaminated in accordance with all enabling environmental legislation.

70. To administer hazardous substance registers in accordance with all enabling environmental legislation

71.

DIRECTOR OF CULTURE

1. To trade services within the directorate ~~with a view to profit.~~
2. Where services are provided externally to the Council, the power to recover the full cost of the provision of those services.
3. Power to carry on work on behalf of other public bodies.
4. To manage the arts, libraries, museums and art galleries, records, archives, and the other properties and facilities which are the responsibility of the Director of Culture ~~and City Development.~~
5. To determine requests to hold special events on land and premises under the control of the Director of Culture ~~and City Development.~~
6. To approve applications for the granting of minor trading concessions, promotions and similar events.
7. To allow charitable organisations a reduction of the normal hiring charge.
8. To make the necessary arrangements for special events.
9. To book orchestras, bands and artists for concerts and other events.
10. To determine the selling prices of goods and services in relation to trading activities.
11. To accept (or refuse) loans or donations of works of art, museum specimens and library material.
12. To apply money bequests towards the purchase of works of art, museum specimens and library material in consultation with the Cabinet Member.
13. To arrange exhibitions and public lectures.
14. To approve reproductions of works of art and museum specimens from the collections and library material.
15. To restrict access to or prevent the availability of archives when their condition is such as to render them unfit for handling by the public.
16. To accept donations and deposits of collections or archival material of local interest.
17. To apply donations and bequests towards the purchase of archives.
18. To approve reproductions of archives and maps from the collections.
19. To manage the parks and open spaces, allotments, cemeteries, community centres and the other properties and facilities which are the responsibility of the

Director of Culture ~~and City Development~~.

20. To regulate the use of recreational facilities (outdoor and indoor) by organisations.
21. To grant reduced charges for facilities including allotments to persons of pensionable age in accordance with the approved scale.
22. To accept (or refuse) the donation of seats, plants and livestock.
23. ~~To determine requests to hold special events on land and premises under the control of the Director of Culture and City Development subject to the conditions laid down under council minutes 5/85 and 85/93.~~
24. To enforce the power to seize and impound horses, notify owners, arrange sale or other disposal ~~under Section 9, Hampshire Act 1983~~.
25. To let allotments, caravan plots and camping sites and other ancillary facilities on an annual basis.
26. To approve applications for the granting of minor trading concessions and for holding of caravan rallies, promotions and similar events.
27. To allow charitable organisations a reduction of the normal hiring charge.
28. To vary, in consultation with the Cabinet Member, the rate of hire charges for leisure facilities and equipment.
29. To regulate the use of sun huts and sun chalets.
30. To grant, approve or refuse -
 - a. applications for the sale and repurchase of rights of burial.
 - b. the assignment and devolution of rights of burial.
 - c. plans for memorials on purchased grave spaces.
 - d. agreements for extended maintenance.
 - e. to approve applications for exhumation.
 - f. permission for a burial to take place or for ashes to be scattered in any of the council's cemeteries.
31. To exercise local authority powers and duties concerning the maintenance of burial grounds.

32. To manage leisure facilities

33. Powers and duties in relation of environmental health, including the:

- appointment of inspectors, authorised persons and agents

- authorisation to grant and/or revoke permissions associated with the service of notices, registrations, licenses and permits and/or other enforcement or regulatory documentation
- powers necessary to implement appropriate and proportionate interventions and formal proceedings in relation to non-conforming and/or illegal practices - including the demand for information

in respect to the following:

- a. Animal feed
- b. Animal health and welfare
- c. Bathing water and compliance
- d. Clean air / control of dark smoke - including emissions from chimneys/vehicles and within smoke control areas
- e. Community funerals - including cost recovery and disposal of dead bodies
- f. Control of noxious materials
- g. Control of vermin and other pests - including prevention of damage by pests
- h. Determination and assessment of chimney heights
- i. Determination of applications in relation to environmental impact and associated mitigation
- j. Drainage and sanitation
- k. Environmental permitting - including pollution, prevention and control
- l. Filthy and/or verminous premises and land
- m. Fisheries and shellfish - including associated water sampling
- n. Food hygiene, food safety and food standards - including food supplements, food sampling, control of approved premises, seizure of food and control of foods, temperature controls, content and movement restrictions, import regulations, labelling and public health assurance measures
- o. Health, safety and welfare including dangerous substances
- p. Infectious disease, control and reporting of notifiable diseases
- q. Licensing and prevention of public nuisance
- r. Noise control and investigation - including use of anti-social behaviour legislation
- s. Port health functions - including the ship sanitation, water quality, control of infected persons and the examination of vessels.
- t. Public health agendas - including delivering clearer air and water, smoking enforcement, mandatory display of public information, healthy eating, sustainable development and food production/content
- u. Review, assessment and publication of pollution levels
- v. Statutory nuisance regime

34. The power to appoint Duty Executives.

35. To exercise the council's powers under the Road Traffic (Vehicle Emissions) (Fixed Penalty) Regulations 2002

DIRECTOR OF COMMUNITY & COMMUNICATION

Democratic Service

(The Monitoring Officer has concurrent powers to act in respect of the delegations set out regarding Democratic Service. ~~Note: the power to delegate to officers is contained in section 67 of the Local Government Finance Act 1992 as amended.~~)

