



---

# NOTICE OF MEETING

---

## GOVERNANCE & AUDIT & STANDARDS COMMITTEE

FRIDAY, 8 MARCH 2019 AT 10.30 AM

THE EXECUTIVE MEETING ROOM - THIRD FLOOR, THE GUILDHALL

Telephone enquiries to 023 9283 4058

Email: [Vicki.plytas@portsmouthcc.gov.uk](mailto: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 Leo Madden (Chair)  
Councillor Simon Boshier  
Councillor John Ferrett  
Councillor Ian Lyon  
Councillor Hugh Mason  
Councillor Neill Young

### Standing Deputies

Councillor Jason Fazackarley  
Councillor David Fuller  
Councillor Benedict Swann  
Councillor Tom Wood  
Vacancy

---

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

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

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

## AGENDA

**1 Apologies for Absence**

**2 Declarations of Members' Interests**

**3 Minutes of the Meeting held on 1 February 2019 (Pages 7 - 20)**

**RECOMMENDED that the minutes of the meeting held on 1 February 2019 be confirmed and signed by the Chair as a correct record.**

**4 External Auditors 2017/18 Certification Report (Pages 21 - 30)**

External Auditor's Certification Report for information and noting.

**5 Audit Performance Status report to 22 February 2019 (Pages 31 - 50)**

The purpose of the report is to update the Governance and Audit and Standards Committee on the Internal Audit Performance for 2018/19 to 22 February 2019 against the Annual Audit Plan, highlight areas of concern and areas where assurance can be given on the internal control framework.

The 2019/20 Audit Plan has also been drafted and presented for approval and is attached as Appendix C.

**RECOMMENDED that Members**

- (1) Note the Audit Performance for 2018/19 to 22<sup>nd</sup> February 2019.**
- (2) Note the highlighted areas of control weakness from the 2018/19 Audit Plan**
- (3) Endorse the Audit Plan for 2019/20.**

**6 Treasury Management Policy (Pages 51 - 122)**

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

**RECOMMENDED**

**1a that the treasury management indicators contained in Appendix D be approved;**

**1b that the attached Treasury Management Policy Statement including the Treasury Management Strategy, and Annual Investment Strategy for 2019/20 be approved;**

**1c that the following changes compared to the previous Annual Investment Strategy be noted:**

- (i) That a new category of non-specified investments be added to permit**

**investment in pooled investment vehicles including equity funds, property funds, supply chain finance funds and multi asset funds with a limit of £50m per fund**

**(ii) That the maximum limit of an investment in a subsidiary company be increased from £20m to £30m**

**1d 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 £737m approved by the City Council on 12 February 2019;**

**(iii) reschedule debt in order to even the maturity profile or to achieve revenue savings;**

**(iv) 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.**

**1e 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)**

## **7 Health and Wellbeing Board Constitution (Pages 123 - 136)**

The purpose of the report is to seek approval for proposed changes to the constitution for the Health and Wellbeing Board (HWB). The changes are recommended to improve the effectiveness of the HWB as it fulfils its leadership role across the health and wellbeing system locally.

**RECOMMENDED that Governance and Audit and Standards Committee**

- (1) Support the changes to the constitution for the Health and Wellbeing Board set out below and**
- (2) Recommend these to Council on 19 March 2019.**

**8 Councillor Training and Development (Pages 137 - 180)**

The purpose of this information only report is to update members on the 2019 training programme for councillors.

**9 Quarterly Performance Management Update (Pages 181 - 434)**

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.

**RECOMMENDED that 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**

**10 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 item on the grounds that the appendices to the report 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 appendices are 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 Local Democracy Officer at the conclusion of the meeting for shredding.)**

<b>Item</b>	<b>Exemption Para No.*</b>
<b>11.Procurement Management Information (Exempt Appendices 4 and 5 only)</b>	<b>3</b>

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

information).

**11 Procurement Management (information) report (Pages 435 - 468)**

The purpose of this information only report is to provide 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.

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>