1. In consultation with the Chair of the Employment committee, to appoint members to serve on senior officer appeals and sub-committees under the authority's disciplinary code for teachers and disciplinary boards established in accordance with the disciplinary code adopted by the Diocesan Schools Commission of the Arch-Diocese of Portsmouth for teachers in Voluntary Aided Roman Catholic Schools.
2. Authorised to establish and maintain lists of persons -
 - a. eligible to serve as lay members of education appeals committees; and
 - b. with experience in education, ~~acquainted with educational conditions in the city or who are parents of registered pupils at a school but are not employees of the local education authority other than teachers.~~
3. Authorised to appoint individual education appeals panels from amongst the members and persons set out below -
 - a. persons on the list maintained by the democratic services manager who have experience in education, are acquainted with the educational conditions of the City or are parents of registered pupils at schools; and
 - b. persons on the list maintained by the democratic services manager who are eligible to serve as lay members.
4. To approve applications to use the city crest, coat of arms, badge or logo.

Freedom of Information

1. To ensure all requests made under the Freedom of Information Act (FOI) / Environmental Information Regulations (EIR) are responded to in accordance with the relevant legislation.
2. To ensure the Council remains up to date with changes in the legislation.
3. To develop and disseminate corporate policies and procedures in relation to FOI / EIR.
4. To provide advice to all areas of the Council on FOI / EIR matters.

Data Protection

1. To handle all Data Subject Access requests (excluding requests for Social Care information) and requests for personal data from third parties (e.g. the Police)).
2. To ensure the Council remains up to date with changes in the legislation.
3. To develop and disseminate corporate policies and procedures in relation to Information Governance and Data Protection.
4. To provide advice to all areas of the Council relating to Information Governance and Data Protection to ensure its obligations under the Data Protection Act are met.

Corporate Complaints

1. To monitor and manage complaints to ensure Council and Local Government Ombudsman (LGO) timescales are adhered to.
2. To investigate complaints, ascertain the facts and assess whether maladministration exists.
3. To decide on suitable local settlements and ensure that measures are in place to improve service areas and prevent reoccurrence.
4. To manage information regarding complaints figures and escalate any identified trends accordingly.
5. To ensure the Council remains up to date with changes in the legislation.
6. To develop and disseminate corporate policies and procedures relating to complaints.
7. To provide advice to all areas of the Council.

Council tax

1. To approve or otherwise deal with applications for Council Tax Benefit under the following regulations -
 - a. *Council Tax (Administration and Enforcement) Regulations 1992*

All Local Authority powers/duties contained within regulations except those within Sections 25 and 26 (discounts).
 - b. *Council Tax (Administration and Enforcement) Regulations 1992 and Schedule 4 Local Government Finance Act 1992*
 - i. Representing the Council at all proceedings in connection with the collection of Council Tax
 - ii. All Local Authority powers/duties contained within the Regulations.
 - c. *Council Tax (Situation and Valuation of Dwellings) Regulations 1992*

All Local Authority powers/duties contained within the Regulations.
 - d. *Council Tax (Reductions for Disabilities) Regulations 1992*

All Local Authority powers/duties contained within the Regulations.
 - e. *Local Authorities (Calculation of Council Tax Base) Regulations 1992*
 - i. Regulations 3 to 5 - calculation of the amount of a billing authority's council tax base for the purposes of the calculation of its council tax.
 - ii. Regulation 6 calculation of a billing authority's council tax base for a part of its area for the purposes of the calculation of its council tax similarly to the way in which the council tax base is to be calculated for the whole of a billing authority's area under regulations 3 to 5.
 - iii. Regulation 7 the calculation of the council tax base of the area or part of the area of a billing authority for the purposes of the calculation of a major precepting authority's council tax and the amount payable by a billing

authority to a major precepting authority, based on the rules set out in regulations 3 to 6.

Revenues and benefits

1. To implement and operate the housing benefit scheme.
2. To approve or otherwise deal with applications for Council Tax Benefit.
3. Under the powers given to the Authority by section 223 of the Local Government Act 1992, all permissions for the granting, varying reviewing and revocation of discretionary relief under the Local Government finance Act 1988, the Local Government and Rating Act 1997 the Local Government Act 2003 and the localism Act 2011 (and any other relevant legislation).

Elections Consultation and Community Engagement

1. To support the Returning Officer in undertaking all functions and responsibilities for local, national, European and any other elections and referenda, in accordance with UK and European legislation and regulations.
2. To support the Electoral Registration Officer in undertaking the electoral registration functions and duties in accordance with legislation.
3. To oversee the corporate consultation process accepting, revising or declining proposals submitted and placing all approved consultations on the web.
4. To support neighbourhood forums by way of advice, venue hire, publicity and staff attendance.

Trading

To trade services within the directorate ~~with a view to profit.~~ |

Recovery of costs

Where services are provided externally to the Council, the power to recover the full cost of the provision of those services.

Work on behalf of other public bodies

Power to carry on work on behalf of other public bodies.

DIRECTOR OF ADULT SOCIAL CARE

1. Commissioning of Services

To approve expenditure on the following matters:

- a. contributions to the funds of voluntary organisations providing social care services for vulnerable adults, including grants and purchases.
- b. the provision of aids, appliances and special equipment and the adaptation of dwelling houses to assist meet the needs of vulnerable adults to live independently people with physical disability;
- c. The commissioning of care and support services for vulnerable adults and carers, either through individual packages of care ~~ef-or~~ through contractual arrangements with care providers
- d. Personal Budgets including Direct Payments to service users to meet the agreed costs of social care arranged by the service user within agreed criteria and procedures.

2. Charges for Services

To reduce or waive any charge in any particular case which the ~~head-of servicedirector~~ regards as being one of exceptional hardship.

3. The Mental Health Act, 2007 (MHA)

- a. To ensure sufficient Approved Mental Health Professionals trained to cover 24 hour rota.
- b. To issue warrants on behalf of the Council in respect of Approved Mental Health Professionals (AMHP) under the Mental Health Act 1983.
- c. To act as nearest relative under MHA if appointed to do so by County Courts.
- d. To consider for acceptance all guardianship applications made by Social Care professionals.
- e. To deal with the renewal and discharge of guardianship applications under the Mental Health Act 1983.

4. Directly Provided Services

To implement the council's policies with regard to responsibilities for provision of directly provided services, and authority to exercise discretion in applying the council's standards in cases which the ~~head-of servicedirector~~ regards as exceptional.

5. Proceedings

To institute proceedings and to appear in any legal proceedings on behalf of the council, where the ~~Director-director~~ considers such proceedings necessary, in order to safeguard the well-being of any vulnerable adult.

6. Deputyship

To prepare and submit recommendations to the Court of Protection, under the Mental Health Act 1983, for the appointment of a Deputy and to administer and comply with Orders of the Court.

7. Deprivation of Liberty

a. To authorise deprivation of liberty in accordance with Schedule A1 ~~or of~~ the Mental Capacity Act 2005.

b. To authorise applications to the Court of Protection in conjunction with the ~~Head of Service for Legal Services~~ City Solicitor for those being deprived of their liberty falling outside of Schedule A1 of the Mental Capacity Act 2005.

8.

DIRECTOR OF CHILDREN'S SERVICES

The Director of Children's Services has concurrent powers to act in respect of the delegations set out below.

1. Financial Assistance

To approve expenditure on the following matters:-

- a. contributions to the funds of voluntary organisations providing social care services for disadvantaged, deprived, or disabled adults, children and families, including initial grants to newly formed clubs and centres, annual grants and contributions towards running costs;
- b. to provide financial assistance in exceptional circumstances to support children and families in severe hardship, and to prevent children from being accommodated by the city council.
- c. direct payments to service users to cover the agreed costs of social care arranged by the service user within the Direct Payments Scheme criteria and procedures.

2. Charges for services

To reduce or waive any charge in any particular case which the ~~head of serviced~~director regards as being one of exceptional hardship.

3. Social Workers and Social Care staff

To authorise on behalf of the city council applications by social workers and social care staff for registration by the Health and Care Professions Council (HCPC).

4. Registered Homes

To take all action necessary to implement the council's policies with regard to the council's responsibilities for registered homes, and authority to exercise discretion in applying the council's standards in cases which the ~~head of serviced~~director regards as exceptional.

5. Inspection of Residential Homes Advisory Panel

To accept nominations for co-opted members of an ~~inspection~~inspection of residential homes advisory panel, to serve for a fixed term.

6. Nurseries, Child Minders and Day Care for Children

To implement and take any appropriate action in respect of nurseries, child minders and day care for children.

7. Receivership

To prepare and submit recommendations to the ~~court~~Court of ~~protection~~Protection under the Mental Health Act 1983 for the appointment of a receiver and to administer and monitor orders of the court.

8. Children's Guardians

To implement and take any appropriate action in respect of the children's guardian and reporting officers (panel) regulations.

9. Adoption

- a. To implement and take any appropriate action in respect of adoption agencies regulations.
- b. To approve the reimbursement of or a contribution towards the legal expenses of prospective adopters reasonably incurred during the course of applications to adopt children in the care of the council.

10. Protection of Children

To implement and take any appropriate action in respect of the care, supervision and protection of children.

11. Proceedings

To institute proceedings and to appear in any legal proceedings on behalf of the council where the ~~head of service~~director considers such proceedings necessary in order to safeguard the well-being of any child, young person, or adult.

12. Allowances to Foster Parents

To pay allowances in respect of children and young persons accommodated by the council in accordance with the scheme approved for the time being by the ~~executive~~Cabinet.

13. Authority to exercise the following functions of the local authority in respect of education:

- a. To ~~fix~~arrange teaching staff establishments other than those for which school governing bodies are responsible and to appoint teaching staff;
- b. To grant financial assistance to students and pupils, scales of provision of equipment for educational establishments and hospitality allowances;
- c. To agree terms for and sign licences for the use of spare classroom accommodation by playgroups;
- d. To write off and replace equipment lost owing to fire or theft up to a limit of £1,000;
- e. ~~To~~The power to dismiss an employee in ~~county~~city or controlled schools who is the subject of a determination by the governing body that he or she should no longer work at school as the case may be or fails probation
- f. In connection with the dual use of schools and other educational premises, subject to the provisions of ~~the articles of government~~statute, to let buildings and schools and grounds of schools and other educational establishments
- g. To administer school transport schemes approved by the ~~executive~~Cabinet, including the use of buses and private cars; the appointment of supervisors;

application of distance limits; arrangements for disabled children or those with Special Needs

- h. To secure the provision of a school meals service and in consultation with the ~~strategic director for corporate resources~~ Director of Finance and IS and services to fix charges;
- i. To determine, in consultation with the ~~strategic director for corporate resources and services~~ Director of Finance and IS, fees and charges payable (including granting discounts) for any course, service or activity, for which a specific fee has not been determined by the ~~executive~~ Cabinet.
- j. To conclude negotiations on and make new instruments of government required by the School Standards and Framework Act 1998.

~~14. Authority to manage, control and administer the children, families & learning directorate and the teaching and support staff, subject to standing orders, financial and staffing regulations of the city council.~~

~~15.~~ 14. The holders for the time being of the following posts or such other posts as may be designated by the Director of Children's Services be authorised for the purposes of Section 40(3)(b) of the Local Government (Miscellaneous Provisions) Act 1982 (nuisance and disturbance on educational premises) to exercise the power of removal contained in Section 40(3) in respect of the premises at which they are based:

- a. Headteacher
- b. Deputy Headteacher
- c. Adult Education Centre Manager

~~16.~~ 15. Authority to exercise the following functions of the local authority:

- a. The approval of statements of special educational needs
- b. Attendance and representation of the local authority at education tribunals
- c. The giving of directions to governing bodies to reinstate pupils following exclusions
- d. The power to give any notice, to issue any direction and to institute any legal proceedings on behalf of the council under the relevant provisions of any act, regulations or by law relating to:
 - i. compulsory attendance at school and the duty of parents to secure regular attendance at school;
 - ii. the employment of children and young persons
 - iii. the statementing of children with special educational needs;
 - iv. the power to ensure cleanliness of pupils;

DIRECTOR OF PUBLIC HEALTH

1. General

- a. The Director of Public Health (DPH) is a statutory chief officer of the Council who is accountable for the delivery of the authority's public health duties. The DPH is the principal adviser on all health matters to elected members and officers, with a leadership role spanning all three domains of public health - health improvement, health protection and healthcare public health.
- b. In general the statutory responsibilities of the DPH are designed to match exactly the corporate public health duties of the Local Authority. The DPH has delegated authority for those matters which they are required to be responsible for under the National Health Service Act 2006 (as amended by the Health and Social care Act 2012).

2. Functions

Section 73A(1) of the National Health Service Act 2006 Act, gives the Director of Public Health responsibility for:

- a. all of the Local Authority's duties to take steps to improve public health
- b. any of the Secretary of State's public health protection or health improvement functions that s/he delegates to local authorities, either by arrangement or under regulations – these include services mandated by regulations made under section 6C of the 2006 Act, inserted by section 18 of the 2012 Act, including:
 - i. appropriate access to sexual health services
 - ii. plans in place to protect the health of the population
 - iii. ensure NHS Commissioners received the public health advice they need
 - iv. The National Child Measurement Programme
 - v. The NHS Health Check Assessment
 - vi. Elements of the Healthy Child Programme
 - vii. Duty to produce an annual report on the health of the population.
 - viii. exercising their local authority's functions in planning for, and responding to, emergencies that present a risk to public health
 - ix. co-operating with the police, the probation service and the prison service to assess the risks posed by violent or sexual offenders such other public health functions as the Secretary of State specifies

3. As well as the core functions described above, the Acts and regulations give the DPH other specific responsibilities:

- a. for the local authority's public health response as a responsible authority under the Licensing Act 2003, such as making representations about licensing applications;

- b. if the local authority provides or commissions a maternity or child health clinic, then regulations made under section 73A(1) will also give the DPH responsibility for providing Healthy Start vitamins (a function conferred on local authorities by the Healthy Start and Welfare Food Regulations 2005 as amended)
 - c. To be a member of the local health and wellbeing board
4. The Director of Public Health will also:
- a. be the person who elected members and senior officers look to for leadership, expertise and advice on a range of issues, from outbreaks of disease and emergency preparedness through to improving local people's health and concerns around access to health services.
 - b. know how to improve the population's health by understanding the factors that determine health and ill health, how to change behaviour and promote both health and wellbeing in ways that reduce inequalities in health.
 - c. provide the public with expert, objective advice on health matters which promote action across the life course, working together with local authority colleagues such as the director of children's services and the director of adult social services, and with NHS colleagues.
 - d. work through local resilience fora to ensure effective and tested plans are in place for the wider health sector to protect the local population from risks to public health work with local criminal justice partners and police and crime commissioners to promote safer communities.
 - e. work with wider civil society to engage local partners in fostering improved health and wellbeing.
 - f. be an active member of the health and wellbeing board, advising on and contributing to the development of joint strategic needs assessments and joint health and wellbeing strategies, and commission appropriate services accordingly
 - g. take responsibility for the management of their authority's public health services, with professional responsibility and accountability for their effectiveness, availability and value for money
 - h. play a full part in their authority's action to meet the needs of vulnerable children, for example by linking effectively with the Local Safeguarding Children Board
 - i. contribute to and influence the work of NHS commissioners, ensuring a whole system approach across the public sector.
5. The Director of Public Health is also responsible for non-mandatory public health services which allow for commissioning and delivery at a local level:
- a. Tobacco Control
 - b. Increasing physical activity
 - c. Dental public health services
 - d. Behavioural and lifestyle campaigns to prevent cancer and long term conditions

- e. Comprehensive sexual health services
- f. Promotion of community safety, violence prevention and response
- g. Alcohol and drug misuse services
- h. Assessment and lifestyle interventions as part of the NHS Health Checks programme
- i. Accidental injury prevention
- j. Local initiatives for workplace health
- k. Local initiatives to reduce excess deaths due to seasonal mortality
- l. Local initiatives to tackle social exclusion
- m. Obesity and community nutrition
- n. Public mental health services
- o. Population level interventions to reduce birth defects
- p. Supporting, reviewing and challenging key public health funded services e.g. immunization programmes
- q. Health protection, incidents and emergencies

DIRECTOR OF INTEGRATED COMMISSIONING UNIT

- ~~1. Managing secondments of CCG staff to Portsmouth City Council.~~
- ~~2. Budgetary control inclusive of CCG monies under Section 256 of the NHS Act 2006 and the Continuing Healthcare budget.~~
- ~~3. Execution of contracts for Council service and CCG services under delegation to the Council.~~
- ~~4. Signing off Section 75 agreements with CCG responsibility for Pooled Budgets.~~
- ~~5. Management of the Solent contract for CCG.~~

DIRECTOR OF THE PORT

1. Authority to discharge the Council's policies, duties and obligations as a Statutory Harbour Authority and Competent Harbour Authority.
2. Authority to manage the Port including leadership, health and safety, quality control and assurance.
- 2.3. **Authority to negotiate and enter into commercial arrangements.**
- 3.4. To agree charges for "common user" use of Port facilities
- 4.5. Charges -
 - a. To vary charges on demurrage/parking charges at the ferry port and quay storage charges at Flathouse Quay and Camber Quays, using discretionary power with regard to the raising of accounts where special circumstances apply.
 - b. To negotiate charges for quay space, demurrage and parking in all areas of Port operational land.
- 5.6. To ensure that operations of established shipping are not unreasonably impeded by hovercraft and hydrofoil vessels under Sections 70 and 71, Hampshire Act 1983.
- 6.7. In consultation with the Director of HR, **Audit and Performance** to conclude agreements with port staff relating to payment for attendance required outside of their contractual hours of work.
- 7.8. To negotiate and agree with ferry companies slot time allocations, including variations to slot times during the year.

"Proper Officer" / Statutory appointments

The following Proper officer/Statutory appointments were re-confirmed by the city council under Minute 83/02. The authority for subsequent changes is set out as a footnote.

<u>Provision of Local Government Act 1972</u>	<u>Function</u>	<u>Officer</u>
83(1) to (4)	Witness and receipt of declarations of office.	CS
84	Receipt of declaration of resignation of office.	CS
88(2)	Convening of meeting of council to fill casual vacancy in the office of chairman.	CS
89(1)(b)	Receipt of notice of casual vacancy from 2 local government electors.	CX
96(1)	Receipt of notices of pecuniary interest.	CS
96(2)	Keeping record of disclosures of pecuniary interest under Section 94, and of notices under Section 96(1).	CS
115(2)	Receipt of money due from officers.	SDCRSDF
146(1)(a)&(b)	Declarations and certificates with regard to securities.	SDCRSDF
151	Proper administration of financial affairs.	SDCRSDF
191	Functions with respect to ordnance survey.	CS
204(3)	Receipt of application for licence under Sch 2, Licensing Act, 1964.	CX
210(6) & (7)	Charity functions of holders of offices with existing authorities transferred to Proper officer where no equivalent office exists.	CS
225(1)	Deposit of documents.	CS
229(5)	Certification of photographic copies of documents.	CS
234 (1)& (2)	Authentication of documents.	CS
238	Certification of bye-laws.	CS
248	Keeping of roll of freemen.	CS
Schedule 12 Para 4(2)(b)	Signature of summonses to council meetings.	CS
Schedule 12 Para 4(3)	Receipt of notices regarding address to which summons to meetings is to be sent.	CS
Schedule 14 Para 25(7)	Certification of resolutions under para 25 of Schedule 14.	CS
	Any reference in any local statutory provision to the Clerk of the council.	CX

<u>Provision</u>	<u>Function</u>	<u>officer</u>
<u>Proper officer Resolutions or Statutory Appointments arising from subsequent enactments</u>		
S100B(2) Local Government Act 1972 (as amended)	Designation of Reports "Not for Publication".	All officers (in respect of reports in their name)
S100B(7)	Supply of copies of documents.	CS
S100C(2)	Duty to summarise proceedings where press and public excluded.	CS
S100D(1)	Preparation of list of background papers.	All officers (re: their reports)
(NB The following 3 duties on the city council do not require "Proper officer" resolutions):		
S100G(1)	Register of elected members.	CS
S100G(2)	List of delegated powers of officers.	CS
S100G(3)	Written summary of rights to attend meetings and to inspect and copy documents.	CS
Representation of the People Act 1983) Registration officer	CX
) Returning officer	CX
) Proper officer	CX
Public Health (Control of Infectious Diseases) Act 1984		DRSDC
S114 Local Government Finance Act 1988	Unlawful expenditure	CS
S2 Local Government and Housing Act 1989	Deposit of statutory list of "politically restricted" posts with the Proper officer	DHR
S4 1989 Act	Designation as Head of the Paid Service	CX
S5 1989 Act	Designation as Monitoring officer	CS
S37 1989 Act (inserting S137A Local Government Act 1972)	Deposit of a statement or report or accounts from a voluntary body in receipt of financial assistance above the relevant minimum.	CS
Local Government (Contracts) Act 1997	Certifying Contracts under the legislation.	CS

CX = chief executive

CS = city solicitor

DHR = director of human resources

~~DRSDC~~ = director of ~~regulatory services~~ culture

~~SDCRS~~ = ~~strategic director, Corporate Resources and Services~~

DF = director of finance

Absence of Proper officer, or the non appointment of a Proper officer

- (i) Chief officers are authorised to appoint the holder(s) of a senior post(s) to exercise all the functions of their respective chief officers, in the event of absence of the relevant chief officer, including such functions as may be conferred on the chief officer by resolution as the proper officer of the city council.
- (ii) Where in any enactment or instrument whatsoever reference is made to a Proper officer of the authority and no officer has been appointed by the council to act for that purpose, then the chief executive will be deemed to be the Proper officer until a resolution is passed by the council appointing a particular officer as Proper officer of the authority for that purpose.



Title of meeting:	Governance and Audit and Standards Committee
Date of meeting:	9 March 2018
Subject:	Appointment of Independent Persons
Report by:	City Solicitor
Wards affected:	N/A
Key decision:	No
Full Council decision:	Yes

1. Purpose of report

To outline the requirements for and consider the appointment of up to four Independent Persons, pursuant to the provisions of Section 28 of the Localism Act 2011.

2. Recommendations

That Governance & Audit & Standards Committee recommend that Council appoints the following Independent Persons for three years through to May 2021:

- 2.1. Mr Bill Bailey
- 2.2. Ms Carole Damper
- 2.3. Ms Diana Turner

3. Background

- 3.1. Following consideration by Governance and Audit and Standards Committee and Council in March 2013, the Council agreed to the appointment of up to 4 Independent Persons for a period of 3 years. Following advertisement and interview, two Independent Persons were appointed. The appointments of the two Independent Persons were renewed on recommendation to Council in July 2016 for a further term.
- 3.2. In February 2018 an advertisement was made for applications to be submitted for the role of Independent Person and following interviews the above appointments are recommended by the Member Panel.

4. Reasons for recommendations

Independent Persons are required under the Arrangements for Assessment, Investigation and Determination of Complaints made against Councillors. It is

hoped that the appointment of up to four Independent Persons will assist with the complaints process.

5. Role of the Independent Person

- 5.1. The Council is required to appoint at least one Independent Person. These are persons who must have no connection with the Council.
- 5.2. They do not have decision making powers and their role is purely to advise.
- 5.3. Their functions are:-
 - 5.3.1. To be consulted by the Council before it makes a finding as to whether a member has failed to comply with the Code of Conduct or decides what action is to be taken in respect of that Member;
 - 5.3.2. To be consulted by the Council in respect of a Code of Conduct complaint at any other stage if required; and
 - 5.3.3. To be consulted by a Member or co-opted Member of the Authority against whom a complaint has been made if required.

6. Procedure for appointment

The following procedure was followed for the appointment of the independent Persons:

- 6.1. The role was advertised on the Council's website.
- 6.2. An interview panel was drawn up from a cross party group of three councillors drawn from the Governance and Audit and Standards Committee to consider short-listed applicants.
- 6.3. The successful candidates to be recommended by Governance and Audit and Standards Committee to Council for formal appointment.

7. Remuneration

At present, expenses may be claimed by the Independent Persons and it is proposed that this provision continues.

8. Equality impact assessment

This report does not require an Equality Impact Assessment as it does not propose any new or changed services, policies or strategies.

9. Legal implications

The legal implications are embodied within this report.

10. Director of Finance's comments

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

.....
Signed by:

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

This page is intentionally left blank



Title of meeting:	Governance & Audit & Standards Committee
Date of meeting:	13 March 2018
Subject:	Risk based Verification
Report by:	Director of Community & Communications
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

- 1.1 To approve Portsmouth City Council's policy relating to Risk Based Verification of Housing Benefit and Council Tax Support claims

2. Recommendations

2.2 The Governance & Audit & Standards Committee:

- (1) Approve the policy at Appendix 1
- (2) Note that DWP Circular HB/CTB S11/2011 provides guidance on the policy and requires that the policy should not be made public due to the sensitivity of its contents

3. Background

- 3.1 Risk based verification is a method of applying different levels of checks to benefit claims according to the risk associated with those claims. Local authorities adopting the method must still comply with relevant legislation while enabling them to make maximum use of intelligence to target more extensive verification activity on those claims shown to be at greater risk of fraud or error.
- 3.2 Risk based verification assigns a risk rating to each benefit claim. This determines the level of verification required. These categories are low, medium and high risk.
- 3.3 A national insurance number and identity confirmation must be made in all cases irrelevant of the risk grouping.
- 3.4 The method of risk based verification is permitted under guidance issued by the Department for Works & Pensions and whilst it is voluntary, Local Authorities must implement certain arrangements, one of which is for the policy to be approved by the

section 151 Officer and the committee responsible for risk and audit and that the policy is reviewed annually

- 3.5 The Auditors responsible for the verification of the subsidy claim will check adherence to the requirements of the policy and report any deviations or non-compliance as part of their reporting process

4. Reasons for recommendations

- 4.1 Currently 100% of Portsmouth City Council benefit customers must provide full evidence to support their housing benefit and council tax support claim. By introducing risk based verification this will streamline the verification process to ensure more time is spent on the higher risk cases and improve the efficiency of the claim process resulting in better outcomes for our customers

5. Equality impact assessment

- 5.1 A preliminary EIA was completed. The recommendations do not have a disproportionate negative impact on any of the specific protected characteristics as described in the Equality Act 2010. The main points from the EIA were:

- Our customers will not have to do anything extra or more onerous by using the risk based verification process
- This process is in line with DWP guidelines which they also use that ensures a consistent approach across agencies
- By bringing in Risk Based Verification this will streamline the verification process to ensure more time is spent on the higher risk cases

6. Legal implications

- 6.1 There are no additional legal comments to this report. Legal considerations have been taken into account in its preparation.

7. Director of Finance's comments

- 7.1 There are no additional financial implications arising from the recommendations in the report. Software provision was facilitated as part of the Channel Shift (phase 1) project.

.....
Signed by:

**Appendices: Risk Based Verification Policy - Exempt
Housing Benefit and council tax benefit circular s11/2011**

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

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

.....
Signed by:

This page is intentionally left blank

Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

1st Floor, Caxton House, Tothill Street, London SW1H 9NA

HB/CTB S11/2011

SUBSIDY CIRCULAR

WHO SHOULD READ	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff
ACTION	For information
SUBJECT	Risk-Based Verification of HB/CTB Claims Guidance

Guidance Manual

The information in this circular does not affect the content of the HB/CTB Guidance Manual.

Queries

If you

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/user-communications/hbctb-circulars/>
- have any queries about the
 - **technical content of this circular**, contact
Email: HBCTB.SUBSIDYQUERIES@DWP.GSI.GOV.UK
 - **distribution of this circular**, contact
Email: HOUSING.CORRESPONDENCEANDPQS@DWP.GSI.GOV.UK

Crown Copyright 2011

Recipients may freely reproduce this circular.

Contents

para

Risk-Based Verification of HB/CTB Claims Guidance

Introduction.....	1
Background	2
What is RBV?	5
How does RBV work?.....	8
The Requirements for LAs that adopt RBV	14
How RBV claims will be certified	18
Other considerations	19
What are the subsidy implications	20

Risk-Based Verification of HB/CTB Claims Guidance

Introduction

1. This guidance outlines the Department's policy on Risk-Based Verification (RBV) of Housing Benefit and Council Tax Benefit (HB/CTB) claims.

Background

2. RBV allows more intense verification activity to be focussed on claims more prone to fraud and error. It is practiced on aspects of claims in Jobcentre Plus (JCP) and the Pension Disability and Carers Service (PDCS). Local authorities (LAs) have long argued that they should operate a similar system. It is the intention that RBV will be applied to all Universal Credit claims.
3. Given that RBV is practised in JCP and PDCS, the majority (up to 80%) of HB/CTB claims received in an LA may have been subject to some form of RBV. Already 16 LAs operate RBV. Results from these LAs have been impressive. In each case the % of fraud and error identified has increased against local baselines taken from cells 222 and 231 of the Single Housing Benefit Extract (SHBE). In addition, in common with the experience of JCP and PDCS there have been efficiencies in areas such as postage and storage and processing times have improved.
4. We therefore wish to extend RBV on a **voluntary basis** to all LAs from April 2012.

This guidance explains the following;

- What is RBV?
- How does RBV work?
- The requirements for LAs that adopt RBV
- How RBV claims will be certified
- What are the subsidy implications?

What is RBV?

5. RBV is a method of applying different levels of checks to benefit claims according to the risk associated with those claims. LAs will still be required to comply with relevant legislation (Social Security Administration Act 1992, section 1 relating to production of National Insurance numbers to provide evidence of identity) while making maximum use of intelligence to target more extensive verification activity on those claims shown to be at greater risk of fraud or error.
6. LAs have to take into account HB Regulation 86 and Council Tax Benefit Regulation 72 when verifying claims. The former states:

“a person who makes a claim, or a person to whom housing benefit has been awarded, shall furnish such certificates, documents, information and evidence in connection with the claim or the award, or any question arising out of the claim or the award, as may reasonably be required by the relevant authority in order to determine that person’s entitlement to, or continuing entitlement to housing benefit and shall do so within one month of being required to do so or such longer period as the relevant authority may consider reasonable.”

Council Tax Benefit Regulation 72 is similar.

7. These Regulations do not impose a requirement on authorities in relation to what **specific** information and evidence they should obtain from a claimant. However, it does require an authority to have information which allows an **accurate assessment** of a claimant’s entitlement, both when a claim is first made and when the claim is reviewed. A test of reasonableness should be applied.

How does RBV work?

8. RBV assigns a risk rating to each HB/CTB claim. This determines the level of verification required. Greater activity is therefore targeted toward checking those cases deemed to be at highest risk of involving fraud and/or error.
9. The classification of risk groups will be a matter for LAs to decide. For example, claims might be divided into 3 categories:
 - **Low Risk Claims:** Only essential checks are made, such as proof of identity. Consequently these claims are processed much faster than before and with significantly reduced effort from Benefit Officers without increasing the risk of fraud or error.
 - **Medium Risk Claims:** These are verified in the same way as all claims currently, with evidence of original documents required. As now, current arrangements may differ from LA to LA and it is up to LAs to ensure that they are minimising the risk to fraud and error through the approach taken.
 - **High Risk Claims:** Enhanced stringency is applied to verification. Individual LAs apply a variety of checking methods depending on local circumstances. This could include Credit Reference Agency checks, visits, increased documentation requirements etc. Resource that has been freed up from the streamlined approach to low risk claims can be focused on these high risk claims.
10. We would expect no more than around 55% of claims to be assessed as low risk, with around 25% medium risk and 20% high risk. These figures could vary from LA to LA according to the LA’s risk profiling. An additional expectation is that there should be more fraud and error detected in high risk claims when compared with medium risk claims and a greater % in medium risk than low risk. Where this proves not to be the case the risk profile should be revisited.
11. LAs may adopt different approaches to risk profile their claimants. Typically this will include the use of IT tools in support of their policy, however, the use of clerical systems is acceptable.

12. Some IT tools use a propensity model¹ which assesses against a number of components based on millions of claim assessments to classify the claim into one of the three categories above. Any IT system² must also ensure that the risk profiles include 'blind cases' where a sample of low or medium risk cases are allocated to a higher risk group, thus requiring heightened verification. This is done in order to test and refine the software assumptions.
13. Once the category is identified, individual claims cannot be downgraded by the benefit processor to a lower risk group. They can however, exceptionally, be upgraded if the processor has reasons to think this is appropriate.

The requirements for LAs that adopt RBV

14. RBV will be voluntary. However, all LAs opting to apply RBV will be required to have in place a **RBV Policy** detailing the risk profiles, verification standards which will apply and the minimum number of claims to be checked. We consider it to be good practice for the Policy to be examined by the authority's Audit and Risk Committee or similar appropriate body if they exist. The Policy must be submitted for Members' approval and sign-off along with a covering report confirming the Section 151 Officer's (section 85 for Scotland) agreement/recommendation. The information held in the Policy, which would include the risk categories, should not be made public due to the sensitivity of its contents.
15. The Policy must allow Members, officers and external auditors to be clear about the levels of verification necessary. It must be reviewed annually but not changed in-year as this would complicate the audit process.
16. Every participating LA will need a robust baseline against which to record the impact of RBV. The source of this baseline is for the LA to determine. Some LAs carry out intensive activity (along the lines of the HB Review) to measure the stock of fraud and error in their locality. We suggest that the figures derived from cells 222 and 231 of SHBE would constitute a baseline of fraud and error currently identified by LAs.
17. Performance using RBV would need to be monitored monthly to ensure its effectiveness. Reporting, which must be part of the overall Policy, must, as a minimum, include the % of cases in each risk category and the levels of fraud and error detected in each.

How RBV claims will be certified?

18. Auditors will check during the annual certification that the subsidy claim adheres to the LA's RBV Policy which will state the necessary level of verification needed to support the correct processing of each type of HB/CTB claim. The risk category will need to be recorded against each claim. Normally the LA's benefit IT/clerical system will allow this annotation.

¹ Whilst DWP is of the opinion that the use of IT will support the success of RBV, it does not in anyway endorse any product or company

² The same safeguard must be applied to clerical systems

Other considerations

19. The sample selection for HB/CTB cases will not change i.e. 20 cases will be selected for each headline cell on the claim form. The HB COUNT guidance used by the external auditors for certification will include instructions for how to deal with both non-RBV and RBV cases if selected in the sample. For non-RBV cases, the verification requirements will remain the same i.e. LAs will be expected to provide all the documentary evidence to support the claim.

What are the subsidy implications?

20. Failure by a LA to apply verification standards to HB/CTB claims as stipulated in its RBV Policy will cause the expenditure to be treated as LA error. The auditor will identify this error and if deemed necessary extrapolate the extent and, where appropriate, issue a qualifying letter. In determining the subsidy implications, the extrapolation of this error will be based on the RBV cases where the error occurred. For this reason, it is important that RBV case information is routinely collected by ensuring that LA HB systems incorporate a flag to identify these RBV cases. If sub-populations on RBV cases can not be identified, extrapolations will have to be performed across the whole population in the particular cell in question.
21. We will now work with the respective audit bodies to incorporate this into the COUNT guidance. If you have any queries please contact Manny Ibiayo by e-mail HBCTB.SUBSIDYQUERIES@DWP.GSI.GOV.UK